

COVER SHEET

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SEC Registration Number

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(Company's Full Name)

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(Business Address: No. Street City/Town/Province)

John R. Sadullo (Contact Person)

(632) 888-3000/3055 (Company Telephone Number)

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(Fiscal Year)

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(Form Type)

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Month Day
(Annual Meeting)

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(Secondary License Type, If Applicable)

MSRD

Dept. Requiring this Doc.

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Amended Articles Number/Section

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Total No. of Stockholders

Total Amount of Borrowings	
Domestic	Foreign

To be accomplished by SEC Personnel concerned

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File Number

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Document ID

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SEMIRARA MINING AND POWER CORPORATION

ADVISORY TO STOCKHOLDERS

Guidelines for Distribution¹ of Cash Dividends October 09, 2023.

Dividend Amount : **P3.50 per outstanding common share**
Record Date : **October 23, 2023**
Payment Date : **November 8, 2023**

1. **FINAL WITHHOLDING TAX RATES.** The Dividends are subject to the following final withholding tax rates prescribed under the National Internal Revenue Code (“NIRC”):

Taxpayer	Final Withholding Tax Rate
Individual citizen	Ten percent (10%)
Individual resident alien	Ten percent (10%)
Non-resident alien individual	a. Engaged in trade or business – Twenty percent (20%) b. Not engaged in trade or business – Twenty-five percent (25%)
Domestic corporation	Not subject to tax
Resident foreign corporation	Not subject to tax
Non-resident foreign corporation (“NRFC”)	a. twenty-Five percent (25%) unless entitled to a preferential tax rate based on applicable tax treaty provision ² b. If current Bureau of Internal Revenue (“BIR”) rulings or jurisprudence indicate that the tax sparing requirement under Section 28(B)(5)(b), NIRC, is complied with, i.e., that the country of residence of the NRFC allows a deemed paid tax credit of fifteen percent (15%) on taxes due from the NRFC - Fifteen percent (15%)

¹ In accordance with the provisions and requirements of BIR RMO No. 14-2021 dated March 31, 2021 [Streaming the Procedures and Documents for the Availment of Treaty Benefits]

² Maximum rate is reduced from 30% to 25% pursuant to Republic Act No. 11534 or the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act signed on March 26, 2021 and published on March 27, 2021 and became effective on April 11, 2021.

In the case of stockholders whose shares are lodged with the Philippine Depository and Trust Corporation or PDTC (formerly PCD), whether individuals or non-individuals, resident or non-resident, and whether claiming a withholding tax exemption or not, it is understood that they have authorized their respective custodians/brokers to submit to the Company a notarized list of beneficial owners in the form attached as **Schedule A**, which may contain personal information that will be used for the sole purpose and within the period of processing the cash dividend payment and determining the appropriate final withholding tax to be remitted in compliance with BIR Revenue Memorandum Circular No. 73-2014 dated September 12, 2014³, and provided further, that the Company may store the said information in whatever form until its legal purpose is served pursuant to BIR rules and procedures.

The list shall be certified true and correct by the custodian's/broker's President and Head of Settlements or authorized representative, duly notarized, and submitted to the Company on or before **November 3, 2023, 5:00 p.m.** (Manila Time). The custodian/broker shall ensure its list is consistent with the balances reflected in the PDTC alphabetical list of depository account holders and corresponding total shareholdings submitted by PDTC to the Company. Furthermore, this does not relieve the stockholders wanting to avail of the preferential tax rate/exemption from compliance with the provisions of Sections 2 to 4 below. The documents required therein shall be among the documents to be submitted by the custodian/broker to the Company. Should the custodian/broker fail to submit the required documents within the prescribed time, the Company will have to withhold and remit the taxes at the applicable withholding tax rate based on current BIR regulations.

The Company may further request documents to verify the information stated in the custodian's/broker's alphabetical list, such as copies of BIR Certificates of Registration or Form 1901/1902/1903 or 1904 (as applicable), SEC Certificates of Incorporation or Registration, passports, etc., subject to the limitations set forth above.

The Company shall not process claims for refund after remittance of the Final Withholding Taxes to BIR. For any issues related to claims for refund of the final withholding tax rate after the Company has remitted the said tax to the BIR, shareholders and/or their representatives shall file their refund request directly with the BIR. The Company may extend reasonable assistance to the shareholder's claim for refund by providing the Certificate of Final Withholding Tax Withheld at Source to support the shareholder's claim for refund. Any additional request for assistance shall be evaluated on a case-to-case basis and subject to the terms and conditions that the Company may require.

2. **FOR NON-RESIDENT FOREIGN STOCKHOLDERS (CORPORATE OR INDIVIDUAL) CLAIMING ENTITLEMENT TO A PREFERENTIAL TAX RATE ON DIVIDEND INCOME UNDER A TAX TREATY.** – Any foreign stockholder (the "Claiming Stockholder") claiming entitlement to a preferential tax rate on dividend income under a tax treaty with the Republic of the Philippines under BIR Revenue Memorandum Order No. 14-2021 ("RMO No. 14-2021"), shall be required to submit the following documents to the Company not later than **November 3, 2023, 5:00 p.m.** (Manila Time):

- a. Three (3) Originals of the following:

³ As mandated under Section 12(c) of RA 10173 and Section 21(f) of its IRR.

- a.1. BIR Form 0901-D (Application Form for Treaty Purposes -Relief from Philippine Tax on Dividends) (the “Application Form”);
- a.2. Tax Residency Certificate duly issued by the foreign tax authority of the Claiming Stockholder;
- a.3. Notarized Board Resolution or Special Power of Attorney, as applicable, confirming the authority of the individual who signed the CORTT Form on behalf of the Claiming Stockholder and authorizing Semirara Mining and Power Corporation to file the Application Form for Tax Treaty Relief with the BIR; and
- a.4. A signed and duly notarized (if issued abroad) certification on beneficial ownership indicating, among others, the number of shares held by the Claiming Stockholder in the form attached as **Schedule A** hereof

Upon submission of the documents above, the Claiming Stockholder shall be entitled to avail of the preferential tax rate. The Company reserves the right to require additional documents as required by the BIR upon filing the Application for Tax Treaty Relief.

If the Claiming Stockholder is unable to submit the documents within the time prescribed, the Company will withhold and remit the taxes at the applicable withholding tax rates as mandated under BIR Revenue Memorandum Circular No. 73-2014. The Claiming Stockholder shall then be entitled to directly file the Application Form for Tax Treaty Relief with the BIR. The Company shall issue such documents as may be required by the BIR to support the Claiming Stockholders’ Application for Tax Treaty Relief.

3. **FOR NON-RESIDENT FOREIGN CORPORATIONS CLAIMING THE TAX SPARING RATE OF 15%.** – Any foreign stockholder (the “Claiming Stockholder”) claiming entitlement to the 15% tax rate on dividend income under Section 28(B)(5)(b) of the NIRC shall be required to submit the following documents to the Company not later than **November 3, 2023**, 5:00 p.m. (Manila Time):

- a. Certified copy of a BIR ruling addressed to it confirming the application of the tax-sparing rate of 15%, and that is valid, current, and subsisting as per existing BIR regulations;

- or -

- b. Signed and duly notarized / need not be consularized/apostilled (if issued abroad) indemnity undertaking in the form attached as **Schedule 1** hereof;

-and-

- c. Signed and duly notarized / need not be consularized/apostilled (if issued abroad) certification on beneficial ownership indicating, among others, the number of shares held by the Claiming Stockholder in the form attached as **Schedule A** hereof.

Upon submission of the required document, the Claiming Stockholder shall be entitled to avail of the 15% tax-sparing rate. The Company reserves the right to require apostilled or consularized documents as may be necessary.

If the Claiming Stockholder cannot submit the required document within the prescribed time, the Company will withhold and remit the taxes at the regular 25% withholding tax rate.

4. **FOR STOCKHOLDERS CLAIMING TAX EXEMPTION.** - Any stockholder (the “Claiming Stockholder”) claiming exemption from withholding tax in respect of the Dividends in accordance with any provision of the NIRC or special law shall be required to submit the following documents to the Company not later than **November 3, 2023, 5:00 p.m.** (Manila Time):

a. Certified copy of a BIR ruling addressed to it confirming the exemption claimed, and that is valid, current, and subsisting in accordance with existing BIR issuances;

- or -

b. Signed and duly notarized / need not be consularized/apostilled (if issued abroad) indemnity undertaking in the form attached as **Schedule 2** hereof;

-and-

c. Signed and duly notarized / need not be consularized/apostilled (if issued abroad) certification on beneficial ownership indicating, among others, the number of shares held by the Claiming Stockholder in the form attached as **Schedule A** hereof.

Upon submission of the documents, the Claiming Stockholder shall be entitled to receive the Dividends without deduction for withholding tax. The Company reserves the right to require subsequently apostilled or consularized documents as may be necessary.

If the Claiming Stockholder is unable to submit the required documents within the time prescribed, the Company will withhold and remit the taxes at the applicable withholding tax rates as mandated under BIR Revenue Memorandum Circular No. 73-2014.

5. **DOMESTIC AND RESIDENT STOCKHOLDERS.** -Brokers/custodians of shares beneficially owned by citizens, resident alien individuals, domestic corporations, and resident foreign corporations shall be responsible for ensuring that said shares are reported and categorized accordingly with the PDTC so that the correct applicable tax rate is applied to the particular beneficial owner account on the dividend payment date.

6. Custodians/brokers are advised to inform their clients of the specific requirements stated in these guidelines.

You may email your queries to: Corporate Secretary and VP for Legal
Email Addresses: jrsadullo@semirarampc.com
clguerrero@semirarampc.com

Makati City, October 09, 2023

(Originally Signed)
JOHN R. SADULLO
Corporate Secretary

CERTIFICATION

I, _____, of legal age, Filipino, with office address at _____, being the [position] of [name of custodian/security services firm], a corporation duly organized and existing under the laws of _____, with office address at _____, under oath, do hereby certify that:

The following is a list of the beneficial owners of the _____ shares of SEMIRARA MINING AND POWER CORPORATION (the "Company") held by [name of custodian/security services firm], in its capacity as agent/custodian, as of October 23, 2023, the record date for the dividends declared by the Company's Board of Directors on October 9, 2023:

Beneficial Owner (Corporations/ Individuals) And corresponding BP ID no/s.	Nationality and Residence	Number of shares owned	Withholding Rate	Gross Amount of dividends
TOTAL				P _____.00

The Stockholder agrees to indemnify and hold the Company and its shareholders, directors, officers, employees, agents and assignees harmless from and against any and all claims, losses, expenses, taxes, penalties or fines incurred in relation to the filings or payments of, or failure to file or pay, any amounts to the Philippine BIR due to or on account of the dividends, on the basis of the Company's reliance upon the information found in this Schedule A.

[● name of custodian or broker] further agrees and acknowledges that it will be solely liable for, and will promptly pay when due, any taxes, fees, charges or other amounts (including interest and penalties) due to the BIR with respect to the dividends payable to its clients, as indicated in this Schedule A. For this purpose, [● name of custodian or broker] undertakes to pay to the Company, upon written notice, the amounts that the Company may be required to pay to the BIR for any shortfall in the amount of tax withheld and remitted. [● name of custodian or broker] accepts the continuity of this indemnity undertaking, which shall survive the transfer of shares.

The signatories of this instrument represent and warrant that they have the power, authority, and legal capacity to execute and perform the obligations under this instrument on behalf of [● name of custodian or broker] under the penalties of perjury.

IN WITNESS WHEREOF, this Certification has been signed this ___ day of ___ 2023 at _____.

 [Name]
 [Position]

SUBSCRIBED AND SWORN to before me, a Notary Public for and in the City of _____, Philippines, this _____, by affiant who is personally known to me and whose identity I have confirmed through his/her Passport / Driver's License No. _____, issued in _____ on _____, bearing the affiant's photograph and signature.

Notary Public

Doc. No. ____;
 Page No. ____;
 Book No. ____;
 Series of 2023.

Schedule 1
Indemnity – tax sparing

(Date)

SEMIRARA MINING AND POWER CORPORATION
2/F DMCI Plaza, 2281 Don Chino Roces Avenue Ext.
1231 Makati City, Philippines

Attention: Maria Cristina C. Gotianun
President
Re: Indemnity Undertaking

Gentlemen:

This refers to the cash dividends due from SEMIRARA MINING AND POWER CORPORATION (the “**Company**”) to _____, a corporation organized and existing under the laws of _____ and with _____ principal place of business at _____ (the “**Stockholder**”) in the amount of _____ (Php ___) pursuant to the declaration of the Board of Directors of the Company in its meeting held on October 9, 2023 (the “**Dividends**”).

The Stockholder requests the Company to apply a withholding tax rate of fifteen percent (15%) on the Dividends pursuant to Section 28(B)(5)(b) of the National Internal Revenue Code (the “**Tax Sparing Provision**”), which reduces from 30% to 15% the withholding tax on dividends received by a nonresident foreign corporation on the condition that the country of residence of the Stockholder will allow the latter a *credit* for taxes deemed to have been paid in the Philippines (but actually waived or spared) equivalent to 15%, representing the difference between the regular income tax rate of 30% and the 15% tax sparing rate.¹

In this connection, it hereby represents and warrants:

(a) That [*the country of residence of Stockholder*], in accordance with its laws now currently in force, fulfills the foregoing ‘deemed paid tax credit’ condition.

(b) That it shall comply with Revenue Memorandum Circular No. 80-91 requiring the submission by the Stockholder of documents showing the actual amount credited by the foreign government against the foreign income tax due from the Stockholder in respect of the Dividends. The documents required under

¹ Based on jurisprudence, the above ‘deemed paid tax credit’ condition is also met if the residence country of the Stockholder fully exempts the Dividends from tax in the residence country. (*Commissioner of Internal Revenue vs. Wander Philippines, Inc.*, 160 SCRA 573)

RMC 80-91 may only be provided after the payment of the Dividends and the filing of its own income tax return in its country of residence. It is only upon presentation of those documents to the Bureau of Internal Revenue (“BIR”) that its entitlement to the tax sparing rate may be determined.

The Stockholder acknowledges that the Company, as withholding agent, is made primarily responsible for the remittance of the correct amount of withholding taxes due on the Dividends. Further, penalties are imposed upon the Company under Philippine law for failure to do so. In view thereof, the Stockholder undertakes:

(a) to indemnify and hold the Company and its shareholders, directors, officers, employees, agents and assignees harmless from and against any and all claims, losses, expenses, taxes, penalties or fines incurred in relation to the filings or payments of, or failure to file or pay, any amounts to the Philippine tax authorities due to or on account of the Dividends;

(b) in the event of an assessment issued by the BIR for the Company’s failure to file or pay the correct amount of tax to the Philippine tax authorities on the basis of the Stockholder’s representations stated herein, to be solely liable for, and promptly pay when due, any taxes, fees, charges or other amounts (including interest and penalties) due to any authorities in the Philippines with respect to the Dividends. For this purpose, the Stockholder undertakes to pay to the Company whatever amounts may be required to pay for any shortfall in the amount of tax withheld and remitted. Furthermore, the Stockholder expressly authorizes the Company to pay over to the Philippine tax authorities any amounts that the Company may hold belonging to the Stockholder to settle any deficiency tax liability of the Stockholder arising from the receipt of the Dividends; and

(c) to submit to the Company proof of compliance with RMC 80-91, including copies of documents provided to the BIR in connection therewith.

The Stockholder accepts the continuity of this indemnity undertaking which shall survive a transfer of shares.

(Name and signature of Stockholder or authorized representative)

Agreed and accepted on _____, 2023 by:

SEMIRARA MINING AND POWER CORPORATION

By:

Maria Cristina C. Gotianun
President

(NOTARIAL ACKNOWLEDGMENT & CONSULARIZATION OR APOSTILLE)

Schedule 2
Indemnity – tax exemption

(Date)

SEMIRARA MINING AND POWER CORPORATION
2/F DMCI Plaza, 2281 Don Chino Roces Avenue Ext.
1231 Makati City, Philippines

Attention: Maria Cristina C. Gotianun
President

Re: Indemnity Undertaking

Gentlemen:

This refers to the cash dividends due from SEMIRARA MINING AND POWER CORPORATION (the “Company”) to _____, with principal place of business at _____ (the “**Stockholder**”), in the amount of _____ (Php___) pursuant to the declaration of the Board of Directors of the Company in its meeting held on October 9, 2023 (the “**Dividends**”).

The Stockholder hereby represents and warrants to the Company that it falls within any one (1) of the following categories of taxpayers whose income in the Philippines are exempt from tax in accordance with the provisions of the National Internal Revenue Code of 1997, as amended (the “**Tax Code**”) or any other special law or charter creating it (*please check and fill in the spaces below, as applicable*):

- An entity whose income from the Philippines is exempt from tax in accordance with Section 32 (B) (7) (a) of the Tax Code because it is:
 - The Government of: _____
 - A financing institution owned, controlled, or enjoying refinancing from the Government of: _____
 - An international or regional financial institution established by the Government of: _____

- A Philippine Government-owned or Controlled-Corporation, Agency or Instrumentality whose income in the Philippines are not subject to tax in accordance with Section 27 (C) of the Tax Code, a special law, or charter creating it.

The Stockholder further represents and warrants that its exemption from Philippine tax includes income arising from activities conducted for profit, or activities which are not in its ordinary course of business such as income from investments in domestic corporations.

The Stockholder acknowledges that the Company, as withholding agent, is made primarily responsible for the remittance of the correct amount of withholding taxes on the Dividends. Further, penalties are imposed upon the Company under Philippine law for failure to do so. In view thereof, the Stockholder hereby undertakes to:

(a) Submit proof satisfactory to the Company of its exemption from withholding tax on the Dividends, such as, but not limited to, a certification or certified true copy of a charter or special law (authenticated, if issued abroad) from the applicable government agency, and such other official documentation (certified, notarized/authenticated, as applicable) confirming its exemption from Philippine tax;

(b) Indemnify and hold the Company and its shareholders, directors, officers, employees, agents and assignees harmless from and against any and all claims, losses, expenses, taxes, penalties or fines incurred in relation to the filings or payments of, or failure to file or pay, any amounts to the Philippine tax authorities due to or on account of the Dividends; and

(c) In the event of an assessment issued by the BIR for the Company's failure to file or pay the correct amount of tax to the Philippine tax authorities on the basis of the Stockholder's representations stated herein, the Stockholder will be solely liable for, and will promptly pay when due, any taxes, fees, charges or other amounts (including interest and penalties) due to any authorities in the Philippines with respect to the Dividends. The Stockholder expressly authorizes the Company to pay over to the Philippine tax authorities any amounts that the Company may hold belonging to the Stockholder to settle any deficiency tax liability of the Stockholder arising from the receipt of the Dividends. Should the Company decide to settle all or part of the obligation with its own funds, the Stockholder undertakes to promptly reimburse the Company for costs expended in relation to the said assessment/s.

Based on the foregoing, the undersigned hereby requests the Company not to withhold taxes on the dividends to be distributed to the Stockholder. The Stockholder accepts the continuity of this indemnity undertaking which shall survive a transfer of shares.

(Name and signature of Stockholder or
authorized representative)

Agreed and accepted on _____, 2023 by:

SEMIRARA MINING AND POWER CORPORATION

By:

Maria Cristina C. Gotianun
President

(NOTARIAL ACKNOWLEDGMENT & CONSULARIZATION OR APOSTILLE)