



*Funding the Republic*

REPUBLIKA NG PILIPINAS  
KAGAWARAN NG PANANALAPI  
**KAWANIHAN NG INGATANG-YAMAN**  
(BUREAU OF THE TREASURY)  
INTRAMUROS, MAYNILA

**NOTICE OF OFFERING**

To : All Government Securities Eligible Dealers and Holders of  
4.25% Retail Treasury Bonds due April 11, 2020 ("RTB 3-08")

Date : January 24, 2020

Subject : **Issuance of Three (3)-year Fixed Rate Retail Treasury Bonds  
Due 2023 with Exchange Offer for RTB 3-08**

Please be advised that the Republic of the Philippines (the "Republic") through the Bureau of the Treasury ("BTr"), will issue Peso-denominated 3-year Fixed Rate Retail Treasury Bonds due 2023 ("RTB-23 Issuance, RTB-23 or New RTB due 2023") in a minimum aggregate nominal principal amount of Thirty Billion Pesos (PhP30,000,000,000.00).

You are invited to participate in respect of such issue subject to the provisions of this Notice of Offering, the Program Mechanics for the Issuance of Peso-Denominated Retail Treasury Bonds dated June 9, 2003 (the "Program Mechanics"), as may be amended from time to time, and the Principal Commercial Terms of the RTB-23 Issuance attached as **Schedule 1**. The Program Mechanics, a copy of which is available for inspection at the BTr, shall be deemed to be incorporated by reference in, and to form part of this Notice of Offering. The contemplated issue will be governed by the Applicable Terms as indicated in the Schedule 1 of the Notice of Offering. The mechanics for the online ordering system is indicated in **Annex A** and **A-1** ("RTB Online Facility") of the Notice of Offering.

Further to such issue, the Republic invites holders of RTB 3-08 to submit offers to exchange their RTB 3-08 holdings for New RTB due 2023 ("Exchange Offer") as contemplated in the attached Terms of the Invitation for the Exchange Offer of RTB 3-08 for the New RTB due 2023 (Schedule 2), Exchange Offer Procedures (Annex G) of the Notice of Offering, and other relevant guidelines.

Please be advised that your submission of the Accession Letter, Bid/Proposal Notice (Annex B) and Letter of Instruction (Annex G-1) signifying your agreement to participate in the issue shall constitute an agreement on your part to be bound by the Applicable Terms in relation to such issue.

Below is the timetable of activities relative to the captioned RTB-23 Issuance:

Auction Date	:	<b>January 28, 2020</b>
Start of Public Offer Period	:	<b>January 28, 2020</b>
End of Public Offer Period	:	<b>February 6, 2020</b> (or any earlier date within the Public Offer Period as determined by the BTr)
Issue Date/Settlement Date	:	<b>February 11, 2020</b>

As regards the Exchange Offer, please be guided by the following dates:

Start of Submission of Offers	:	<b>January 28, 2020</b>
End of Submission of Offers	:	<b>February 6, 2020</b> (or any earlier date within the Public Offer Period as determined by the BTr)
Issue Date/Settlement Date	:	<b>February 11, 2020</b>

The Republic, through the BTr, reserves the right to revise the foregoing timetable. You will be notified through the National Registry of Scripless Securities ("NRoSS") and other financial information service providers (e.g., Bloomberg, PDEX, etc.) of any change in the timetable of activities.

Further, a copy of the herein Notice of Offering and its annexes may be accessed through the BTr website: [www.treasury.gov.ph](http://www.treasury.gov.ph).

For the RTB-23 Issuance, interested GSEDs shall submit their bids electronically through their respective NRoSS terminals on or before 1:00 p.m. on Auction Date.

For the Exchange Offer, eligible participants shall submit all offers to exchange electronically through their respective NRoSS terminals following the procedure and timetable set in Schedule 2 and Annex G of this Notice of Offering.

Terms not defined herein have the meanings set forth in the Program Mechanics and in the applicable terms set out in Schedule 1 and Schedule 2 of this Notice of Offering, as may be necessary.





**Schedule 1****Principal Commercial Terms of the Bonds**

Issuer	REPUBLIC OF THE PHILIPPINES
Dealers	Government Securities Eligible Dealers ("GSEDs") who have submitted an Accession Letter in the form attached hereto as <b>Annex B</b> and in accordance with the Program Mechanics.
Selling Agents	Dealers who have successfully placed bids for a minimum principal amount of <b>Five Hundred Million (PhP500,000,000.00)</b>
Issue Amount	<p>Minimum of <b>Thirty Billion Pesos (PhP30,000,000,000.00)</b></p> <p>The Republic reserves the right to increase the overall size of the Issue.</p>
Auction Date	<b>January 28, 2020.</b> The Republic, through the Auction Committee, reserves the right to accept or reject any or all tenders or part of tenders and to award less than the minimum Issue Amount.
Maximum Bid on Auction Date	<p>GSEDs will be allowed to submit one (1) bid per interest rate with a maximum volume of PhP10.00 Billion. Any other subsequent bid submission at the same rate will not be accepted by the auction system.</p> <p>For avoidance of doubt, GSEDs may submit a maximum of ten (10) bids at different rates capped at PhP10.00 Billion per bid. If the GSED would want to change the volume on each bid, the GSED should withdraw its earlier submission subject to cap and cut-off time.</p>

Public Offer Period	<b>January 28 - February 6, 2020.</b> The Republic reserves the right to change/adjust the manner of accepting subscriptions during the Public Offer Period. When subscription has reached a level deemed sufficient by the BTr, the BTR-Securities Origination Division ("BTr-SOD") shall announce the termination and closure of the offer period through electronic financial information providers chosen by BTr, such as Bloomberg, PDEX, etc..
Issue Date/Settlement Date	<b>February 11, 2020</b> unless another date is announced by the Republic.
ISIN/SERIES CODE	<b>PIID0323B101</b>
Form and Denomination	The Retail Treasury Bonds ("RTBs") shall be issued in scripless form and will be sold during the public offer period in minimum denominations of PhP5,000.00 and integral multiples thereof.
Maturity Date	<b>February 11, 2023</b> , or if the Issue Date does not occur on <b>February 11, 2020</b> , the Maturity Date shall be the date that is three (3) years following the Issue Date.
Issue Price	At par (or 100%)
Redemption Price	At par (or 100%)
Interest Rate	The final Interest Rate will be determined through a Dutch auction to be participated in by GSEDs.
Interest Rate Guidance	The Interest Rate shall be based on current market levels of comparable <b>securities rounded down to the nearest one-eighth (1/8) of one percent (1%)</b> . The Interest Rate shall be stated in three (3) decimal places.
Interest Payment Date	Interest on the RTB-23, to be calculated on a 30/360-day basis, will be paid <b>quarterly</b> in arrears on the last day of each 3-month Interest Period. Each Retail Treasury Bond will cease to bear interest on the Maturity Date. If the Interest Payment Date is not a Business Day, interest will be paid on the next succeeding Business Day, without adjustment in the amount of interest to be paid.





**Retail Investors**

Those persons other than Government Owned or Controlled Corporations (GOCC) including the GSIS, the SSS, the PHIC, and the HDMF (Pag-IBIG Fund), the BSP, LGUs, other domestic or foreign government offices and instrumentalities, GSEDs, Investment Houses, and subsidiaries of GSEDs and Investment Houses performing banking and/or quasi-banking functions/activities.

Sale to GSEDs and Investment Houses and/or subsidiary corporations of GSEDs and Investment Houses performing banking and/or quasi-banking functions/activities shall not be considered as retail sales. However, the Dealer/Selling Agent may require the GSEDs and Investment Houses and/or subsidiary corporations to comply with the Retail Sales Obligation, in which event the GSEDs and Investment Houses and/or subsidiary corporations shall be required to submit the corresponding bondholders' list to the Selling Agent to be included in the Selling Agent's reportorial obligations to the Issuer.

Dealers/Selling Agents are not allowed to sell the RTBs to Government Owned and Controlled Corporations (GOCCs) and Local Government Units (LGUs) as the terms are defined under Department Order No. 141-95 during the Public Offer Period unless allowed by the BTr in a separate announcement.

Further, Dealers/Selling Agents are to sell RTBs in its original form and current structure during the Public Offer Period. Any attempt or intention to introduce variants and derivatives thereof, or to use it as underlying assets for another product, or to create a wrap around structure to repackage the same, shall constitute a material breach of the selling agency obligation under the Program Mechanics and this Notice of Offering, and shall result in the automatic termination of services as Dealer/Selling Agent, as well as forfeiture of the corresponding Selling Agency Fee (as defined below). The foregoing penalties are without prejudice to other administrative, civil and criminal actions that the Issuer may institute as warranted.



**Retail Sales Obligations (RSO)** Each Selling Agent shall be required to sell to Retail Investors (as defined above but exclusive of Individual Investors) at least **20%** in aggregate value of its subscription or award (as allocated to it by the Issuer) at any time within the Public Offer Period. For clarity, RSO sales volume is exclusive of the Individual Sales Obligations sales volume.

Failure by the Selling Agent to comply with the Retail Sales Obligation may result in the imposition by the BTr of sanctions, as it may deem appropriate and reasonable, including the possible exclusion of such Selling Agent from participating in future issues of Retail Treasury Bonds.

**Individual Investors** Refers to a natural person under Philippine law. For this purpose, trust accounts and/or private banking arrangements representing funds of natural persons or a group of natural persons, such as but not limited to employee retirement or trust funds, provident funds, cooperatives, associations and Investment Management Accounts, are considered Individual Investors. Sales to individuals coursed thru Trust and Private Banking arrangements such as retirement funds, provident funds, cooperatives and Investment Management Accounts (IMA) for individuals or families shall be certified by a Trust Officer.

**Individual Sales Obligations (ISO)** Each Selling Agent shall be required to sell to Individual Investors (as defined above) at least **10%** in aggregate value of its subscription or award at the primary auction (as allocated to it by the Issuer) at any time within the Public Offer Period. For clarity, ISO sales volume is not included in the RSO sales volume.

For purposes of computing the Individual Sales Obligation (ISO), the individual investors who purchased in the RTB Online Facility shall be considered as sales of the Selling Agent.

Failure by the Selling Agent to comply with the Individual Sales Obligation may result in the imposition by the BTr of sanctions, as it may deem appropriate and reasonable, including the possible exclusion of such Selling Agent from





participating in future issues of Retail Treasury Bonds.

**Reliance on Accuracy** In case the Selling Agent submits a falsified Sales Report/Bondholders' list, such Selling Agent shall be excluded from participating in future issuances of the Republic. This is without prejudice to the filing of appropriate administrative, civil and criminal charges and other sanctions provided for by law.

**Waiver of Confidentiality** The Issuer shall have the right to rely and consider accurate all information and documents supplied by the holder/investor through the Dealer/Selling Agent. Further, the Issuer shall be deemed to have been granted the authority to verify the truthfulness and accuracy of the information and documents supplied by a holder/investor and the Dealer/Selling Agent.

All information relative to the bondholders shall be treated with absolute confidentiality as provided for by law.

**Responsibilities of Selling Agent** Each Selling Agent is required to submit to BTr-SOD, as may be required, an electronic copy (PDF File) of Investor Undertaking (form of Investor Undertaking attached hereto as **Annex C**) duly executed by the Investors in connection with the new purchase and delivery of the Bonds. For investors purchasing through the RTB Online Facility, please refer to Annex A of the Notice of Offering.

During the Public Offer Period, each Selling Agent shall include in its daily sales report (**Annex D and D-1**) the indicative volume of RTB 23 sold and indicate the percentage of Individual Investors.

**Selling Agency Fees** Selling Agents shall be paid a Selling Agency Fee in accordance with the Schedule set out in **Annex "E"** hereof. No Selling Agent shall cede, pay, share, or compensate third-party investors or purchasers any Selling Agency Fees in exchange for the purchase of the RTB-23. Any Selling Agency Fee due to Selling Agents shall be deducted from the proceeds of their RTB-23 sales in accordance with the BTr's "Settlement Procedures for the RTB 23 Public Offering",

attached as **Annex "F"**.

Reporting and Other  
Obligations for new  
subscriptions

As per Program Mechanics and this Notice of Offering:

The BTr shall have the sole discretion of determining the amount of RTB-23 to be offered for each day of the Public Offer Period. Such daily RTB-23 volume shall be allocated by the BTr in its sole discretion.

For the First Day of the Public Offer Period

Each Selling Agent shall submit to the Issuer their orders from 2:00 p.m. – 4:00 p.m., in the format attached as **Annex D or D-1 as applicable**, to BTr-SOD through electronic mail address: [ebbona@treasury.gov.ph](mailto:ebbona@treasury.gov.ph) and [jlfarinas@treasury.gov.ph](mailto:jlfarinas@treasury.gov.ph). Subscriptions sent thru electronic mail may be confirmed at these telephone numbers: (02) 8663-2248 or (02) 8524-7026.

The BTr shall announce the accepted orders no later than 5:00 p.m.

For the subsequent Days of the Public Offer Period

Orders for the second day up to **February 5, 2020** shall be submitted to the BTr thru the same contact details above from 9:00 a.m. until 4:00 p.m. daily in the format attached as **Annex D and Annex D-1**.

The BTr shall announce daily the accepted orders of the same day no later than 5:00 p.m. daily.

The end of submission for the RTB 23 is on the last day of the Offer Period, **February 6, 2020 (4:00 p.m.)** unless another date/time is announced by the Republic. The BTr shall announce the accepted orders no later than 5:00 p.m. of the last day of the Offer Period.





Taxation	<p>Prevailing final withholding tax on coupon payment shall be for the account of the bondholders. Tax Exempt Institutions (TEIs) without a tax-exempt NRoSS Securities Account purchasing RTBs shall submit a valid BIR tax ruling.</p> <p>Documentary stamp tax (DST) on original issue shall be for the account of the Issuer.</p>
Status	<p>The RTB-23 constitute direct, unconditional, unsubordinated, and general obligations of the Republic and shall at all times rank <i>pari passu</i> and without any preference among themselves.</p>
Sinking Fund	<p>The Republic may set up and maintain a sinking fund with the BTr in order to accumulate the amounts necessary to pay the principal of the RTB-23 on the Maturity Date.</p>
Eligibility	<p>The RTB-23 qualify in the same manner as all other Treasury Notes and Bonds in respect of: (i) the liquidity floor requirement for government funds and reserves for trust duties under <i>Bangko Sentral ng Pilipinas</i> rules and regulations; (ii) insurance reserves under the Insurance Commission rules and regulations; and (iii) performance and judicial bonds.</p>
Settlement Procedures	<p>Settlement shall follow the procedures prescribed in the Settlement Procedures for Peso-Denominated RTB Public Offering (<b>Annex F</b>).</p>
NRoSS Securities Account	<p>All Selling Agents shall open and maintain a Securities Account in NRoSS for all holders of the RTB-23.</p>
Listing	<p>The RTBs shall be listed in the Philippine Dealing and Exchange Corp. (PDEX).</p>

## Schedule 2

### Terms of the Invitation for the Exchange Offer of RTB 3-08 for the New RTB due 2023

Purpose of the Exchange Offer	The purpose of the invitation is to present a reinvestment opportunity for holders of the Eligible Bond given its forthcoming maturity date (i.e., April 11, 2020). The Exchange Offer is likewise intended to manage refinancing risk in the debt portfolio of the Republic and is an integral part of its overall liability management program.
Eligible Bond	4.25% RTB due April 11, 2020 with ISIN: PIID0320D087 ("RTB 3-08")
Eligibility Criteria	<p>Holders of RTB 3-08 ("Eligible Holders") may offer to exchange such bonds for the New RTB due 2023 with ISIN PIID0323B101 ("New RTB due 2023").</p> <p>Offers must be made in accordance with the procedures set out in this Notice of Offering, this Schedule and applicable Annexes.</p>
Exchange Ratio	1.001 of the Eligible Bond accepted by the BTr for exchange for the New RTB due 2023
Form and Denomination of Exchange Offer	<p>Each Exchange Offer shall be in a minimum amount of PhP5,000.00 in multiples of PhP 0.01.</p> <p>Depending on the resulting New RTB due 2023, the Republic will issue the corresponding bond up to 2 decimal places. Should the resulting New RTB due 2023 indicate an amount with more than 2 decimal places, the Republic shall only recognize the first two decimal digits which shall not be rounded up or down.</p>
Eligible Participants	Government Securities Eligible Dealers ("GSEDs")
Procedure for Submission of Offers	<p>While the invitation for offer is open, all offers must be made in accordance with the procedure set out in the <b>Annex G Procedures of the Exchange Offer</b>.</p> <p>Eligible Holders who do not make a valid offer or whose offers are not accepted by the Republic for any reason will continue to own such Eligible Bond and the Republic will continue to pay interest and principal according to their existing schedule.</p>



Responsibility of Eligible Holders      Each Eligible Holder is required to submit a Letter of Instruction in the format attached hereto as **Annex G-1**.

Responsibility of Eligible Participants      All offers shall be submitted by the Eligible Participants through the NRoSS for acceptance by the BTr. Once submitted and after the period to modify or withdraw the offer has lapsed, the offer constitutes a firm commitment on the part of the Eligible Participant to deliver sufficient securities on Issue Date/Settlement Date. The BTr may impose penalties for any settlement failure arising from insufficient securities in designated securities account/s.

The BTr shall have the sole discretion of accepting offers submitted.

For the First Day of the Public Offer Period

Each Eligible Participant shall submit to the Issuer their offers from 2:00 p.m. – 4:00 p.m., through the NRoSS. The BTr shall announce the accepted orders no later than 5:00 p.m.

For the subsequent Days of the Public Offer Period

Offers for the second day up to **February 5, 2020** shall be submitted to the BTr thru NRoSS from 9:00 a.m. until 4:00 p.m. daily. The BTr shall announce the accepted orders no later than 5:00 p.m. daily.

The end of submission for the exchange offer is on the last day of the Offer Period, **February 6, 2020 (12:00 noon)** unless another date/time is announced by the Republic. The BTr shall announce the accepted orders no later than 1:00 p.m. of the last day of the Offer Period.

On Issue Date, Eligible Participants shall effect transfer of the exchanged RTB-23 to the proper NRoSS account of its clients.

Exchange Offer Fees

GSEDs shall be paid the sum equivalent to the 2 basis points of the aggregate principal amount of the New RTB due 2023 issued as a result of the Exchange Offer. For avoidance of doubt, any Exchange Offer Fee due to Selling Agent GSEDs shall be deducted from the proceeds of their RTB-23 sales in accordance with the "Settlement Procedures for the RTB-23 Public Offering", attached as **Annex "F"** of

Schedule 1 of this Notice of Offering,

For those non-Selling Agent GSEDs participating in the Exchange Offer, fees shall be paid separately thru a settlement bank to be designated by the BTr.

Start of Submission of Offers **January 28, 2020 (2:00 pm)** unless another date/time is announced by the Republic.

End of Submission of Offers **February 6, 2020 (12:00 noon)** unless another date/time is announced by the Republic.

Issue Date/Settlement Date **February 11, 2020** unless another date is announced by the Republic.

Withdrawals The right to withdraw or revise an exchange offer will expire at 4:00 p.m. on a daily basis except for the last day of offer period wherein withdrawals will expire at 12:00 noon.

For avoidance of doubt, exchange offer done within the day will only be allowed to be withdrawn on the same day.

Issuance of RTB-23 Issuance of the RTB-23 and payment of the accrued interest due, as applicable will occur on February 11, 2020, unless another date is announced by the Republic.

On the Settlement Date, RTB-23 will be delivered against good delivery of Eligible Bond.

Accrued Interest on Eligible Bonds accepted for exchange On Settlement Date, the accrued interest on the Eligible Bonds accepted for exchange by the Republic will be credited to the Demand Deposit Account of the settlement bank with the Bangko Sentral ng Pilipinas.

Computation for accrued interest on Eligible Bonds accepted will be based on the prevailing market convention.





**ROSALIA V. DE LEON**  
Treasurer of the Philippines

  
**ROSALIA V. DE LEON**  
Treasurer of the Philippines





**REPUBLIC OF THE PHILIPPINES  
RETAIL TREASURY BONDS TRANCHE 23  
ONLINE ORDERING FACILITY GUIDELINES**

The Bureau of the Treasury will continue to use its online ordering facility ("RTB Online Facility" or the "ordering facility") where investors can order and purchase the new subscriptions of RTB-23 through an online facility. The RTB Online Facility's primary objective is to encourage a wider participation among individual investors.

The following are the general rules applicable in the RTB Online Facility:

- a. A minimum amount of Five Thousand Pesos (Php5,000.00) and a maximum amount of Five Hundred Thousand Pesos (Php500,000.00) shall be accepted per transaction. Orders higher than the minimum amount shall be in multiples of Five Thousand Pesos (Php5,000.00).

- b. Eligibility of Client/Investor:

- Must be eighteen (18) years old and above at the time the order is made;
- Have an existing and active peso deposit account (current/savings with online access) with the GSED participating in the RTB Online Facility ("RTB Online GSED").

*Note: Only individual peso deposit account can be used for purchase using the RTB Online Facility. Accounts with Joint, "In-Trust-For" or "By" accounts shall not be accommodated in the RTB Online Facility.*

*For purposes of RTB-23, RTB Online GSED refers to Land Bank of the Philippines, Development Bank of the Philippines and First Metro Securities and Brokerage Corporation.*

- c. It is assumed that the investors of the RTB Online Facility are existing peso deposit account holders (current/savings) of the RTB Online GSED-Market Maker and has undergone the required Know-Your-Client (KYC) procedures in accordance with existing rules and regulations.
- d. The RTB Online Facility shall interface in the e-Payment System or online payment platform of the selected RTB Online GSED-Market Maker or Settlement Bank.
- e. All information must be completely filled out in the ordering facility. If fields are left blank (please refer to Annex A-1 for the rules of each field), the order will not proceed.
- f. Each investor should accept and agree with the RTB Online Terms & Conditions and the Data Privacy authorization as described in the RTB Online Facility platform.

- g. Upon clicking the "Submit" button, the investor shall be re-directed to the respective RTB Online GSED-Market Maker or Settlement Bank's e-payment portal or online payment platform which requires inputting the necessary security features.

*Note: These security features (e.g. log-in step, One-Time Password) of the payment platform may vary from each RTB Online GSED-Market Maker.*

- h. Each investor should accept and agree with the Investor's Undertaking, Authorization and Client Agreement as described in RTB Online GSED's e-payment portal or online payment platform.

- i. Orders and payments for the RTB shall only be accepted during the offer period which starts on **January 28, 2020, at 2PM until February 6, 2020, at 4 PM.**

*Note: The RTB Online Facility may not be accessible during 10PM to 12MN or may vary from each of the RTB Online GSED-Market Maker's e-payment facility.*

- j. The applicable auto-debit process on the successful purchase may vary from each of the RTB Online GSED-Market Maker (e.g. real-time or batching).

- k. The system shall notify the investor on the status of the purchase through the nominated email address of the investor.

- l. On settlement/ issue date, the RTB Online GSED-Market Maker shall create NRoSS securities account for new investors who have successfully purchased RTB via the RTB Online Facility. RTB Online GSED-Market Maker shall use the NRoSS securities account of an existing investor.

- m. On settlement/ issue date, the RTB Online GSED-Market Maker shall transfer the securities balances to investor.

- n. Helpdesk support is made available by the RTB Online GSED-Market Maker through their customer service hotline, details of which may be viewed from the BTR's website.



**FORM OF ACCESSION LETTER**  
**[COMPANY LETTERHEAD]**

**BY HAND AND BY FACSIMILE**

Fax No. [ ]

[Date]

Bureau of the Treasury  
Ayuntamiento Building  
Intramuros, Manila

For the attention of: Treasurer of the Philippines

Gentlemen:

**Republic of the Philippines (the "Republic") Retail Treasury Bonds Tranche 23**

We hereby confirm our agreement to participate as one of the Dealers in the issue of Retail Treasury Bonds (the "Issue" or "RTB 23") subject of the Notice of Offering dated January 24, 2020 issued by the Republic, through the Bureau of the Treasury, and further confirm that we have submitted a Bid/Proposal Notice electronically in response to the Notice of Offering. We acknowledge that the Issue shall be governed by and subject to the Applicable Terms (as defined in the Notice of Offering), and hereby expressly accept and agree to be bound by the Applicable Terms.

Very truly yours,  
[COMPANY]

Authorized Signatory:  
Date:



REPUBLIKA NG PILIPINAS  
KAWANIHAN NG INGATANG-YAMAN  
(BUREAU OF THE TREASURY)  
Intramuros, Manila 1002

**Annex C**  
**SSRD-RQTS-1A**

*Funding the Republic*

**INVESTOR'S UNDERTAKING**

I, investor of government securities issued by the National Government, through the Bureau of the Treasury (BTr), undertake that:

- A. I shall be bound by the provisions of a written authority or a special power of attorney, or any relevant agreements I have entered into concerning my/our government securities holdings, thereby confirming my/our authority for the BTr to carry out and execute the acts or instructions referred to in the aforesaid documents.
- B. It is understood that the Registry of Scripless Securities (RoSS) administered by the BTr is the official registry of ownership of or interest in government securities issued by the National Government under its scripless policy; that the RoSS is operated by an electronic system (i.e., the NRoSS System or its successor system) which facilitates the transfers of securities in the RoSS; and that I will abide by the rules, regulations, guidelines and procedures of BTr concerning government securities.

And further undertake as follows:

1. To create/open through a BTr-recognized sponsor a securities account with RoSS to ensure that title to scripless government securities is officially recorded in my/our name and under my/our control.
2. That as a condition for the creation/opening of my/our securities account with RoSS, I have opened a settlement bank account with \_\_\_\_\_ (as Settlement Bank) to which coupon and maturity proceeds any other payments to be made on my/our government securities holdings will be credited or debited; undertake to furnish the RoSS of said settlement bank account number as a condition for the creation/opening of my/our securities account; and give notice at least three (3) business days prior to any coupon and/or maturity payment of any change in the settlement Bank and/or settlement bank account number.
3. That no transfer of government securities shall be made or recorded in RoSS during a prescribed Closed Period in accordance with the terms and conditions of the particular government securities issued.
4. That in the case any transaction involving my/our government securities including that of RTBs, I shall consult my/our broker/agent/custodian how to properly facilitate such transaction. I shall give relevant written instruction/authority to my/our broker/agent/custodian for any transaction involving my/our holdings under its sponsorship or custodianship.
5. To receive notices and/or statements of securities account upon my/our demand from my broker/agent/custodian through electronic means. Should I need a statements of securities or other reports from the BTr, an appropriate request shall be made subject to the payment of appropriate fees pursuant to the Schedule of Fees as may be published by the BTr.



6. That I expressly agree and acknowledge that the crediting to the regular demand deposit account of my/our Settlement Bank of coupons and/or redemption value due my/our scripless government securities, shall constitute actual receipts of payment by me/us.
7. To hold the BTr, its officers, employees and agents free and harmless against all suits, actions, damages or claims arising from failure of my/our Settlement bank to credit my/our bank account for coupons and maturity values on due date.
8. That all my instructions affecting my/our scripless government securities which are transmitted to or received in good faith by the NRoSS System or any successor system operating the RoSS from myself/ourselves or my/our designated broker/ agent/custodian are covered by relevant documentation indicating my/our express consent and authority.
9. That I expressly warrant and authorize the delivery of copies of all evidence of authority granted to my/our designated broker/ agent/custodian to transact on my/our scripless government securities upon reasonable demand by the BTr.
10. That I undertake to immediately notify the BTr of any unauthorized trade of my/our scripless government securities and until receipt of such notice, transactions effected by BTr in good faith are deemed valid.
11. To render free and harmless the BTr, its officers, employees and agents for any claim or damages with respect to trade transactions carried out in good faith.
12. That while it is understood that BTr shall maintain the strict confidentiality of records in RoSS. I hereby expressly waive and authorize BTr, to the extent allowed by law, to disclose relevant information in compliance with Anti-Money Laundering laws, rules and regulations and other legal orders of competent courts.
13. To submit to the BTr the relevant special power of attorney or authorizations issued to my/our agent upon demand of the BTr.

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*Name & Signature of Investor*

Conforme:

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*Authorized Signatory*  
*Name, Designation & Signature*  
Sponsoring Broker

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*Authorized Signatory*  
*Name, Designation & Signature*  
Settlement Bank

(SELLING AGENT LETTERHEAD)  
RETAIL TREASURY BONDS TRANCHE 23  
DAILY SALES (ORDER) REPORT

Transmission No. \_\_\_\_\_

Date	Total Amount	Indicative Percentage of Amount for Individuals
	OTC: Online : _____ Total : _____	0%

\_\_\_\_\_  
AUTHORIZED OFFICER  
(Signature over printed name)



**(SELLING AGENT LETTERHEAD)**  
**RETAIL TREASURY BONDS TRANCHE 23**  
**DAILY SALES (ORDER) REPORT**  
**GOCC Orders**

<b>Date</b>	<b>Name of GOCC</b>	<b>Amount</b>
	<b>TOTAL</b>	

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**AUTHORIZED OFFICER**  
**(Signature over printed name)**

## Annex E

### REPUBLIC OF THE PHILIPPINES RETAIL TREASURY BONDS TRANCHE 23

#### RETAIL SALES STRATEGY AND SELLING AGENCY FEE SCHEDULE

The following rules shall apply in determining eligibility for, and the calculation of, Selling Agency Fees due to Selling Agents in respect of their sales of new subscriptions of Retail Treasury Bonds ("RTB-23" or "Bonds") and shall not be applied for the exchange offer.

##### A. Determination of Eligibility as Selling Agent

A Dealer who is awarded Bonds in the amount of at least PhP500 Million (or the "Qualifying Volume") in the primary auction shall qualify as Selling Agent.

##### B. Applicable Rate and Amount of Selling Agency Fees

1. Selling Agents shall be entitled to a Selling Agency Fee computed based on total sales in excess of PhP500 Million and/or on the volume of individual sales, as detailed in the Fee Schedule.

- Retail Sales Obligation (RSO): Each Dealer/Selling Agent shall be required to sell to Retail Investors, **at least 20% of total sales at the end of the offer period.**
- Individual Sales Obligation (ISO): Each Dealer/Selling Agent shall be required to sell to individual investors **at least 10% of total sales at the end of the offer period.** Sales to individuals coursed thru Trust and Private Banking arrangements such as retirement funds, provident funds, cooperatives and Investment Management Accounts (IMA) for individuals or families certified by a Trust Officer may be considered in the computation of the individual sales obligation. This will also include sales from individuals' who purchased securities using the RTB Online Facility.

2. The applicable Selling Agency Fees shall be based on the Fee Schedule below:

Fee Criteria	Fee Rate
Base Selling Fee for Total Volume in excess of Qualifying Volume (if both RSO <b>and</b> ISO are met)	1.5 basis points
Selling Fee for Retail Sales Volume	5.0 basis points
Selling Fee for Individual Sales Volume	7.5 basis points

With reference to Annex F-2, sales from the RTB Online Facility shall form part of the Individual Sales Volume of the respective Selling Agent where the investor has nominated its settlement bank and will be eligible for the Selling Agency Fee as applicable.

3. The Selling Agency Fee shall be deducted from the proceeds of the retail sales due such Selling Agent.



The BTr reserves the right to review and validate the documents submitted by each Selling Agent, for purposes of computing the final Selling Agency Fee that such Selling Agent shall be entitled to receive.

Should there be a difference in the BTr's calculation of the final Selling Agency Fee due to a particular Selling Agent and such Selling Agent's calculated amount reported in its Summary Sales Report (Annex F-2), under Selling Agency Fee, the BTr shall inform such Selling Agent, and both parties shall enter into discussions to resolve the matter under reasonable terms. If the amount of Selling Agency Fee deducted by a Selling Agent is more than the amount that such Selling Agent is entitled to receive, such Selling Agent shall refund to the BTr the excess selling fee, if any, two (2) days after its discussion with the BTr. If the amount of Selling Agency Fee deducted by a Selling Agent is less than the amount that such Selling Agent is entitled to receive, the BTr shall pay to the Selling Agent the deficit of such Selling Agency Fee, if any, two (2) days after its discussion with such Selling Agent.

### C. Sample Computation

Set out below are scenarios detailing how selling fees shall be computed.

#### **SCENARIO A: Both RSO and ISO are met**

<b>Given Data</b>		
Total Sales Volume (TS) (PHP)	A	1,000,000,000
Qualifying Volume (QV) (PHP)	B	500,000,000
Excess over QV (PHP)	C	500,000,000
Retail Sales Volume (PHP)	D	500,000,000
Individual Sales Volume (PHP)	E	300,000,000
Retail Sales Obligation (%)	D / A	50%
Individual Sales Obligation (%)	E / A	30%
Base Selling Fee for Total Volume in excess of Qualifying Volume	F	1.5 bps
Selling Fee for RS	G	5.0 bps
Selling Fee for IS	H	7.5 bps

<b>Excess over QV (PHP)</b>	<b>Fees on Excess over QV (bps)</b>	<b>Fees on Excess over QV (PHP)</b>
$A - B = C$	$F$	$C \times F = \text{Fees on Excess over QV}$
500,000,000	1.5	75,000
<b>Retail Sales Volume (PHP)</b>	<b>Selling Fee for RSV (bps)</b>	<b>Fees on RSV (PHP)</b>
$D$	$G$	$D \times G = \text{Fees on RSV}$
500,000,000	5.0	250,000
<b>Individual Sales Volume (PHP)</b>	<b>Selling Fee for ISV (bps)</b>	<b>Fees on ISV (PHP)</b>
$E$	$H$	$E \times H = \text{Fees on ISV}$
300,000,000	7.5	225,000
<b>Total Fees (PHP)</b>		<b>550,000</b>

**SCENARIO B: Either RSO or ISO is not met**

<b>Given Data</b>		
Total Sales Volume (TS) (PHP)	A	1,000,000,000
Qualifying Volume (QV) (PHP)	B	500,000,000
Excess over QV (PHP)	C	500,000,000
Retail Sales Volume (PHP)	D	150,000,000
Individual Sales Volume (PHP)	E	200,000,000
Retail Sales Obligation (%)	D / A	15%
Individual Sales Obligation (%)	E / A	20%
Base Selling Fee for Total Volume in excess of Qualifying Volume		Not applicable as RSO <b>and</b> ISO are not met
Selling Fee for RSV	F	5.0 bps
Selling Fee for ISV	G	7.5 bps

<b>Excess over QV (PHP)</b>	<b>Fees on Excess over QV (bps)</b>	<b>Fees on Excess over QV (PHP)</b>
$A - B = C$	<i>Not applicable</i>	<i>Not applicable</i>
500,000,000	-	-
<b>Retail Sales Volume (PHP)</b>	<b>Selling Fee for RSV (bps)</b>	<b>Fees on RSV (PHP)</b>
$D$	$F$	$D \times F = \text{Fees on RSV}$
150,000,000	5.0	75,000
<b>Individual Sales Volume (PHP)</b>	<b>Selling Fee for ISV (bps)</b>	<b>Fees on ISV (PHP)</b>
$E$	$G$	$E \times G = \text{Fees on ISV}$
200,000,000	7.5	150,000
<b>Total Fees (PHP)</b>		<b>225,000</b>



**SETTLEMENT PROCEDURES  
RETAIL TREASURY BONDS TRANCHE 23**

The Eligible participants shall comply with the following Settlement Procedures of the new subscriptions of RTB-23:

**A. On February 10, 2020 (1 day before settlement)**

1. Each Selling Agent, including any Dealer with successful bids at the Auction but did not qualify as a Selling Agent, shall ensure that payments for the Bonds sold or awarded (net of Selling Agency Fee) shall be received in BTr's designated account with Bangko Sentral ng Pilipinas (BSP) not later than 12 noon on Issue Date. For this purpose, each Dealer/Selling Agent shall, not later than 10:00 a.m. execute and submit to BTr-SOD an Autodebit/credit Authorization in the form of **Annex F-1** and authorize the necessary remittance instructions in a timely manner.
2. Each Selling Agent shall, not later than 10:00 a.m. submit to the BTr-SOD a Summary Sales Report substantially in the form of **Annex F-2** duly signed by two (2) authorized signatories reflecting the total sales of the new subscriptions of RTB-23 computed as the sum of the auction and public offering sales proceeds minus the fees and deductions applicable.
3. BTr-SOD shall consolidate the Autodebit/autocredit Authorizations and the Summary Sales Reports submitted by the Dealers/Selling Agents. It shall also prepare the authority letter to BSP in preparation for settlement.

**B. On February 11, 2020 (Settlement Date)**

The BTr shall instruct BSP to debit the Dealer/Selling Agent's settlement account and credit the TOP's Treasury Single Account (TSA) for the cost of the RTBs purchased.

**C. On February 14, 2020**

1. Each Selling Agent shall, not later than 5:00 p.m. on the day which is three (3) business days after the Issue Date submit the following reports to BTr-SOD:

- (i) A duly certified Bondholder List as of Issue Date indicating among others the individual names and the corresponding Bond Registry security account number of the Bondholders, if any; and/or a list of Bondholders whose holdings are in custody of an accredited third party custodian. These lists shall be submitted in printed form and in electronic form (in USB format or as may be required by BTr) and shall be substantially in the form of **Annex F-3**;
- (ii) Consolidated summary report of sales classified by investor type/geographical distribution/denomination as of Issue Date, substantially in the form of **Annex F-4**.
- (iii) Consolidated retail sales report of its respective provincial branches in the form of **Annex F-5**.



**AUTODEBIT / AUTOCREDIT AUTHORIZATION**  
(GSED/Selling Agent's Letterhead)

To Charge GSED/Selling Agent's Deposit Accounts with BSP  
In Consideration for Retail Treasury Bond Tranche 23 new subscriptions

\_\_\_\_\_ hereby authorizes the Bureau of the Treasury (BTr) and the Bangko Sentral ng Pilipinas (BSP) to debit its deposit account with the BSP and credit the Treasurer of the Philippines' Treasury Single Account (TSA) for the cost of the Retail Treasury Bonds purchased in the amount of PhP \_\_\_\_\_ net of applicable deductions.

On coupon payment and maturity, kindly credit our deposit account with the BSP.

This Autodebit/Autocredit Authorization takes effect on February 11, 2020 (Issue Date).

\_\_\_\_\_  
Authorized Officer  
(Signature over Printed Name)

**SUMMARY SALES REPORT  
RETAIL TREASURY BONDS TRANCHE 23**

\_\_\_\_\_  
Name of Selling Agent

	Amount	
Auction	PHP xx.xx	Total
<b>RTB-23 NEW SUBSCRIPTIONS</b> Public Offering Sales (OTC plus Online)	xx.xx	
<b>Total Sales of RTB-23 New Subscriptions</b>		<b>PHP xx.xx</b>
Less: Issue Management Fee (net of CWT)	PHP xx.xx	
Selling Agency Fee (net of CWT)	xx.xx	
Exchange Offer Fee* ( <i>if applicable</i> )	xx.xx	
Out-of-Pocket Expenses	xx.xx	PHP xx.xx
<b>Net Proceeds</b>		<b>PHP xx.xx</b>
<b>*Exchange Offer Volume</b>	<b>PHP xx.xx</b>	

Prepared by:

Certified Correct by:

\_\_\_\_\_  
Authorized Officer  
(Signature Over Printed Name)

\_\_\_\_\_  
Authorized Officer  
(Signature Over Printed Name)



REPUBLIC OF THE PHILIPPINES  
**RETAIL TREASURY BONDS TRANCHE 23**  
**LIST OF BONDHOLDERS**  
 As of \_\_\_\_\_, 2020

Name	NRoSS Acct. #	Contact #	Region	Total
<b>A. Excluded from the Definition of Retail Investor</b>				<b>P</b>
1. GSEDs				
2. Investment Houses and/or Subsidiary Corporation of Dealers and Investment Houses Performing Banking and/or Quasi-banking Functions/Activities				
<b>Total</b>				
<b>B. Retail Investors (Total of 1,2 and 3)</b>				<b>P</b>
1. Non-GSEDs				<b>P</b>
2. TEIs				<b>P</b>
3. Individuals				<b>P</b>
<b>Total</b>				
<b>C. Investors Under Accredited Securities Custodian*</b>				<b>P</b>
1. Custodian 1				<b>P</b>
a. Non-GSEDs				
b. TEIs				
c. Individual				
2. Custodian 2				
a. Non-GSEDs				
b. TEIs				
c. Individual (List of Investors)				
<b>Total</b>				
<b>TOTAL (A+B+C)</b>				<b>P</b>
Retail Sales Obligation (RSO)				%
Individual Retail Sales (ISO)				%

\* Certification from Custodians must be submitted to BTr-NRoSS

Note: In Excel File Format

Prepared by:

\_\_\_\_\_  
 Authorized Officer  
 (Signature Over Printed Name)

Certified Correct by:

\_\_\_\_\_  
 Authorized Officer  
 (Signature Over Printed Name)

**RETAIL TREASURY BONDS TRANCHE 23**  
**LIST OF BONDHOLDERS**  
 As of \_\_\_\_\_, 2020

	TOTAL	
	Number	Amount
<b>A. Allocation by Investor</b>		
1. Corporates		
Tax exempt institutions		
Taxable institutions		
2. Individuals		
<b>B. Geographical Distribution</b>		
National Capital Region		
Cordillera Autonomous Region		
Region I		
Region II		
Region III		
Region IV-A(CALABARZON)		
Region IV-B (MIMAROPA)		
Region V		
Region VI		
Region VII		
Region VIII		
Region IX		
Region X		
Region XI		
Region XII		
Region XIII		
Autonomous Region in Muslim Mindanao		
<b>C. Denomination</b>		
5,000 - 50,000		
55,000 - 100,000		
105,000 - 150,000		
155,000 – 200,000		
205,000 – 250,000		
255,000 – 300,000		
305,000 – 350,000		
355,000 – 400,000		
405,000 – 450,000		
455,000 – 500,000		
505,000 and up		

Prepared by:

Certified Correct by:

\_\_\_\_\_  
 Authorized Officer  
 (Signature Over Printed Name)

\_\_\_\_\_  
 Authorized Officer  
 (Signature Over Printed Name)



(Letter Head of Selling Agent)

**RETAIL TREASURY BONDS TRANCHE 23  
CONSOLIDATED RETAIL SALES REPORT OF PROVINCIAL BRANCHES**

**Name of Selling Agent** :  
**Region** :  
**Province** :

	3-Year		TOTAL
	No.	Amount	
<b>A. Allocation by Investor</b>			
1. Corporates			
Tax Exempt Institutions			
Non Tax Exempt			
2. Individuals			
<b>B. Denomination</b>			
5,000 - 50,000			
55,000 - 100,000			
105,000 - 150,000			
155,000 - 200,000			
205,000 - 250,000			
255,000 - 300,000			
305,000 - 350,000			
355,000 - 400,000			
405,000 - 450,000			
455,000 - 500,000			
505,000 and up			
<b>TOTALS</b>			

Prepared by:

Certified Correct by:

\_\_\_\_\_  
 Authorized Officer  
 (Signature Over Printed Name)

\_\_\_\_\_  
 Authorized Officer  
 (Signature Over Printed Name)

**REPUBLIC OF THE PHILIPPINES  
PROCEDURES FOR THE EXCHANGE OFFER**

The procedures for the exchange offer is being made for the exchange of the RTB 3-08 ("Eligible Bond") as set out in Schedule 2 in this Notice of Offering. Please note that the Republic has the full discretion to accept any offer in full or in part, or to reject any Offer.

If the Republic does not accept an exchange offer for any reason, the exchanging bondholder will continue to own the RTB 3-08 and the Republic will continue to pay interest and principal in accordance with existing schedule of such RTB 3-08.

**1.1. Exchanged RTBs to be Received**

The RTB 3-08 may be exchanged for the New RTB due 2023 in accordance with this Notice of Offering. In no event, however, that the offer for exchange is in excess of the total number of RTB 3-08 held on an aggregate basis.

**1.2. Required Details for the Offers**

Any person interested may submit offers, subject to the requirements set out in the Notice of Offering and Annex G-1.

Letter of Instruction must specify:

- (a) the principal amount of RTB 3-08 that the exchanging bondholder is offering to exchange; and,
- (b) the NRoSS account number where the RTB 3-08 for exchange is *lodged*, as applicable.

**1.3. Procedures for Submitting Offers**

**(a) General**

An Offer shall be deemed made only if done in accordance with the provisions below.

GSEDs may submit Offers directly to the Republic, through the NRoSS.

Only RTB 3-08 that are validly held in a securities account free from any voluntary and involuntary liens, encumbrances or garnishment in the NRoSS may be submitted for exchange in the Exchange Offer.

**(b) Procedures of the Exchange Offer**

1. For each day of the Exchange Offer Period, the GSEDs can submit a bid to exchange the RTB 3-08 thru the NRoSS system. It is the responsibility of the GSEDs to verify that their holdings are available for exchange.



2. For the bid submission (which should be similar to a submission of a Non-Competitive Bid during regular auctions of government securities) the Auction Name selected must be ["SWITCH RTB 23 (SWITCH DATE)"]. While Switch Date refers to the date that the bid for the Exchange was made, the settlement of the exchange shall coincide with the Issue Date of RTB-23. This Auction Name will be specifically created by the BTr for purposes of exchanging the RTB 3-08 with RTB-23.
3. In the lower portion of the [PARTICIPANTS], complete the Bid Amount by indicating the amount of RTB 3-08 to be exchanged.
4. Thereafter, complete the Account Type field by selecting either of the following:

ACCOUNT TYPE	DESCRIPTION
Own (can only be used by GSEDs)	To be used by GSEDs for its proprietary bids
Client (can only be by GSEDs) – if Selected, will require a Client Account Code	Client Code: "Omnibus Sponsor Code" <ul style="list-style-type: none"> <li>- To be used when the GSEDs choose to aggregate bids from any party (<i>i.e.</i>, retail or institutional)</li> <li>- If used, all aggregated bid should be taxable accounts.</li> <li>- For TEI accounts, the GSEDs shall ensure that the sponsored TEI account has been set up. They shall use the specific Client Account Code of such sponsored TEI.</li> </ul>
	Client Code: "Client Account Code" <ul style="list-style-type: none"> <li>- To be used when the GSEDs submits a bid for a specific client .</li> </ul>

5. Once the Auction Name, Bid Amount and Account Type have been specified, the GSEDs must then click "OK".
6. Bid submissions can only be modified or cancelled before Cut-Off time of each day of Exchange Offer Period. For purposes of this guideline, Cut-Off time shall be **4:00 p.m. for January 28 to February 5, 2020 and 12:00 nn for February 6, 2020.**
7. The BTr will validate whether the identified NRoSS securities accounts have sufficient balance to support the bid submitted. If there is sufficient balance in the account, the BTr will consider the bid for allocation purposes. If there is insufficient balance, BTr may either reject the entire bid or consider the available balance in the securities account for allocation.
8. After validation, the BTr shall allocate amounts to each GSED and earmark, thru the pledge module of NRoSS, such allocated amount. Securities earmarked can no longer be used or otherwise transferred by the GSED for any purpose.
9. Successful awards can be viewed and downloaded in NRoSS after **5:00P.M. of each day** during the Exchange Offer period except on the last day wherein the award will be announced **on or before 1:00 p.m.**



#### **1.4. Procedures for Settlement**

- (a) Prior to the Settlement Date of the Exchange Offer, the BTr shall ensure that the securities allocated to be exchanged will be un-earmarked thru the pledge release in NRoSS.
- (b) On Settlement Date, the BTr shall deliver the New RTB due 2023 securities against the delivery of RTB 3-08 exchanged. Securities will be delivered to the NRoSS securities account used when the bid was submitted.
- (c) Upon the delivery of securities to the NRoSS by the BTr, GSEDs shall return the New RTB due 2023 to the actual holders of the bond.
- (d) On Settlement Date, accrued interest due to the bondholder as a result of the Exchange Offer shall be remitted to the respective GSED that submitted the exchange offer. The GSED shall then credit the amount due to each bondholder to its nominated settlement account.

*Important Reminders*

EACH GSED IS RESPONSIBLE FOR ARRANGING THE TIMELY SUBMISSION OF AN OFFER TO EXCHANGE.

THE REPUBLIC WILL NOT BE RESPONSIBLE FOR ANY COMMUNICATION RELATING TO EXCHANGE OFFERS BY HOLDERS OF RTB 3-08 (AND HOLDERS OF BENEFICIAL INTERESTS IN RTB 3-08) TO THE RELEVANT GSED OR NON-GSED SPONSORS THROUGH WHICH THEY HOLD SUCH RTB 3-08. NEITHER SHALL THE REPUBLIC BE RESPONSIBLE FOR ANY COMMUNICATION RELATING TO SUBSCRIPTION OFFERS BY NEW INVESTORS TO THE RELEVANT GSED.

IF AN EXCHANGING BONDHOLDER HOLDS RTB 3-08 THROUGH A BROKER, DEALER, COMMERCIAL BANK, OR FINANCIAL INSTITUTION, SUCH EXCHANGING BONDHOLDER SHOULD CONSULT WITH THAT INSTITUTION AS TO WHETHER IT WILL CHARGE ANY SERVICE FEES. IF AN EXCHANGING BONDHOLDER IS A NON-GSED, SUCH EXCHANGING BONDHOLDER SHOULD BE AWARE THAT ISSUE MANAGERS MAY IMPOSE EARLIER DEADLINES FOR THE SUBMISSION OF LETTERS OF INSTRUCTION.

IN SUBMITTING AN EXCHANGE OFFER, AN EXCHANGING BONDHOLDER REPRESENTS TO THE REPUBLIC THAT SUCH EXCHANGING BONDHOLDER OWNS THE RTB 3-08 THAT ARE THE SUBJECT OF SUCH EXCHANGING BONDHOLDER'S EXCHANGE OFFER, THAT SUCH RTB 3-08 ARE FREE FROM ANY VOLUNTARY AND INVOLUNTARY LIEN, ENCUMBRANCE OR GARNISHMENT, AND THAT THE EXCHANGING BONDHOLDER HAS AUTHORITY TO TENDER THE RTB 3-08 UNDER THE INVITATION.

EACH OFFEROR FURTHER REPRESENTS THAT THE INFORMATION CONTAINED IN THE OFFER IS FREELY AND VOLUNTARILY DISCLOSED AND GIVEN FOR THE EVALUATION AND CONSIDERATION BY THE REPUBLIC AND ITS ADVISERS IN ACCORDANCE WITH THIS OFFERING CIRCULAR AND THE INVITATION.

### Hypothetical Bond Exchange Illustration

	<b>Settlement Date</b>		11-Feb-20
	<b>ISIN</b>		PIID0320D087
	<b>Security Name</b>		RTB 3-08
<i>a</i>	<b>Coupon</b>		4.25%
	<b>Maturity Date</b>		11-Apr-20
	<b>Coupon Frequency</b>		Quarterly
<i>b</i>	<b>Days of Accrued Interest from last coupon payment date</b>		30
<i>c</i>	<b>RTB 3-08 Repurchase Price</b>		100.10
<i>d</i>	<b>Amount for Exchange Offer</b>		Php1,000,000.00
<i>e</i>	<b>Offer Price</b>	( <i>c/e</i> )	100.00
<i>f</i>	<b>Exchange Ratio</b>		1.001
	<b>Principal Amount of 3-year RTB Offer Price</b>	( <i>d x f</i> )	Php1,001,000.00
	<b>Non-TEI Accrued Interest Computation</b>		
	Accrued Interest	( <i>a x d</i> ) x ( <i>b</i> /360 days)	3,541.67
	Less: Tax Consideration (20% W/tax)		708.33
	Net Accrued Interest		2,833.33
	<b>TEI Accrued Interest Computation</b>		
	Net Accrued Interest	( <i>a x d</i> ) x ( <i>b</i> /360 days)	3,541.67



**FORM OF LETTER OF INSTRUCTIONS FOR THE EXCHANGE OFFER  
OF RTB 3-08 FOR THE NEW RTB DUE 2023**

[Date]

TO: [GSED/BROKER]

The undersigned, being the beneficial owner of RTB 3-08 ("Eligible Bond") (, hereby instructs you to include the offers as described below:

FROM Eligible Bond (RTB 3-08)	PIID0320D087
TO RTB-23	PIID0323B101
Principal Amount (in Php)	
NRoSS Account No.	

The undersigned acknowledges that this instruction is given in connection with the invitation of the Republic of the Philippines, pursuant to the Notice of Offering dated January 24, 2020, to submit offers to exchange the Eligible Bonds for New RTB Due 2023.

The undersigned understands that its submission of this Letter of Instructions constitutes the undersigned's acceptance of the terms and conditions as described in the Notice of Offering.

The undersigned acknowledges and confirms that all the information contained herein are freely and voluntarily disclosed and given by the undersigned for consolidation to be submitted for the evaluation and consideration by the Republic and the Joint Issue Managers in accordance with the Notice of Offering - Schedule 2: Terms of the Invitation for the Exchange Offer of RTB 3-08 for the New RTB due 2023.

The undersigned (in case the submission is an Exchange Offer): (a) represents that he/it has authority to tender the Eligible Bonds under the Notice of Offering and that the Eligible Bond subject of this Letter of Instructions are free from any voluntary and involuntary liens, encumbrances or garnishment; (b) agrees that from the date hereof, except as otherwise allowed in the Notice of Offering - Schedule 2: Terms of the Invitation for the Exchange Offer of RTB 3-08 for the New RTB due 2023, the Eligible Bond subject of this Letter of Instructions shall not be sold, transferred, conveyed, encumbered or otherwise disposed of by the undersigned, and the Republic shall not record or implement any such sale, transfer, conveyance, encumbrance or disposition, until Settlement Date; and (c) authorize the GSED/Broker to cause the transfer securities, corresponding to the amount tendered for exchange, to the GSED/Broker's omnibus account until settlement date.

The undersigned agrees and confirms that once this offer is accepted by the BTr, this instruction shall be valid and binding upon the undersigned and may not be revoked or cancelled by the undersigned in full or in part,

Defined terms used but not defined herein have same the meanings given to them in the Notice of Offering.

By:

Name: [•]

Title: [•]

Address: [•]

Tel. No.: [•]

**SIGNATURE OF HOLDER ABOVE PRINTED NAME**