



Retail Treasury Bonds Tranche 25 FAQs



9 February 2021

A. How to Invest in the 25th Tranche of Retail Treasury Bonds (“RTB 25”) via ONLINE FACILITY?

A.1 Step 1: Accessing the Online Ordering Facility

Visit the Bureau of Treasury (“BTr”) website at www.treasury.gov.ph. Look for the RTB 25 Logo and click it.

You may also scan this QR Code:



Click the tick box above the “Ready to Order” button to activate the access to the Online Ordering Facility.

By checking the box above, I am aware of the risks involved in purchasing RTB 25.

READY TO ORDER
VIA ONLINE ORDERING FACILITY

DBP
LANDBANK
CHINABANK

OR

READY TO ORDER
VIA BONDS.PH

Google Play App Store

OR

READY TO ORDER
VIA OFBANK

Google Play App Store

Make sure you have an existing account with any of the following institutions: China Banking Corporation (“China Bank”), Development Bank of the Philippines (“DBP”), First Metro Securities (“FirstMetroSec”), and Land Bank of the Philippines (“LANDBANK”).

For China Bank, DBP, FirstMetroSec, and LANDBANK, only individual accounts are eligible for the online facility.

Note: And/Or accounts, In Trust For (“ITF”) accounts, For the Account Of (“FAO”), and corporate accounts are not eligible for online ordering. However, holders of these accounts may still order over-the-counter (“OTC”) from their respective selling agent banks.

Please note that your settlement account must first be enrolled in the online payment facility or electronic payment system of China Bank (“China Bank Online”), the DBP (“Electronic Payment System – EPS”), or LANDBANK (“iAccess”). It is recommended that you enroll your account immediately, prior to ordering.



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A.2 Step 2: Filling in forms via Online Ordering Facility In order to purchase RTB 25, you will need to agree to the terms by ticking the relevant boxes on the page and by answering the mandatory fields in the virtual forms on the BTr website:

1. Amount of Investment (in Philippine Pesos (“Php”))
2. Investor Name
3. Birth Date
4. Country of Placement
5. Settlement Bank (China Bank or DBP or FirstMetroSec or LANDBANK)
6. Provide the correct Captcha Challenge

Note: For all clients of each Settlement Bank, the name used will be the name enrolled in the bank.

A.3 Step 3: Payment of RTB 25 Once you have answered all necessary questions and completely filled out all the necessary fields, click “Submit”.

You will be redirected to the Selling Agent’s electronic payment system (either China Bank, DBP, FirstMetroSec, or LANDBANK), to place your order and give authority to debit your bank/trading account.

Accepted modes of payment via Online Ordering Facility: Debit account (via China Bank, DBP, FirstMetroSec, or LANDBANK account)

A.4 Step 4: Notice of Successful Payment (“NOSP”) Upon completing the payment instructions, you will be redirected to a webpage that will provide a NOSP that contains your Reference Number after fully completing the application to purchase. You may use the Reference Number as your tracking number to check the status of your placement.

For your convenience, you will also receive your NOSP via e-mail and via SMS as well for China Bank.

A.5 Step 5: Confirmation of Sale (“COS”) After a successful transaction via BTr’s Online Ordering Facility, a COS will be provided as follows:

1. For DBP and LANDBANK investors, a physical COS will be issued to the branch of account as your proof of investment thirty (30) calendar days from issue date.
2. For FirstMetroSec and China Bank investors, an e-copy of the COS will be downloadable or sent to the investor via e-mail.

Branch of account refers to the bank account used for the purchase of RTB 25 (either DBP or LANDBANK).

A.6 Online Ordering Facility **What is the Online Ordering Facility?**

The Online Facility is accessible via the BTr website: www.treasury.gov.ph.



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It is an online ordering facility that will allow clients to invest in the RTB 25 Bonds during the offer period beginning on 9 February 2021 (2:00 PM) and ending on 4 March 2021 (3:00 PM) or any earlier date as determined by the BTr (the “Public Offer Period”), without having to physically go to the bank branch.

The Online Facility enables 24/7 (except during maintenance downtime from 10PM to 2AM) access to the ordering platform from anywhere in the world as long as he/she has a Philippine peso deposit account (single individual current/savings with online access) with China Bank, DBP, FirstMetroSec, or LANDBANK.

It can be accessed as long as there is an available internet connection and an internet-capable device such as a smart phone, laptop, tablet, and desktop computer. Thus, it allows investors residing abroad to participate in any RTB issuance from their area of residence.

A.7 Online Ordering Facility Who can use the Online Ordering Facility?

Any individual who meets the following criteria may use the Online Ordering Facility platform to purchase RTB 25:

- Must be at least eighteen (18) years old at the time of ordering;
- In possession of an active Philippine Peso deposit account (current/savings with online access) from China Bank, DBP, or LANDBANK, or a trading account with FirstMetroSec;
- The deposit account should be capable of transacting in the banks’ Electronic Payment System (“EPS”), which is China Bank Online for China Bank, EPS for DBP, and iAccess for LANDBANK.

Note: An EPS is a platform that facilitates acceptance of electronic payment for online transactions. Please contact your bank to know more about their requirements, if any. For investors residing abroad, you may contact China Bank, DBP, FirstMetroSec, or LANDBANK through any of the following means:

- China Bank - Toll-free Number 1-800-1-888-5888. The following link may also be used to access their toll-free number directory: <https://chinabank.ph/give-us-a-call.aspx>
- DBP - Toll-free Number 1-800-10-327-8888
- LANDBANK - PLDT Toll-free Number 1-800-10-405-7000 or via email at customer care@mail.landbank.com.
- FirstMetroSec - Overseas Filipinos (“OFs”) may contact them via: Facebook Messenger (@firstmetrosec; Facebook name: “www.facebook.com/firstmetrosec”), or via email at: ofwdesk@firstmetrosec.com.ph.



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A.8	Online Ordering Facility		How does one access the Online Ordering Facility? Is it accessible outside the Philippines? Is it accessible during weekends/holidays? Is the Online Facility free to use?
			Investors can access the Online Ordering Facility through the BTr website (www.treasury.gov.ph) to fill out all the mandatory information. It is accessible outside the Philippines, even on weekends/holidays within the Public Offer Period. The Online Ordering Facility is free of any charges.
A.9	Documentary Requirements		Are there any documentary requirements required to use the Online Ordering Facility?
			Other than the documents required when opening a China Bank, DBP, FirstMetroSec, or LANDBANK Peso current or savings account, there are no physical documents required to be submitted. The entire documentation process shall be made online using the BTr Online Facility platform.
A.10	Purchasing via Online Ordering Facility	Online	Can I order RTB 25 online using a joint account?
			No, only individual accounts are allowed at the moment.
A.11	Purchasing via Online Ordering Facility	Online	Is there a maximum amount that can be placed using the Online Ordering Facility?
			The Online Ordering Facility can accept placements of up to Php 500,000.00 per transaction. Should an investor wish to invest more than Php 500,000.00, they may do so via multiple transactions as long as each transaction is only up to Php 500,000.00.
A.12	Purchasing via Online Ordering Facility	Online	Can I place orders more than once?
			Yes, as long as you place them within the Public Offer Period.
A.13	Purchasing via Online Ordering Facility	Online	Does the Online Ordering Facility provide status updates regarding my placement?
			Yes. The Online Ordering Facility will provide you with an NOSP which shall contain a Reference Number after completing the application to purchase. You may use the Reference Number as your tracking number to check the status of your placement. For your convenience, the Online Ordering Facility will send you the NOSP via email and via SMS as well for China Bank.
A.14	Purchasing via Online Ordering Facility	Online	What happens after I complete my transaction via Online Ordering Facility?
			After a successful transaction, your purchase order shall be transmitted to the bank/broker that you nominated (China Bank, DBP, FirstMetroSec, or LANDBANK). Your bank/broker will conduct a final checking of your placement information and debit your payment from your available funds. If all requirements are complied with, your application to purchase RTB 25 shall be



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accepted and confirmed. Otherwise, it will be rejected. For a successful transaction, you will receive an NOSP via e-mail from your bank, and via SMS as well for China Bank. You may also print the receipt of the successful transaction as your proof of purchase.

A.15 Purchasing via Online Ordering Facility What are the possible reasons for order rejection?

Usual reasons may include, but are not limited to, the following:

- Invalid account number;
- Insufficient funds in the bank account;
- The payment bank is offline;
- Incomplete or incorrect details

A.16 Proof of Payment via Online Ordering Facility What is my proof of payment?

Upon successful payment, you will receive an NOSP. The NOSP shall serve as your proof of investment in RTB 25. For your convenience, a system-generated NOSP shall be sent to your designated email address, which you indicated upon account opening. For China Bank clients, aside from the e-mail, an NOSP via SMS will also be sent.

Note: China Bank will request for the investor's email in the payment portal after logging in the China Bank Online account.

A.17 Proof of Investment via Online Ordering Facility What will serve as my proof of investment?

After a successful purchase of RTB 25 through the Online Ordering Facility, a physical COS for DBP and LANDBANK clients will be issued to the branch of account in the Philippines as your proof of investment after the issue date. It will be made available to investors within thirty (30) calendar days from the issue date.

For China Bank and FirstMetroSec clients, an e-copy of the COS will be downloadable or sent to their e-mail.

Branch of account refers to the bank account used for the purchase of the RTB 25 (DBP, FirstMetroSec, or LANDBANK).

A.18 Online Ordering Facility Can I use the Online Ordering Facility to invest in other securities issued by the BTr and private issuers?

As of now, the Online Ordering Facility caters only to RTBs and Premyo Bonds.

A.19 Online Ordering Facility Why are only China Bank, DBP, FirstMetroSec, and LANDBANK account holders able to invest via the Online Ordering Facility?



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As of this writing, only the institutions mentioned above are able to connect to the Online Ordering Facility. Currently, the BTr is in talks with other banks to connect with the Online Ordering Facility.

A.20 Online Ordering Facility Why is there an age limit (18 years old) to access the Online Ordering Facility?

Since investments in RTBs are considered contracts, the investor must not be legally incapacitated to enter into one (such as the case of minors). However, investors below the age of 18 may still invest in RTB 25 through Over-the-Counter transactions, via an In-Trust-For (“ITF”) account.

A.21 Online Ordering Facility Why are joint, FAO and ITF accounts not allowed to place orders via the Online Ordering Facility?

For now, the Online Ordering Facility can cater only to individual Peso deposit accounts (with online access) due to system limitations and “tick box” agreements (relating to regulatory requirements covering anti-money laundering, know-your-client, and data privacy) that should be executed by the owner of the account. However, the BTr and its partner banks are committed to expanding the scope of the facility to other investor types and shall be made available in the immediate future.

B. Bonds.PH Mobile App by Union Bank of the Philippines (“UnionBank”)

B.1 Bonds.PH Mobile App What is the Bonds.PH Mobile App (“App”)?

The App is a bond distribution platform operated by Union Bank of the Philippines (“UnionBank”). The App is available for free download from the App Store or Google Play Store, or via <https://bonds.ph>.

It is a fully digital platform that allows clients to create an account, cash in from any bank, debit card or electronic wallets like GCash and PayMaya. The App then allows users to invest in the RTB 25 Bonds during the Public Offer Period, without needing a bank account.

The App is available 24/7 and can be accessed via a smartphone, as long as there is an available internet connection. As such, it allows investors residing abroad to participate in any RTB issuance from their area of residence.

B.2 Eligible Users Who can use the App?

Any individual who is above 18 years old, who may or may not have a bank account, can use the App to buy RTB 25. The user does not need to have a bank account with UnionBank or with any other bank.

B.3 How to Start How do I start using the App?

1. Download the Bonds.PH app on the App Store (for iOS devices) or Google Play Store (for Android devices).
2. Open the app and create an account.



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3. Verify your email address and mobile number.
 4. Log in and verify your account by submitting the required document and information.
 5. Once your account is verified, cash in to add funds to your account.
 6. Buy your preferred RTBs when they are offered.

B.4 App Access

How does one access the App? Is it accessible outside the Philippines? Is it accessible during weekends/holidays? Is the App free to use?

The App will be available for download globally, can be accessed outside the Philippines 24/7, and can be used by OFWs. There is no charge for downloading the App but cash in / cash out fees may apply, depending on the method used.

B.5 Documentary Requirements for the App

Are there any documentary requirements required to use the App?

Users will need one (1) primary ID. Acceptable primary IDs are as follows:

- Passport – if the client is a non-resident foreigner or dual citizen, Passport is the mandatory ID
- Professional Regulation Commission ID
- National Bureau of Investigation Clearance
- Government Service Insurance System (“GSIS”) e-card/GSIS ID (membership ID)
- Social Security System ID/Unified Multipurpose ID
- Driver’s License
- Senior Citizen Card (digitized)
- ID issued by the National Council on Disability Affairs (digitized)
- PhilHealth Insurance Card ng Bayan (digitized)
- Overseas Workers Welfare Administration ID
- Overseas Filipino Workers ID
- Postal ID (digitized)
- Voter’s ID (digitized)
- Tax Identification Number ID (digitized)
- Private company ID of companies regulated by the Securities and Exchange Commission, the Bangko Sentral ng Pilipinas or the Insurance Commission for companies enrolled in UnionBank’s corporate payroll program.
- Integrated Bar of the Philippines ID

B.6 Joint Accounts

Does the App support joint accounts?

No, only individual accounts are allowed at the moment.

B.7 Minimum and Maximum Amounts

What are the minimum and maximum amounts of RTBs that I can subscribe to on the App?

You can place a minimum subscription of PHP 5,000.00 and increments of PHP 5,000 thereafter.



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The App can accept placements of up to Php 500,000.00 per transaction. Should an investor wish to investment more than Php 500,000.00, they may do so via multiple transactions as long as each transaction is only up to Php 500,000.00.

Note that other limits may apply to the cash-in channel used, e.g. electronic wallets can only hold up to Php 100,000.00.

B.8 Multiple Orders

Can I place orders more than once?

Yes, as long as you have enough cash balance on the App, and as long as you place them within the Public Offer Period.

B.9 Status Updates

Does the App provide status updates regarding my placement?

Yes. The App will display on the App dashboard the status of any orders you place. The App will also send email notifications each time you place an order, and once more when that order is confirmed. The App will also record all prior transactions in its 'Transaction History.'

B.10 Order Placement and Transaction Completion

What happens when I place an order? What happens after I complete my transaction via the App?

At the point of ordering, cash will be debited from the User's cash balance on the App to fund the User's order. The subscription would have an "Awaiting Settlement" status upon initial placement of the order. All orders are considered final upon placement and can no longer be cancelled.

Once the order of RTB 25 is allocated and settled, UnionBank will send a Confirmation of Sale (COS) to the user.

B.11 Order Rejection

Can my order be rejected?

Before allowing the user to place an order, the App will ensure that sufficient cash has been placed into the App, and that the user has successfully completed all KYC verification and onboarding requirements.

Purchase orders through the App will also be subject to allocation from the BTr.

B.12 KYC Verification

How long will KYC verification take?

KYC verification can take up to 48 hours from the submission of complete and accurate information and documents.

B.13 Cashing in to the App

How do I cash in to the App?



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The user may cash in to the App using a variety of payment options: bank transfers via online/internet banking, electronic wallets like GCash or PayMaya, and select offline channels.

B.14 Proof of Investment via the App What will serve as my proof of investment?

For Bonds.PH users, an e-copy of the Confirmation of Sale (COS) will be sent to their e-mail. This will also contain the NROSS account number of the client for his reference.

B.15 Selling via Bonds.PH Mobile App Can I use the App to sell the RTB 25?

Yes. If a user wishes to sell his/her investment purchased from the App, he/she will need to make a sell order in the App based on indicative quotes which are also available in the App. The user will then be asked to confirm acceptance of the sell order at the indicative price. Once the user confirms the order with the broker fees and other required fees for secondary market trading, UnionBank will execute the sale of the RTB 25 at the indicative price or better.

Upon UnionBank's settlement of the sale transaction, usually on the next business day, the sale proceeds will be made available to the user's cash balance on the App by the next business day.

Once available in the App's cash balance, the user may use a variety of payment channels to cash out.

B.16 UnionBank Why is UnionBank the only bank supported by the Bonds.PH App?

UnionBank is the only operator of the Bonds.PH App for the RTB 25. The BTr is looking forward to making more digital channels available in the next RTB and/or Premyo Bond issuance.

B.17 Settlement Account Is a UnionBank Current or Savings Account ("CASA") required to be opened to invest in RTBs via the App?

No, a UnionBank CASA is not required to be opened to invest in RTBs via the App. However, users are required to have a settlement account in the App itself. Cashing in can be done using any of the methods described in Section B.13 (Cashing in to the App).

UnionBank will be the Settlement Bank for purposes of setting up NRoSS accounts for all investments done via the App.

B.18 Cashing Out of the App How do I withdraw my interest income or my principal balance after maturity or upon sale?

The user may cash out of the App using a variety of payment options: InstaPay or PesoNet to any bank account with any bank, electronic wallets, or other cash outlets enabled by the App.



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B.19 Offer Period Cut-off What are the relevant offer period cut-off guidelines?
Guidelines

We highly encourage you to complete your verification and registration as early as possible to ensure your RTB 25 orders will be processed on time. Please be informed of the following schedule guidelines:

1. Bonds.PH User Registration and Verification Cut Off
 - February 25^a (12NN) - for users who will cash in via manual and non-real time channels. Users who miss this deadline can register but will need to cash in via Real-Time Channels such as UnionBank Bills Payment, PayMaya, GCash.
 - March 2^b (12NN) - for users who will cash in via Real Time Channels - Only those applications submitted by then shall be processed for KYC verification.
2. Cash in Cut Offs
 - March 1^c (12NN) - Non-real time channels and manual cash in options such as non-UnionBank fund transfers and branch banking
 - March 4^d (12NN) - Real-Time Channels
3. Bond Subscription Cut Off
 - March 4^d (2PM)
 - Only orders received by this cut off shall be included in the orders submitted to the BTR on the last day.

^aShould the BTR close the Public Offer Period earlier than March 4, cutoff dates will be accordingly adjusted to 5 business days prior.

^bShould the BTR close the Public Offer Period earlier than March 4, cutoff dates will be accordingly adjusted to 2 business days prior.

^cShould the BTR close the Public Offer Period earlier than March 4, cutoff dates will be accordingly adjusted to 3 business days prior.

^dShould the BTR close the Public Offer Period earlier than March 4, this cutoff date will be adjusted to this date

C. How to Invest via Overseas Filipino Bank Mobile Banking Application (“OFB MBA”)

C.1 OFB MBA

What is OFB MBA?

The OFB MBA is a free *application* that provides Overseas Filipinos, OFWs and their beneficiaries with convenient access to the Bank’s wide array of services through smartphones anytime, anywhere. The MBA facilitates a straight-through account opening of an ATM Savings through the Digital On-Boarding System with Artificial Intelligence. It employs image recognition technology where the client is required to take a “selfie” which will be matched with the photo in the valid identification (“ID”) card uploaded by the client.



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At present Landbank (Parent Bank) and OFBank have more than 100 billers/merchants in its online banking (iAccess), more than 88 in the MBA and more 500 in its Link.Biz Portal. These billers are not limited only to utility companies but includes credit card companies, educational institutions, cooperatives, corporations and enterprises, government offices/agencies, among others.

OFBank's focus is to provide a reliable and convenient deposit products and services using secure banking solutions responsive to the needs of its mandated clients. With the Bank's digital on-boarding system OFs/OFWs can already open an account wherever they are in the world.

C.2	Bank Account	Do I need a bank account to serve as my settlement account?
		Yes, you need to have an account with OFBank. You can open an account via the OFBank Mobile App which can be downloaded from Google Play Store or Apple App Store.
C.4	Individual Account	Who can invest using OFB MBA?
		Only individual accounts can be used to invest. The investor must be at least eighteen (18) years old and legally allowed invest at the time of ordering. They must also have an account with OFBank.
C.5	Joint Account	Can we invest via a joint account?
		No. Joint accounts such as "And", "Or", "And/Or", in-trust-for ("ITF") accounts are not allowed as of the moment.
C.6	Funding	How do I fund my OFB MBA Account?
		The user may cash in to the App using a variety of payment options: Deposit/Credit to Account by: <ul style="list-style-type: none">• Remittance transactions thru banks or Remittance Agent Partners• Transfer funds via Visa Direct Facility• Transfer Funds using the InstaPay Facility• Over-the-Counter Deposit at LBP branches• Cash Deposit thru LBP Cash Deposit Machines• Transfer funds from another OFBank Account or LANDBANK Account
C.7	Account Opening	How do I open an OFB MBA account?
		<ol style="list-style-type: none">1. Download the OFB MBA and create an account.2. Verify your e-mail address and mobile number.3. Log in and verify your account by submitting the required document and information.4. Once your account is verified, you can start funding your account.



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C.8	Documentary Requirements	Are there documents or IDs that need to be submitted? Users will need one (1) valid ID, such as, but not limited, to the following: <u>For Overseas Filipinos and Overseas Filipino Workers</u> <ul style="list-style-type: none">• Passport• Unified Multipurpose ID (“UMID”)• PRC ID <u>For Beneficiaries</u> <ul style="list-style-type: none">• Company ID• Driver’s License• GSIS• OFW ID• OWWA ID• Passport• Postal ID• PRC ID• School ID• Senior Citizen ID• SSS• UMID• Voter’s ID• or any other ID validly issued and accepted in the Philippines
C.9	Lead Time	How long will it take to open an OFB MBA account? Account opening will only take 5-10 minutes depending on the internet connection speed. Within 24 hours from opening, bills pay including investing in RTB and fund transfer will be activated provided all information and uploaded documents are in order.
C.10	Investment Amount	Is there a minimum and maximum investment amount? The minimum investment amount is Php 5,000 and in increments of Php 5,000 thereafter. The maximum investment amount per transaction is Php 500,000. Should you wish to place more than Php 500,000, you may do so via multiple transactions within the same day or on any day within the offer period.
C.11	Offer Period	When can I order? You can order from 2:00 p.m. of 9 February 2021 up to 4:00 p.m. on 4 March 2021, or at an earlier date as may be announced by the Republic. The App is available 24/7 but will only accept RTB investment/purchase within the offer period, with respect to the above.
C.12	Order	What happens after I place an order?



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Once the client received notice that transaction is successful, account with OFBank is debited corresponding to the amount of placement.

The Confirmation of Sale (“COS”) will be sent by OFBank to the client’s e-mail address provided by the client upon online account opening. The COS will serve as your proof of investment.

C.13 Status Updates

Do I get status updates via the App?

Yes. The App will display on the Acknowledgment screen the status of the successful transaction. The App will also send an e-mail that the transaction has been confirmed. The App will also record all prior transactions in its Transaction History.

C.14 Rejected Orders

Can my orders be rejected?

Yes. There are two (2) common reasons why orders may be rejected:

- The account has insufficient funds
- BTr has not granted you an allocation

C.15 Withdrawal of Funds

How do I withdraw funds from OFB MBA?

The investor may cash out from OFB MBA using a variety of payment options such as (i) InstaPay to any bank account from any bank, (ii) electronic wallets, or (iii) other cash outlets, with which OFB MBA is currently integrated.

C.16 LANDBANK

Why is the OFBank MBA being utilized in the sale and distribution of RTBs in behalf of the LANDBANK?

OFBank is a wholly owned subsidiary of LANDBANK. Its role is to allow the use of its MBA in the placement of orders to purchase the RTBs and the payment of said orders. LANDBANK is the GSED that shall act as the broker should the investors decide to invest in RTBs using the OFB’s MBA.

D. Issuer-Related Questions

D.1 ROP Debt Obligation

Has the Philippines previously defaulted on repayment of its debt obligation?

The Philippines has no record of default in any of its debt obligations.

D.2 Economy

In light of the COVID-19 pandemic and economic slowdown, what is the confidence level that the government will be able to service its debt?

The credit rating of the National Government (“NG”) is investment grade as affirmed by the three major credit rating agencies. This means there is a high level of confidence in Philippine credit. This further translates to the NG having



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the ability to access funds from both the domestic and international markets at competitive rates and reasonable terms.

D.3 Economy

What are the factors we should watch out for that will affect the movement of interest rates?

The interest rate level is affected by, among others, movements in the price level or inflation rate, fiscal and monetary stance of the government, liquidity in the financial system, demand and supply for Philippine debt, and events in the global markets. Other factors that could influence the interest rates include the maturity period of the financial instrument under consideration and the perception of risks associated with the said instrument.

E. Issue-Related Questions

E.1 General Information

What are Retail Treasury Bonds (“RTBs”)?

RTBs are medium- to long-term debt securities issued by the Republic of the Philippines (“ROP” or “the Republic”) through the Bureau of the Treasury (“BTr”). The RTBs are part of the government’s savings mobilization program designed to make government securities available to retail investors; hence, the name Retail Treasury Bonds. RTBs are fixed-income securities that pay a fixed interest rate per annum over a specified period of time with a promise to return the principal at the end of the term.

E.2 Use of Proceeds

Where do the proceeds of the RTBs go?

The proceeds will be allocated to the country’s emergency, recovery, and resiliency funds. The funds will finance expenditures focused on:

1. Supporting sectors most affected by the COVID-19 pandemic (i.e., the unemployed, MSMEs, and the country’s healthcare system)
2. Construction of Infrastructure projects
3. Refinancing of existing debt
4. Other key national expenditures, focused more on the country’s efforts against the pandemic.

E.3 Anti-Money Laundering Act (AMLA)

Are investments in RTBs subject to the Anti-Money Laundering Act (“AMLA”)?

Yes. Selling agents will require their investor to fill in a customer information sheet in compliance with the Know Your Customer (“KYC”) provision of the AMLA. With the App, a user will be required to complete the account verification first to comply with the KYC requirement of AMLA before he/she can start buying RTBs.

E.4 Investment Safety

Are RTBs safe investments?

Investing in RTBs is considered safe and low-risk because they are a direct obligation of the Philippine government. However, they are still affected by



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risk and opportunity cost. Thus, it is highly recommended that you understand it first and all the risks involved before investing in RTBs.

E.5 Cost Considerations What are the cost considerations for the investor when investing in RTBs? Broker intermediation fee? Custodianship fee?

Upon placement on Primary Offer of RTBs: None. The investor will just have to pay the principal amount and no other fees should be charged to him/her.

With regards to the placement of RTBs subject to the Exchange Offer: None. The investor is just required to sign a Letter of Instruction signifying his/her intent to exchange his/her current holdings of the Eligible Bonds (as defined in Section D.1) for RTB Tranche 25 (to be issued in March 2021). (For more discussion on the Exchange Offer, please see part D). After the primary offer phase however, the following fees are payable:

1. Maintenance fee of [0.005%/4] every coupon payment;
2. Broker's commission (if the investor decides to sell before maturity; and
3. Mapping fee (Selling Agents charge commission amounting to [1/10 of 1%], inclusive of transaction fees of PDEX).

Please confirm with your respective Selling Agents for any other applicable fees related to the RTB placement.

E.6 Coupon Rate How was the final coupon rate for RTBs determined?

The pricing of the RTBs is done via a competitive auction participated in by all Government Securities Eligible Dealers ("GSEDs").

E.7 Investment Is my principal investment guaranteed even if I sell before maturity?

Depending on the prevailing market rates at the time of the sell down, there is a possibility that the resulting net proceeds may be higher or lower than the principal investment.

E.8 RTBs as Collateral Are RTBs eligible as collateral for loans?

Yes, RTBs may be considered as acceptable collateral for loans.

E.9 Closure of Bank What happens to the RTBs if the bank wherein the purchase was made closes down?

The RTBs are obligations of the NG and will therefore be unaffected by the entity that acted as a Selling Agent. The investor will just need to nominate a new settlement account in another bank to ensure that the RTB's interest and principal payments will continue to be paid to him/her.

E.10 Rationale for RTBs Why is the BTR issuing an RTB this year with a 3-year tenor?



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The BTr is issuing a 3-year RTB to provide the investing public a means to invest in a medium-term security that is a direct liability of the NG at an affordable investment amount (minimum of Php 5,000.00). It is also a means for the NG to raise funds for its continuing efforts against the pandemic and the anticipated rehabilitation and growth to follow. This tranche of RTBs will be focused on the much-needed support of the country's healthcare system, the unemployed, MSMEs, and infrastructure projects.

E.11 RTB Terms

Are the terms of this RTB the same as those of the RTBs issued last August?

The terms and conditions of this RTB are generally consistent with the terms of the RTBs issued last August, except for the difference in the tenor and interest rate. Similar to RTB 24, RTB 25 allows current investors of the Eligible Bonds (as defined in Section F.1) to participate in the Exchange Offer. *(Please refer to Section F below for more information)*

E.12 RTB Terms

Are RTBs government guaranteed?

No, since the issuer is the NG itself. However, the RTBs are direct and unconditional obligations of the NG, which rank in equal footing with all other obligations of the Country.

E.13 RTB Terms

Can I buy Php 100,000.00 worth of RTBs, but in multiples of Php 20,000.00 all in the same name?

Yes, you can, but for convenience, we recommend that you invest under a single amount (in this case, Php 100,000.00) since the RTBs may be sold partially in the secondary market. Breaking your investments in multiple placements will require you to accomplish several sets of documents which will take additional time and effort.

E.14 RTB versus Other Issuances

Why are corporate bond issuances priced at higher interest rates?

Generally, the higher the risk, the higher the return. Corporations, both public and private, need to pay a higher interest rate due to the added credit and default risk. Sovereign issues, denominated in its home currency such as the RTB, are generally considered default risk-free as the government has the taxing power that will allow it to generate the funds to pay off its debt. Given that, government securities are generally priced at lower rates than corporate issuances.



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F. Exchange Offer Questions

F.1 Investor Eligibility

Who are eligible for the Exchange Offer?

Bondholders of the following securities (the “Eligible Bonds”) are eligible for the Exchange Offer (the “Eligible Bondholders”):

ISIN	Series Name	Interest Rate	Maturity
PIBD0721C574	FXTN 07-57	3.500%	20 March 2021
PIBD1021D531	FXTN 10-53	6.500%	28 April 2021
PIID0321F092	RTB 03-09	4.875%	13 June 2021
PIID1021J039	RTB 10-03	5.750%	20 October 2021
PIBD1021K551	FXTN 10-55	5.750%	24 November 2021

F.2 Exchange Details

What will happen to my Eligible Bond holdings if I participate in the Exchange Offer? Will I still receive the remaining interest from my Eligible Bonds?

The Eligible Bonds, with a minimum amount of Php 5,000.00 and in multiples of Php 0.01, may be exchanged for the new RTB 25. On 9 March 2021 (the “Issue Date”), the face value of your Eligible Bond holdings will be exchanged for the face value of RTB 25 in the ratios of:

ISIN	Eligible Bonds	Exchange Ratio
PIBD0721C574	FXTN 07-57	1.001
PIBD1021D531	FXTN 10-53	1.001
PIID0321F092	RTB 03-09	1.005
PIID1021J039	RTB 10-03	1.010
PIBD1021K551	FXTN 10-55	1.010

(i.e., Php 5,000.00 investment in RTB 10-03 can be exchanged for Php 5,050.00 worth of RTB 25).

For any subscription in excess of your original Eligible Bonds, you will have to pay for the additional amount following the subscription procedure for the Primary Offer of the RTBs. The accrued interest earned by the holder of Eligible Bonds for the period indicated below will be paid out on the Issue Date of RTB 25. Such accrued interest will be deposited in the nominated Settlement Bank of the investor. As a holder of RTB 25, the investor will receive quarterly coupon payments based on the final coupon rate as follows:

Series	Accrued Interest Period Start Date	Accrued Interest Period End Date
FXTN 07-57	20 September 2020	9 March 2021
FXTN 10-53	28 October 2020	9 March 2021
RTB 03-09	13 December 2020	9 March 2021
RTB 10-03	20 January 2021	9 March 2021
FXTN 10-55	24 November 2020	9 March 2021

For the computation, kindly refer to Annex G of the Notice of Offering.



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F.3 Exchange Details

What is the benefit of participating in the Exchange Offer?

The Exchange Offer provides a convenient way for investors to re-invest their funds and lessens the hassle of looking for other investment alternatives upon maturity of the Eligible Bonds. Investors will just need to signify their intent to switch their Eligible Bond holdings to the new RTB 25 issuance.

F.4 Procedure

Where will I get and submit these document requirements?

Eligible bondholders may get the Exchange Offer documents from the Issue Managers and the branches of their respective parent banks. The documents are also available from other Selling Agents. The Exchange Offer documents may be submitted in any branch of the participating Selling Agent banks or sales desks of the Issue Managers.

F.5 Allocation of RTB 25s under the Exchange Offer

Will all exchange offers under the Exchange Offer be accepted?

The offers may or may not be awarded in full. Acceptance of the offers shall be subject to the requirements of the BTr. Accordingly, investors with Eligible Bonds looking to participate in the Exchange Offer are highly encouraged to submit their exchange offers as early as possible during the Public Offer Period, to increase the chances of a full allocation.

F.6 Participating in RTB 25, but not in the Exchange Offer

Can I choose not to exchange my holdings in Eligible Bonds and just buy RTB 25 directly?

Yes, as an investor you are free to hold on to your Eligible Bonds until their maturities and, at the same time, invest separately in RTB 25. Alternatively, you may also participate in the Exchange Offer and also directly buy additional RTB 25s.

F.7 Exchange Offer Period

Can I still participate in the Exchange Offer after the Public Offer Period?

No. The Public Offer Period is only from 9 February 2021 (2:00 PM) to 4 March 2021 (4:00 PM). However, the BTr reserves the right to shorten the offer period.

G. Procedural Questions

G.1 Opening of Settlement Accounts

If I already have an existing current or savings account with the bank I want to buy RTBs from, do I need to open another account specifically for this investment?

No need to open a new current or savings account. You can use your existing bank account for the purpose of investing in RTB 25 to receive your quarterly interest payments and the eventual return of your principal. Just make sure that the depositor name of the bank account matches the investor name of the RTBs as any mismatch may result in the rejection of your order.



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However, there are current or savings accounts that may have restrictions in usage other than the purpose it was opened for like in the case of certain payroll accounts (on a case-to-case basis). In cases like these, you shall be required to open a new current or savings account.

G.2	Joint and Accounts	And/Or	Can we invest in RTBs under a joint or “and/or” account?
			<p>Yes, an investor can use joint or “and/or” accounts, provided that the depositor name of the nominated bank account for crediting of interest and principal has the same “and/or” are as the names appearing in the bond purchase documents.</p> <p>For RTB purchases made via the Online Ordering Facility and Bonds.PH app, only solo accounts are allowed.</p>
G.3	Investments by OFs		How can OFs open a Peso account?
			<p>The OF may visit his/her preferred bank or its remittance partner to open an account and comply with the account opening process and the documentary requirements. OFs may open a FirstMetroSec, OFB MBA, Bonds.PH account fully online. For OFs who wish to open LANDBANK accounts, they may get in touch with the Bank’s Overseas Remittance Officers to submit the account opening requirements. For DBP clients, if the account opening is performed outside of the Philippines, signature cards need be authenticated by a Consular Representative of the Philippines in which said document is executed.</p>
G.4	Beneficiary Claims		In case of sudden death of the investor, how can the beneficiary claim the RTBs?
			<p>The beneficiary may claim the proceeds of the RTBs but will be subject to what is stated in the Philippine law on succession (inheritance).</p>
G.5	Beneficiary Claims		What are the procedures to be undertaken by the heirs in case an investor dies? Are there taxes to be paid?
			<p>Certain certifications are needed to be produced by the heirs (e.g., death certificate, etc). The heirs are required to pay estate taxes as RTBs form part of the deceased’s estate.</p>
G.6	Documentation		What documentation will prove the purchase of RTBs?
			<p>Investors shall receive a COS (or such other document evidencing sale of RTBs) from their Selling Agents.</p>
G.7	Interest Payments		From a retiree intending to live-off on the interest from the RTBs: Can interest payments be scheduled on a monthly basis instead of quarterly so that the earnings from the RTBs can be used to pay monthly bills (i.e. electricity, phone bills, etc.)?



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No, because, the market convention for RTBs is quarterly payments.

G.8 Investment Requirements What are the requirements for individuals to invest in the RTBs?

The general requirements are as follows:

1. Peso current or savings account
2. Acknowledgement receipt
3. Investor's Undertaking (for first time investors in government securities)
4. Authorization (for first time investors in government securities)
5. Other documents that may be required by your selling agent

G.9 Investor Eligibility Is there a minimum age for investors for the RTBs?

The investor must be at least eighteen (18) years old. For minors, they may invest via an In-Trust-For ("ITF") account with their parent/s or legal guardian.

G.10 Investor Eligibility Can credit cooperatives buy RTBs?

Yes.

G.11 Investor Eligibility Can a foreigner invest in RTBs?

Only foreign residents, possessing one of the following Philippine issued valid IDs, can invest in RTBs:

- Tax Identification Number ID ("TIN")
- Alien Certificate of Registration Identity Card ("ACR I-Card")
- Driver's License issued by the Land Transportation Office ("LTO")

You may inquire with your Selling Agent with custody function for proper guidance.

Note: United States persons, however, may be subject to additional Foreign Account Tax Compliance Act ("FATCA") requirements by their Selling Agent.

G.12 Mode of Purchase Where can I buy RTBs?

RTBs may be purchased via authorized Selling Agents over-the-counter or via the Online Ordering Facility.

G.13 Mode of Payment How can an investor pay for the RTBs?

Payments may be made via the following:

1. Cash
 2. Online Ordering Facility (for those with China Bank, DBP, FirstMetroSec, and LANDBANK accounts)
 3. Bonds.PH app
 4. Check (including Managers Check and Cashier's Check)
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5. Debit Authority from CASA; and
 6. Any combination of the above.

Note: Mode of payment may vary among Selling Agents. Kindly ask your Selling Agent for the payment options made available to investors.

G.14 Others

Assuming I bought my RTB with Bank A, can I subsequently sell my RTB via another selling agent (Bank B)?

Yes, subject to submission of documentary requirements on a case-to-case basis.

G.15 Others

If an investor wants to sell, can he/she sell RTBs anytime?

Yes. Investors may go to his/her accredited dealer bank anytime to sell.

G.16 Others

An investor plans to buy Php 500,000.00 worth of RTBs but intends to sell/trade in the future small/partial amounts only to cover living and other expenses. To achieve this, should the investor file several bond documents, breaking down the investment in several lots, so he/she can trade on a per application to purchase basis?

No need to accomplish several bond documents. RTBs may be sold partially in the secondary market.

G.17 Past RTB Issuances

Is there a webpage where an investor can see current market prices for issued RTBs?

Yes. The investor may visit www.pds.com.ph for more information. It is important to note, however, that market prices reflected on the website are indicative. There is no guarantee that an investor can sell his RTBs at the posted market price at the time of sale.

G.18 National Registry of Scripless Securities (NRoSS) Account

Who shall act as the intermediary for an investor to open an NRoSS securities account?

The broker shall be the intermediary between the investor and the BTr. The investor must apply first to the BTr with respect to opening his NRoSS securities account. Afterwards, the investor must nominate a Settlement Bank with whom he/she will sign a Memorandum of Agreement. Only then can he/she open his/her assigned NRoSS account. However, for online RTB application, the Settlement Bank shall be the intermediary.

G.19 Senior Citizens

Can senior citizens' interest income on the RTBs be exempt from withholding taxes?

No, passive income is subject to withholding tax.



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G.20 Tax Exemption

Our client is a tax exempt institution but its certification of exemption is dated 2006. It has a pending request for a certification since last year but BIR has not issued a new certification yet. Can it submit the 2006 certification to avail of the RTBs?

The institution must wait for the new BIR certification to be issued for it to be exempted from tax prior to investing of the RTBs.

H. Post-Issue Date Transactions and the Secondary Market

H.1 Pre-Termination

Can the RTBs be pre-terminated?

No, RTBs cannot be pre-terminated. However, they can be sold through the secondary market, subject to prevailing market rates, via any brokers or banks with a brokering license.

H.2 Secondary Market Access

Market – How can an investor access the secondary market?

An investor looking to sell or buy RTBs in the secondary market may approach their respective Selling Agent (or via branches of their parent bank) or any National Association of Securities Broker Salesmen, Inc. (“NASBI”) broker. Presentation of proof of holdings or other requirements may be required.

Investors who invested in RTBs via the Bonds.PH app may sell his/her holdings via the app.

H.3 Secondary Market – Fees

Why are there fees involved when the RTBs are traded in the secondary market?

There are costs associated with trading RTBs in the secondary market, just like any other investment securities in the market. *(Please refer to D.5 for the schedule of fees).*

H.4 Secondary Market Purchase

Market – An individual who heard about the RTBs only for the first time expressed concern that the offer period is only for a limited time. In case the potential investor decides to buy RTBs after the offer period, will he/she still be able to do so, and from where?

After the offer period, an interested investor can still buy RTBs through the secondary market, but there is no guarantee that the prices will be at par. Instead, it will be based on prevailing market rates. Interested investors can still approach his/her bank branch to buy RTBs from the secondary market.

H.5 Secondary Market – Sale

What are the considerations/risks involved in selling via the secondary market?

The primary consideration in selling via the secondary market is the selling price at which the RTBs can be sold. This may be higher or lower than the price at which the RTBs were bought, resulting in either a gain or loss for the



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investor, respectively. Your broker or selling agent can guide you on the considerations/risks involved in selling via the secondary market.

H.6	Secondary Settlement	Market	-	What assurance will the investors have (settlement of principal and interest) in buying the RTBs in the secondary market?
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The Fixed-Income Exchange (operated by Philippine Dealing & Exchange Corp. or “PDEX” through Bloomberg platform) follows a Delivery vs. Payment settlement system, meaning, the exchange of funds and securities occur simultaneously. In other words, funds will not be debited from the buyer’s account if the seller doesn’t have securities in his/her securities account. For some banks, however, certain types of accounts, e.g. payroll accounts, are not allowed to be the settlement account for RTB purchases. In cases like these, a separate savings account will have to be opened.