

**REPUBLIC OF THE PHILIPPINES  
RETAIL TREASURY BONDS TRANCHE 26**

**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 Tranche 26 ("RTB-26" or the "Bonds") only, and shall not be applied for the Exchange Offer.

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

A Dealer who is awarded/allocated 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 the total Retail Sales Volume and Individual Sales Volume as detailed below:

- Retail Sales Volume (RSV): Each Selling Agent shall be eligible to receive Selling Agency Fee equivalent to **5 basis points** of the allocated RSV.
- Individual Sales Volume (ISV): Each Selling Agent shall be eligible to receive Selling Agency Fee equivalent to **5 basis points** of the allocated ISV. 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 (in the form attached as Annex E-1) shall be considered in the computation of the ISV.
- If the total RSV and ISV is **equal or more than 20%** of the total allocated sales volume, each Dealer/Selling Agent shall be entitled to receive additional Selling Agency Fee equivalent to **2.5 basis points** of the total RSV and ISV.

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

2. The Selling Agency Fee shall be settled in accordance with Annex F of the Notice of Offering.

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 received 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 Agency Fee in such amounts, and within the period provided in the advice of the BTr. If the amount of Selling Agency Fee received 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 in such amounts, and within the period provided in the advice of the BTr.

**C. Sample Computation**

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

**SCENARIO A: Total % of ISV and RSV is less than 20% of the Total Sales Volume**

<b>Given Data</b>		
Total Sales Volume	A	PHP 1,000,000,000
Retail Sales Volume (RSV)	B	PHP 100,000,000
Individual Sales Volume (ISV)	C	PHP 50,000,000
Total RSV and ISV	B + C	PHP 150,000,000
Total % of RSV and ISV	(B + C) / A	15%
Selling Fee for RSV	D	5.0 bps
Selling Fee for ISV	E	5.0 bps
Additional Fee if % RSV and ISV is at least 20%	F	2.5 bps

<b>Retail Sales Volume (PHP)</b>	<b>Selling Fee for RSV (bps)</b>	<b>Fees on RSV (PHP)</b>
<i>B</i>	<i>D</i>	<i>B x D</i>
100,000,000	5.0	50,000
<b>Individual Sales Volume (PHP)</b>	<b>Selling Fee for ISV (bps)</b>	<b>Fees on ISV (PHP)</b>
<i>C</i>	<i>E</i>	<i>C x E</i>
50,000,000	5.0	25,000
<b>Total RSV and ISV (PHP)</b>	<b>Additional Fee if % RSV and ISV is at least 20% (bps)</b>	<b>Fees on Total RSV and ISV (PHP)</b>
<i>B + C</i>	<i>F</i>	<i>F x (B + C)</i>
150,000,000	<i>Not Applicable</i>	<i>0</i>
<b>Total Fees (PHP)</b>		<b>75,000</b>

**SCENARIO B: Total % of RSV and ISV is equal to 20% of the Total Sales Volume**

<b>Given Data</b>		
Total Sales Volume	A	PHP 1,000,000,000
Retail Sales Volume (RSV)	B	PHP 150,000,000
Individual Sales Volume (ISV)	C	PHP 50,000,000
Total RSV and ISV	B + C	PHP 200,000,000
Total % of RSV and ISV	(B + C) / A	20%
Selling Fee for RSV	D	5.0 bps
Selling Fee for ISV	E	5.0 bps
Additional Fee if % RSV and ISV is at least 20%	F	2.5 bps

<b>Retail Sales Volume (PHP)</b>	<b>Selling Fee for RSV (bps)</b>	<b>Fees on RSV (PHP)</b>
<i>B</i>	<i>D</i>	<i>B x D</i>
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>
<i>C</i>	<i>E</i>	<i>C x E</i>
50,000,000	5.0	25,000
<b>Total RSV and ISV (PHP)</b>	<b>Additional Fee if % RSV and ISV is at least 20% (bps)</b>	<b>Fees on Total RSV and ISV (PHP)</b>
<i>B + C</i>	<i>F</i>	<i>F x (B + C)</i>
200,000,000	2.5	50,000
<b>Total Fees (PHP)</b>		<b>150,000</b>

**SCENARIO C: Total % of RSV and ISV is greater than 20% Total Sales Volume**

<b>Given Data</b>		
Total Sales Volume	A	PHP 1,000,000,000
Retail Sales Volume (RSV)	B	PHP 250,000,000
Individual Sales Volume (ISV)	C	PHP 250,000,000
Total RSV and ISV	B + C	PHP 500,000,000
Total % of RSV and ISV	(B + C) / A	50%
Selling Fee for RSV	D	5.0 bps
Selling Fee for ISV	E	5.0 bps
Additional Fee if % RSV and ISV is at least 20%	F	2.5 bps

<b>Retail Sales Volume (PHP)</b>	<b>Selling Fee for RSV (bps)</b>	<b>Fees on RSV (PHP)</b>
<i>B</i>	<i>D</i>	<i>B x D</i>
250,000,000	5.0	125,000
<b>Individual Sales Volume (PHP)</b>	<b>Selling Fee for ISV (bps)</b>	<b>Fees on ISV (PHP)</b>
<i>C</i>	<i>E</i>	<i>C x E</i>
250,000,000	5.0	125,000
<b>Total RSV and ISV (PHP)</b>	<b>Additional Fee if % RSV and ISV is at least 20% (bps)</b>	<b>Fees on Total RSV and ISV (PHP)</b>
<i>B + C</i>	<i>F</i>	<i>F x (B + C)</i>
500,000,000	2.5	125,000
<b>Total Fees (PHP)</b>		<b>375,000</b>