



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 (GSEDs)

Date : September 25, 2023

Subject : **Issuance of Five and a half (5.5)-Year Retail Onshore Dollar Bonds due 2029**

Please be advised that the Republic of the Philippines (the "**Republic**"), acting through the Bureau of Treasury ("**BTr**"), will issue **Retail Onshore Dollar Bonds due 2029 (the "RDBs")** in the form of Five and a half (5.5)-Year Retail Onshore Dollar Bonds in US Dollar denomination with a target minimum amount of **Two Hundred Million Dollars (USD 200,000,000.00)** (the "**Issue**").

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 Onshore Dollar Bonds dated 8 November 2012 (the "**Program Mechanics**"), as may be amended from time to time, and the Principal Commercial Terms of the RDBs attached as **Schedule 1** (collectively, the "**Applicable Terms**"). 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. The mechanics for the online ordering system is indicated in Annex A (the "**RDB Online Channels Guidelines**") with procedures outlined in Annex A-1, Annex A-2, Annex A-3 and Annex A-4 of the Notice of Offering. Please be advised that your submission of the Accession Letter and Bid/Proposal Notice (Annex B) 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 issue.

Auction Date	:	27 September 2023
Start of Public Offer Period	:	27 September 2023
End of Public Offer Period	:	06 October 2023
Issue Date	:	11 October 2023

The Republic, through the BTr, reserves the right to revise the timetable and other mechanics of the issue before the Auction Date. You will be notified through the BTr website, 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 this Notice of Offering and its annexes may be accessed through the BTr's website: www.treasury.gov.ph.

Interested GSEDs must submit their bids electronically through their respective terminals on or before 1:00 p.m. of the Auction Date.

Unless otherwise expressly provided herein, defined terms used in this Notice of Offering shall have the meanings set forth in the Program Mechanics and the Terms and Conditions.

THE REPUBLIC OF THE PHILIPPINES


By: **ATTY. ERWIN D. STA. ANA**
Deputy Treasurer of the Philippines

Schedule 1 to the Notice of Offering

**Retail Onshore Dollar Bonds
Five and a half (5.5)-Year Retail Onshore Dollar Bonds
due 2029 (the "RDBs")**

Principal Commercial Terms

- Issuer : REPUBLIC OF THE PHILIPPINES ("**Republic**")
- Dealers : Government Securities Eligible Dealers ("**GSEDs**") who have submitted an Accession Letter in the form attached hereto as **Annex B** and in accordance with the Program Mechanics.
- Selling Agents : Dealers who have successfully placed bids for a minimum principal amount of **Ten Million Dollars (USD 10,000,000.00)**.
- Issue Currency and Amount : The minimum issue amount is **Two Hundred Million Dollars USD 200,000,000.00** for the Five and a half (5.5)-Year RDB.
- The Republic reserves the right to change the overall size of the Issue.
- Auction Date : **27 September 2023**
- 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 : GSEDs will be allowed to submit one (1) bid per interest rate with a minimum volume of **One Million Dollars (USD 1,000,000.00)**, and increments of **One Hundred Thousand Dollars (USD 100,000.00)**, thereafter.
- For avoidance of doubt, GSEDs may submit up to ten (10) bids at different rates as preferred and no maximum amount per bid. If a GSED would want to change the volume on each bid, the GSED should withdraw its earlier submission subject to cap and cut-off time.
- Submission of order shall follow the procedures prescribed in the Procedures for the Submission of Bond Orders (**Annex D**).
- Public Offer Period : **27 September 2023 to 06 October 2023**
- 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 Republic, 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 the BTR website, NRoSS, Bloomberg, PDEX, etc.

During the Public Offer Period, each Selling Agent shall submit the bids or orders in the NRoSS system following the procedures set out in the Procedures for the Submission of Bond Orders (**Annex D**).

Investors who shall elect to subscribe to the RDBs using Peso Clear, shall submit to the Selling Agent the Investor's Acknowledgment and Instructions (**Annex C-3**).

Issue Date/ Settlement Date	:	11 October 2023 unless another date is announced by the Republic.
ISIN/SERIES CODE	:	ISIN (5.5yr): PH0000057598
Form and Denomination	:	The RDBs shall be issued in scripless form and will be sold during the Public Offer Period in minimum denominations of Two Hundred Dollars (USD 200.00) and multiples of One Hundred Dollars (USD 100.00) thereafter.
Maturity Dates	:	11 April 2029 If the Issue Date does not occur on 11 October 2023 , the Maturity Date shall be the date that is five and a half (5.5) years following the Issue Date.
Issue Price	:	At par (or 100%)
Redemption Price	:	At par (or 100%)
Interest Rate	:	The final interest rate for each tenor will be determined through a Dutch auction to be participated in by GSEDs.
Interest Rate Guidance	:	The Interest Rate shall be a fixed rate based on the prevailing five and a half (5.5) ROP rates. The Interest Rate shall be stated in three (3) decimal places.
Interest Payment Date	:	Interest on the RDBs, to be calculated on a 30/360-day basis, will be paid quarterly in arrears on the last day of each three (3)-month Interest Period. The RDBs 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.

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 Bondholder/investor through the 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 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 Scripless Securities Registration Division ("SSRD"), as may be required, an electronic copy (PDF File) of Investor Undertaking (form of Investor Undertaking attached hereto as **Annex C-1**) duly executed by the Investors in connection with the new purchase and delivery of the RDBs. For investors purchasing through the RDB Online Channels, please refer to **Annex A, Annex A-1, Annex A-2 and Annex A-3 and Annex A-4** of the Notice of Offering.

Investors purchasing Over-the-Counter are required to submit an Application to Purchase Foreign Currency (**Annex A-5**) or similar documentation required by the Selling Agent for purchasing foreign currency. The duly accomplished **Annex A-5** or similar documentation may be submitted by the investor in person or electronically through the official channels of the Selling Agent. Applications to Purchase generated electronically through the Selling Agent's online platforms shall be equivalent to an Application to Purchase submitted in person or electronically.

A Summary of Applicable Documents for Retail Investors which lists the documents that retail investors have to submit to their respective Selling Agents is provided in **Annex H**.

Dealers/Selling Agents are not allowed to sell the RDBs 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.

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 RDBs. Any Selling Agency Fee due to Selling Agents shall be paid in accordance with the BTr's "Settlement Procedures for the Retail Onshore Dollar Bonds," attached as **Annex F** of this Notice of Offering.

Reporting and Other : As per Program Mechanics and this Notice of Offering:
Obligations for
Subscriptions
The Republic acting through the BTr shall have the sole discretion of determining the amount of the RDBs to be offered for each day of the Public Offer Period. Such daily Bond 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. to 4:00 p.m. on 27 September 2023** through the NRoSS. Allocation and confirmation of the orders shall be notified 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

Orders for the second day up to the last day of the Public Offer Period **28 September to 06 October 2023 day of Public Offer Period** shall be submitted to the BTr through the NRoSS from 9:00 a.m. to 4:00 p.m. daily.

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

The end of submission of orders for the RDBs is on the last day of the Public Offer Period, **06 October 2023 (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 Public Offer Period.



Taxation	:	<p>The interest income earned by the investors on the RDBs shall be subject to the prevailing taxes.</p> <p>Final Withholding Tax ("FWT") on coupon payment shall be for the account of the Issuer.</p> <p>Documentary Stamp Tax ("DST") on original issue shall be for the account of the Issuer.</p>
Status	:	The RDBs constitute direct, unconditional, unsubordinated, unsecured, and general obligations of the Republic and shall at all times rank <i>pari passu</i> and without any preference among themselves.
Eligibility	:	<p>The RDBs qualify in the same manner as all other Treasury Notes and Bonds in respect of:</p> <ul style="list-style-type: none"> (i) insurance reserves under the Insurance Commission rules and regulations; (ii) performance and judicial bonds; and (iii) permitted foreign currency cover for Foreign Currency Deposit Unit liabilities.
Settlement Procedures	:	Settlement shall follow the procedures prescribed in the Settlement Procedures for the Retail Onshore Dollar Bonds (Annex F).
Interest Payment Procedures	:	Interest payment shall follow the procedure prescribed in the Interest Payment Procedures for the Retail Onshore Dollar Bonds shown as Annex G hereof, or as may otherwise be provide by the BTr.
NRoSS Securities Account	:	All Selling Agents shall open and maintain a securities account for all Bondholders.
Confirmation of Sale (" COS ")	:	The COS shall be made available by Selling Agents to Bondholders within thirty (30) calendar days from the Issue Date.
Listing	:	The RDBs shall be listed and traded in the Philippine Dealing and Exchange Corp. (" PDEX ").
Dates and Time	:	All dates and time stated herein pertains to Philippine Standard Time (" PST ").