



Funding the Republic

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

NOTICE OF OFFERING

TO : QUALIFIED INSTITUTIONAL BUYERS (“QIBs”)

DATE : 16 November 2023

SUBJECT : Issuance of One (1)-Year Tokenized Treasury Bonds due 2024

Please be advised that the Republic of the Philippines (the “**Republic**”), acting through the Bureau of the Treasury (“**BTr**”), will issue **Tokenized Treasury Bonds due 2024** (the “**TTBs**”) in the form of One (1)-year Tokenized Treasury Bonds in Philippine Peso denomination with a target minimum amount of **Ten Billion Pesos (PHP 10,000,000,000.00)** (the “**Issue**”).

You are invited to participate in respect of such Issue, subject to the provisions of this Notice of Offering, and the Principal Commercial Terms of the TTBs attached as **Schedule 1** (collectively, the “**Applicable Terms**”). The contemplated Issue will be governed by the Applicable Terms. Please be advised that your submission of the Firm Commitment Letter (**Annex A**) 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.

Firm Commitment Letter Submission Date	: 20 November 2023
Interest Rate Announcement/Notice of Award	: 20 November 2023
Issue and Settlement Date	: 22 November 2023

The Republic, through the BTr, reserves the right to revise the timetable and other mechanics of the Issue before the start of book building. You will be notified through the BTr website, National Registry of Scripless Securities (“**NRoSS**”), and other financial information service providers 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 QIBs shall submit their bids through a Firm Commitment Letter to the Issue Managers no later than **12:30 p.m. on 20 November 2023** on Firm Commitment Letter Submission Date.

Unless otherwise expressly provided herein, defined terms used in this Notice of Offering and its Annexes shall have the meanings set forth in the applicable terms set out in Schedule 1 of this Notice of Offering.

ORIGINAL SIGNED

ERWIN D. STA. ANA

Deputy Treasurer of the Philippines

ISO 9001:2015 Quality Management System
Certificate No. SCP000233Q



**SCHEDULE 1
PRINCIPAL COMMERCIAL TERMS**

Issuer	:	REPUBLIC OF THE PHILIPPINES (“ Republic ”)
Issuance	:	1-year Peso-Denominated Fixed Rate Tokenized Treasury Bonds (“TTBs”) due 2024
ISIN/Series Code	:	PH0000057820
Form	:	The TTBs shall be issued in scripless form thru the National Registry of Scripless Securities, and in tokenized format thru the DLT Registry.
Issue Managers	:	Development Bank of the Philippines (“DBP”) and Land Bank of the Philippines (“LBP”)
Eligible Investors	:	Qualified Institutional Buyers (“QIBs”)
Issue Amount	:	Minimum of Ten Billion Pesos (PHP 10,000,000,000.00) . The Republic reserves the right to change the overall size of the Issue.
Firm Commitment Letter Submission Date and Period	:	The submission of Firm Commitment Letter (attached as Annex A) to the Issue Mangers shall be on 20 November 2023, no later than 12:30 p.m. The Republic reserves the right to change/adjust the manner of accepting subscriptions during the Firm Commitment Letter Submission Date. When subscription has reached a level deemed sufficient by the Republic, the BTr shall announce the termination and closure of the Firm Commitment Letter Submission through an information channel chosen by BTr (i.e., the BTr website, NRoSS, and other financial information service providers). After the closure of the Firm Commitment Letter Submission, each Issue Manager shall submit their respective orders to the Issuer for the determination of the final Interest Rate and volume.
Denomination	:	The TTBs will be made available to Eligible Investors during the Firm Commitment Letter Submission Date in minimum denominations of PHP10,000,000.00 and integral multiples of Php1,000,000.00 thereafter.
Interest Rate Guidance	:	The Interest Rate shall be based on the prevailing market levels of comparable government securities. The Interest Rate shall be stated in three (3) decimal places.
Issue Date/ Settlement Date	:	22 November 2023, unless another date is announced by the Republic.

Maturity Date	:	22 November 2024
		If the Issue Date does not occur on 22 November 2023, the Maturity Date shall be the date that is One (1) Year 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 book building and shall be announced no later than 2:00 p.m. on 20 November 2023.
Interest Payment Date	:	Interest on the TTBs shall be calculated on a 30/360-day basis, and will be paid semi-annually, in arrears, on the last day of each six (6)-month interest period. The TTBs 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.
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 Issue Manager. 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 Issue Manager.
		All information relative to the Bondholders shall be treated with absolute confidentiality as provided for by law.
Taxation	:	The interest income earned by the investors on the TTBs shall be subject to the prevailing taxes.
		Final Withholding Tax (“ FWT ”) on coupon payment shall be for the account of the bondholders. Tax Exempt Institutions (TEIs) without a tax-exempt NRoSS Securities Account purchasing TTBs shall submit a valid BIR tax ruling.
		Documentary Stamp Tax (“ DST ”) on original issue shall be for the account of the Issuer.
Status	:	The TTBs 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.
Sinking Fund	:	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 TTBs on the Maturity Date.

Bond Registry	:	NRoSS or their respective successor registry under which title to the Tokenized Treasury Bonds are recorded.
DLT Registry	:	A Distributed Ledger Technology (DLT)-based Registry, operating in parallel with the NRoSS.
Dual Registry Structure	:	The TTBS will have a dual registry structure (see Annex C) where NRoSS runs in parallel with the DLT Registry, with the former serving as the primary registry. In case of inconsistency between the two, entries in the NRoSS prevail.
NRoSS Securities Account	:	All investors in the TTB shall be required to open a BTr-managed NRoSS Account for the settlement of the securities via NRoSS. Such opening of NRoSS account and maintenance thereof shall be free of any charge.
Digital Wallet	:	A software application or physical device that allows users to store, manage, and interact with their Digital Tokens on a distributed ledger shall be created for all bondholders. On Settlement Date, an equivalent amount of TTBS in the form of digital tokens will be credited and maintained in the Digital Wallet.
Cash Settlement Procedures	:	The Issue Managers, for their respective orders, shall receive and aggregate the settlement of all payments prior to remitting the payment to the BTr via PhilPaSS on the Settlement Date.
Eligibility	:	The TTBS qualify in the same manner as all other government securities in respect of: <ul style="list-style-type: none"> (i) the liquidity floor requirement for government funds and reserves for trust duties under the Bangko Sentral ng Pilipinas rules and regulations; (ii) insurance reserves under the Insurance Commission rules and regulations; and (iii) performance and judicial bonds
Confirmation of Sale (“COS”)	:	The COS shall be made available to Bondholders within thirty (30) calendar days from the Issue Date.
Secondary Market	:	None
Dates and Time	:	All dates and time stated herein pertain to Philippine Standard Time (“PST”).