

SCHEDULE 2

Form of Transfer Certificate

Morgan Guaranty Trust Company of New York, London Office
as Registrar

[DATE]

Dear Sirs

THE REPUBLIC OF THE PHILIPPINES
(The "Republic")

U.S.\$[●]
8.75 per cent. Fixed Rate Bonds Due 2016 (the "Bonds")

TRANSFER CERTIFICATE

Reference is hereby made to the agency agreement dated 7 October, 1996 (the "Agency Agreement") in relation to the Bonds of the Republic, between the Republic and the Agents named therein. Capitalised terms used but not defined herein shall have the meanings given to them in the Agency Agreement. Other terms shall have the meanings given to them in Regulation S under the United States Securities Act of 1933 (the "Securities Act").

We, as transferor (the "Transferor") of U.S.\$ [] in principal amount of our beneficial interest in the Bonds represented by the Fixed Rate [Regulation S/Restricted]⁽¹⁾ Global Bond], hereby request a transfer of⁽²⁾:

1. our beneficial interest in the Fixed Rate Regulation S Global Bond (ISIN: [●]) to a purchaser wanting to receive a beneficial interest in the Fixed Rate Restricted Global Bond (CUSIP Number: [●]) (ON OR PRIOR TO THE FORTIETH DAY FOLLOWING THE DATE OF ISSUE OF THE BONDS: CHECK BOX A BELOW; AFTER THE FORTIETH DAY FOLLOWING THE DATE OF ISSUE OF THE BONDS, NO FURTHER BOXES NEED BE CHECKED);

or
2. our beneficial interest in the Fixed Rate Restricted Global Bond to a purchaser wanting to receive a beneficial interest in the Fixed Rate Regulation S Global Bond (CHECK BOX B OR C BELOW); or

(1) Delete as appropriate.

(2) Check one of the following boxes.

3. our beneficial interest in the Fixed Rate [Regulation S/Restricted] Global Bond to The Republic.

A. to a person whom the Transferor reasonably believes is purchasing for its own account or accounts as to which it exercises sole investment discretion; such person and each such account is a "qualified institutional buyer" (as defined in Rule 144A the Securities Act); the purchaser is aware that the sale to it is being made in reliance upon Rule 144A ("Rule 144A"); and such transaction meets the requirements of Rule 144A and is in accordance with any applicable securities laws of any state of the United States or any other jurisdiction; or

B. in accordance with Regulation S under the Securities Act, and accordingly the Transferor does hereby certify that:

(i) the offer of the Bonds was not made to a person in the United States;

(3) (ii) at the time the buy order was originated, the buyer was outside the United States or the Transferor or any person acting on its behalf reasonably believed that the buyer was outside the United States;

OR

(3) (ii) the transaction was executed in, or on or through the facilities of a designated offshore securities market and neither the Transferor nor any person acting on its behalf knows that the transaction was prearranged with a buyer in the United States;

(iii) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or 904(b) of Regulation S, as applicable;

(iv) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act; and

(v) with regard to transfers occurring within the period prior to and including the fortieth day after the issue date of the Bonds, any beneficial interest in the Fixed Rate Regulation S Global Bond shall be held through either Euroclear or Cedel; or

C. pursuant to an exemption from registration provided by Rule 144 under the Securities Act, if available.

If none of the foregoing boxes is checked, the Registrar shall not be obliged to inform the custodian of the Global Bonds for DTC of the transfer of the beneficial interest in the relevant Global Bond contemplated by this transfer certificate.

(3) Check box for one of alternative sub-paragraphs (ii) as appropriate.

This certificate and the statements contained herein are made for your benefit and the benefit of the Republic.

[Name of Transferor]