BY THE BOARD OF DIRECTORS
OF
THE OVERSEAS PRIVATE INVESTMENT CORPORATION

BE IT RESOLVED, that the Board hereby approves issuance by the
President of contracts for political risk insurance under Section 234(a) or investment
guaranty under Section 234(b) of the Foreign Assistance Act of 1961, as amended, covering
political risks to investments of eligible Rule 144A U.S. Investors or MBIA, a U.S. bond
insurance company, depending on structure ultimately chosen, for a bond issuance by The
Philippines National Power Corporation in the U.S. Capital Markets supported by an
irrevocable and unconditional guaranty of the Government of the Republic of the
Philippines; provided, however, that the Corporation's maximum liability pursuant to the
insurance or investment guaranty issued hereunder shall not exceed $250 million and any
other amounts relating to compensation paid pursuant to the terms of such contract.

Approved by Notational Vote of the Board of Directors
on October 30, 2002

Connie M. Downs
Corporate Secretary