



Ministerio de Finanzas
del Ecuador



January 20, 2009

To: Holders of the 9.375% Bonds Due 2015 (the "Bonds") issued
by the Republic of Ecuador (the "Republic")

CUSIP No. 27927WAF9/P8055QDE9
ISIN No. US27927WAF95/USP8055QDE90
Common Code: 023834910/023834944

Each registered holder of the Notes should forward a copy of this Notice immediately to any beneficial owner(s) of the Notes for whom the holder acts as nominee or in any other capacity.

Re: Notice as to Payment of Installment of Interest due December 15, 2008

We issued the Bonds pursuant to the terms of the Trust Indenture, between the Republic and JPMorgan Chase Bank, N.A., as Trustee, dated as of December 12, 2005 (the "Trust Indenture"). The Bank of New York Mellon (the "Successor Trustee") is the successor to the Trustee.

By a notice dated January 14, 2009 the Successor Trustee confirmed that on January 13, 2009 it had received payment of the installment of interest due on the Bonds on December 15, 2008. This payment on January 13, 2009 was within the 30 day grace period set forth in Condition 5(a) of the Bonds. Condition 2(a)(ii) of the Bonds provides that the interest will be paid to the Persons in whose names the Bonds are registered at the end of a subsequent special record date established by the Republic by notice given by or on behalf of the Republic to the Holders of the Bonds not less than 15 days preceding such subsequent record date, such record date to be not less than 10 days preceding the date of payment of the defaulted interest. Accordingly, the Republic sends this notice to set a subsequent record date and payment date.

The new record date for the December 15, 2008 payment in respect of the Bonds will be February 4, 2009, and the new payment date will be February 17, 2009.

Please note that the Republic is exploring whether it is feasible to shorten the period between the new record date and the new payment date by way of a supplement to the Trust Indenture. If this proves to be practicable, the



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Republic will send a further notice to the Holder in the same manner as it disseminated this notice.

All capitalized terms that are not otherwise defined herein have the meanings given in the Trust Indenture.

In the event you have any questions regarding this notice, please contact María Elsa Viteri Acaiturri at the Ministry of Finance, maviteri@mef.gov.ec.

THE REPUBLIC OF ECUADOR

By: _____

Name: María Elsa Viteri Acaiturri
Title: **Ministra de Finanzas de la
República del Ecuador**