

EXECUTIVE ORDER NO. 465

PROVIDING FOR THE ABOLITION OF CERTAIN GOVERNMENT CORPORATIONS, GRANTING THE BOARD OF LIQUIDATORS CERTAIN POWERS AND AUTHORITIES RELATIVE THERETO, AND FOR OTHER PURPOSES

WHEREAS, the abolition of certain government-owned or controlled corporations has been recommended by the Department of Budget and Management, pursuant to its mandate under Executive Order No. 165, series of 1987 and Executive Order No. 5, Series of 1986;

WHEREAS, the Secretary of Justice in his Opinion No. 210, series of 1988, declares that the President of the Philippines "may, in the implementation of the privatization program of the government, amend or repeal the charter of government-owned or controlled corporations pursuant to her delegated legislative authority under Section 22 of Proclamation No. 50, which remains to be operative until it is amended, repealed or revoked by Congress (Sec. 3, Art. XVIII, Constitution);"

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. Abolition. The following are hereby abolished:

- (a) Philippine Dendro Gasifier, Inc.
- (b) National Dendro Development Corporation
- (c) Museum of Philippine Costumes
- (d) Leyte Sab-a Basin Development Authority
- (e) Philippine National Lines

The National Youth and Sports Development Foundation of the Philippines is hereby deemed abolished in accordance with Section 25 of Republic Act No. 6847.

SEC. 2. Board of Liquidators. Subject to Section 3, 4, 5, 7, 8, and 9 hereof, the Board of Liquidators shall implement the abolition of the foregoing entities in accordance with the provisions of Executive Order No. 372, Series of 1950, and, pursuant thereto, shall, subject to the provisions of existing laws and with the approval of the President of the Philippines, lease, sell, assign, transfer or otherwise dispose the funds, properties, developmental projects, and other assets of the corporations therein abolished, in accordance with the following:

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- (a) When any of such properties, developmental projects and other assets are transferred, for archival purposes or for administration, continuance of project or use, to any department, bureau, office, agency or instrumentality of the government, the funds necessary therefor shall be taken from the unexpended balances of the National Treasury;
- (b) The proceeds from the lease, sale, assignment, transfer or disposition herein authorized as well as the funds of the abolished corporations shall be used to settle their pending obligations pursuant to the priorities established by law and, thereafter, the expenses reasonably incurred by the Board of Liquidators in accomplishing the purposes of this Section: *Provided*, that the remaining balance of such proceeds, if any, shall be remitted to the National Treasury as part of the General Fund;
- (c) If the assets of any of the abolished corporations are not sufficient to pay its liabilities, payment thereof shall be in accordance with the provisions of the Civil Code of the Philippines on the concurrence and preference of credits. The Board of Liquidators shall perform such powers and functions incidental, necessary or essential for the accomplishment of the purposes of this Section and such other powers and functions as may be appropriately assigned to it by the President of the Philippines for the efficient and effective implementation of this Executive Order.

SEC. 3. **Personnel, Appropriations, Funds.** The personnel of the abolished government-owned or controlled corporations shall receive the termination benefits that they may be entitled to under pertinent laws, rules and regulations; while the appropriations and funds, if any, of such corporations shall revert, net of liabilities, to the General Fund.

SEC. 4. **Notice or Consent Requirement.** If any organizational change that may result from the abolitions herein prescribed is of such substance or materiality as to prejudice third persons with rights recognized by law or contract such that notice to or consent of creditors is required to be made or obtained pursuant to any agreement entered into with any of such creditors, such notice or consent requirement shall be complied with prior to the implementation of such organizational change.

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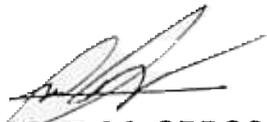
All other laws, rules, regulations and other administrative issuances or parts thereof, contrary to or inconsistent herewith, are hereby repealed or modified accordingly.

SEC. 9. Effectivity. This Executive Order shall take effect upon its approval, subject to its publication in the Official Gazette or in a national newspaper of general circulation.

DONE in the City of Manila, this 13th day of June, in the year of Our Lord, nineteen hundred and ninety-one.

Corason B. Aquino

By the President:


OSCAR M. ORBOS
Executive Secretary

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