

[PRESIDENTIAL DECREE NO. 1381, May 24, 1978]

AUTHORIZING THE NATIONAL GRAINS AUTHORITY TO ENGAGE IN INSURANCE GENERAL AGENCY AND CREATE A SUBSIDIARY FOR THE PURPOSE, PROVIDE FUNDS THEREFOR AND FOR OTHER PURPOSES.

WHEREAS, Presidential Decree No. 4 requires all NGA licensed Miller, and Bonded Warehousemen to secure insurance policies and bonds for the protection of farmers/traders who deposit grains stocks with the former;

WHEREAS, there is the need to facilitate the servicing of the insurance and bond requirements of millers and bonded warehousemen in far-flung areas so as to maximize the protection of Farmers' and Traders' grain deposits;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order and decree:

SECTION 1. The National Grains Authority shall be empowered to act as an insurance general agent and organize a subsidiary for the same purpose.

SECTION 2. In its capacity as an insurance general agent, NGA or its subsidiary is authorized to enter into a contract of insurance general agency with the Government Service Insurance System and other reputable private insurance and bonding companies.

SECTION 3. The National Grains Authority, shall set aside funds necessary for the full implementation of this Decree to be appropriated from its corporate funds.

SECTION 4. The National Grains Authority shall promulgate the rules and regulations, necessary to implement this Decree.

SECTION 5. All laws not inconsistent with the herein provisions shall form an integral part hereof.

SECTION 6. This Decree shall take effect immediately.

DONE in the City of Manila, this 24th day of May, in the year of Our Lord, nineteen hundred and seventy-eight.

**(Sgd.) FERDINAND E.
MARCOS**
President
Republic of the Philippines

By the President:

(Sgd.) JACOBO C. CLAVE
Presidential Executive
Assistant