

[PRESIDENTIAL DECREE NO. 542, August 20, 1974]

AMENDING PRESIDENTIAL DECREE NO. 264, CREATING THE PHILIPPINE AMANAH BANK

WHEREAS, Presidential Decree No. 264, dated August 2, 1973 was designed and intended principally to rehabilitate, develop, expand and promote the socio-economic conditions of the economically depressed provinces of Mindanao, particularly in the Muslim provinces of North Cotabato, Maguindanao, Sultan Kudarat, Lanao del Norte, Lanao del Sur, Sulu, Tawi-Tawi, Zamboanga del Norte, and Zamboanga del Sur, and to provide more opportunities and incentives to the Muslim citizens of the Philippines, to actively and sincerely participating and getting involved in community development and nation-building;

WHEREAS, in order to render more effective the foregoing intentions and objectives of this Decree, it is necessary that the religious beliefs and practices of the Muslim citizens of the Philippines, be followed and respected, unless otherwise it is contrary to law, good morals and public policy.

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby amend Presidential Decree No. 264, as follows:

SECTION 1. Section 1 of Presidential Decree No. 264, creating the Philippine Amanah Bank, is hereby amended to read as follows:

"SEC. 1. *Purposes, Name, Domicile and Basis.* — To provide credit, commercial, development and savings banking facilities at reasonable terms to the people of the primarily Muslim provinces of Mindanao, principally, the provinces of North Cotabato, Maguindanao, Sultan Kudarat, Lanao del Sur, Lanao del Norte, Sulu, Basilan, Zamboanga del Norte, Zamboanga del Sur and Palawan for the establishment, acquisition, development and expansion of agricultural, commercial and industrial enterprises, there is hereby created a body corporate to be known as the Philippine Amanah Bank, which shall have its principal place of business at Zamboanga City and shall exist for fifty years.

The Philippine Amanah Bank shall be based on the Islamic Concept of Banking, following the no-interest and partnership principles."

SEC. 2. The third paragraph of Section 15 of the same decrees is hereby amended to read as follows:

"All profits assigned as dividends to the shares of the government, and all remaining net profits of the bank after the payment of dividends to stockholders other than the government of the Philippines, its agencies or instrumentalities, if there is any, shall be transmitted to the Muslim Development Fund of the Philippine Amanah Bank."

SEC. 3. All laws, decrees, orders, rules regulations or parts thereof inconsistent with this Decree are hereby repealed or modified accordingly.