

[PRESIDENTIAL DECREE NO. 572, November 05, 1974]

FURTHER AMENDING THE CHARTER OF THE PHILIPPINE NATIONAL OIL COMPANY (PNOC), AS PROVIDED FOR IN PRESIDENTIAL DECREE NO. 334, AS AMENDED, AND FOR OTHER PURPOSES.

WHEREAS, under Presidential Decree No. 334, as amended, the Philippine National Oil Company is expressly charged (a) to provide and maintain an adequate and stable supply of oil and petroleum products for the domestic requirements; (b) to promote the exploration, exploitation and development of local oil and petroleum sources; and (c) to foster oil or petroleum operation conditions conducive to a balanced and sustainable growth of the economy;

WHEREAS, it is imperative that the Philippine National Oil Company and its affiliated companies be granted adequate powers and incentives to enable it to attain expeditiously and efficiently its declared objectives.

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

SECTION 1. Section 13 of Presidential Decree No. 334 is hereby amended to read as follows:

SEC. 13. *Loans* — The Company as well as any affiliate corporation in which it holds, owns and/or controls by itself or jointly with one or more Government owned or controlled corporations at least seventy-five (75%) of the issued and outstanding shares of stock entitled to vote, when specifically authorized by the President of the Philippines, is hereby authorized to contract loans, credits, in any convertible foreign currency or capital goods, and indebtedness from time to time from foreign governments, or any international financial institutions or fund sources, or any other entities, on such terms and conditions it shall deem appropriate for the accomplishment of its purposes and to enter into and execute agreements and other documents specifying such terms and conditions.

"The Republic of the Philippines, through the President of the Philippines or his duly authorized representative, may guarantee, absolutely and unconditionally, as primary obligor and not as surety merely, the payment of the loans, credits and indebtedness secured by the Company or any of its affiliate corporations, as provided above, which may be over and above the amount which the President of the Philippines is authorized to guarantee under Republic Act Numbered Sixty One Hundred Forty-Two, as amended, as well as the performance of all or any of the obligations undertaken by the Company or its affiliate corporations in the territory of the Republic of the Philippines pursuant to loan agreements entered into with foreign governments or any international financial institutions or fund sources.