

[**PRESIDENTIAL DECREE NO. 265, August 03,
1973**]

**DECLARING THE LEASE-SALE OF ONE L-100-20 HERCULES
AIRCRAFT NO. PI 98, A GOVERNMENT PROPERTY, AS A VALID
AND BINDING CONTRACT OF THE GOVERNMENT OF THE
REPUBLIC OF THE PHILIPPINES AND CREATING A SPECIAL
FUND FROM THE PROCEEDS THEREOF.**

I, FERDINAND E. MARCOS, by virtue of the powers vested in me by the Constitution, as Commander-in-Chief of all the Armed Forces of the Philippines and pursuant to Proclamation No. 1081, dated September 21, 1972, and General Order No. 1, dated September 22, 1972, as amended, do hereby order and decree as follows:

SEC. 1. Existing laws, orders, decrees, rules and regulations to the contrary notwithstanding, the agreement entered into by the Republic of the Philippines, through its duly authorized representative, on July 16, 1973 for the lease, with an option to purchase, of its aircraft, No. PI 98, to James Bay Energy Corporation, a body politic incorporated under the laws of Quebec, Canada, is hereby declared a valid and binding contract of the Government of the Republic of the Philippines.

SEC. 2. A Special Fund is hereby constituted out of the proceeds of the lease-sale agreement for the following purposes:

(1) To finance partly the initial government acquisition of helicopters from the Federal Republic of Germany in conformity with the Progressive Helicopter Assembly and Manufacturing Program and/or expenditures for activities related thereto; and

(2) To finance the prepayment to the Export-Import Bank of the United States of that portion of an existing loan covering subject aircraft, which shall be made as soon thereafter as title to said aircraft passes to James Bay Energy Corporation on June 1, 1977.

The Fund shall be administered and accounted for by the Development Management Staff, Office of the President, as the owner-agency of the Hercules aircraft, and expenditures therefrom shall be made subject to the approval of the Executive Secretary.

SEC. 3. This decree shall take effect upon approval.

Done in the City of Manila, this 3rd day of August in the year of Our Lord, nineteen hundred and seventy-three.

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

By the President:

(Sgd.) ALEJANDRO