

[ADMINISTRATIVE ORDER NO. 61, February 19, 1988]

AUTHORIZING THE PIONEER ASIA INSURANCE CORPORATION TO BECOME A SURETY UPON OFFICIAL RECOGNIZANCES, STIPULATIONS, BONDS AND UNDERTAKINGS

WHEREAS, Section 1 of Act No. 536, as amended by Act No. 2206, provides that whenever any recognizances, stipulation, bond or undertaking conditioned for the faithful performance of any duty or of any contract made with any public authority, national, provincial, municipal or otherwise or of any undertaking or for doing or refraining from doing anything in such recognizances, stipulations, bonds or undertakings specified in, by the laws of the Philippines or by the regulations or resolutions of any public authority therein, required or permitted to be given with one surety or with two or more sureties, the execution of the same or the guaranteeing of the performance of the condition thereof shall be sufficient when executed or guaranteed solely by any corporation organized under the laws of the Philippines, having power to guarantee the fidelity of persons holding positions of public or private trust and to execute and guarantee bonds of undertakings in judicial proceedings and to agree to the faithful performance of any contract or undertaking made with any public authority;

WHEREAS, said section further provides that no head of department, court, judge, officer, board or body, whether executive, legislative, or judicial, shall approve or accept any corporation as surety on any recognizance, stipulation, bond, contract or undertaking unless such corporation has been authorized to do business in the Philippines in accordance with the provisions of said Act No. 536, as amended, nor unless such corporation has, by contract with the Government of the Philippines, been authorized to become a surety upon official recognizances, stipulations, bonds and undertakings; and

WHEREAS, PIONEER ASIA INSURANCE CORPORATION, is a domestic corporation organized and existing under the laws of the Republic of the Philippines, and fulfills the conditions prescribed by said Act No. 536, as amended.

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by law, do hereby authorize the PIONEER ASIA INSURANCE CORPORATION, to become a surety upon official recognizances, stipulations, bonds and undertakings in such manner and under such conditions as provided by law, subject to the conditions that the total amount of government bonds that it may issue shall not, at any time, exceed its admitted assets and that the contributed surplus fund shall not, at any time, be withdrawn and paid back in cash to the contributing stockholders without prior recommendation and justification by the Insurance Commissioner duly approved by the Secretary of Finance.

Done in the City of Manila, this 19th day of February, in the year of Our Lord,