

[EXECUTIVE ORDER NO. 509, March 04, 1992]

AMENDING EXECUTIVE ORDER NO. 495, SERIES OF 1991, BY EXCLUDING FROM THE COVERAGE THEREOF THE BOY SCOUTS OF THE PHILIPPINES AND FOR OTHER PURPOSES

WHEREAS, Executive Order No. 495, series of 1991, entitled "Converting the Philippine Shippers' Council, the Boy Scouts of the Philippines and the Girl Scouts of the Philippines into Private Corporations and For Other Purposes" was issued pursuant to Section 22 of Proclamation No. 50, series of 1986, which latter issuance "remains to be operative until it is amended, repealed or revoked by Congress" (Opinion No. 210, series of 1988, of the Secretary of Justice);

WHEREAS, Republic Act No. 7181 extends the life of the Committee on Privatization and the Asset Privatization Trust and imposes additional conditions in the disposition of government assets provided under Proclamation No. 50;

WHEREAS, the Secretary of Justice, in Opinion No. 16 dated 19 February 1992, states that Republic Act No. 7181 "has not revoked or modified the authority of the President under Proc. No. 50 to amend the charters of government corporations so as to terminate their corporate existence;" and

WHEREAS, supervening developments require the amendment of Executive Order No. 495;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. Section 1 of Executive Order No. 495, series of 1991, is hereby amended to read, as follows:

"SECTION 1. *Definition of Terms.* - For purposes of this Executive Order:

- a. Conversion shall refer to a variant of the divestment process by which, for the purpose of privatization, a government-owned or controlled corporation is dissolved but exclusive authority is granted to the management thereof to form a new and private corporation through registration with the Securities and Exchange Commission, with the same corporate name and essentially the same objectives, powers and functions but without government funding, except that existing assets of the dissolved corporation may be donated to the new corporation; and
- b. Regularization shall refer to the process by which a government-owned or controlled corporation is transformed (1) into a regular government agency with essentially the same objectives, powers and functions, except those which are corporate in nature, and is