

[ **EXECUTIVE ORDER NO. 286, July 25, 1987** ]

**CREATING THE SEQUESTERED ASSETS DISPOSITION  
AUTHORITY (SADA) AND FOR OTHER PURPOSES**

WHEREAS, it is the policy of the State to recover ill-gotten wealth amassed by the leaders and close associates of the previous regime and to protect the interest of the people through orders of sequestration;

WHEREAS, by virtue of Executive Order No. 1, the Presidential Commission on Good Government (PCGG) was created, to assist the Philippine government in the recovery of the said ill-gotten wealth;

WHEREAS, Executive Order No. 1 further provides that the PCGG shall provisionally takeover the business or corporations, enterprises and properties amassed by the leaders and close associates of the previous regime until the transactions leading to such acquisition by the latter, are declared to be illegal by a court of law with competent jurisdiction;

WHEREAS, there is an urgent need for an entity to oversee the disposition of assets and properties recovered by the Government, by virtue of a decision of a court of law, pursuant to Section 26, Article XVIII of the 1987 Constitution and those voluntarily surrendered to the PCGG

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by the sovereign will of the Filipino people and the Constitution do hereby order;

Section 1. Creation of Authority. There is hereby created a Sequestered Assets Disposition Authority, hereinafter referred to as the Authority, composed of one (1) Chairman and four (4) members, who are of good moral character and unquestionable integrity, to be appointed by the President.

The Authority shall be under the administrative supervision of the Office of the President.

In view of the limited life of the Authority, the emolument and other benefits of the Chairman, members, and its support staff, as well as its staffing pattern, shall be fixed by, and submitted to, the President for approval by the Chairman and members and shall be exempt from the OCPC and other eligibility requirements of the Civil Service Commission.

Section 2. Coverage. The Authority shall formulate and implement a program for the disposition of assets, business enterprises or corporations transferred to the Authority by the PCGG or pursuant to a decision of a court of law with competent jurisdiction involving sequestered assets prescribed by Section 26, Article XVIII of

the 1987 Constitution.

Section 3. Powers and Functions. - The Authority shall have the following powers and functions:

a) To dispose of or authorize, subject to the approval of the President, the disposition of such assets transferred to the Authority to any party and on such terms as are in the best interest of the National Government; for such purpose to execute and deliver on behalf and in the name of the National Government such deeds of sale, contracts, and other instruments as may be necessary or appropriate to convey title to such assets;

b) To take title to, and possession of, and to take such steps as may be necessary to conserve assets transferred to the Authority by the PCGG or by a court of law, including, without limitation, to oversee the management and operation of corporations or businesses constituting such assets, and to file suits and institute proceedings on behalf and in the name of the National Government for the recovery and protection of such assets;

c) Subject to the prior approval of the President, to undertake the rehabilitation of such assets in instances where such rehabilitation is necessary, to conserve the value of such assets or permit their sale;

d) To engage such external expertise as may be necessary to fulfill its task;

e) To lease or own real and personal property to the extent required or entailed by its functions; to borrow money and incur such liabilities as may be reasonably necessary to permit it to carry out the responsibilities imposed upon it under this Order; to receive and collect interest, rent and other income from the corporations and assets held by it and to exercise in behalf of the National Government and to the extent authorized by the President, in respect of such corporations and assets, all rights, powers and privileges of ownership including the ability to compromise and release claims or settle liabilities, and otherwise to do and perform any and all acts that may be necessary or proper to carry out the purposes of this order; Provided, however, that any borrowing of the Authority shall be subject to the prior approval of the President; and

f. To issue such policies, guidelines, rules and regulations to implement the objectives of this Order, subject to the approval of the President.

Section 4. Staff Support. The Authority shall have a technical staff support, the organization and structure of which, shall be subject to the approval of the Office of the President (OP), Civil Service Commission (CSC) and the Department of Budget and Management (DBM).

Section 5. Exemption from Taxes, Fees and Other Charges. The provisions of any law to the contrary notwithstanding, the provisions of any law to the contrary notwithstanding, the Authority as well as the sequestered corporations and assets