

[EXECUTIVE ORDER NO. 671, March 19, 1981]

DIRECTING THE TRANSFER TO THE NATIONAL DEVELOPMENT CORPORATION (NDC) OF ALL ACCOUNTS PAYABLE TO THE PHILIPPINE NATIONAL OIL COMPANY (PNOC) IN CONNECTION WITH THE SALE OF THE LUZON STEVEDORING CORPORATION (LUSTEVECO) TO THE CONSTRUCTION AND DEVELOPMENT CORPORATION OF THE PHILIPPINES (CDCP)

WHEREAS, the LUSTEVECO group of companies is engaged in the transport by sea and by land of strategic and other commodities vital to the economy as well as to national security and is, therefore, deserving of government support;

WHEREAS, the National Development Corporation is charged with, among other responsibilities, supporting the development of domestic shipping; and

WHEREAS, it is in the public interest that NDC be involved with LUSTEVECO in any manner that will redound to public good;

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

1. That all accounts due or to become due to PNOC from CDCP arising from the sale of LUSTEVECO by the former to the latter, be transferred from PNOC to NDC.
2. That, as Compensation to PNOC for such transfer of receivables, NDC shall issue preferred shares to PNOC bearing a dividend rate of 9% per annum, in such amounts as the liabilities become due and payable, exclusive of any penalty or interest.
3. That NDC, upon completion of the transfer, shall implement a financial restructuring of LUSTEVECO, including the possible investment of equity in the latter, subject to the approval of the president.

Done in the City of Manila, this 19th day of March, in the year of Our Lord, nineteen hundred and eighty-one.

(SGD.) **FERDINAND E. MARCOS**
President of the Philippines

By the President:

(SGD.) **JOAQUIN T. VENUS, JR.**
Deputy Presidential Executive Assistant
