

**[ EXECUTIVE ORDER NO. 306, March 22, 1971 ]**

**CONSTITUTING THE "FUND FOR ASSISTANCE TO STUDENTS" AS AN IRREVOCABLE TRUST FUND, CREATING A "STUDENTS ASSISTANCE COMMITTEE" AS TRUSTEE, AND PROVIDING FOR THE MANAGEMENT THEREOF**

WHEREAS, pursuant to a "Project Agreement" entered into on \_\_\_\_\_ between the Government of the Republic of the Philippines and the Government of the United States of America executed in accordance with the "Exchange of Notes" between said Governments, the sum of Six Hundred Five Thousand Dollars (\$605,000.00), U.S. Currency, from the Special Fund for Education authorized by United States Public Law 88-94, will be made available as a "Fund for Assistance to Students" for the purpose of providing a permanent trust fund, earnings from which shall be used for educational purposes and activities of benefit to Philippine Students; and

WHEREAS, for the purpose aforesaid, it is required that the Fund be constituted as an irrevocable trust fund to be managed and administered by a permanent "Student Assistance Committee";

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines by virtue of the powers vested in me by law and in pursuance of the "Project Agreement," and "Exchange of Notes," do hereby constitute the "Fund for Assistance to Students" (hereinafter called the "Fund") as an irrevocable trust fund under and subject to the terms hereinafter specified.

SECTION 1. Fund for Assistance to Students. The aforesaid sum of Six Hundred Five Thousand Dollars (\$605,000.00), U.S. Currency, or its Philippine peso equivalent as provided in Section 6(a), shall be made available for this Project.

The Philippine Government may use up to Thirty Thousand Dollars (\$30,000.00) to defray initial Project operating costs and the remaining funds, but not less than Five Hundred Seventy-Five Thousand Dollars (\$575,000.00) shall be used to establish a permanent trust fund, earnings from which shall be used for educational programs and activities of benefit to Philippine students. In order to insure the enduring character of the Fund, the remaining funds shall be maintained in trust with only the earnings therefrom being utilized to finance programs of assistance to students, but excluding any support of religious worship or instruction, and its principal may be augmented by future grants, donations, and transfers by the Philippine Government or any other public or private entity.

The Fund shall be managed so as to maximize its earnings, but also in a prudent manner consistent with its character as a perpetual trust.

SECTION 2. Purpose of the Fund. The Fund shall be established to assist educational programs and activities of benefit to Philippine students, especially those conducted

through student organizations. Among such programs are those which:

- a. Foster intellectual activity and the interchange of ideas and experiences by such means as funding meetings and conferences, book exchange centers, and publications.
- b. Support development of student organization and activity, particularly in provincial areas, by assisting regional student organizations throughout the Philippines.
- c. Assist students participating in educational enrichment activities that expand their knowledge and understanding of national, social, economic, and political developments. Such activities could include agricultural extension work, literary classes, and non-partisan efforts to promote popular understanding of national and local concerns.

SECTION 3. Composition of Students Assistance Committee. A Committee which will serve as the trustee of the Fund and in this capacity shall administer, manage, and supervise the operations of the Fund which shall be known as the "Students Assistance Committee" (hereinafter called the "Trustee"), is hereby created and shall be composed of:

- a. The Secretary of Education or his representative, as Chairman;
- b. A representative from the National Economic Council, as Member; and
- c. A representative from the private sector to be designated by the President, as Member.

SECTION 4. Functions and Responsibilities. The Students Assistance Committee shall have the following functions and responsibilities:

- a. Decide on the use of an initial amount up to Thirty Thousand Dollars (\$30,000.00) for beginning operation and program costs;
- b. Set the investment policy of the Fund;
- c. Provide for the receiving and processing of projects sought to be financed by the Fund;
- d. Make all decisions on the use of the Fund's income and capital gains, including final action on individual applications for grants and/or loans;
- e. Avail of professional counsel and services by retaining an investment and financial manager, if desired;
- f. Employ necessary staff personnel and retain and advisors and consultants;
- g. Formulate and adopt an assistance program based on the guidelines;
- h. Ensure that materials descriptive of the origin of the Fund for Assistance to Students, projects undertaken through grants from the Fund, and buildings financed