

[LETTER OF INSTRUCTIONS NO. 1295, February 23, 1983]

DIRECTING THE MEASURES TO EXPEDITE THE FINANCIAL REHABILITATION PROGRAM OF CONSTRUCTION AND DEVELOPMENT CORPORATION OF THE PHILIPPINES (CDCP)

TO : All Concerned

Pursuant to the Government's decision to extend all the necessary assistance in the financial rehabilitation program of CDCP, the following are hereby directed and authorized to do as follows:

1. Development Bank of the Philippines (DBP)
Government Service Insurance System (GSIS)
Land Bank of the Philippines (LBP)
National Development Company (NDC)
Philippine Export and Foreign Loan
Guarantee Corporation (PEFLGC)
Philippine National Bank (PNB)

shall convert as of December 31, 1982 all of the direct obligations of CDCP and those of its wholly- owned subsidiaries to such government financial institutions including interests, fees and advances in any currency outstanding as of December 31, 1982 into shares of common stock of December 31, 1982 into shares of common stock of CDCP at par value. For purposes of converting the obligations of CDCP's wholly-owned subsidiaries into shares of stock of CDCP, CDCP shall assume the outstanding obligations of its concerned subsidiaries to the affected financial institutions. The CDCP wholly- owned subsidiaries herein referred to are the following:

CDCP Farms Corporation
Dasmarinas Estates Development Corporation
Dasmarinas Industrial Steel Corporation
Manila Land Corporation
Marina Properties Corporation
Tierra Factors Corporation

For purposes of determining the peso equivalent of the foreign currency-denominated obligations, the conversion rate to be used shall be the Central Bank guiding rates as of January 3, 1983, as follows:

US Dollar	:	US\$ 1.00 = P9.1730
Deutsche mark	:	DM 1.00 = 3.8618
Malaysian Ringgits	:	M\$ 1.00 = 3.9627

2. For the Direct obligations of CDCP to the abovenamed government financial institutions maturing in 1983, the institutions concerned shall convert on January 31, 1983 the maturities on such direct obligations into shares of common stock of CDCP at par value.