

[PRESIDENTIAL DECREE No. 1830, January 16, 1981]

**FURTHER AMENDING SECTIONS THREE AND FIFTEEN OF
REPUBLIC ACT NO. 85, AS AMENDED, OTHERWISE KNOWN AS
THE DBP CHARTER.**

WHEREAS, the Development Bank of the Philippines is the Government agency entrusted with the task of providing credit facilities for the rehabilitation development and expansion of the country's agriculture and industry and the broadening and diversification of the national economy; and

WHEREAS, there is a need to amend the Charter of the DBP to increase its authorized capital stock and expand the powers of its governing board to make it more responsive to the demands of present circumstances;

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

SECTION 1. Section three of Republic Act No. 85, as amended, is hereby amended to read as follows:

"Sec. 3. Capital Stock. The capital stock of the Bank shall be TEN Billion Pesos divided into TEN Million shares having a par value of One Thousand Pesos Each. The said capital stock shall be fully subscribed by the government of the Republic of the Philippines and payment of said subscription shall be as follows:

(a) At least fifty per centum (50%) of the surplus account of the Bank as of June 30, 1980 and at least twenty per centum (20%) of the net profits that may hereafter be realized as well as profits that may be assigned as dividends to the shares of the Government shall be automatically applied to the payment of the subscribed capital stock of the Government until the said capital stock shall have been fully paid for, in which case the said profits shall be utilized for such purpose as may be authorized by the Board of Governors.

(b) The provisions of Section Three of Republic Act Numbered Seventeen Hundred Eighty-Nine to the contrary notwithstanding, an amount equivalent to fifty per cent of the proceeds from the sale of reparations goods and services for fifteen years following the approval of this Act, is hereby appropriated to cover the payment of the unpaid subscription of the government to the capital stock of the Bank; Provided, That seventy-five million pesos of such amount shall be set aside as a trust fund for the purpose of aiding the establishment of private provincial and city development banks as provided in this Act.

(c) The portion of the stabilization tax allocated for deposit to a Special Account with the Development Bank of the Philippines, pursuant to Section 4 (c) of Republic Act Numbered Six Thousand One Hundred Twenty Five, as amended, otherwise known as the Stabilization Tax Law, shall be automatically applied to the payment of the Government's subscription to the capital stock of the Bank effective as of the date of receipt thereof.