

[PRESIDENTIAL DECREE NO. 351, December 22, 1973]

FURTHER AMENDING SECTION 1 (C) OF REPUBLIC ACT NUMBERED FORTY-EIGHT HUNDRED SIXTY, AS AMENDED BY PRESIDENTIAL DECREE NO. 150 (RE: FOREIGN BORROWING ACT)

I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers in me vested by the Constitution as Commander-in-Chief of all the Armed Forces of the Philippines, and pursuant to Proclamation No. 1081, dated September 21, 1972, and General Order No. 1, dated September 22, 1972, as amended, do hereby order and decree as part of the law of the land, that:

SECTION 1. Subsection "(C)", Section 1 of Republic Act Numbered Forty-eight hundred sixty, as amended by Presidential Decree No. 150, is hereby further amended to read as follows:

"(C) Lend the proceeds of such loans, credits or indebtedness to the Development Bank of the Philippines and/or the Land Bank of the Philippines which shall administer said proceeds in accordance with the agreement with the foreign creditor for relending to individuals, partnerships, cooperatives, associations or private corporations, whose capital stock, if not fully subscribed, is open to subscription by the general public, as well as to government-owned or-controlled corporations, and to local governments, to meet the direct and indirect foreign exchange requirements including peso costs for such industrial, agricultural and other economic development projects, subject to the provisions of the charter, rules and regulations of said bank and to the terms and conditions agreed upon by the Government and the institution providing financing for the projects: *Provided*, That the Development Bank of the Philippines and/or the Land Bank of the Philippines shall pay the Republic of the Philippines at least for the principal, interests and other charges on such loans, credits or indebtedness turned over to it: *Provided, further*, That the total authorized borrowing for relending to the private sector shall be allocated by the National Economic and Development Authority such that a proper balance of allocation is attained among the industrial, public utility, and agricultural projects: *Provided, finally*, That industrial and public utility projects shall, respectively, be approved by the Board of Investments and the pertinent specialized regulatory Boards and that agricultural projects shall be recommended by the Department of Agriculture and Natural Resources and shall be duly approved by the National Economic and Development Authority.

"The proceeds of the loans, credits or indebtedness under this paragraph shall not be re-loaned to any individual, partnership, cooperative, association or private corporation, or to government-owned or controlled corporations or to local governments, the account of which with the Development Bank of the Philippines or with any government financial institution, is in arrears for three or more installments for causes other than *force majeure* or those beyond its control, nor shall said proceeds or