

**[ EXECUTIVE ORDER NO. 495, December 06, 1991 ]**

**CONVERTING THE PHILIPPINE SHIPPERS' COUNCIL, THE BOY SCOUTS OF THE PHILIPPINES AND THE GIRL SCOUTS OF THE PHILIPPINES INTO PRIVATE CORPORATIONS AND FOR OTHER PURPOSES**

WHEREAS, consistent with the Government's Corporate Rationalization Program and upon the recommendation of the Department of Budget and Management pursuant to its mandate under Executive Order No. 5, series of 1986, and Executive Order No. 165, series of 1987, the conversion of the following government-owned or controlled corporations should be effected: (1) the Philippine Shippers' Council; (2) the Boy Scouts of the Philippines; and (3) the Girl Scouts of the Philippines;

WHEREAS, the Secretary of Justice, in Opinion No. 210, series of 1988, states that "the President may, in the implementation of the privatization program of the government, amend or repeal the charters of government-owned or controlled corporations pursuant to her delegated legislative authority under Section 22 of Proclamation No. 50, which remains to be operative until it is amended, repealed or revoked by Congress (Sec. 3, Art. XVIII, Constitution);"

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. Definition of Conversion. - For the purpose of this Executive Order, conversion shall refer to a variant of the divestment process by which, for the purpose of privatization, a government-owned or controlled corporation is abolished but exclusive authority is granted to certain private persons, usually the management thereof, to form a new and private corporation through registration with the Securities and Exchange Commission, with the same corporate name and essentially the same objectives, powers and functions but without government funding except that existing assets of the abolished corporation may be donated to the new corporation.

SEC. 2. Conversion. - The following government-owned or controlled corporations are hereby abolished subject to conversion

- a. Philippine Shippers' Council;
- b. Boy Scouts of the Philippines; and
- c. Girl Scouts of the Philippines.

SEC. 3. Details of Conversion. - The details of the dispositive actions of conversion as provided in the preceding section are prescribed in Annexes "A" to "C" attached

hereto. These annexes shall form integral parts of this Executive Order.

SEC. 4. Notice or Consent Requirement. - If any reorganizational change authorized in this Executive Order or in any of the Annexes attached hereto is of such substance or materiality as to prejudice third persons with rights recognized by law or contract such that notice to or consent of creditors is required to be made or obtained pursuant to any agreement entered into with any of such creditors, such notice or consent requirement shall be complied with prior to the implementation of such reorganizational change.

SEC. 5. Separability. - If for any reason any section or provision of this Executive Order or of its Annexes is declared unconstitutional or invalid, the remainder of this Executive Order and its Annexes shall not be affected as long as such remaining sections or provisions can still subsist and be given effect in their entirety.

SEC. 6. Repeal. The following laws, presidential decrees and executive issuances:

- a. Presidential Decree No. 165, series of 1973, Presidential Decree No. 833, series of 1975, and Presidential Decree No. 917, series of 1976, concerning the Philippine Shippers' Council;
- b. Commonwealth Act No. 111 and Presidential Decree No. 460, series of 1974, concerning the Boy Scouts of the Philippines; and
- c. Commonwealth Act No. 542, Republic Act No. 4375 and Presidential Decree No. 720, series of 1975.<sup>1</sup> concerning the Girl Scouts of the Philippines.

shall be deemed repealed upon the registration of the new or successor private corporations with the Securities and Exchange Commission in accordance with the Corporation Code of the Philippines.

All other laws, rules, regulations and other issuances or parts thereof contrary to or inconsistent herewith are likewise hereby repealed or modified accordingly.

SEC. 7. Effectivity. - This Executive Order shall take effect immediately after fifteen (15) days following its publication in a national newspaper of general circulation or in the Official Gazette.

DONE in the City of Manila, this 6th day of December in the year of Our Lord, nineteen hundred and ninety-one.

**(Sgd.) CORAZON C. AQUINO**

By the President:

**(Sgd.) FRANKLIN M. DRILON**

*Executive Secretary*

Annex "A"

Philippine Shippers' Council

The Philippine Shippers' Council was created as a non-stock and non-profit corporation under Presidential Decree No. 165, series of 1973, and further