

[EXECUTIVE ORDER NO. 399, January 05, 1951]

UNIFORM CHARTER FOR GOVERNMENT CORPORATIONS

Pursuant to the powers vested in me by Republic Act Numbered Four hundred and twenty-two, otherwise known as the Reorganization Act of 1950, I, Elpidio Quirino, President of the Philippines, do hereby promulgate this Uniform Government Corporate Charter.

DURATION, PURPOSES AND POWERS OF CORPORATIONS

SECTION 1. *Duration.* – All government owned or controlled corporations shall exist for a period of twenty-five years from the effectivity of this Executive Order.

SECTION 2. *Principal Office.* – All government owned or controlled corporations shall have their main offices in the City of Manila or in Quezon City, but may establish branches and agencies in other places, within and outside the Philippines, as may be necessary for the proper conduct of their business.

SECTION 3. *Purposes and Specific Powers.* – The purposes and specific powers of existing corporations that are subject to this Charter are those enumerated in Annex A hereof.

SECTION 4. *General Powers.* – All corporations shall have the following general powers:

(a) To do all such other things and to transact all such business directly or indirectly necessary, incidental or conducive to the attainment of the purposes of the Corporation; and

(b) Generally, to exercise all the powers of a corporation under the Corporation Law in so far as they are not inconsistent with the provisions of this Order.

CAPITAL AND MEETING OF THE STOCKHOLDERS

SECTION 5. *Capitalization.* – The authorized capital of government corporations are specified after their respective names in Annex A hereof. The Government of the Republic of the Philippines shall not be liable for any debt, liability, obligation or damage that might be contracted, incurred or caused by the corporation.

SECTION 6. *Meeting of the Stockholders.* – Where all the shares of stock of the corporation are entirely owned by the government, the corporation shall not hold a general meeting of stockholders. In lieu thereof, the General Manager of the corporation shall submit an annual report to the President of the Philippines, through the Administration of Economic Coordination.

GOVERNING BODY

SECTION 7. *Composition and Appointment.* – The corporate powers of the corporation shall be vested in and exercised by a Board of Directors of not more than seven nor less than five members as may be fixed by the President of the Philippines, consisting of a chairman and six or four members, appointed by the President of the Philippines with the consent of the Commission on Appointments. Directors need not be stockholders of the corporation. The said members shall serve as designated by the President in their appointments for terms of one, two, and three years, respectively, from the date they qualify and assume office; but their successors shall be appointed for terms of three years, except that any persons chosen to fill a vacancy shall serve only for the unexpired term of the member whom he succeeds. For actual attendance at meetings, each director shall receive a per diem of twenty-five (P25) pesos.

SECTION 8. *Powers and Duties of the Board of Directors.* – The Board of Directors shall have the following powers and duties:

(a) To prescribe, amend and repeal, with the approval of the Administrator of Economic Coordination, by-laws, rules and regulations governing the manner in which the general business of the corporation may be exercised, including provisions for the formation of such committee or committees as the Board of Directors may deem necessary to facilitate its business.

(b) To appoint and fix the compensation of the General Manager, subject to the approval of the President of the Philippines, and to appoint and fix the compensation of the other officers of the Corporation, with the approval of the Administrator of Economic Coordination. The Board by a majority vote of all the members, may for cause, and with the approval of the President of the Philippines, suspend and/or remove the General Manager.

(c) To approve, subject to the final action of the Administrator of Economic Coordination, the annual and/or such supplemental budgets of the corporation which may be submitted to it by the General Manager from time to time.

SECTION 9. *Suspension and Removal of Directors.* – Any member of the Board of Directors may be suspended or removed by the President of the Philippines, solely or upon the recommendation of the Administration of Economic Coordination.

SECTION 10. *Prohibition for Board Members.* – No chairman or member of the Board of Directors of a corporation shall at the same time serve in the corporation in any capacity whatsoever other than as chairman or member thereof, unless otherwise authorized by the President.

MANAGEMENT

SECTION 11. *Managing Head.* – The management of the corporation shall be vested in the General Manager.

SECTION 12. *Powers and Duties of the General Manager.* – The General Manager shall have the following powers and duties: