

[EXECUTIVE ORDER NO. 356, October 23, 1950]

CREATING THE NATIONAL SHIPYARDS AND STEEL CORPORATION AND DISSOLVING THE NATIONAL SHIPYARD AND HEAVY INDUSTRIES DEPARTMENT, THE ENGINEER ISLAND SHOPS, THE STEEL MILL PROJECT AND THE REPARATION TOOLS DEPARTMENT OF THE NATIONAL DEVELOPMENT COMPANY

Pursuant to the powers vested in me by Republic Act Numbered Four hundred and twenty-two, I, Elpidio Quirino, President of the Philippines, do hereby order:

CREATION, POWERS AND FUNCTIONS

SECTION 1. There is hereby created a public corporation under the name of the National Shipyards and Steel Corporation which, in short, shall be known as the NASSCO. This corporation shall exist for a period of twenty-five years from the effective date of this Order. It shall have its main office in the City of Manila, and such branches and agencies in other places, within and outside of the Philippines, as may be necessary for the proper conduct of its business.

SEC. 2. The NASSCO shall have the following powers, duties and functions:

- (a) To engage in the building and/or repair of ships, vessels, launches, tugs, barges, dredges, ferries, scows, lighters and other floating or marine craft and equipment;
- (b) To purchase and/or otherwise acquire, own, control, operate, maintain, build and/or repair slipways, floating and dry docks;
- (c) To undertake the fabrication, manufacture and/or repair of light and heavy machinery, equipment, structures, implements, tools, hardware and other articles;
- (d) To acquire, construct and operate iron and steel mills, ferrous and non-ferrous foundries, furnaces, smelters and other mills and plants for light and heavy industries;
- (e) To acquire the right-of-way to locate, construct and maintain works and/or appurtenances over and throughout the lands and waters owned by the Republic of the Philippines, or any of its branches or political subdivisions; and to exercise the right of eminent domain for the purposes of this Order in the manner provided by law for instituting condemnation proceedings;
- (f) To do all such other things and to transact all such business as may be directly or indirectly necessary, incidental or conducive to the attainment of the purposes of the Corporation;
- (g) 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

SEC. 3. The NASSCO shall have as its capital the net worth of the National Shipyard and Heavy Industries Department, the Engineer Island Shops, the Steel Mill Project and the Reparation Tools Department of the National Development Company, as determined in accordance with section 12 of this Order, and such appropriations as may be authorized by law.

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.

MANAGEMENT

SEC. 4. The management of the NASCO shall be vested in a Board of Directors consisting of a chairman and six members, appointed by the President of the Philippines with the consent of the Commission on Appointments. 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 person 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 pesos.

SEC. 5. The Board of Directors shall have the following powers and duties:

(a) To prescribe, amend and repeal, with the approval of the Secretary of Economic Coordination, by-laws, rules and regulations governing the manner in which the general business of the Corporation may be conducted and the powers granted by law to the Corporation may be exercised, including a provision 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 Secretary of Economic Coordination. The Board, by a majority vote of all the members, may, for cause, suspend and, with the approval of the President of the Philippines, remove the General Manager.

SEC. 6. The powers and duties of the General Manager shall be as follows:

(a) To direct and manage the affairs and business of the Corporation, on behalf of the Board of Directors, and subject to its control and supervision;

(b) To sit in all meetings of the Board of Directors and participate in its deliberations, but without the right to vote;

(c) To submit within sixty (60) days after the close of each fiscal year an annual report, through the Board of Directors, to the Secretary of Economic Coordination;