

[PRESIDENTIAL DECREE NO. 1963, January 11, 1985]

FURTHER AMENDING PRESIDENTIAL DECREE NO. 694, AS AMENDED, OTHERWISE KNOWN AS THE 1975 REVISED CHARTER OF THE PHILIPPINE NATIONAL BANK.

WHEREAS, the Charter of the Philippine National Bank was amended by Presidential Decree No. 1478 to strengthen the bank with regard to its assigned role of providing the necessary financing for the economic development of the country;

WHEREAS, the current economic crisis amounts to a grave emergency which affects the stability of the nation and requires immediate action;

WHEREAS, the issuance of this Decree is an essential and necessary component of the National Economic Recovery Program formulated to meet and overcome the emergency;

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

SECTION 1. Section 4 of Presidential Decree No. 694, as amended, otherwise known as the 1975 Revised Charter of the Philippine National Bank, is hereby further amended to read as follows:

"SECTION 4. *Authorized Capital Stock-Par Value — Government Subscription and Payment — Sale of Shares.*— The authorized capital stock of the Bank shall be further increased to Twenty-Five Billion Pesos to be divided into two hundred fifty million shares at par value of One Hundred Pesos each. The Government shall fully subscribe and pay for the whole increase, subject to the exercise of pre-emptive rights by existing private stockholders. Payment for the additional capital contribution by the Government shall be made as follows:

- a. Fifty per centum (50%) in the form of cash which is hereby appropriated from funds in the National Treasury not otherwise appropriated, to be applied to the full payment of the corresponding shares of common stock subscribed by the Government.
- b. Fifty per centum (50%) in the form of the amount of taxes due to the National Government which is likewise hereby appropriated under this Decree on income or other transactions of the Bank to be automatically applied to the payment of the balance of the subscription by the Government, beginning with the calendar year 1985.

The Bank's authorized capital stock shall be divided into the following classes of shares:

- a. Preferred "A" shares which shall consist of one million shares available for sale to or subscription by the general public. These shares shall have the following features:
 1. preferred as to dividends at ten percent (10%);
 2. cumulative;