

MALACAÑANG

Manila

BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER NO. 52

AUTHORIZING THE FIRST NATIONWIDE ASSURANCE CORPORATION
TO BECOME A SURETY UPON OFFICIAL RECOGNIZANCES,
STIPULATIONS, BONDS AND UNDERTAKINGS

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WHEREAS, Act No. 536, as amended by Act No. 2206, provides that whenever any recognizance, stipulation, bond or undertaking conditioned for the faithful performance of any duty or of any contract made with any public authority, national, provincial, municipal, or otherwise, or of any undertaking, or for doing or refraining from doing anything in such recognizance, stipulation, bond, or undertaking specified, is, by the laws of the Philippines, or by the regulations or resolutions of any public authority therein, required or permitted to be given with one surety or with two or more sureties, the execution of the same or the guaranteeing of the performance of the condition thereof shall be sufficient when executed or guaranteed solely by any corporation organized under the laws of the Philippines, having power to guarantee the fidelity of persons holding positions of public or private trust and to execute and guarantee bonds or undertakings in judicial proceedings and to agree to the faithful performance of any contract or undertaking made with any public authority;

WHEREAS, the said Act, as amended, further provides that no head of Department, court, judge, officer, board, or body executive, legislative or judicial shall approve or accept any corporation as surety on any recognizance, stipulation, bond, contract, or undertaking, unless such corporation has been authorized to do business in the Philippines in the manner provided by the provisions of the said Act No. 536, as amended, nor unless such corporation has, by contract with the Government of the Philippines, been authorized to become a surety upon official recognizances, stipulations, bonds, and undertakings;

WHEREAS, the FIRST NATIONWIDE ASSURANCE CORPORATION is a domestic corporation organized and existing under the laws of the Republic of the Philippines and fulfills the conditions prescribed by said Act No. 536, as amended;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by law, do hereby authorize FIRST NATIONWIDE ASSURANCE CORPORATION to become a surety upon official recognizances,

stipulations, bonds and undertakings in such manner and under such conditions as are provided by law, subject, however, to the condition that the amount constituting the contributed surplus fund shall not at anytime be withdrawn without prior recommendation and justification by the Insurance Commissioner duly approved by the Secretary of Finance, and provided further, that the moment FIRST NATIONWIDE ASSURANCE CORPORATION becomes indebted to any government instrumentality or political subdivision thereof, or to any government-owned or controlled corporation in the total amount of ₱50,000.00 accruing from the issuance of bonds, the same having become due and demandable, the insurance company must voluntarily desist from writing or issuing all kinds of bonds until the outstanding liabilities in government bonds shall have been fully paid or settled. Non-payment of liabilities shall be a cause for the immediate revocation of the Administrative Order.

Done in the City of Manila, this 21st day of December, in the year of Our Lord, nineteen hundred and eighty-seven.

Porayon B. Aquino

By the President:


CATALINO MACARAIG, JR.
Executive Secretary