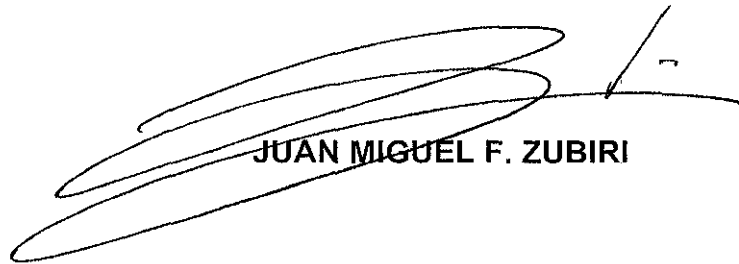


5. The Fund should be granted with the power to determine its own compensation and position classification system to encourage its competent personnel to remain with the Fund and boost employee's morale
6. The enforcement power of the Fund should be strengthened, to pursue and give appropriate sanctions to the delinquent employers, borrowers and debtors.

With a fresh and strong mandate, Pag-IBIG Fund will be able to provide the growing needs of members and achieve the government's thrust of providing a home for every Filipino family.

Hence, the immediate approval of this bill is hereby requested.



JUAN MIGUEL F. ZUBIRI

1 (C) TO PROVIDE HOUSING THROUGH MOBILIZATION OF FUNDS FOR
2 SHELTER FINANCE.

3
4 **SEC. 4. DEFINITION OF TERMS.** - THE FOLLOWING TERMS SHALL MEAN:

5 (A) "BOARD" – THE DULY CONSTITUTED BOARD OF TRUSTEES OF THE
6 PAG-IBIG FUND;

7 (B) "COMPENSATION" – BASIC MONTHLY SALARY PLUS MANDATED COST
8 OF LIVING ALLOWANCE;

9 (C) "CONTRIBUTIONS" – THE AMOUNT PAYABLE TO THE FUND BY THE
10 MEMBERS AND THEIR EMPLOYERS, IN ACCORDANCE WITH THIS ACT;

11 (D) "DEPENDENTS" – REFER TO LEGAL DEPENDENTS OF A DECEASED
12 MEMBER, AS DEFINED UNDER THE FAMILY CODE;

13 (E) "EMPLOYEE" – ANY PERSON IN THE SERVICE OF AN EMPLOYER WHO
14 RECEIVES COMPENSATION OF SUCH SERVICES;

15 (F) "EMPLOYER" - ANY PERSON, NATURAL OR JURIDICAL, DOMESTIC OR
16 FOREIGN, WHO CARRIES ON IN THE PHILIPPINES, OR OUTSIDE OF THE
17 PHILIPPINES, ANY TRADE, BUSINESS, INDUSTRY, UNDERTAKING OR ACTIVITY
18 OF ANY KIND, AND USES THE SERVICES OF ANOTHER PERSON WHO IS UNDER
19 HIS ORDER AS REGARDS SUCH SERVICES; THE GOVERNMENT, ITS NATIONAL
20 AND LOCAL OFFICES, POLITICAL SUBDIVISIONS, BRANCHES, AGENCIES, OR
21 INSTRUMENTALITIES, INCLUDING CORPORATIONS OWNED AND/OR
22 CONTROLLED BY THE GOVERNMENT, AND THE LOCAL GOVERNMENT UNITS;

23 (G) "EMPLOYMENT" – ANY SERVICE PERFORMED BY AN EMPLOYEE FOR
24 HIS/HER EMPLOYER WITHIN THE PHILIPPINES: *PROVIDED, HOWEVER,* THAT
25 ANY FOREIGN GOVERNMENT, INTERNATIONAL ORGANIZATION OR THEIR
26 WHOLLY-OWNED INSTRUMENTALITY EMPLOYING WORKERS IN THE
27 PHILIPPINES OR EMPLOYING FILIPINOS OUTSIDE OF THE PHILIPPINES, MAY
28 ENTER INTO AN AGREEMENT WITH THE FUND FOR THE INCLUSION OF THEIR
29 EMPLOYEES AS MEMBERS OF THE FUND: *PROVIDED, FURTHER,* THAT THE
30 TERM OF SUCH AGREEMENT CONFORM WITH THE PROVISIONS OF THIS ACT.

31 (H) "FUND" – THE FUND CREATED UNDER THIS ACT WHICH IS A
32 GOVERNMENT FINANCIAL INSTITUTION INVOLVED IN MOBILIZING PROVIDENT
33 FUNDS PRIMARILY FOR SHELTER FINANCE;

34 (I) "GSIS" – THE GOVERNMENT SERVICE INSURANCE SYSTEM CREATED
35 UNDER COMMONWEALTH ACT NO. 186, AS AMENDED;

36 (J) "INVESTIBLE FUNDS" – SHALL MEAN FUNDS AVAILABLE AFTER
37 DEDUCTING COST OF OPERATIONS AND EXPENSES, ADMINISTRATIVE AND
38 GENERAL EXPENSES, RESERVES FOR BENEFIT CLAIMS, PROVISIONS FOR A

1 SINKING FUND FOR THE RETURN OF THE MEMBERS' EQUITY UPON MATURITY
2 AND PROVISION FOR RESERVE FOR LOAN REPAYMENTS.

3 (K) "MEMBER" – AN EMPLOYEE COVERABLE UNDER THIS ACT AND PAYS
4 THE MANDATED CONTRIBUTIONS;

5 (L) "MEMBERSHIP TERM" – A PERIOD OF TWENTY (20) YEARS
6 COMMENCING FROM THE FIRST DAY OF THE MONTH TO WHICH THE
7 MEMBER'S INITIAL CONTRIBUTION TO THE FUND APPLIES: *PROVIDED*, THAT HE
8 SHALL HAVE CONTRIBUTED A TOTAL OF TWO HUNDRED FORTY (240)
9 MONTHLY CONTRIBUTIONS AT THE TIME OF MATURITY;

10 (M) "NET FUND ASSET" – THE TOTAL ASSETS OF THE FUND LESS
11 CURRENT LIABILITIES;

12 (N) "PERMANENT TOTAL DISABILITY" - LOSS OR IMPAIRMENT OF A
13 PHYSICAL AND MENTAL FUNCTION RESULTING FROM INJURY OR SICKNESS
14 WHICH COMPLETELY INCAPACITATES A MEMBER TO PERFORM ANY WORK OR
15 ENGAGE IN ANY BUSINESS OR OCCUPATION AS DETERMINED BY THE FUND;

16 (O) "SSS" – THE SOCIAL SECURITY SYSTEM CREATED UNDER REPUBLIC
17 ACT NO. 1161, AS AMENDED;

18
19 **SEC. [3] 5. Fund System.** - To carry out the purposes of this Act, [there is hereby
20 created the Home Development Mutual Fund of 1980, also referred to herein as the
21 Fund, a provident savings system for employees, private and public, who shall be the
22 members, supported by matching contributions of their respective employers, with
23 housing as the primary investment. The system may cover self-employed and other
24 working groups, as herein provided.] THE PAG-IBIG FUND IS HEREBY CREATED.
25 THE FUND IS A MUTUAL PROVIDENT SAVINGS SYSTEM FOR PRIVATE AND
26 GOVERNMENT EMPLOYEES AND OTHER EARNING GROUPS, SUPPORTED BY
27 MATCHING MANDATORY CONTRIBUTIONS OF THEIR RESPECTIVE EMPLOYERS
28 WITH HOUSING AS THE PRIMARY INVESTMENT.

29 The Fund shall be a body corporate, with principal office in Metro Manila, and
30 shall replace the Home Development Mutual Fund established under Presidential
31 Decree No. 1752, as amended.

32
33 **SEC. [4] 6. Fund Coverage.** – [Coverage of the Fund shall be mandatory upon
34 all employees covered by the Social Security System and the Government Service
35 Insurance System, and their respective employers: *Provided, however*, That coverage
36 of the employees whose monthly compensation is less than Four thousand pesos
37 (P4,000.00) shall be voluntary: *Provided, further*, That upon membership with the Fund,
38 their employers shall contribute an amount in accordance with Section 5 of this Act.

1 Such coverage may be extended to other working groups, with or without
2 employer contributions, as may be determined by the Board of Trustees. (*As amended*
3 *by R. A. No. 7742*).] COVERAGE IN THE FUND SHALL BE MANDATORY UPON: (A)
4 ALL EMPLOYEES COVERED BY THE SSS AND THE GSIS, AND THEIR
5 RESPECTIVE EMPLOYERS, NOTWITHSTANDING ANY WAIVER OF COVERAGE
6 PREVIOUSLY ISSUED, INCLUDING THE UNIFORMED MEMBERS OF THE ARMED
7 FORCES OF THE PHILIPPINES, THE BUREAU OF FIRE PROTECTION, THE
8 BUREAU OF JAIL MANAGEMENT AND PENOLOGY, AND THE PHILIPPINE
9 NATIONAL POLICE; (B) FILIPINOS EMPLOYED BY FOREIGN-BASED EMPLOYERS;
10 AND (C) SPOUSES WHO DEVOTE FULL TIME TO MANAGING THE HOUSEHOLD
11 AND FAMILY AFFAIRS, UNLESS THEY ALSO ENGAGE IN ANOTHER VOCATION
12 OR EMPLOYMENT WHICH IS SUBJECT TO MANDATORY COVERAGE, MAY BE
13 COVERED BY THE FUND ON A VOLUNTARY BASIS ADOPTING AS A BASIS OF
14 CONTRIBUTIONS ONE-HALF (1/2) OF THE MONTHLY COMPENSATION INCOME
15 OF THE EMPLOYED SPOUSE.

16 COVERAGE MAY ALSO BE EXTENDED TO OTHER WORKING GROUPS,
17 WITH OR WITHOUT EMPLOYER CONTRIBUTIONS, AS MAY BE DETERMINED BY
18 THE BOARD OF TRUSTEES.

19
20 **SEC. [5] 7. Fund GENERATION AND Contributions.** - THE FUNDS OF THE
21 FUND SHALL BE GENERATED BY THE PROVIDENT SAVINGS THAT THE
22 COVERED EMPLOYEES SHALL CONTRIBUTE FOR THE PURPOSE EVERY
23 MONTH, AND THE EQUAL AMOUNTS THAT THEIR RESPECTIVE EMPLOYERS
24 SHALL MANDATORILY CONTRIBUTE.

25 Covered employees and employers shall contribute to the Fund based on the
26 Monthly Compensation of covered employees as follows:

27 "Employees earning not more than One thousand five hundred pesos
28 (P1,500.00) per month – one percent (1%).

29 "Employees earning more than One thousand five hundred pesos (P1,500.00)
30 per month – two percent (2%).

31 "All employers – two percent (2%) of the monthly compensation of all covered
32 employees.

33 [For purposes of this Section, "*monthly compensation*" shall mean the basic
34 monthly salary plus cost-of-living allowance (COLA): *Provided, however,* That the
35 maximum monthly compensation to be used in computing employee and employer
36 contributions shall not be more than Five thousand pesos (P5,000.00). The employer
37 shall not be entitled to deduct from the wages or remuneration of, or otherwise to

1 recover from, the employee the employer's contribution. (As amended by R. A. No.
2 7742).]

3 THE MAXIMUM MONTHLY COMPENSATION TO BE USED IN COMPUTING
4 EMPLOYEE AND EMPLOYER CONTRIBUTIONS SHALL NOT BE MORE THAN FIVE
5 THOUSAND PESOS (P5,000.00); *PROVIDED*, THAT THIS MAXIMUM MAY BE FIXED
6 FROM TIME TO TIME BY THE BOARD OF TRUSTEES THROUGH RULES AND
7 REGULATIONS ADOPTED BY IT, TAKING INTO CONSIDERATION ACTUARIAL
8 CALCULATIONS AND RATES OF BENEFITS SUBJECT TO THE APPROVAL OF THE
9 PRESIDENT OF THE PHILIPPINES

10 NOTWITHSTANDING ANY CONTRACT TO THE CONTRARY, AN EMPLOYER
11 SHALL NOT DEDUCT, DIRECTLY OR INDIRECTLY, FROM THE COMPENSATION
12 OF ITS EMPLOYEES COVERED BY THE FUND, OR OTHERWISE RECOVER FROM
13 THEM, THE EMPLOYER'S CONTRIBUTION WITH RESPECT TO SUCH
14 EMPLOYEES.

15

16 **SEC. [6] 8. *Membership Term.*** – Membership in the Fund shall be for a period of
17 twenty (20) years [except when earlier terminated by reason of retirement, disability,
18 insanity, death, departure from the country or other causes as may be provided for by
19 the Board of Trustees: *Provided*, That those who become members of the Fund after
20 the effectivity of this Act may withdraw the total accumulated value of their contributions
21 to the Fund after the tenth or the fifteenth year of continuous membership: *Provided*,
22 *further*, That said members have no outstanding housing loans with the Fund: *Provided*,
23 *finally*, That this option may be exercised only once and shall not prejudice the
24 member's continuing membership in the Fund.] *PROVIDED*, THAT THE MEMBER
25 SHALL HAVE CONTRIBUTED A TOTAL OF TWO HUNDRED FORTY (240)
26 MONTHLY CONTRIBUTIONS AT THE TIME OF MATURITY, EXCEPT WHEN
27 EARLIER TERMINATED BY REASON OF RETIREMENT, DISABILITY, SEPARATION
28 FROM THE SERVICE DUE TO HEALTH REASONS, INSANITY, DEATH,
29 DEPARTURE FROM THE COUNTRY OR OTHER CAUSES AS MAY BE PROVIDED
30 FOR BY THE BOARD OF TRUSTEES.

31 Resignation, lay-off or suspension from employment may not necessarily
32 constitute a ground for membership termination, except for suspension of contributions.

33

34 **SEC. [7] 9. *Waiver or Suspension of Coverage.*** - Coverage of the Fund and/or
35 the payment of monthly contribution to the same may, by rules or resolutions of the
36 Board of Trustees, be waived or suspended by reasons of nature of employment,
37 condition of business, ability to make contributions and other reasonable considerations.

1 **SEC. [8] 10. *Provident Character.*** - The Fund shall be private in character,
2 owned wholly by the members, administered in trust and applied exclusively for their
3 benefit. All the personal and employer contributions shall be fully credited to each
4 member, accounted for individually and transferable in case of change of employment.
5 They shall earn dividends as may be provided for in the implementing rules. The said
6 amounts shall constitute the provident fund of each member, to be paid to him, his
7 estate or beneficiaries upon termination of membership, or from which peripheral
8 benefits for the member may be drawn.

9
10 **SEC. [9] 11. *Housing Features.*** - A member of good standing shall be eligible to
11 apply for housing, under such terms AND CONDITIONS as may be authorized by the
12 Board of Trustees, taking into account ability to pay. The Board of Trustees shall
13 institute policies to ensure that lower-income members obtain such housing loans. THE
14 BOARD MAY, UPON RECOMMENDATION OF THE CHIEF EXECUTIVE OFFICER,
15 DEPUTIZE ANY MEMBER OF THE FUND'S LEGAL STAFF TO ACT AS SPECIAL
16 SHERIFF IN FORECLOSURE CASES, IN THE SALE OR ATTACHMENT OF THE
17 DEBTOR'S PROPERTIES, AND IN THE ENFORCEMENT OF COURT WRITS AND
18 PROCESSES IN CASES INVOLVING THE FUND. THE SPECIAL SHERIFF OF THE
19 FUND SHALL MAKE A REPORT TO THE PROPER COURT AFTER ANY ACTION
20 TAKEN BY HIM, WHICH SHALL TREAT SUCH ACTION AS IF IT WERE AN ACT OF
21 ITS OWN SHERIFFS IN ALL RESPECTS.

22
23 **SEC. 12. *IMPLEMENTING BODY.*** - THE PAG-IBIG FUND CREATED UNDER
24 THIS ACT, SHALL IMPLEMENT THE PROVISIONS HEREOF.

25
26 **SEC. [10] 13. *[Corporate Powers] POWERS AND FUNCTIONS OF THE FUND.***

27 - The Fund shall have the powers and functions specified in this Act and the usual
28 corporate powers:

29 (a) To make policies and guidelines, as well as adopt, amend and rescind such
30 rules and regulations as may be necessary to carry out the provisions and purposes of
31 this Act;

32 (B) TO ADOPT OR APPROVE THE ANNUAL AND SUPPLEMENTAL BUDGET
33 OF RECEIPTS AND EXPENDITURES INCLUDING SALARIES AND ALLOWANCES
34 OF THE FUND PERSONNEL; TO AUTHORIZE SUCH CAPITAL AND OPERATING
35 EXPENDITURES AND DISBURSEMENTS OF THE FUND AS MAY BE NECESSARY
36 AND PROPER FOR THE EFFECTIVE MANAGEMENT AND OPERATION OF THE
37 FUND;

1 [b] (C) To submit annually to the President of the Philippines not later than March
2 15, a report of its activities and the state of the Fund during the preceding year,
3 including information and recommendations for the development and improvement
4 thereof; [and to furnish each member of the Fund a Statement of His Accumulated Fund
5 Value at least once a year;]

6 [c] (D) To invest [not less than seventy percent (70%) of its investible fund to
7 housing,] ITS FUNDS in accordance with this Act;

8 [d] (E) To acquire, utilize, or dispose of, in any manner recognized by law, real or
9 personal properties to carry out the purposes of this Act;

10 [e] (F) To set up its own accounting and computer systems; to conduct
11 continuing actuarial and statistical studies and valuations to determine the financial
12 viability of the Fund and its project; to require reports, compilations and analysis of
13 statistical and economic data, as well as make such other studies and surveys as may
14 be needed for the proper administration and development of the Fund;

15 [f] (G) To have the power of succession; to sue and be sued; to adopt and use a
16 [separate] CORPORATE seal;

17 [g] (H) To enter into and carry out contracts of every kind and description with
18 any person, firm or association or corporations, domestic or foreign;

19 [h] (I) To borrow funds from any source, private or government, foreign or
20 domestic;

21 [i] (J) To invest, own or otherwise participate in equity in any establishment, firm
22 or entity; to form, organize, invest in or establish and maintain a subsidiary or
23 subsidiaries in relation to any of its purposes;

24 (K) TO APPROVE APPOINTMENTS IN THE FUND EXCEPT APPOINTMENTS
25 TO POSITIONS WHICH ARE POLICY DETERMINING, PRIMARILY CONFIDENTIAL
26 OR HIGHLY TECHNICAL IN NATURE ACCORDING TO THE CIVIL SERVICE RULES
27 AND REGULATIONS; *PROVIDED*, THAT ALL POSITIONS IN THE FUND SHALL BE
28 GOVERNED BY A COMPENSATION AND POSITION CLASSIFICATION SYSTEM
29 QUALIFICATION STANDARDS RECOMMENDED BY THE FUND'S BOARD OF
30 TRUSTEES AND APPROVED BY THE PRESIDENT OF THE PHILIPPINES BASED
31 ON A COMPREHENSIVE JOB ANALYSIS, WAGE COMPENSATION STUDY AND
32 AUDIT OF ACTUAL DUTIES AND RESPONSIBILITIES; *PROVIDED, FURTHER*, THAT
33 THE COMPENSATION PLAN SHALL BE COMPARABLE WITH PREVAILING
34 COMPENSATION PLANS IN THE PRIVATE SECTOR AND SHALL BE SUBJECT TO
35 THE PERIODIC REVIEW OF THE BOARD NO MORE THAN ONCE EVERY FOUR (4)
36 YEARS WITHOUT PREJUDICE TO YEARLY MERIT REVIEWS OR INCREASES
37 BASED ON PRODUCTIVITY AND PROFITABILITY;

1 (L) TO MAINTAIN A PROVIDENT FUND, WHICH SHALL CONSISTS OF
2 CONTRIBUTIONS MADE BY BOTH THE FUND AND ITS OFFICERS AND
3 EMPLOYEES AND THEIR EARNINGS, FOR THE PAYMENT OF BENEFITS TO
4 SUCH OFFICIALS AND EMPLOYEES OR THEIR HEIRS UNDER SUCH TERMS AND
5 CONDITIONS AS IT MAY PRESCRIBE;

6 (M) TO DESIGN AND ADOPT AN EARLY RETIREMENT INCENTIVE PLAN
7 (ERIP) FOR ITS OWN PERSONNEL;

8 (N) TO ESTABLISH FIELD OFFICES AND TO CONDUCT ITS BUSINESS AND
9 EXERCISE ITS POWERS IN THESE PLACES;

10 (O) TO APPROVE RESTRUCTURING PROPOSAL FOR THE PAYMENT OF
11 DUE BUT UNREMITTED CONTRIBUTIONS AND UNPAID LOAN AMORTIZATIONS
12 UNDER SUCH TERMS AND CONDITIONS AS THE BOARD OF TRUSTEES MAY
13 PRESCRIBE;

14 (P) TO DETERMINE, FIX AND IMPOSE INTEREST AND PENALTIES UPON
15 UNPAID CONTRIBUTIONS DUE FROM EMPLOYERS AND EMPLOYEES;

16 (Q) TO ENSURE THE COLLECTION AND RECOVERY OF ALL
17 INDEBTEDNESS, LIABILITIES AND/OR ACCOUNTABILITES, INCLUDING UNPAID
18 CONTRIBUTIONS IN FAVOR OF THE FUND ARISING FROM ANY CAUSE OR
19 SOURCE OR WHATSOEVER, DUE FROM ALL OBLIGORS, WHETHER PUBLIC OR
20 PRIVATE; TO DEMAND PAYMENT OF THE OBLIGATIONS REFERRED TO
21 HEREIN, AND IN THE EVENT OF FAILURE OR REFUSAL OF THE OBLIGOR OR
22 DEBTOR TO COMPLY WITH THE DEMAND, TO INITIATE OR INSTITUTE THE
23 NECESSARY OR PROPER ACTIONS OR SUITS, CRIMINAL, CIVIL,
24 ADMINISTRATIVE, OR OTHERWISE, BEFORE THE COURTS, TRIBUNALS,
25 COMMISSIONS, BOARDS OR BODIES OF PROPER JURISDICTION, WITHIN
26 THIRTY (30) DAYS RECKONED FROM THE EXPIRY DATE OF PERIOD FIXED IN
27 THE DEMAND WITHIN WHICH TO PAY OR SETTLE THE ACCOUNT: *PROVIDED,*
28 *HOWEVER,* THAT THE FUND MAY COMPROMISE OR RELEASE, IN WHOLE OR IN
29 PART, ANY INTEREST, PENALTY OR CIVIL LIABILITY TO THE FUND IN
30 CONNECTION WITH THE COLLECTION OF CONTRIBUTIONS AND THE LENDING
31 OPERATIONS OF THE FUND, UNDER SUCH TERMS AND CONDITIONS AS
32 PRESCRIBED BY THE BOARD OF TRUSTEES;

33 (R) TO DESIGN AND IMPLEMENT OTHER PROGRAMS THAT WILL
34 FURTHER PROMOTE AND MOBILIZE SAVINGS AND PROVIDE ADDITIONAL
35 RESOURCES FOR THE MUTUAL BENEFIT OF THE MEMBERS WITH
36 APPROPRIATE RETURNS ON THE SAVINGS/INVESTMENTS. THE PROGRAM
37 SHALL BE SO DESIGNED AS TO SPUR SOCIO-ECONOMIC TAKE-OFF AND
38 MAINTAIN CONTINUED GROWTH;

1 (S) TO CONDUCT CONTINUING ACTUARIAL AND STATISTICAL STUDIES
2 AND VALUATIONS TO DETERMINE THE FINANCIAL CONDITION OF THE FUND
3 AND TAKING INTO CONSIDERATION SUCH STUDIES AND VALUATIONS AND THE
4 LIMITATIONS HEREIN PROVIDED, READJUST THE BENEFITS, CONTRIBUTIONS,
5 INTEREST RATES OR THE ALLOCATION OR REALLOCATION OF THE FUNDS TO
6 THE CONTINGENCIES COVERED ; AND

7 [J] (T) To exercise such powers and perform such acts as may be necessary,
8 useful, incidental or auxiliary to carry out the provisions of this Act.

9
10 **SEC. [11.] 14. Board of Trustees.** - The CORPORATE powers and functions of
11 the Fund shall be VESTED IN AND exercised by a Board of Trustees [composed of the
12 Minister of Human Settlements as Chairman, the Minister of Finance as Vice-Chairman,
13 the Minister of the Budget, the Minister of Labor, the Minister of Industry, the Chief
14 Executive Officer of the Fund, two representatives of private employees, two
15 representatives of private employers, and one representative of government employees
16 as members.

17 The four private sector representatives shall be appointed by the President of the
18 Philippines for a term of two years: *Provided, however,* That of the first set to be
19 appointed, one representative of the employees and one representative of the
20 employers shall have a term of only one year. The representative of the government
21 employees shall be appointed by the President of the Philippines for a term of two
22 years.

23 The members of the Board shall receive a *per diem* and reasonable
24 transportation and representation allowance at par with other government financial
25 institutions, as may be provided for by the Board of Trustees and approved by the
26 President of the Philippines.

27 Until the appointment of another person by the President of the Philippines upon
28 the recommendation of the Board of Trustees, the President of the National Home
29 Mortgage Finance Corporation shall be the Chief Executive Officer of the Fund.]
30 APPOINTED BY THE PRESIDENT OF THE PHILIPPINES, COMPOSED OF THE
31 FOLLOWING:

32 (A) THE CHAIRPERSON OF THE HOUSING AND URBAN DEVELOPMENT
33 AND COORDINATING COUNCIL, AS THE *EX-OFFICIO* CHAIRMAN;

34 (B) THE SECRETARY OF THE DEPARTMENT OF FINANCE, AS THE *EX-*
35 *OFFICIO* VICE CHAIRMAN;

36 (C) THE SECRETARY OF THE DEPARTMENT OF LABOR AND
37 EMPLOYMENT OR HIS/HER DULY DESIGNATED UNDERSECRETARY, AS *EX-*
38 *OFFICIO* MEMBER;

1 (D) THE SECRETARY OF BUDGET AND MANAGEMENT OR HIS/HER DULY
2 DESIGNATED UNDERSECRETARY, AS *EX-OFFICIO* MEMBER;

3 (E) THE SECRETARY OF DEPARTMENT OF TRADE AND INDUSTRY, AS
4 *EX-OFFICIO* MEMBER;

5 (F) THE CHIEF EXECUTIVE OFFICER OF THE FUND, AS MEMBER;

6 (G) FIVE (5) APPOINTIVE MEMBERS, TWO (2) REPRESENTATIVES OF
7 PRIVATE EMPLOYEES, TWO REPRESENTATIVES OF PRIVATE EMPLOYERS AND
8 ONE (1) REPRESENTATIVE OF GOVERNMENT EMPLOYEES.

9 THE FOUR (4) PRIVATE SECTOR REPRESENTATIVES SHALL EACH BE
10 APPOINTED BY THE PRESIDENT OF THE PHILIPPINES FOR A TERM OF TWO (2)
11 YEARS, PROVIDED HOWEVER, THAT OF THE FIRST TO BE APPOINTED, ONE
12 REPRESENTATIVE OF THE EMPLOYERS SHALL HAVE A TERM OF ONLY ONE (1)
13 YEAR. THE REPRESENTATIVE OF THE GOVERNMENT EMPLOYEES SHALL BE
14 APPOINTED BY THE PRESIDENT OF THE PHILIPPINES FOR A TERM OF TWO (2)
15 YEARS.

16 THE CHAIRMAN, VICE CHAIRMAN, AND MEMBERS OF THE BOARD SHALL
17 BE ENTITLED TO *PER DIEM* FOR EACH MEETING ACTUALLY ATTENDED AT
18 SUCH AMOUNTS AS MAY BE FIXED BY THE BOARD IN ACCORDANCE WITH
19 EXISTING LAWS, RULES AND REGULATIONS.

20
21 **SEC. [12.] 15. Powers of the Board.** - The Board shall have the following powers:

22 (a) To formulate policies, rules and regulations to carry out effectively the
23 functions of the Fund under this Act;

24 (b) [To direct operations and administration of the Fund;] TO PROMULGATE
25 SUCH RULES AND REGULATIONS AS MAY BE NECESSARY OR PROPER FOR
26 THE EFFECTIVE EXERCISE OF THE POWERS AND FUNCTIONS, AS WELL AS
27 THE DISCHARGE OF THE DUTIES AND RESPONSIBILITIES OF THE FUND, ITS
28 OFFICERS AND EMPLOYEES;

29 (c) To authorize expenditures of the Fund in the interest of effective
30 administration and operations; to adopt from time to time the budgets for said purposes;

31 (d) To approve [appointments of personnel; and] THE ANNUAL AND
32 SUPPLEMENTAL BUDGET OF RECEIPTS AND EXPENDITURES INCLUDING
33 SALARIES AND ALLOWANCES OF THE FUND PERSONNEL; TO AUTHORIZE
34 SUCH CAPITAL AND OPERATING EXPENDITURES AND DISBURSEMENTS AS
35 MAY BE NECESSARY AND PROPER FOR THE EFFECTIVE MANAGEMENT AND
36 OPERATION OF THE FUND;

37 (e) TO CONDONE, IN WHOLE OR IN PART, PENALTIES IMPOSED ON
38 LOANS OF MEMBERS/BORROWERS WHO, FOR JUSTIFIABLE REASONS

1 PRESCRIBED BY THE BOARD, FAILED TO PAY ON TIME ANY OBLIGATION DUE
2 TO THE FUND; *PROVIDED*, THAT SUCH EXCLUSIVE POWER TO CONDONE
3 SHALL LIKEWISE APPLY TO PENALTIES IMPOSED ON EMPLOYERS, WHO
4 JUSTIFIABLY FAIL TO REMIT WHEN DUE THE REQUIRED CONTRIBUTIONS OF
5 THEIR EMPLOYEES;

6 (F) TO RECOMMEND FOR APPROVAL BY THE PRESIDENT OF THE
7 REPUBLIC OF THE PHILIPPINES THE FUND'S ORGANIZATIONAL AND
8 ADMINISTRATIVE STRUCTURES AND STAFFING PATTERN, AND TO ESTABLISH,
9 FIX, REVIEW, REVISE AND ADJUST THE APPROPRIATE COMPENSATION
10 PACKAGE FOR THE OFFICERS AND EMPLOYEES OF THE FUND IN
11 ACCORDANCE WITH SECTION 12 (K) HEREOF; AND

12 [e] (G) To exercise such [other] powers as may be necessary to carry into effect
13 the powers and accomplish the purposes for which the Fund is established.

14
15 **SEC. [13.] 16. Rule-Making Power.** - The Board of Trustees is hereby authorized
16 to make and change needful rules and regulations, which shall be published in
17 accordance with law or at least once in a newspaper of general circulation in the
18 Philippines, to provide for, but not limited to, the following matters:

19 (a) The effective administration, custody, development, utilization and disposition
20 of the Fund or parts thereof, including payment of amounts credited to members or to
21 their beneficiaries or estates;

22 [(b) Extension of Fund coverage to other working groups, and waiver or
23 suspension of coverage or its enforcement for reasons herein stated;]

24 [(c)] (B) Grounds for and effects or termination of membership other than by
25 completion of term;

26 [(d)] (C) Fund earnings and their distribution, investment and/or plowing back for
27 the exclusive benefit of the members;

28 [(e)] (D) Interim disbursements of accumulated values to members of
29 ameliorative and similar purposes;

30 (E) BENEFITS, CONTRIBUTIONS INCLUDING THEIR RATES, PREMIUM
31 RATES, AND INTEREST RATES SUBJECT TO THE APPROVAL OF THE
32 PRESIDENT OF THE PHILIPPINES;

33 (f) Housing and other loan assistance programs for members;

34 (g) Adjudication and settlement of claims and disputes and the procedures for the
35 same on any matters involving the interests of members in the Fund;

36 (h) Optimize the effectiveness of the [initial coverage drive through phased
37 implementation based on reasonable classifications of employer and/or employee
38 groups] FUNDS COVERAGE; and

1 (i) Other matters that, by express or implied provisions of this Act, shall require
2 implementation by appropriate policies, rules and regulations.
3

4 **SEC. [14.] 17. Powers and Duties of Chief Executive Officer.** - The Chief
5 Executive Officer of the Fund shall execute and administer the policies and resolutions
6 approved by the Board of Trustees, prepare its agenda and direct and supervise the
7 operations and management of the Fund. [Subject to the approval of the Board, said
8 officer shall appoint and assign the personnel of the Fund, remove, suspend or
9 otherwise discipline them for cause and prescribe their duties and qualifications.] THE
10 CHIEF EXECUTIVE OFFICER, SUBJECT TO THE APPROVAL OF THE BOARD IN
11 CASE OF APPROVAL OF MANAGERIAL POSITIONS AND ABOVE, AND THE
12 CONFIRMATION OF THE BOARD IN BELOW THAT OF MANAGER LEVEL, SHALL
13 APPOINT THE PERSONNEL OF THE FUND, REMOVE, SUSPEND OR OTHERWISE
14 DISCIPLINE THEM FOR CAUSE, AND PRESCRIBE THEIR DUTIES AND
15 QUALIFICATIONS, IN ACCORDANCE WITH EXISTING CIVIL SERVICE LAWS,
16 RULES AND REGULATIONS, TO THE END THAT ONLY COMPETENT PERSONNEL
17 MAY BE EMPLOYED.
18

19 **SEC. [15.] 18. Money Investments.** - All moneys of the Fund as are not needed
20 to meet current administrative and operational requirements, shall be invested with due
21 and prudent regard for its safety, growth and liquidity needs.
22

23 **SEC. [16.] 19. [Tax and Guarantee Benefits.] EXEMPTION FROM TAX, LEGAL**
24 **PROCESS AND LIEN** – [Notwithstanding any provisions of existing law, decree,
25 executive or administrative order, rule or regulation to the contrary, the Fund and all its
26 assets, collections, receivables and increments as well as all distributions therefrom,
27 whether of contributions, ratable income of the Fund, or dividends paid or received by
28 the members thereof, or their heirs/beneficiaries, shall be exempt from the payment of
29 any and all forms of taxes, assessments and other charges. All such provident
30 payments shall not be liable to attachment, garnishment, levy or seizure by or under any
31 legal or equitable process whatsoever, either before or after receipt by the persons
32 entitled thereto, except to pay any debt of the covered member to the Fund. In addition,
33 the Government of the Republic of the Philippines hereby guarantees the payment of
34 employees' and employers' contributions and dividends to the members when they are
35 due.] ALL LAWS TO THE CONTRARY NOTWITHSTANDING, THE FUND AND ALL
36 ITS ASSETS AND PROPERTIES, ALL CONTRIBUTIONS COLLECTED AND ALL
37 ACCRUALS THERETO AND INCOME OR INVESTMENT EARNINGS THEREFROM,
38 AS WELL AS ALL SUPPLIES, EQUIPMENT, PAPERS OR DOCUMENTS SHALL BE

1 EXEMPT FROM ANY TAX, ASSESSMENT, FEE, CHARGE, OR CUSTOMS OR
2 IMPORT DUTY; AND ALL BENEFIT PAYMENTS MADE BY THE PAG-IBIG FUND
3 SHALL LIKEWISE BE EXEMPT FROM ALL KINDS OF TAXES, FEES OR CHARGES,
4 AND SHALL NOT BE LIABLE TO ATTACHMENTS, GARNISHMENTS, LEVY OR
5 SEIZURE BY OR UNDER ANY LEGAL OR EQUITABLE PROCESS WHATSOEVER,
6 EITHER BEFORE OR AFTER RECEIPT BY THE PERSON OR PERSONS ENTITLED
7 THERETO, EXCEPT TO PAY ANY DEBT OF THE MEMBER TO THE FUND. NO TAX
8 MEASURE OF WHATEVER NATURE ENACTED SHALL APPLY TO THE FUND,
9 UNLESS IT EXPRESSLY REVOKES THE DECLARED POLICY OF THE STATE IN
10 SECTION 2 HEREOF GRANTING TAX EXEMPTION TO THE FUND. ANY TAX
11 ASSESSMENT AGAINST THE FUND SHALL BE NULL AND VOID.

12

13 **SEC. 20. GOVERNMENT GUARANTEE.** – THE BENEFITS PRESCRIBED IN
14 THIS ACT SHALL NOT BE DIMINISHED AND TO GUARANTEE SAID BENEFITS THE
15 GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES ACCEPTS GENERAL
16 RESPONSIBILITY FOR THE SOLVENCY OF THE FUND.

17

18 **SEC. [17.] 21. Administration Costs.** - The Fund shall bear the costs of its
19 administration and development, in such amounts and/or limits as the Board of Trustees
20 may deem appropriate, but not exceeding two percent (2%) of the Net Fund Assets of
21 the previous year, [Expenses for initial operation, however, may be provided for by the
22 National Home Mortgage Finance Corporation, either as advances subject to
23 reimbursement, with or without interest, or as subsidy for the development of housing
24 finance.] excluding operating cost directly relating to the lending operations of the Fund.

25

26 **SEC. [18.] 22. Audit.** - The Chairman of the Commission on Audit shall act as the
27 *ex-officio* auditor of the Fund and, accordingly, is empowered to appoint a
28 representative and other subordinate personnel to perform and report on such audit
29 duties, responsible to and removable only by the Commission on Audit Chairman,
30 without prejudice, however, to the power of the Board of Trustees to contract for another
31 mode of independent audit service, in addition to that provided by the Commission on
32 Audit AS PROVIDED FOR UNDER PD NO. 1445.

33

34 [SEC. 19. *Existing Provident/Housing Plans.* - An employer and/or employee
35 group who, at the time this Decree becomes effective, have their own provident and/or
36 employee-housing plans, may register with the Fund, for any of the following purposes:
37 (a) For annual certification of waiver or suspension from coverage or participation in the
38 Fund, which shall be granted on the basis of verification that the waiver or suspension

1 does not contravene any effective collective bargaining agreement and that the features
2 of the plan or plans are superior to the Fund or continue to be so; or

3 (b) For integration with the Fund, either fully or partially.

4 The establishment of a separate provident and/or housing plan after the effectivity of
5 this Decree shall not be a ground for waiver of coverage in the Fund; nor shall such
6 coverage bar any employer and/or employee-group from establishing separate
7 provident and/or housing plans.

8 SEC. 20. *Existing Coverage.* - Membership under the Fund established under
9 Presidential Decree No. 1530, together with amounts and benefits already accrued to
10 the members, including employers' counterparts, as well as covering records and
11 documents, shall be transferred, continued and/or integrated into the new Fund hereby
12 established, subject henceforth to policies and rules adopted thereunder.

13 SEC. 21. *Substitute Retirement Plan.* - A private employer shall have the option
14 to treat the coverage by the Fund as a retirement plan for the employee concerned,
15 within the purview of the Revised Labor Code of the Philippines, subject, however, to
16 any existing collective bargaining on the matter.]

17

18 SEC. [22] 23. *Remittance of Contributions.* - (a) It shall be the duty of every
19 employer, PRIVATE OR PUBLIC, to set aside and remit the contributions required
20 under this Act [through the Social Security System and] IN ACCORDANCE WITH A
21 MECHANISM AS determined by the Board of Trustees AND as may be approved by the
22 President of the Philippines.

23 (B) Every employer required to set aside and remit such contributions as
24 prescribed under this Act shall be liable for their payment, and non-payment shall
25 further subject the employer to a penalty of three percent (3%) per month of the
26 amounts payable from the date the contributions fall due until paid.

27 [(b) Failure or refusal of the employer to pay or remit the contributions herein
28 prescribed shall not prejudice the right of the covered employee to the benefits under
29 this Act.]

30 (C) IT SHALL BE MANDATORY AND COMPULSORY FOR ALL GOVERNMENT
31 INSTRUMENTALITIES, AGENCIES, INCLUDING GOVERNMENT-OWNED AND
32 CONTROLLED CORPORATIONS, TO PROVIDE THE PAYMENT OF
33 CONTRIBUTIONS IN THEIR ANNUAL APPROPRIATIONS. PENAL SANCTIONS
34 SHALL BE IMPOSED UPON THESE EMPLOYERS WHO FAIL TO INCLUDE THE
35 PAYMENT OF CONTRIBUTIONS ON TIME, OR DELAY THE REMITTANCE OF THE
36 REQUIRED CONTRIBUTIONS TO THE FUNDS. THE HEADS OF OFFICES AND
37 AGENCIES SHALL BE ADMINISTRATIVELY LIABLE FOR NON-REMITTANCE OF
38 THE REQUIRED CONTRIBUTIONS TO THE FUND.

1 (D) FAILURE OR REFUSAL OF THE EMPLOYER TO PAY OR TO REMIT THE
2 CONTRIBUTIONS HEREIN PRESCRIBED SHALL NOT PREJUDICE THE RIGHT OF
3 THE COVERED EMPLOYEE TO THE BENEFITS UNDER THIS ACT.

4 (E) THE CONTRIBUTIONS UNDER THIS ACT, IN CASES WHERE AN
5 EMPLOYER REFUSES OR NEGLECTS TO PAY THE SAME, SHALL BE COLLECTED
6 BY THE FUND IN THE SAME MANNER AS TAXES ARE MADE COLLECTIBLE
7 UNDER THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED.

8 THE RIGHT TO INSTITUTE THE NECESSARY ACTION AGAINST THE
9 EMPLOYER MAY BE COMMENCED WITHIN TWENTY (20) YEARS FROM THE TIME
10 DELINQUENCY IS KNOWN OR THE ASSESSMENT IS MADE BY THE FUND, OR
11 FROM THE TIME THE BENEFIT ACCRUES, AS THE CASE MAY BE.

12
13 **SEC. 24. EMPLOYMENT RECORDS AND REPORTS.** – (A) EACH EMPLOYER
14 SHALL IMMEDIATELY REPORT TO THE FUND THE NAMES, AGES, CIVIL STATUS,
15 OCCUPATIONS, SALARIES, AND DEPENDENTS OF ITS COVERED EMPLOYEES.

16 (B) EVERY EMPLOYER SHALL KEEP TRUE AND ACCURATE WORK
17 RECORDS FOR SUCH PERIOD AND CONTAINING SUCH INFORMATION AS THE
18 FUND MAY PRESCRIBE, IN ADDITION TO THE ANNUAL REGISTER OF NEW AND
19 SEPARATED EMPLOYEES WHICH SHALL BE SECURED FROM THE FUND, WHEN
20 THE EMPLOYEE SHALL ENTER ON THE FIRST DAY OF EMPLOYMENT OR ON
21 THE EFFECTIVE DATE OF SEPARATION, THE NAMES OF THE PERSONS
22 EMPLOYED OR SEPARATED FROM EMPLOYMENT AND SUCH OTHER DATA
23 THAT THE FUND MAY REQUIRE AND SAID ANNUAL REGISTER SHALL BE
24 SUBMITTED TO THE FUND IN THE MONTH OF JANUARY OF EACH YEAR. SUCH
25 RECORD SHALL BE OPEN FOR INSPECTION BY THE FUND OR ITS AUTHORIZED
26 REPRESENTATIVES QUARTERLY, OR AS OFTEN AS THE FUND MAY REQUIRE.

27
28 **SEC. [23.] 25. Penal Provisions.** - Refusal or failure without lawful cause or with
29 fraudulent intent to comply with the provisions of this [Decree] ACT, as well as the
30 implementing rules and regulations adopted by the Board of Trustees, particularly with
31 respect to registration of employees, collection and remittance of employee-savings as
32 well as the employer counterparts, or the correct amount due, within the time set in the
33 implementing rules and regulations or specific call or extension made by the Fund
34 Management shall constitute an offense punishable by a fine of not less THAN, but not
35 more than twice, the amount involved or imprisonment of not more than six (6) years, or
36 both such fine and imprisonment, in the discretion of the Court, apart from the civil
37 liabilities and/or obligations of the offender or delinquent. When the offender is a
38 corporation, the penalty shall be imposed upon the members of the governing board

1 and the President or General Manager, without prejudice to the prosecution of related
2 offenses under the Revised Penal Code and other laws, revocation and denial of
3 operating rights and privileges in the Philippines, and deportation when the offender is a
4 foreigner. IN CASE OF GOVERNMENT INSTRUMENTALITIES, AGENCIES OR
5 CORPORATIONS, THE TREASURER, FINANCE OFFICER, CASHIER, DISBURSING
6 OFFICER, BUDGET OFFICER OR OTHER OFFICIAL OR EMPLOYEE WHO FAILS
7 TO INCLUDE IN THE ANNUAL BUDGET THE AMOUNT CORRESPONDING TO THE
8 EMPLOYERS' CONTRIBUTIONS, OR WHO FAILS OR REFUSES OR DELAYS BY
9 MORE THAN THIRTY (30) DAYS FROM THE TIME SUCH AMOUNT BECOMES DUE
10 AND DEMANDABLE OR TO DEDUCT THE MONTHLY CONTRIBUTIONS OF THE
11 EMPLOYEE SHALL, UPON CONVICTION BY FINAL JUDGMENT, SUFFER THE
12 PENALTIES OF IMPRISONMENT OF NOT MORE THAT SIX (6) YEARS, AND A FINE
13 OF NOT LESS THAN, BUT NOT MORE THAN TWICE THE AMOUNT INVOLVED.

14
15 **SEC. [24.] 26. *Visitorial and Enforcement Powers.*** – (a) The Fund or its duly
16 authorized representatives [may, at any time,] IS EMPOWERED TO inspect the
17 premises, books of accounts and records of any person or entity covered by this Act;
18 require it to submit its reports regularly; and act on violations of any provisions of this
19 Act.

20 (b) Particular aspects of the Fund's administration may be subject to supervision,
21 visitation or verification by appropriate agencies of the government as may be
22 designated and authorized by the President of the Philippines.

23
24 **SEC. 27. *BORROWERS' INSURANCE ACCOUNT.*** – (A) AS PART OF ITS
25 INVESTMENT OPERATIONS, THE FUND MAY ACT AS INSURER OF ALL OR PART
26 OF ITS INTEREST ON PROPERTIES MORTGAGED TO THE FUND, OR LIVES OF
27 BORROWERS WHOSE LOANS ARE FINANCED BY THE FUND. FOR THIS
28 PURPOSE, THE FUND MAY ESTABLISH A SEPARATE ACCOUNT TO BE KNOWN
29 AS THE "BORROWERS' INSURANCE ACCOUNT". ALL AMOUNTS RECEIVED BY
30 THE FUND IN CONNECTION WITH THE AFORESAID INSURANCE OPERATIONS
31 SHALL BE PLACED IN THE BORROWERS' INSURANCE ACCOUNT. THE ASSETS
32 AND LIABILITIES OF THE BORROWERS' INSURANCE ACCOUNT SHALL AT ALL
33 TIMES BE CLEARLY IDENTIFIABLE AND DISTINGUISHABLE FROM THE ASSETS
34 AND LIABILITIES IN ALL OTHER ACCOUNTS OF THE FUND. NOTWITHSTANDING
35 ANY PROVISION OF LAW TO THE CONTRARY, THE ASSETS HELD IN THE
36 BORROWERS' INSURANCE ACCOUNT SHALL NOT BE CHARGEABLE WITH THE
37 LIABILITIES ARISING OUT OF ANY OTHER BUSINESS THE FUND MAY CONDUCT
38 BUT SHALL BE HELD AND APPLIED EXCLUSIVELY FOR THE BENEFIT OF THE

1 OWNERS OR BENEFICIARIES OF THE INSURANCE CONTRACTS ISSUED BY THE
2 FUND UNDER THIS PARAGRAPH.

3 (B) THE FUND MAY INSURE ANY OF ITS INTEREST OR PART THEREOF
4 WITH ANY PRIVATE COMPANY OR REINSURER. THE INSURANCE COMMISSION
5 OR ITS AUTHORIZED REPRESENTATIVES SHALL MAKE AN EXAMINATION INTO
6 THE FINANCIAL CONDITION AND METHODS OF TRANSACTING BUSINESS OF
7 THE FUND AT LEAST ONCE IN TWO (2) YEARS, BUT SUCH EXAMINATION SHALL
8 BE LIMITED TO THE INSURANCE OPERATION OF THE FUND AS AUTHORIZED
9 UNDER THIS PARAGRAPH AND SHALL NOT EMBRACE THE OTHER
10 OPERATIONS OF THE FUND; AND THE REPORT OF SAID EXAMINATION SHALL
11 BE SUBMITTED TO THE COMMISSION AND A COPY THEREOF SHALL BE
12 FURNISHED THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES WITHIN A
13 REASONABLE TIME AFTER THE CLOSE OF THE EXAMINATION: *PROVIDED*,
14 THAT FOR EACH EXAMINATION, THE FUND SHALL PAY TO THE INSURANCE
15 COMMISSION AN AMOUNT EQUAL TO THE ACTUAL EXPENSES OF THE
16 INSURANCE COMMISSION IN THE CONDUCT OF THE EXAMINATION:
17 *PROVIDED, FURTHER*, THAT THE GENERAL LAW ON INSURANCE AND THE
18 RULES AND REGULATIONS PROMULGATED THEREUNDER SHALL HAVE
19 SUPPLEMENTARY APPLICATION INSOFAR AS IT IS NOT IN CONFLICT WITH THIS ACT
20 AND ITS RULES AND REGULATIONS.

21
22 **SEC. 28. IMPLEMENTING RULES AND REGULATIONS.** - THE
23 IMPLEMENTING RULES AND REGULATIONS TO EFFECTIVELY CARRY OUT THE
24 PROVISIONS OF THIS ACT SHALL BE ADOPTED BY AND PROMULGATED BY THE
25 BOARD OF TRUSTEES OF THE PAG-IBIG FUND NOT LATER THAN NINETY (90)
26 DAYS AFTER THE APPROVAL OF THIS ACT WHICH SHALL BE PUBLISHED IN AT
27 LEAST TWO (2) NATIONAL NEWSPAPERS OF GENERAL CIRCULATION.

28
29 **SEC. 29. SEPARABILITY CLAUSE.** - IF FOR ANY REASON, ANY PROVISION
30 OF THIS ACT, OR THE APPLICATION THEREOF TO ANY PERSON OR
31 CIRCUMSTANCES, IS HELD INVALID OR UNCONSTITUTIONAL, THE REMAINING
32 PROVISIONS NOT AFFECTED THEREBY SHALL CONTINUE TO BE IN FULL
33 FORCE AND EFFECT.

34
35 **SEC. [25.] 30. Repealing Clause.** - Any provisions of law, decree, executive
36 order, rules or regulations as are in conflict or inconsistent with the provisions and/or
37 purposes of this [decree] ACT are [accordingly] HEREBY repealed, amended or
38 modified ACCORDINGLY.

1 **SEC. [26.] 31. Effectivity.-** [This Decree shall take effect immediately.] THIS
2 ACT SHALL TAKE EFFECT FIFTEEN (15) DAYS AFTER THE COMPLETION OF ITS
3 PUBLICATION IN THE *OFFICIAL GAZETTE* OR IN AT LEAST TWO (2) NATIONAL
4 NEWSPAPERS OF GENERAL CIRCULATION.

5

6 APPROVED,