

## EXECUTIVE ORDER NO. 453

## PREScribing A MAXIMUM AMOUNT OF COMPENSATION THAT CAN BE RECEIVED BY GOVERNMENT-NOMINATED DIRECTORS TO CORPORATIONS

WHEREAS, government-nominated directors of the boards of corporations, whether government-owned/controlled or private, are being allowed to receive, aside from their regular compensation as director of the corporation concerned, additional compensation as members of the boards or other officers of its subsidiary corporations;

WHEREAS, the common reasons cited for allowing government-nominated directors to receive high levels of compensation are: the requirement to limit the amount of directors' compensation pertains only to Presidential Commission on Good Government (PCGG) - nominated directors; Cabinet Resolution No. 23, S. of 1988, which limits the compensation of appointive officials holding other positions does not cover bonuses; and it is up to the Director to waive or pass on to the government the excess amount of his compensation;

*pl* WHEREAS, there is an urgent need to rationalize, and provide clear guidelines for, the allowable levels of compensation that can be received by all government-nominated directors of corporations;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. Henceforth, a government-nominated director of a corporation, whether government-owned/controlled or sequestered, may only receive compensation from such corporation. In no case shall such director be allowed to receive additional compensation as member of the board or as officer of subsidiaries of such corporation. Further, the total compensation that a government-nominated director of any corporation may receive as such, including bonuses and representation/transportation allowances, shall not exceed P\_\_\_\_\_ per annum.

SEC. 2. All officers and directors affected by this Executive Order are required to submit to the Office of the President their compliance therewith.

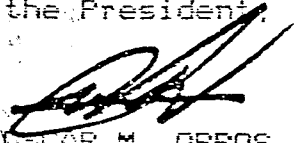
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SEC. 3. This Executive Order shall take effect immediately.

Done in the City of Manila, this 19th day of April in the year of Our Lord, nineteen hundred and ninety-one.

*Benigno S. Aquino*

By the President,



OSCAR M. GREGOS  
Executive Secretary