



MALACAÑAN PALACE
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 65

APPROVING THE MERGER OF THE LBP LEASING AND FINANCE CORPORATION (LLFC) AND UCPB LEASING AND FINANCE CORPORATION (ULFC), WITH THE LLFC AS THE SURVIVING ENTITY

WHEREAS, Executive Order (EO) No. 142 (s. 2021) approved the merger between United Coconut Planters Bank (UCPB) and Land Bank of the Philippines (LBP), with LBP as the surviving entity;

WHEREAS, the said merger between UCPB and LBP transferred all assets and liabilities of the UCPB to the LBP, including its ownership shares in ULFC, making the latter a subsidiary of LBP;

WHEREAS, Section 5(a) of Republic Act (RA) No. 10149 or the "GOCC Governance Act of 2011" empowers the Governance Commission for GOCCs (GCG), in consultation with the department or agency to which a GOCC is attached, to determine whether a GOCC should be reorganized, merged, streamlined, abolished or privatized;

WHEREAS, LLFC and ULFC, both attached to the Department of Finance (DOF), are finance and leasing corporations, extending credit to businesses for the acquisition of equipment and other assets;

WHEREAS, the GCG *en banc* finds the merger of LLFC and ULFC to be in the best interest of the State, to eliminate unnecessary overlap in the mandates and functions of LLFC and ULFC;

WHEREAS, the GCG *en banc* has further determined that ULFC is no longer achieving its expected objectives and purpose as a GOCC;

WHEREAS, pursuant to Section 5(a) of RA No. 10149, the GCG *en banc*, with the concurrence of the DOF and Department of Budget and Management, and in consultation with the LBP, Commission on Audit, Securities and Exchange Commission, and *Bangko Sentral ng Pilipinas*, recommended the merger of LLFC and ULFC, with LLFC as the surviving corporation; and

THE PRESIDENT OF THE PHILIPPINES

WHEREAS, Section 17, Article VII of the Constitution provides that the President shall have control of all executive departments, bureaus and offices, and shall ensure the faithful execution of laws;

NOW, THEREFORE, I, FERDINAND R. MARCOS, JR., President of the Philippines, by virtue of the powers vested in me by the Constitution and existing laws, do hereby order:

Section 1. Merger of LLFC and ULFC. The merger of LLFC and ULFC, with LLFC as the surviving entity, is hereby approved, subject to relevant laws, rules and regulations.

LLFC and ULFC shall, in consultation with the GCG, determine the mode of the merger and implement the same with the approval of relevant regulatory agencies. All assets and liabilities of ULFC shall be transferred to LLFC.

Section 2. Compliance with Relevant Laws and Accounting and Auditing Standards. The GCG, LLFC and ULFC shall ensure that the merger between LLFC and ULFC complies with the following:

- a. RA No. 11232 or the "Revised Corporation Code of the Philippines;"
- b. RA No. 10667 or the "Philippine Competition Act;" and
- c. Such other applicable laws, rules, and regulations.

In the implementation of the herein merger, LLFC and ULFC shall likewise ensure compliance with applicable accounting and auditing standards, rules, and policies.

Section 3. Integration Plan. To effectively implement the merger and carry-out the provisions of this Order, LLFC and ULFC shall prepare and implement an integration plan, in accordance with existing laws, rules and regulations.

Section 4. Reorganization and Absorption of Qualified Officers and Employees. Within one (1) year from the effectivity of this Order, LLFC shall submit its proposed reorganization plan to the GCG, as approved by the LLFC Board of Directors, subject to the principles and standards under RA No. 10149 and such other applicable laws, rules and regulations.

In addition to retirement or separation benefits under existing laws and regulations, the ULFC Board of Directors is hereby authorized to adopt a separation incentive package for affected officers and personnel of ULFC, using as reference the rates prescribed under EO No. 150 (s. 2021), and in accordance with other applicable laws, rules and regulations.

Whenever applicable, affected officials and personnel of ULFC may be hired by LLFC, subject to the possession of the necessary service eligibility and other requirements prescribed for the position.

Section 5. Agency Support. All relevant departments, agencies, bureaus, offices and instrumentalities shall provide full support and assistance to ensure the effective implementation of this Order.

Section 6. Separability. If any section or part of this Order is declared unconstitutional or invalid, the other sections or provisions not otherwise affected shall remain in full force and effect.

Section 7. Repeal. All orders, rules, regulations, and issuances or parts thereof, which are inconsistent with this Order, are hereby repealed or modified accordingly.

Section 8. Effectivity. This Order shall take effect immediately upon publication in the Official Gazette or in a newspaper of general circulation.

DONE, in the City of Manila, this 06 day of August, in the year of our Lord, Two Thousand and Twenty-Four.



By the President:



LUCAS P. BERSAMIN
Executive Secretary

Office of the President
MALACAÑANG RECORDS OFFICE
CERTIFIED COPY

ATTY. KAMILLE N. ESPINO
ACTING DIRECTOR IV
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