



Republic of the Philippines
PROVINCE OF PANGASINAN
Lingayen
—oOo—

OFFICE OF THE SANGGUNIANG PANLALAWIGAN SECRETARY

Introduced by SP Member Francisco F. Baraan III February 2, 1996

C E R T I F I C A T I O N

TO WHOM IT MAY CONCERN:

THIS IS TO CERTIFY that at the regular session duly constituted of the Sangguniang Panlalawigan, Province of Pangasinan, held on February 2, 1996 at Lingayen, Pangasinan, the following ordinance was approved:

PROVINCIAL ORDINANCE NO. 51-96

"AUTHORIZING THE ISSUANCE BY THE PROVINCE OF PANGASINAN OF LONG-TERM BONDS TO FINANCE DEVELOPMENT AND LIVELIHOOD PROJECTS OF THE PROVINCE OF PANGASINAN, DECLARING THE TERMS AND CONDITIONS OF THE BONDS AND THE PURPOSES FOR SAID ISSUANCE, AND OTHER PURPOSES."

WHEREAS, Section 299 of Republic Act No. 7160 (otherwise known as the Local Government Code of 1991) authorizes provinces, cities and municipalities to issue, subject to the rules and regulations of the Central Bank of the Philippines (now Bangko Sentral ng Pilipinas) and the Securities and Exchange Commission, bonds, debentures, securities, collaterals, notes, and other obligations to finance self-liquidating, income producing development or livelihood projects;

WHEREAS, the Province of Pangasinan has identified several self-liquidating, income producing development and livelihood projects for the Province (the "Projects");

WHEREAS, the Province of Pangasinan intends to partially finance the Projects through the issuance of long-term bonds;



Republic of the Philippines
PROVINCE OF PANGASINAN
Lingayen
—o0o—

OFFICE OF THE SANGGUNIANG PANLALAWIGAN SECRETARY

Provincial Ordinance No. 51-96
page 2

WHEREAS, the economic, financial and legal feasibility of the proposed issuance or floatation of long-term bonds must be determined and confirmed, the requisite consents and approvals must be obtained, and all necessary documents, papers and materials must be prepared;

NOW, THEREFORE, on motion of Board Member Francisco F. Baraan III, duly seconded, be it enacted by the Sangguniang Panlalawigan of Pangasinan, in session assembled that:

Section 1. Title. This Ordinance shall be called the "BOND FLOATATION OF 1995."

Section 2. Authority. The Province of Pangasinan is hereby authorized to issue provincial bonds up to an aggregate principal amount of PESOS: ONE BILLION (P1,000,000,000.00) subject to the provisions of the Local Government Code of the rules and regulations of the Central Bank of the Philippines (now Bangko Sentral ng Pilipinas) and the Securities and Exchange Commission, and of this Ordinance.

Section 3. Purposes of the Bond Issue. The Bonds shall be issued only for the purpose of partially financing self-liquidating, income producing development and livelihood projects pursuant to the priorities established in the approved local development plan or the public investment program, including the following:

- a. Construction of toll roads and central expressways;
- b. Development of Tourism Estates;
- c. Development of Industrial Estates;
- d. Development and Construction of land transportation and terminals;
- e. Rehabilitation of provincial municipal and barangay road networks;



Republic of the Philippines
PROVINCE OF PANGASINAN
Lingayen
—o0o—

OFFICE OF THE SANGGUNIANG PANLALAWIGAN SECRETARY

Provincial Ordinance No. 51-96

Page 3

- f. Construction of hospitals and schools;
- g. Community Based Resource Management Projects.

Section 4. Terms and Conditions of the Bonds. The Bonds shall have the following features:

- a. **Denomination.** The Bonds shall be in ₱5,000, ₱10,000, ₱100,000, ₱500,000, ₱1,000,000 denominations redeemable at face value at maturity.
- b. **Instrument.** The Bonds shall be in registered form constituting direct obligation of the Province of Pangasinan.
- c. **Term.** The maturity of the Bonds shall be either five (5), ten (10), fifteen (15) or twenty (20) years from the date of issuance, unless retired earlier by the province.
- d. **Issue Date.** The Bonds shall have an issue date of not later than December 31, 1997.
- e. **Coupon Rate.** The Bonds shall bear interest at the rate of 10% per annum represented or evidenced by attached coupons redeemable on specific or determinable dates.
- f. **Security.** The Bonds and the Coupons shall be fully secured by:
 - i. A Collateral or Asset Pool primarily consisting of land, buildings and improvements to be acquired, used or operated in connection with the Projects.
 - ii. 10% of Internal Revenue Allotment.
 - iii. A sinking fund consisting of 10% of the bonds proceeds and income, fees, rentals, toll from the toll roadways and central expressways, land transportation depots and terminals, industrial estates, tourism estates, hospitals and schools, and the sinking fund's investments.



Republic of the Philippines
PROVINCE OF PANGASINAN
Lingayen
—o0o—

OFFICE OF THE SANGGUNIANG PANLALAWIGAN SECRETARY

Provincial Ordinance No. 51-96
Page 4

- g. **Option to Participate in Coupon Investment Trust.** Coupon holders shall be entitled to invest the coupon proceeds in the Coupon Investment Trust (CIT) to be established by the Province pursuant to Section 5 hereof.
- h. **Other Features.** The Bonds may have such other features which may be necessary to make the bond issue successful or attractive to prospective holders.

Section 5. Coupon Investment Trust. The Province of Pangasinan is authorized to establish a Coupon Investment Trust, if such Coupon Investment Trust will contribute to the success of the Bond issue. This Coupon Investment Trust shall be given the option to acquire or subscribe to share of stock in corporations to be organized by the Province of Pangasinan in connection with, arising out of or by reason of the Projects, under such terms and conditions as may be specified by the Province of Pangasinan.

Section 6. Authority to Negotiate. Whenever necessary or desirable in the implementation of this Ordinance, the Provincial Governor is hereby authorized to:

- a. Negotiate, conclude, execute, sign and deliver any and all contracts, agreements or arrangements with financial and legal consultants, underwriters, trustees, banks, investment managers, private parties and government institutions, under such terms and conditions as to the Provincial Governor may deem to be most beneficial to the Province and upon compliance by him of legal accounting, auditing and procedural requirements.
- b. Sign, execute and deliver any and all applications and requests for consents and approvals required under the law, including consents and approvals of the Central Bank of the Philippines, and the Office of the President.
- c. Do any and all other acts which may be necessary or desirable in the implementation of this Ordinance.



Republic of the Philippines
PROVINCE OF PANGASINAN
Lingayen
—o0o—

OFFICE OF THE SANGGUNIANG PANLALAWIGAN SECRETARY

Provincial Ordinance No. 51-96
Page 5

Section 7. Effectivity. This Ordinance shall
take effect upon approval.

DOMINGO D. REFORMADO
Secretary to the Sanggunian

ATTESTED:

VICE GOVERNOR VICTOR E. AGBAYANI
Presiding Officer

APPROVED:

OSCAR M. ORBOS
Governor