

Office of the President  
of the Philippines  
Malacañang

IFN 930

MEMORANDUM ORDER NO. 131

PRESCRIBING THE PROCEDURE AND GUIDELINES ON APPLICATIONS FOR PERMITS TO LOCATE, DIG AND EXCAVATE HIDDEN TREASURE IN ACCORDANCE WITH THE PROVISIONS OF PRESIDENTIAL DECREE NO. 1726-A

1. All applications for permits to locate, dig or excavate hidden treasure shall be filed with the Legal Office of the Office of the President. A non-refundable processing fee of P5,000.00 shall be collected for each application.
2. An application must be under oath and shall state, *inter alia*, the exact site where the digging and excavation is to be undertaken, the applicant's reasons for concluding that hidden treasure can be recovered from the site, the nature of the treasure expected to be recovered and its estimated value, the extent of work (location, digging and excavation) to be done and the estimated cost thereof, the damage which may be suffered at the site, and the applicant's proposed restoration program therefor as well as the estimated cost thereof. The Legal Office shall devise the application form for the purpose, which may be revised, from time to time, when required.
3. The application must be accompanied by a vicinity/location plan duly certified by a licensed Geodetic Engineer or Surveyor specifically pinpointing and delineating the (a) exact site where the work is to be undertaken, which shall not be more than One (1) hectare for land or Two Hundred Thousand (200,000) square meters for bodies of water, the boundaries of which shall be superimposed in the plan, and (b) the actual boundaries of the affected parcel(s) of land as well as existing improvements and significant landmarks thereon, if any, or bodies of water, as the case may be.
4. The Legal Office shall evaluate the application and submit its recommendation to the President. If favorable, the recommendation shall state the amount of the bond (to guarantee the restoration of the excavation site) to be required from the applicant.
5. Upon approval of the application, the applicant shall be required to execute and sign a Contract to Locate and Excavate, which shall basically be in the form of Annex "1" hereof. For this purpose, the Head, Legal Office (presently, the Assistant Executive Secretary for Legal Affairs) is hereby designated the government's authorized signatory for the

*Ad-*

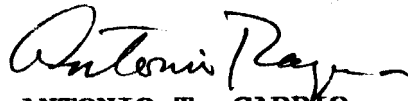
designated the government's authorized signatory for the contract. Upon execution of said contract and the submission of the bond required in the preceding paragraph, the Legal Office shall issue the permit applied for in favor of the applicant.

- 6 The validity period of the permit shall not exceed three (3) months but may be extended for another three (3) months or valid reasons.
- 7 The bond referred to in par. 4 hereof shall be obtained by the applicant from the Government Service Insurance System or, in case of latter's failure to provide the same, from any other reputable bondsman.
8. The information required to be disclosed by the applicant under par. 2 hereof, shall be kept confidential for security purposes.
- 9 The Legal Office shall be responsible in monitoring all authorized excavations or diggings and shall submit monthly reports on the progress or result of such excavations or diggings to the President.
10. The National Intelligence Coordinating Agency shall continue to conduct surveillance of all unauthorized treasure hunting activities and shall submit monthly reports thereon to the President.

This Memorandum Order shall take effect immediately

DONE in the City of Manila, this 21st day of May in the year of Our Lord, Nineteen Hundred and Ninety-Three.

By authority of the President:



ANTONIO T. CARPIO

Chief Presidential Legal Counsel

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C O N T R A C T

KNOW ALL MEN BY THESE PRESENTS:

This contract for the location and excavation of hidden treasure executed and entered into by and between:

The REPUBLIC OF THE PHILIPPINES represented in this act by the Hon. \_\_\_\_\_, Assistant Executive Secretary for Legal Affairs, hereinafter called the "GOP";

a n d

hereinafter referred to as the "Applicant";

W I T N E S S E T H : That

WHEREAS, the Applicant claims that he has personal knowledge of hidden treasure consisting of monies, jewelry, spoils of war or booty, or other articles or objects of value; and has filed an application to excavate the same,

WHEREAS, both Presidential Decree No. 1726-A issued on 1 October 1980 and Memorandum Order No. \_\_\_ issued on \_\_\_ May 1993 provide guidelines on treasure hunting activities to protect the interest of the government and at the same time preserve the cultural heritage of the people, which guidelines must be strictly complied with by the parties hereto;

NOW, THEREFORE, for and in consideration of the premises and stipulations herein set forth, the parties have hereunto mutually agreed:

I.

This contract shall apply exclusively to a government property or portions of the public domain located at \_\_\_\_\_ with an area of \_\_\_\_\_ (\_\_\_\_\_) square meters, more or less, hereinafter referred to as the "Site", as pinpointed and delineated in the location plan attached hereto as Annex "A", and made an integral part hereof, Provided, that the GOP has the right to delimit at any time the area of the Site where digging or excavation may proceed or continue.

II

From the date of this contract, the GOP hereby grants to the Applicant permission to enter the Site and to explore or excavate the same to such extent as would be necessary and consistent with the purpose of locating any hidden treasure, the Applicant to furnish at his own expense all the materials, labor and equipment necessary for such work, Provided, that the permission herein granted shall not apply to government buildings, dams, watersheds and other areas or sites reserved or used for purposes affecting vital national interest, military or naval camps, bases and reservations, and shrines and other hallowed places located within the place mentioned in paragraph I hereof, except upon prior written consent of and under such terms and conditions as may be determined by the GOP.

A committee is hereby created to be composed of three (3) members, namely: The Commander, Presidential Security Group, or his duly authorized representative to represent the GOP; another, to be designated by and to represent the Applicant; and the third who must be a citizen of the Philippines who shall be the chairman, to be designated by the first two. It shall be the duties and functions of the committee:

1. To oversee the Applicant's operations and activities under this contract;
2. To be present in the excavation or exploration site either in person or by representative during any period of operation;
3. To inventory and take possession of any and all monies, things or articles of value which may be found at the Site;
4. To place said monies, things or articles of value in safe containers to be securely sealed with the signature of all the members of the committee;

5. With the proper protection to be provided by the GOP, when so requested, to immediately transport any and all such monies, things or articles of value to the Central Bank of the Philippines for safekeeping;

6. With the assistance of experts from the Central Bank and upon previous notice to the Legal Office of the Office of the President, the Head of the National Museum, and the Applicant, who may be present personally or by representative, to evaluate and appraise the recovered monies, things or articles of value as to their monetary value, whose appraisal shall be final and binding on the parties. The evaluation, appraisal and inventory shall be made in a secured area in the premises of the Central Bank. Thereafter, said monies, things or articles of value shall be turned over to the Central Bank for safekeeping until finally disposed of as herein provided.

### III

The following procedure shall govern the disposition of all monies, things or articles of value which may be found:

- a A portion shall be sold by the committee to pay the safekeeping charge for the recovered treasure, as may be required by the Central Bank, and the compensation of the members of the committee and the experts employed by it as provided in paragraph II (6) hereof. Said compensation shall be determined by the parties hereto;
- (b) After making the above deductions, the remainder shall be divided equally between the parties hereto. If the treasure consists of spoils of war or booty or any thing of value buried by the Japanese Imperial Forces during the last World War, the treasure shall be divided as follows: Seventy-five per cent (75%) to the GOP; and Twenty-five per cent (25%) to the Applicant.

It is understood that if the things or articles are found to be of historical, cultural or artistic value, as determined by the Head of the National Museum, whose decision thereon shall be final, the GOP may acquire them at their appraised value but in conformity with the sharing herein-above provided. It is further understood that if the treasure found consists of gold, in whole or in part, the share of the Applicant shall be delivered to him subject to the provisions of Republic Act No. 265, as amended, and to applicable circulars, rules and regulations issued by the Central Bank.

### IV

If any item or portions of the treasure found is claimed by a third party and is finally adjudicated by a competent court to be

owned by him, the parties to this contract shall bear the loss of such item or portion owned by said third party in the same proportions established for the sharing of the recovered treasure as provided under this contract.

During the period of operation, from the time of commencement of the work until the treasure is found or until the operation ceases due to "force majeure" or for failure to recover any treasure, the parties hereto, through the committee herein created, shall inspect the actual progress and extent of the work in order to properly protect the rights and interest of the parties. In any case, the committee shall render to the GOP periodic reports of the operation.

## VI

In the performance of its prestations under this contract, the Applicant warrants that the same shall be conducted in full compliance with any and all applicable laws, rules and regulations, and shall ensure that the operation shall not pose a hazard to the locality nor interfere with the livelihood of the residents therein nor cause damage to the environment.

If in the process of the exploration, digging or excavation, any government property is damaged, such damage shall be repaired or restored by, and the property put to its original form and condition at the expense of, the Applicant. The restoration or repair work shall be made without need of further demand therefor by the GOP. As security for the faithful performance of the obligation assumed by the Applicant under this paragraph, the Applicant shall, upon the execution of this contract, post and deliver in favor of GOP, a bond which shall be obtained from and issued by the Government Insurance System or, or in case of the latter's failure to provide the same, from any other reputable bondsman acceptable to GOP, in the amount of Pesos: \_\_\_\_\_ (P\_\_\_\_\_).

GOP reserves the right to demand an increase in the amount of the bond as the need therefor arises, whereupon the Applicant shall forthwith post the increased bond with notice thereof to the GOP, Provided, that notwithstanding this paragraph, the GOP may withhold the delivery to the Applicant of the latter's share in the recovered treasure, if any, until the repair or restoration work shall have been completed.

## VII.

In hiring the services of laborers and/or experts for the performance of any work related to this contract, the Applicant shall observe and comply with the provisions of existing labor laws and shall assure that said laborers and/or experts are properly compensated and sufficiently insured against any risk to which they

may be exposed. Report of compliance with this provision shall be included in the periodic reports mentioned in paragraph V hereof. At no instance shall the GOP be held liable or answerable to whatever claims such laborers and/or experts may have against the Applicant.

#### VIII.

This contract shall have the force and effect and be binding upon the parties for a period of three (3) months from the date hereof unless sooner terminated or cancelled in accordance with the provisions hereof. This contract may be extended for another three (3) months at the sole option of the GOP for valid reasons put forth by the Applicant.

#### IX.

The GOP reserves the right to enter into a similar contract with any other person or persons and no exclusive right to locate, dig, or excavate hidden treasure in the Site is hereby conferred upon the Applicant, Provided, that after the Applicant has begun the exploration or excavation on the Site, the GOP shall no longer enter into any contract with any other person or persons for the exploration, digging or excavation of hidden treasure near or in said Site except where the Applicant has abandoned his operation, as determined by the GOP, or this contract had expired and has not been renewed or extended.

#### X.

The Applicant hereby warrants that he possesses the necessary funding, manpower, material, logistics and equipment required in treasure hunting. This contract is exclusive and personal to the parties hereto and the Applicant's rights hereunder cannot be assigned or its performance delegated by the Applicant to any third party.

#### XI.

Whenever the interest of the public is imperiled or when the national interest so requires, as determined by the GOP, the latter reserves the right to cancel this contract unilaterally. Such cancellation shall be effective upon service of the written notice therefor to the Applicant and the GOP shall not be liable whatsoever for any damages which may be suffered by the Applicant by reason thereof.

#### XII.

If any condition hereof is declared invalid, the other conditions unaffected shall continue to be in full force and effect.

XIII.

Other Conditions: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

IN WITNESS WHEREOF, the parties have hereunto set their hands  
in the City of Manila, Philippines, this \_\_\_\_\_ day of  
\_\_\_\_\_, 199\_\_.

GOVERNMENT OF THE PHILIPPINES  
(GOP)

By:

(Applicant)

Signed in the presence of:

\_\_\_\_\_

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES )  
CITY OF MANILA ) S.S.

BEFORE ME, a Notary Public for and in the City of Manila, this  
day of \_\_\_\_\_, 19\_\_, personally appeared the following:

Name

Passport  
Com. Tax Cert. No.

Date  
Place Issued



known to me and to me known to be the same persons who executed the foregoing instrument and who acknowledged to me that the same is their free and voluntary act and deed, as well as of the entity(ies) herein represented.

This instrument refers to a Contract for the location and excavation of hidden treasure, consisting of \_\_\_\_\_ (\_\_\_) pages, including the page where this acknowledgment is written, signed by the parties and their instrumental witnesses on each and every page hereof.

WITNESS MY HAND AND SEAL on the date and at the place first written above.

Doc. No. \_\_\_\_\_  
Page No. \_\_\_\_\_;  
Book No. \_\_\_\_\_;  
Series of 19