

## [ Acts No. 4169, December 03, 1934 ]

### **AN ACT AUTHORIZING THE POSTAL SAVINGS BANK, THE LOAN BOARD AND OTHER GOVERNMENT BODIES AND OFFICES AUTHORIZED BY LAW TO GRANT LOANS, TO GRANT NEW LOANS, OR EXTEND THE TIME FOR THE PAYMENT OF LOANS HERETOFORE GRANTED TO PROVINCES, MUNICIPALITIES, AND RURAL CREDIT ASSOCIATIONS TO A PERIOD NOT TO EXCEED TWENTY YEARS, AND FOR OTHER PURPOSES.**

*Be it enacted by the Senate and House of Representatives of the Philippines in Legislature assembled and by the authority of the same:*

SECTION 1. The Postal Savings Bank, the Loan Board created by Act Numbered Thirty-three hundred and thirty-five, and other bodies and offices of the Insular Government authorized by law to grant loans are hereby authorized to grant new loans to provinces and municipalities or extend to a period not to exceed twenty years the time for the payment of loans heretofore granted to provinces, municipalities and rural credit associations, provided the provinces, municipalities and rural credit associations which contracted the loans show to the satisfaction of the board or office concerned that such extension is warranted in view of the decrease of their income. The provincial governments shall enjoy the authority granted by this Act as regards loans granted to their respective municipalities: *Provided, however,* That two years after the date on which the loan was extended under the provisions of this Act, it shall be the duty of the board or office which granted said loan to reduce periodically the number of years remaining of the duration of the loan, as may be compatible with the paying capacity of the province, municipality or rural credit association, in order that the total period may as soon as possible be again within the period authorized by the laws at present in force: *Provided, further,* That obligations contracted by provinces and municipalities through the sale of bonds guaranteed by the Insular Government shall not be understood to be affected by the provisions of this Act.

SEC. 2. This Act shall take effect on its approval.

Approved, December 3, 1934.



Source: Supreme Court E-Library

This page was dynamically generated by the E-Library Content Management System (E-LibCMS)