

[Act No. 3522, February 20, 1929]

AN ACT AUTHORIZING THE ESTABLISHMENT OF BRANCHES AND AGENCIES ABROAD OF BANKS INCORPORATED UNDER THE LAWS OF THE PHILIPPINE ISLANDS.

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. It shall be lawful for any commercial bank organized under the laws of the Philippine Islands having a paid-up capital of not less than one million pesos to establish branches and agencies outside the Philippine Islands with the approval of the Secretary of Finance upon recommendation of the Bank Commissioner, provided that such foreign branches and agencies shall be subject to inspection at any time by the Bank Commissioner. In lieu of inspections made personally by the Bank Commissioner or by his representatives, the Commissioner may, with the approval of the Secretary of Finance in the case of any foreign branch or agency, designate a responsible firm of public accountants to make a thorough audit and credit investigation of such branch or agency. All costs and expenses incurred in connection with the examination, inspection, investigation, or audit of such branch or agency shall be a special charge to be paid by its central office.

SEC. 2. With the approval of the Secretary of Finance and the Governor-General the Bank Commissioner may compel the central office to liquidate the business of any foreign branch or agency if the business of such branch or agency is being conducted unlawfully or in a manner likely to prejudice the interests of the creditors of such branch, agency or central office.

SEC. 3. This Act shall take effect upon its approval.

Approved, February 20, 1929.



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