[Act No. 3410, December 07, 1927]

AN ACT AUTHORIZING THE GOVERNOR-GENERAL, ON BEHALF OF THE GOVERNMENT OF THE PHILIPPINE ISLANDS, TO PURCHASE FIFTY THOUSAND SHARES OF STOCK OF THE MANILA RAILROAD COMPANY OF THE PHILIPPINE ISLANDS, AND APPROPRIATING FUNDS FOR PAYMENT FOR SUCH SHARES, THE PROCEEDS OF WHICH SHALL BE SET ASIDE FOR THE EXTENSION OF THE RAILROAD FROM SAN FERNANDO, LA UNION, TOWARDS LAOAG.

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 Governor-General, on behalf of the Government of the Philippine Islands, is hereby authorized to subscribe to and purchase, whenever the financial condition of the Government shall permit it, fifty thousand shares of the capital stock of the Manila Railroad Company of the Philippine Islands, of the par value of ten million pesos.

SEC. 2. The Manila Railroad Company of the Philippine Islands shall use these funds solely and exclusively for the extension of the railroad line from San Fernando, La Union, towards Laoag, or part thereof.

SEC. 3. Said sum of ten million pesos shall be paid in installments of not less than two million pesos per annum until fully paid, and the first installment shall be paid on the date of the contract of subscription.

SEC. 4. The sum of ten million pesos is hereby appropriated, out of any funds in the Insular Treasury not otherwise appropriated, for disbursement in the manner prescribed in section three of this Act: *Provided,* That this sum shall not be disbursed nor set up in the books of the Insular Auditor until the same or part thereof shall have been released by the Governor-General, who shall not release it until the Auditor shall certify that there are funds on hand and available in the Insular Treasury, and the Board of Directors of the Manila Railroad Company shall determine to undertake the work.

SEC. 5. This Act shall take effect on its approval.

Approved, December 7, 1927.