

[Act No. 2862, March 12, 1919]

AN ACT CREATING THE NATIONAL IRON COMPANY AND APPROPRIATING FUNDS THEREFOR.

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

SECTION 1. A corporation is hereby organized, which shall be known as the National Iron Company, the principal office of which shall be in the city of Manila, and which shall exist for a period of fifty years, from and after the date of the approval of this Act.

SEC. 2. The said corporation shall be subject to the provisions of the Corporation Law in so far as they are not inconsistent with the provisions of this Act, and shall have the general powers mentioned in said Law and such other powers as may be necessary to enable it to work the iron ore deposits of the Philippines, and sell the output thereof.

SEC. 3. The capital of said corporation shall be five hundred thousand pesos, divided into five thousand shares of stock having a par value of one hundred pesos each, and no stock shall be issued at less than par nor except for cash.

SEC. 4. The Governor-General, on behalf of the Government of the Philippine Islands, shall subscribe for not less than fifty-one per cent of said capital stock, and the remainder may be offered to the provincial and municipal governments or to the public at a price not below par which the board of directors shall from time to time determine. Ten per centum of the value of all stock subscribed shall be paid at the time of the subscription, and the balance thereof shall be paid at such time as shall be prescribed by the board of directors. The power to determine the number of shares of stock to be acquired by the Government of a the Philippine Islands and the voting power of all such stock shall be vested exclusively in a committee consisting of the Governor-General, the President of the Senate and the Speaker of the House of Representatives.

SEC. 5. The board of directors of the company shall consist of not more than five members.

SEC. 6. There are hereby appropriated, out of any funds in the Insular Treasury not otherwise appropriated, such sums as may be necessary for the payment of the stock of the National Iron Company to be acquired by the Government of the Philippine Islands: *Provided, however,* That the Insular Auditor shall not set up any sum on his books until necessary to make the payment or payments authorized by this Act: *And provided, further,* That unless otherwise provided by the Philippine Legislature, the sum available for investment during the year nineteen hundred and nineteen shall not exceed fifty thousand pesos, and a like sum shall be the maximum available for such investment during each subsequent year.

SEC. 7. This Act shall take effect on its approval.

Approved, March 12, 1919.