

[Act No. 2591., February 04, 1916]

AN ACT AMENDING ACT NUMBERED TWO THOUSAND AND EIGHTY-THREE, AS AMENDED BY ACTS NUMBERED TWENTY-THREE HUNDRED AND FORTY-FOUR AND TWENTY-FOUR HUNDRED AND SIXTY-FIVE, BY AUTHORIZING THE INVESTMENT TEMPORARILY OF PART OF THE GOLD STANDARD FUND IN STOCK OF THE MANILA RAILROAD COMPANY.

By authority of the United States, be it enacted by the Philippine Legislature, that:

SECTION 1. Section three of Act Numbered Two thousand and eighty-three, as amended by Acts Numbered Twenty-three hundred and forty-four and Twenty-four hundred and sixty-five is hereby further amended to read as follows:

"SEC. 3. Of the gold standard fund, as fixed in section one of this Act, not to exceed eighty per centum may, with the prior approval of the Governor-General, be invested by the Insular Treasurer, all other provisions of law to the contrary notwithstanding, as follows:

"(a) In loans for periods not exceeding ten years to provinces and municipalities to aid in the construction of public' works, particularly those of a revenue-producing character, and the payment of the provincial and municipal share of the cost of cadastral surveys made in accordance with the provisions of Act Numbered Twenty-two hundred and fifty-nine, as amended, or such proportion of the cost as may be assumed by a province under the provisions of section eighteen of Act Numbered Twenty-two hundred and fifty-nine, as amended, at three per centum interest per annum.

"(b) In any way in which the funds of the Postal Savings Bank may be invested, under the provisions of Act Numbered Fourteen hundred and ninety-three, as amended: *Provided*, That loans shall not be made upon mortgages or deeds of trust except as hereinafter provided in this Act.

"(c) In the construction of Insular public buildings or other realizable public works and improvements in the form and under the terms and conditions that the Legislature may authorize and impose by law: *Provided, however*, That the maximum amount that may be expended under this subsection shall not exceed two million pesos, and that the money invested shall constitute a loan to the Insular Government and shall be repaid in ten equal annual installments with interest at three per centum per annum: *And provided further*, That whenever any expenditure of the gold standard fund has been made for the construction of Insular public buildings or improvements one-tenth of the amount so expended, with interest thereon, shall be regarded as appropriated annually from the unappropriated surplus in the Insular Treasury, until the principal and interest of the loan shall have been repaid.

"(d) To aid by purchase of interest-bearing first-mortgage bonds or otherwise from corporations organized for erecting and operating sugar centrals, manufacturing copra and coconut oil, manufacturing hemp and products derived or manufactured therefrom, or any or all of those products under such terms and conditions as may

be authorized or required by law: *Provided, however,* That the maximum amount expendable under this subsection shall not exceed three million pesos: *And provided further,* That the amount expended under this subsection shall bear interest at the rate of at least five per centum per annum.

"(e) In loans, in the form and under regulations prescribed by the Insular Auditor, for the establishment and operation of agricultural colonies that are now established under the authorization granted in Acts Numbered Twenty-two hundred and fifty-four and Twenty-two hundred and eighty, to be expended in accordance with the provisions of said Acts: *Provided, however,* That the total amount expendable under this subsection shall not exceed one hundred and fifty thousand pesos, and that the time for repayment of such loans shall not exceed ten years, and the interest on the amount loaned shall be four per centum per annum: *And provided further,* That in the event of any default in the repayment of any such loan, the Insular Government shall be liable therefor and there shall be regarded as appropriated from the unappropriated surplus of the Insular Treasury a sum sufficient to reimburse said fund on account of such default.

"(f) To aid, by loans or otherwise upon proper security, corporations or associations organized for the purpose of building irrigation systems or maintaining, improving, and reconstructing any irrigation system actually in existence in the form and under the conditions that the Legislature may authorize or require by law: *Provided however,* That the interest upon any amount expended under this subsection shall be at least four per centum per annum and that such amount shall be repaid within a term not to exceed fifteen years.

"(g) In loans on approved security to the Manila Railroad Company to complete sections of railroad, on the Lucena-Pagbilao, Ragay North and South, Legaspi-Tabaco, and Legaspi-Nueva Caceres Line, of not less than twenty continuous miles, as provided in section four of the Act of Congress approved February sixth, nineteen hundred and five, entitled 'An Act to amend an Act approved July first, nineteen hundred and two, entitled "An Act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes," and to amend an Act approved March eighth, nineteen hundred and two, entitled "An Act temporarily to provide revenue for the Philippine Islands, and for other purposes," and to amend an Act approved March second, nineteen hundred and three, entitled "An Act to establish a standard of value and to provide for a coinage system in the Philippine Islands," and to provide for the more efficient administration of civil government in the Philippine Islands, and for other purposes. The interest on such loans shall be five per centum per annum, and the time for the total payment thereof shall not exceed six months from the date of issue of the bonds of the corresponding twenty-mile section, and in no case shall exceed thirty months from the date of the loan: *Provided, however,* That the total amount loaned under this subsection shall not at any time exceed four million six hundred and twenty-seven thousand pesos: *And provided further,* That the Governor-General is hereby authorized to extend the time for the total payment of such loans as may have already been made under the provisions of this subsection, Act Numbered Two thousand and eighty-eight of the Philippine Commission and Act Numbered Twenty-three hundred and forty-four of the Philippine Legislature, for a period not exceeding thirty months from the date on which such loan may have or may become due.

"(h) In the opening of a credit in the sum of two million five hundred thousand