

## [ Act No. 2660., March 24, 1916 ]

### **AN ACT ESTABLISHING AND REGULATING TRADING SYSTEMS IN THE DEPARTMENT OF MINDANAO AND SULU.**

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

**SECTION 1.** The provinces in the Department of Mindanao and Sulu may severally establish a system of trading stores or exchanges to be known as trading systems, to facilitate the production and sale of the products of local agriculture and industry, or their exchange for needed merchandise, and to extend the commercial relations of the Moros and other non-Christian tribes with Christian peoples. There may be operated in connection therewith public markets, stores, workshops, transportation lines, and such other public utilities as may be helpful, in carrying on the said trading systems, and for promoting the general welfare in the said provinces.

SEC. 2. The capital fund for the operation of a trading system shall be appropriated by the provincial board with the approval of the department governor and with like approval the provincial board may revert to the unappropriated fund from which derived, all or any portions of said capital fund when no longer needed for said purpose: *Provided*, That the funds now being employed in any existing trading systems or exchanges in said provinces are hereby made available for appropriation by the provincial boards in the manner and for the purpose herein specified, to the end that there shall be no interruption in the business of said trading systems or exchanges. Surplus profits shall, at the end of the fiscal year, revert to the unappropriated fund from which the capital fund was derived, unless the provincial board shall, with the approval of the department governor, make specific appropriation thereof as an addition to the capital fund. Such restrictions shall be imposed as to. the incurring of indebtedness, and extending credit to individuals, as the department governor, upon recommendation of the Insular Auditor, may require. Purchases of goods for the trading system may be made either locally or otherwise without the intervention of the Bureau of Supply or any similar agency; and when so made, no surcharge of a Government purchasing agency shall apply thereon. Products so purchased by the trading system may likewise be sold either locally or otherwise without the intervention of any Government selling agency that may be created, and unless expressly otherwise provided by law.

SEC. 3. The department governor may appoint in each province an exchange officer or officers, or may designate the secretary-treasurer of any province or any other officer or employee of the Government, the consent of the respective Head of Department in any such case having been previously had, to assume the duties of an exchange officer, with or without additional compensation to be fixed by the provincial board with the approval of the department governor. The duties of all such exchange officers shall be to determine the kind of merchandise and products to be dealt in by the trading system, to fix the selling and purchase prices and to provide for the purchase and sale thereof, respectively; and to perform such other duties, not pertaining to accountability, as the department governor may require: *Provided*, That the exchange officer shall give immediate advice to the provincial secretary-treasurer of any goods ordered for future delivery and payment: *And provided further*, That in the absence of any exchange officer duly appointed or designated as aforesaid, the duties of said officer in so far as they may pertain to