

[Act No. 2203, January 13, 1913]

AN ACT AMENDING SECTION ONE OF ACT NUMBERED FIVE HUNDRED AND THIRTY-SIX, ENTITLED "AN ACT RELATIVE TO RECOGNIZANCES, STIPULATIONS, BONDS, AND UNDERTAKINGS, AND TO ALLOW CERTAIN CORPORATIONS TO BE ACCEPTED AS SURETY THEREON," AUTHORIZING CORPORATIONS ORGANIZED UNDER THE LAWS OF THE PHILIPPINE ISLANDS TO BE SURETIES IN CERTAIN RECOGNIZANCES, STIPULATIONS, OR UNDERTAKINGS.

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

SECTION 1. Section one of Act Numbered Five hundred and thirty-six is hereby amended to read as follows:

"SECTION 1. Whenever any recognizance, stipulation, bond, or undertaking conditioned for the faithful performance of any duty or of any contract made with any public authority, Insular, provincial, municipal, or otherwise, or of any undertaking, or for doing or refraining from doing anything in such recognizance, stipulation, bond, or undertaking specified, is, by the laws of the Philippine Islands or by the regulations or resolutions of any public authority therein, required or permitted to be given with one surety or with two or more sureties, the execution of the same or the guaranteeing of the performance of the condition thereof shall be sufficient when executed or guaranteed solely by a corporation incorporated under the laws of the United States or of any State thereof, or any corporation organized under the laws of the Philippine Islands, having power to guarantee the fidelity of persons holding positions of public or private trust, and to execute and guarantee bonds and undertakings in judicial proceedings, and to agree to the faithful performance of any contract or undertaking made with any public authority: *Provided*, That such recognizance, stipulation, bond, or undertaking be approved by the head of Department, court, judge, officer, board, or body executive, legislative, or judicial required to approve or accept the same. But no officer or person having the approval of any recognizance, stipulation, bond, or undertaking shall exact that it shall be furnished by a guarantee company, or by any particular guarantee company: *Provided further*, That no head of Department, court, judge, officer, board, or body executive, legislative, or judicial shall approve or accept any corporation as surety on any recognizance, stipulation, bond, contract, or undertaking, unless such corporation has been authorized to do business in the Philippine Islands in the manner provided by the provisions of this Act, nor unless such corporation has by contract with the Government of the Philippine Islands been authorized to become a surety upon official recognizances, stipulations, bonds, and undertakings."

SEC. 2. This Act shall take effect on its passage.

Enacted, January 13, 1913.