

[Act No. 2214, February 03, 1913]

AN ACT PROVIDING FOR CERTAIN CHANGES IN THE GENERAL POWERS OF THE AGRICULTURAL BANK OF THE PHILIPPINE GOVERNMENT AND FOR OTHER PURPOSES.

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

SECTION 1. Section three of Act Numbered Eighteen hundred and sixty-five is hereby amended to read as follows:

"SEC. 3. The Agricultural Bank of the Philippine Government is hereby authorized to receive deposits of funds of the Insular, provincial, and municipal governments, the Postal Savings Bank, societies, corporations, and private persons, and the Postal Savings Bank and the Insular, provincial, and municipal governments are hereby authorized to make such deposits, whenever the Agricultural Bank shall be ready to receive them. Interest to be paid by said bank on deposits so made shall not exceed four per centum per annum."

SEC. 2. Section eleven of Act Numbered Eighteen hundred and sixty-five is hereby amended to read as follows:

"SEC. 11. No loan shall be made except upon resolution of the board of directors. No person or corporation shall be permitted to borrow less than fifty pesos nor more than thirty-five thousand pesos: *Provided, however,* That fifty per centum of the capital of said bank shall be set apart for loans of not more than five thousand pesos to any one person or corporation."

SEC. 3. Section twelve of Act Numbered Eighteen hundred and sixty-five, as amended, is hereby further amended to read as follows:

"SEC. 12. No loan shall be made except—

" (a) Upon the security of a first mortgage on unincumbered improved urban property or upon unincumbered agricultural land, not to exceed sixty per centum of the value thereof. No loan shall be made unless the Attorney-General shall have certified and the board of directors shall be satisfied that the real estate offered as security for the loan is free from all incumbrances and that the title thereto is in the mortgagor. All mortgages shall contain a covenant requiring the mortgagor to insure for the benefit of the mortgagee all buildings of strong materials on the property to the amount of their value as fixed by the board of directors.

" (b) Upon the security of a chattel mortgage to the bank on crops already harvested, gathered, and stored: *Provided, however,* That no loan on the security of such crops so harvested, gathered, and stored as aforesaid shall exceed sixty per centum of the market value thereof on the date of