

[Act No. 536, November 25, 1902]

AN ACT RELATIVE TO RECOGNIZANCES, STIPULATIONS, BONDS, AND UNDERTAKINGS, AND TO ALLOW CERTAIN CORPORATIONS TO BE ACCEPTED AS SURETY THEREON.

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

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 surely 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 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, Bureau, 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 subsequent sections 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. No such company shall do business under the provisions of this Act within the Philippine Islands until it shall by a written power of attorney appoint some person residing at the city of Manila, Island of Luzon, upon whom may be served all lawful process against such company, and who shall be authorized to enter an appearance in its behalf. A copy of such power of attorney, duly certified and authenticate, shall be filed with the clerk of the Supreme Court of the Philippine Islands, which copy, or a certified copy thereof, shall be legal evidence in all controversies arising under this Act. If any such agent shall be removed, resign, or die, become insane, or otherwise incapable of acting, it shall be the duty of such company to appoint another agent in his place as hereinbefore prescribed, and until such appointment shall have been made, or during the absence of any agent of such company from said city of Manila, service of process may be upon the clerk of said Supreme Court, with like effect as upon such agent appointed by the company. The officer executing such process upon such clerk shall immediately transmit a copy thereof by mail to the company and state such fact in his return. A judgment, decree, or order of a court entered or made after service of process as aforesaid