

[Commonwealth Act No. 188, November 14, 1936]

AN ACT TO PROVIDE FOR THE LIQUIDATION OF THE PENSION AND RETIREMENT FUND OF THE PHILIPPINE CONSTABULARY CREATED BY ACT NUMBERED ONE THOUSAND SIX HUNDRED AND THIRTY-EIGHT, AS AMENDED, AND THE PAYMENT OF REDUCED PENSIONS TO CERTAIN BENEFICIARIES THEREOF, AND TO APPROPRIATE THE NECESSARY FUNDS THEREFOR.

Be it enacted by the National Assembly of the Philippines:

SECTION 1. The provisions of Act Numbered One thousand six hundred and thirty-eight, as amended, are hereby declared inoperative as of November first, nineteen hundred and thirty-six. The Government Service Insurance Board is hereby authorized and directed to liquidate the Pension and Retirement Fund of the Philippine Constabulary created by said Act Numbered One thousand six hundred and thirty-eight, as amended, immediately upon the approval of this Act, or as soon thereafter as may be practicable, but for the purposes of this Act, said liquidation shall be deemed to have been effected as of November first, nineteen hundred and thirty-six.

SEC. 2. The Government Service Insurance Board is hereby authorized to apply the proceeds from the liquidation of said Fund to the payment, in the manner herein prescribed, to officers and enlisted men of the Philippine Constabulary who are still in the service, or who have left the service by resignation or abolition of the position, and who have been contributing to the Pension and Retirement Fund of the Philippine Constabulary and not previously retired, of the full amount contributed by them plus interest up to November first, nineteen hundred and thirty-six, at the rate of four *per centum per annum* compounded annually: *Provided, however.* That the amount which such officers and enlisted men of the Philippine Constabulary are entitled to receive shall, if they remain in the service, be applied by the Board to the payment of one year premium on the compulsory membership insurance corresponding to them under the provisions of the Government Service Insurance Act: *Provided, further.* That any excess of said contributions over and above the premium above stated, shall be paid to the contributor in cash, either in full or in installments to be determined by the Board, and in the latter case, all deferred payments shall earn interest at the rate of four *per centum per annum* compounded annually, but the same may be commuted and cashed in any financial institution owned or controlled by the Government by discounting the principal thereof at a rate not to exceed one *per centum per annum*.

SEC. 3. There shall be paid to those officers and enlisted men of the Philippine Constabulary who have been retired from the service, or their dependents, in lieu of the pensions they are now receiving from the Pension and Retirement Fund of the Constabulary, the following reduced amounts:

During the first year after the date of the approval of this Act, a pension equivalent to one and five tenths *per centum* of the average basic salary, received during the last three years preceding retirement, but not exceeding six thousand pesos per annum, multiplied by the number of years of service rendered; during the second