

AN ACT PROVIDING FOR THE ISSUE OF BONDS OF THE GOVERNMENT OF THE PHILIPPINE ISLANDS TO THE AMOUNT OF SEVEN MILLION TWO HUNDRED AND THIRTY-SEVEN THOUSAND DOLLARS, GOLD COIN OF TH...

Act No. 1034, January 06, 1904

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Whereas the Government of the Philippine Islands, on the twenty-second day of December, nineteen hundred and three, entered into a preliminary contract with the Philippine Sugar Estates Development Company,-Limited, for the purchase, from the latter, of eight haciendas containing about sixty thousand three hundred and two hectares of land, agreeing to pay therefor the sum of three million six hundred and seventy-one thousand six hundred and fifty-seven dollars, in the money of the United States; and also upon the same date with La Sociedad Agricola de Ultramar, for the purchase, from the latter, of eighteen haciendas and parcels of land, containing about sixty-two thousand one hundred and forty hectares of land, for the sum of two million two hundred and thirteen thousand seven hundred and seventy-nine dollars, in the money of the United States; and also upon the same date with the Recoleta Order of the Philippine Islands, for the purchase, from the latter, of twenty-three thousand two hundred and sixty-six hectares of land, for the sum of three hundred and six thousand seven hundred and fifty-nine dollars, in the money of the United States; and also upon the same date with the British-Manila Estates Company, Limited, for the purchase, from the latter, of eighteen thousand four hundred and nineteen hectares of land, for the sum of one million and forty-five thousand dollars, in the money of the United States, all of said, contracts of purchase being executory in character, pending examination of titles and containing various provision? and stipulations in regard thereto which need not be herein particularized, and all of said lands being situated in the Philippine islands and being particularly described in said contracts of purchase, and being lands commonly called Friar Lands, that is. lands which were formerly owned by certain religious orders of the Roman Catholic Church; and

Whereas the contracts of purchase of said haciendas and parcels of land were made by the Philippine Commission pursuant to authority vested in the Com mission by section sixty-four of the Act of Congress entitled "An Act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes," approved July first, nineteen hundred and two, because, in its opinion, the holding thereof, in such large tracts or parcels, by said corporations, injuriously affects the peace and welfare of the Philippine Islands; and

Whereas the Government, of the Philippine Islands finds it necessary to issue and sell bonds in order to raise the sum required to pay for said lands, in pursuance of said contracts: Now, therefore,

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

SECTION 1. The Secretary of War is hereby authorized to issue, in the name and on behalf of the Government of the Philippine Islands, its bonds to the amount of seven million two hundred and thirty-seven thousand dollars, in the money of the United States. The bonds thus authorized to be issued shall be dated February first, nineteen hundred and four', shall bear interest at the rate of four per centum per annum, payable quarterly: shall be

redeemable at the pleasure of the Government of the Philippine Islands after ten years, and payable in thirty years after date in gold coin of the United States of the present standard value. Both principal and interest shall be payable at the Treasury of the United States. The said bonds shall be in registered form in denominations of one thousand dollars and ten thousand dollars, in proportions to suit the purchaser or purchasers thereof, and shall be registered and transferable at the office of the Register of the Treasury Department of the United States, Washington, District, of Columbia. The said bonds are declared by section sixty-four of said Act of Congress to be exempt from the payment of all taxes or duties of the Government of the Philippine Islands or any local authority therein or of the Government of the United States as well as from taxation in any form by or under state, municipal, or local authority in the United States or the Philippine Islands, pursuant to which Act of Congress and this Act these bonds are issued, which facts shall be stated upon their face.

SEC. 2. The Secretary of War is further authorized to sell said bonds on such terms as are most favorable of the Government of the Philippine Islands: Provided, That no bond or bonds shall be sold at less than their par or face value, and shall deposit the proceeds of such sale or sales with the Guaranty Trust Company of New York, the authorized depository of the Government, of the Philippine Islands, to the credit of the Treasurer of the Philippine Islands.

SEC. 3. The Secretary of War shall report to the Auditor and the Treasurer of the Philippine Islands the amount of said bonds so issued and sold by him, together with their numbers, and denominations and the amount realized from such sale or sales thereof, and the same shall be made a matter of record in the offices of the Auditor and the Treasurer of the Philippine Islands.

SEC. 4. In the event of the lease, sale, or other disposition, by the Government of the Philippine Islands, of any part or all of said lands contracted to be purchased, as above set forth, all moneys received from such leasing, selling, or other disposition shall constitute a trust fund to secure the payment of the principal and interest of said bonds and shall also constitute a sinking fund for the payment of said bonds at their maturity and shall be devoted to no other purpose. When and as rents are collected from any land so leased and when and as the proceeds of sale or other disposition of any of said lands, when sold or disposed of, are received by the Government of the Philippine Islands, the same shall be deposited in the Treasury of the Philippine Islands and shall be there held as a separate trust, and shall be invested and reinvested as a sinking fund for the payment of the principal and interest of said bonds as they mature, in such manner as the Philippine Commission shall provide.

SEC. 5. The public good requiring the speedy enactment of this bill, the passage of the same is hereby expedited in accordance with section two of "An Act prescribing the order of procedure by the Commission in the enactment of laws." passed September twenty-sixth, nineteen hundred.

SEC 6. This Act shall take effect on its passage.

Enacted, January 6, 1904.

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