

AN ACT TO CREATE A NATIONAL LOAN AND INVESTMENT BOARD, DEFINING ITS POWERS, AND FOR OTHER PURPOSES.

Commonwealth Act No. 7, December 31, 1935

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Be it enacted by the National Assembly of the Philippines:

SECTION 1. There is hereby created a National Loan and Investment Board to consist of five members, who shall be appointed by the President of the Philippines, with the consent of the Commission on Appointments of the National Assembly, and shall hold office for a term of three years. The members of the Board shall elect from among themselves a chairman and a vice-chairman. They shall devote to the business of the Board such time and shall receive such compensation as may be fixed by the President of the Philippines from time to time.

SEC. 2. The National Loan and Investment Board shall be under the Department of Finance for administrative purposes, and shall have the power to invest all existing funds the investment of which is authorized by law, and such other funds which may hereafter be declared by law to be available for loan or investment, more particularly the following:

- The Loan Fund, created under Act Numbered Thirty-three hundred and thirty-five, as amended; (2) The Municipal Loan Fund, created under Act Numbered Thirty-nine hundred and thirty-two;
- The Friar Lands Loan Fund, created under Act Numbered Seventeen hundred and thirty-six;
- The San Lázaro Estate Loan Fund, created under Act Numbered Twenty-four hundred and seventy-eight, as amended;
- The Private Surveyors' Loan Fund, created under Act Numbered Thirty-three hundred and twenty-seven as amended;
- The Postal Savings Bank Funds, created under Act Numbered Fourteen hundred and ninety-three, and now governed by Act Numbered Twenty-seven hundred and eleven, as amended;
- The Teachers' Retirement and Disability Fund, created under Act Numbered Thirty hundred and fifty, as amended;
- The Pension and Retirement Fund of the Philippine Health Service, created under Act Numbered Thirty-one hundred and seventy-three, the investment of which is authorized by Act Numbered Thirty-three hundred and ninety-one;
- The Pension and Retirement Fund of the Philippine Pension, and Constabulary, created under Act Numbered Twenty-seven hundred and eleven, as amended;
- The Land Title Assurance Fund, created under Act -Lund Title A»nr-Numbered Four hundred ninety-six;
- The Rice and Corn Fund, created under Act Numbered Twenty-eight hundred and eighteen, as amended; and
- The Property Insurance Fund, created under Act Numbered Twenty-seven hundred and eleven, as amended.

In connection with the investment of such funds, the National Loan and Investment Board shall have power to enter into contracts, to discount notes, securities, and other obligations, to execute and foreclose mortgages, to sue and be sued, and perform such other acts as may be required to accomplish the purposes of this Act.

The National Loan and Investment Board is hereby authorized to issue rules and regulations, subject to the approval of the President of the Philippines, governing the exercise by the Board of its powers and duties, the investment of the funds under its jurisdiction and control, and such other matters as may be necessary for the proper functioning of the Board: Provided, however, That the investment of these funds shall be subject to the conditions inspection to Bank and limitations prescribed in the respective laws creating them, and the transactions of the Board shall be subject to the rules, regulations, and the inspection of the Bank Commissioner of the Philippines.

SEC. 3. The National Loan and Investment Board is authorized and empowered, subject to the approval of the Secretary of Finance, to employ such counsel, assistants, clerks, laborers, and other employees as it may deem necessary to conduct the business of said Board.

SEC. 4. The expenses of the National Loan and Investment Board shall be paid from the various investable funds under its jurisdiction and control and shall be charged against said funds in proportion to the amount thereof invested in each fiscal year: Provided, That the total amount that may be spent for this purpose for the year nineteen hundred and thirty-six shall not exceed the aggregate sum authorized to be spent under the laws now in force for the same purpose, for each and all of said funds. Thereafter, the expenses of the Board shall be provided for in the general appropriation Act.

SEC. 5. The Secretary of Finance is hereby authorized to issue rules and regulations to the end that the powers of the National Loan and Investment Board and the various pension boards now in existence and administering the funds mentioned in section two hereof, may be delimited, and their functions coordinated. Subject to the approval of the President, the Secretary of Finance is, likewise, authorized to make and effect adjustments in the personnel of the various boards or offices now administering and controlling such funds, by transferring all or some of them to the office of the National Loan and Investment Board and/or leaving them with their respective bureaus and offices.

SEC. 6. Except as herein otherwise provided, this Act shall not apply to the lendable funds now being administered by the Insular Treasurer under section sixteen hundred and seven of the Revised Administrative Code.

SEC. 7. All Acts and parts of Acts inconsistent with this Act are hereby repealed.

SEC. 8. This Act shall take effect on its approval.

Approved, December 31, 1935.

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