

AN ACT AMENDING ACT NUMBERED FOURTEEN HUNDRED AND NINETY-THREE, ENTITLED "AN ACT TO ENCOURAGE ECONOMY AND SAVING AMONG THE PEOPLE OF THE PHILIPPINE ISLANDS, AND TO THAT END TO P...

Act No. 1620, March 22, 1907

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

SECTION 1. Section eighteen of Act Numbered Fourteen hundred and ninety-three is hereby amended by adding at the end of paragraph (b) the words "unless otherwise provided by this Act, by adding at the end of the section the following additional paragraphs:

"5. (a) Upon first mortgage or deed of trust to the bank of improved and unencumbered city real estate, with a title registered in accordance with the Land Registration Act, situated in the cities of Manila, Cebu, Iloilo, and Zamboanga: Provided, however, That no investment shall be made upon a mortgage or deed of trust of any parcel of such property without the approval of four-fifths of the members of the Investment Board, nor in amount in excess of forty per centum of the assessed value of such property, nor in amount in excess of live per centum of the total amount of deposits in the bank, nor in amount in excess of fifty thousand pesos on any one piece of property, nor for a longer time than three years: And provided further, That the investments upon such mortgages and deeds of trust shall not exceed in the aggregate twenty-five per centum of the total deposits in the bank.

"(b) Upon first mortgage or deed of trust to the bank, of actually cultivated, improved, and unencumbered agricultural lands in the Philippine Islands with a title registered in accordance with the Land Registration Act: Provided, however, That no investment shall be made upon a mortgage or deed of trust of any parcel of such land without the approval of all members of the Investment Board, nor in amount in excess of twenty per centum of the assessed value of such land, nor in amount in excess of ten thousand pesos on any one piece of property, nor for a longer time than live years: And provided further, That investments upon such mortgages or deeds of trust shall not exceed in the aggregate ten per centum of the total deposits in the bank.

"Real estate acquired by the foreclosure of a mortgage or deed of trust thereon shall be vested in the name of the Postal Savings Bank and shall be sold by the Investment Board as soon as a price can be obtained therefor sufficient to pay the amount of the mortgage or deed of trust, interest, charges, insurance, and other expenses chargeable against the property, and within three years after the same is vested in the bank, unless such time, shall be extended by the Governor-General. The chairman of the investment Board by direction of the Board shall execute all necessary papers for the sale and transfer of such real estate. The Director of Lands shall, under direction of the Investment Board, undertake the management of any property title to which may vest in the bank by operation of this law and shall render to the Board all reports for which it may call.

"The Board shall be charged with the duty of verifying the reasonableness of the assessed value of all land upon which money is loaned under the provisions of this Act.

"6. In any securities the principal or interest of which is guaranteed by the Government of the United States or of the Philippine Islands."

"7. In loans on any securities the principal or interest of which is guaranteed by the Government of the United States or of the Philippine Islands: Provided, That such loans shall not exceed eighty per centum of the market value of such securities and that no loans shall be made on such securities for a period longer than one year."

SEC. 2. 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. 3. This Act shall take effect on its passage.

Enacted, March 22, 1907.

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