

AN ACT TO CREATE A PUBLIC CORPORATION TO BE KNOWN AS THE NATIONAL PRODUCE EXCHANGE, AUTHORIZING THE SAME TO ESTABLISH PRODUCE EXCHANGES FOR AGRICULTURAL PRODUCTS, AND TO APPROP...

Commonwealth Act No. 192, November 14, 1936

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/cb842e803020/>

Be it enacted by the National Assembly of the Philippines :

SECTION 1. The Secretary of Agriculture and Commerce and four other persons, who shall be the Governors first appointed as hereinafter provided, are hereby created a body corporate and politic in deed and in law, by the name, style, and title of "National Produce Exchange," hereinafter called the corporation, to serve as an instrumentality of the Commonwealth of the Philippines in facilitating the marketing of agricultural products in the Philippines.

SEC. 2. The corporation shall have the following functions, powers, and duties:

- To establish and maintain a central produce exchange in the City of Manila and such other subsidiary exchanges in any place within the Philippines as in its judgment may be necessary and convenient in order to provide convenient markets or trading places for agricultural products;

- To encourage and promote the establishment of co-operative marketing association preparatory to the establishment of produce exchanges in the locality served by such associations;

3. To establish rules and regulations governing transactions in such produce exchanges and to fix the fees to be charged from those who transact business in such exchanges ;

- To establish uniform grades of classification of agricultural products and a system of inspection thereof and to acquire and disseminate market information; and

- To exercise all the general powers of a corporation under the Corporation Law insofar as they are not inconsistent with the provisions of this Act, and are necessary to enable the Corporation to carry into effect the purposes of this Act.

SEC. 3. The management of the Corporation shall be vested in a Board of Governors, consisting of the Secretary of Agriculture and Commerce and four other persons to be appointed by the President of the Philippines with the consent of the Commission on Appointments of the National Assembly. The President of the Philippines shall designate the Chairman of the Board.

Of the Governors first appointed as above prescribed, the President shall designate one to serve for one year; one to serve for two years; one to serve for three years, and one to serve for four years; and thereafter each Governor so appointed shall serve for a period of four years. Whenever a vacancy shall occur among the Governors so appointed, the person appointed Governor to fill any such vacancy shall hold office for the unexpired term of the member whose place he is selected to fill. Any Governor, excepting the ex officio Governor designated herein, shall be subject to removal by the President of the Philippines. Three members of the Board of Governors shall

constitute a quorum for the transaction of any business.

The members of said Board who are not in the employ of the Government of the Commonwealth of the Philippines shall each receive a per diem of not to exceed twenty-five pesos for each day of meeting of the Board actually attended by him.

The Board shall appoint a secretary and other subordinate personnel, and fix their salaries.

Before entering upon the discharge of their duties, each of the four Governors so appointed, and each officer of the Corporation shall take the oath prescribed in section twenty-three of Act Numbered Twenty-seven hundred and eleven and in the Constitution of the Philippines.

The Board shall render reports to the President of the Philippines and the National Assembly as provided in section five hundred and seventy-four to five hundred and seventy-seven, inclusive, of Act Numbered Twenty-seven hundred and eleven.

SEC. 4. All produce exchanges organized hereunder by the Board of Governors shall be considered as subsidiaries of the Corporation herein created and shall provide in their constitution and by-laws:

- For the making and filing by the exchange or any member thereof, of reports in accordance with the rules and regulations, and in such manner and form and at such times as may be prescribed by the Board of Governors, showing the details and terms of all transactions entered into by the exchange or the members thereof; and for the keeping of a record by the exchange or the members thereof, as the Board of Governors may direct, showing the details and terms of all transactions entered into by them, consummated at, on, or in a produce exchange, such record to be in permanent form, showing the parties to all such transactions, including the persons for whom made, any assignments or transfers thereof, with the parties thereto, and the manner in which said transactions are fulfilled, discharged, or terminated. Such record shall be required to be kept for a period of three years from the date thereof, or for a longer period if the Board of Governors shall so direct, and shall at all times be open to the inspection of any representative of the Board.
- For the prevention of dissemination by the exchange or any member thereof of false, misleading, or knowingly inaccurate reports concerning crop or market information or conditions that affect or tend to affect the price or prices thereof.
- For the prevention of manipulation of prices or the cornering of any product by the dealers or operators upon such exchange.

SEC. 5. The Board of Governors is authorized to suspend the operation of any produce exchange organized under this Act upon a showing that such produce exchange has failed or is failing to comply with any of the above requirements or is not enforcing its rules of government made a condition of its organization as a produce exchange, as set forth in section four of this Act.

SEC. 6. The Board of Governors, upon its own initiative or in cooperation with existing governmental agencies, shall investigate marketing conditions of agricultural products and by-products, including supply and demand for these commodities, cost to the consumer, and handling and transportation charges. It shall likewise compile and furnish to producers, consumers, and distributors, by means of regular or special reports, or by such methods as it may deem most effective, information respecting the produce markets, together with information on supply, demand, prices, and other conditions in this and other countries that affect the markets.

SEC. 7. Agricultural products which are sold, bartered, or exchanged at or through the produce exchange or exchanges established by the Corporation and other exchanges which are organized under section four of this

Act, shall be exempt from the merchants' sales tax, unless and until such sales, barter, or exchanges shall result in the actual physical delivery of said products to the purchasers thereof.

SEC. 8. Any person who shall knowingly or carelessly deliver false, misleading, or knowingly inaccurate reports concerning crop or market information or conditions that affect or tend to affect the price of agricultural produce shall upon conviction be fined not more than ten thousand pesos or imprisoned for not more than one year, or both, in the discretion of the court.

SEC. 9. The sum of fifty thousand pesos or so much thereof as may be necessary, is hereby appropriated out of any funds in the Philippine Treasury, not otherwise appropriated, to be disbursed upon order of the President of the Philippines, for the payment of salaries and travel expenses of the officers and personnel of the Corporation, for the purchase of equipment and supplies, and for such other incidental expenses as may necessarily be incurred to carry into effect the provisions of this Act.

All collections made by the Board under the provisions of this Act shall be used in the establishment of other produce exchanges at such places as the Board may deem proper to carry out the purposes of this Act.

SEC. 10. This Act shall take effect upon its approval.

Approved, November 14, 1936.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.