

AN ACT AUTHORIZING GEORGE H. FAIRCHILD TO ORGANIZE A CORPORATION UNDER THE LAWS OF THE PHILIPPINE ISLANDS, OR OF THE UNITED STATES OF AMERICA OR OF ANY STATE THEREOF, WITH POWER...

Act No. 2720, May 16, 1917

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Be it enacted by the Senate and House of Representatives of the Philippines in Legislature assembled and by the authority of the same:

SECTION 1. For the purpose of preparing and placing in condition for immediate cultivation the plantations hereinafter specified, and thereby facilitate the sale thereof in small lots or parcels, the franchise granted by this Act is hereby granted to George H. Fairchild, subject to the conditions therein prescribed.

SEC. 2. Within six months from the date this Act takes effect, George H. Fairchild is authorized to organize a corporation under the laws of the Philippine Islands, or of the United States or of any State thereof, and with citizens of any of the said countries; and said corporation, any provision of existing laws to the contrary notwithstanding, shall have the right to possess, acquire, and hold for a period not to exceed thirty years from the date this Act takes effect the lands situated within the limits of the so-called San Jose Estate, as described in Certificate of Title No. 16 of the Registry of Property of the Province of Mindoro and in Sale Certificate No. 2, issued the fourth day of January, nineteen hundred and ten, by the Director of Lands of the Philippine Islands, and not exceeding twenty-three thousand hectares or such portion thereof as shall not have been alienated, sold, or disposed of on the date this Act takes effect. Within the period of thirty years from the date this Act takes effect, the grantee shall sell said lands to any such persons, firms, or corporations as may, under the provisions of section seven of this Act, own the same, in tracts not exceeding four hundred hectares to a single purchaser; and any part of said lands remaining unsold at the expiration of the said period of thirty years shall revert to, and become the property of, the Government of the Philippine Islands.

The corporation so organized shall be authorized to acquire, construct, maintain, and operate an irrigation and drainage system within the said lands, in order to provide the same with their own irrigation system, and shall have the right, to that end, to take, use, and develop the waters of the Busuanga and Lumitao Rivers, provided that no prejudice is thereby occasioned to vested rights. In any event, the construction, maintenance, and operation of the irrigation and drainage system shall at all times be subject to the laws of the Philippine Islands governing the construction and maintenance of irrigation canals.

SEC. 3. Said corporation shall not be authorized to engage in agriculture, shall be subject, so long as engaged in the public service, to the laws and regulations to which other public-service corporations are subject, and shall pay annually to the Province of Mindoro one-half of one per cent of its gross earnings from such public service, and shall further pay all taxes imposed by law. It shall likewise be subject to all the provisions of the Corporation Law of the Philippine Islands, in so far as said provisions are not inconsistent with the special provisions of this Act.

SEC. 4. The grantee, George H. Fairchild, or the corporation by him organized in accordance with this Act, shall

be obligated to prepare and break the lands mentioned in section two of this Act, to construct the irrigation system mentioned in said section, and to subdivide said lands into lots or parcels not exceeding four hundred hectares, such preparation, breaking, and irrigation of the lands to be made in such portions each year that at the expiration of the period of thirty years mentioned in said section two of this Act all of such lands, or of the portions, suitable for cultivation, shall be prepared, broken, and irrigated.

SEC. 5. Each year the grantee shall offer for sale the portion of the land or portions already broken, irrigated, and prepared for cultivation: Provided, however, That only such portion or portions may be sold whose original purchase price shall have been fully paid to the government, and any other portions the sale whereof shall be authorized by the Director of Lands in consideration of partial payments made: Provided further, That in no case shall any portion of land be sold before being broken, irrigated, and placed in condition for cultivation, unless the selling price of the same shall have been approved by the Secretary of Agriculture and Natural Resources, or by the Governor-General in the event of appeal by the grantee from an adverse decision of the Secretary of Agriculture and Natural Resources: And provided, finally, That if, after five consecutive years from the date when said portion or portions already broken, irrigated, and prepared shall have been offered for sale, the same shall not have been sold by reason of excessive price thereof, then the Secretary of Agriculture and Natural Resources may revise and reconsider said price, reducing same, if necessary, provided, however, that the price thus fixed by said Secretary shall not be less than the price of the land, plus the actual cost of the improvements and a reasonable interest on the capital invested therein. The decision of the said Secretary reducing the price of the lands, as herein provided, shall likewise be subject to appeal to the Governor-General, whose decision shall be final and binding upon all concerned.

SEC. 6. After thirty years from the date this Act takes effect, the irrigation system referred to in section two of said Act shall revert to, and become the property of, the Government of the Philippine Islands.

SEC. 7. The franchise granted by this Act shall not be alienated or transferred without the consent of the Governor-General, upon the recommendation of the Secretary of Agriculture and Natural Resources; but in no case shall such alienation or transfer, or the sales provided for in this Act, be made to others than citizens of the Philippine Islands or of the United States, or a corporation by them organized.

SEC. 8. Within six months from and after this Act takes effect, the grantee shall file with the Governor-General his acceptance in writing of this franchise and of all the conditions thereof, together with an abandonment and transfer to the Government of the Philippine Islands of the leasehold right in three hundred and thirty-four thousand eight hundred and seventy-two (334,872) square meters of tide-lands, now held by a corporation known as The Mindoro Company under a contract executed on the thirtieth day of April, nineteen hundred and eleven, by the Director of Lands, with the approval of the Secretary of the Interior, with one Edward L. Poole, by virtue of which contract the Government of the Philippine Islands granted to the said Edward L. Poole a ninety-nine year lease of three hundred and eighty-four thousand eight hundred and seventy-two (384,872) square meters of tide-lands situated on the shores of Mangarin Bay and Mindoro Strait, in the township of San Jose, Province of Mindoro, which said lease, by means of due and legal assignment, has become the property of said The Mindoro Company.

The acceptance of the abandonment of said lease, in whole or in part, shall be optional with the Governor-General.

SEC. 9. Whenever and wherever the word "grantee" is used in this Act, it shall be understood to mean "George H. Fairchild," his representatives, successors, or assigns.

SEC. 10. Any violation of the conditions imposed by this Act shall be sufficient cause for canceling the franchise,

by means of a proceeding to be instituted by the Attorney-General in the name and as the representative of the Government of the Philippine Islands, in the Court of First Instance of Manila, upon which jurisdiction is hereby conferred.

SEC. 11. This Act shall take effect as soon as it shall have been approved by the President of the United States, or when six months shall have expired after its transmittal to the said President without the latter having disapproved it.

Approved, May 16, 1917.

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