

[REPUBLIC ACT NO. 3517, June 14, 1963]

AN ACT TO AMEND SECTIONS TWO (C) AND (G), THREE AND FOURTEEN OF REPUBLIC ACT NUMBERED EIGHTY-FIVE, AS AMENDED.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Section two (c) and (g) of Republic Act Numbered Eighty-five, as amended, is hereby further amended to read as follows:

"SEC. 2. *Corporate Powers.*—The Development Bank of the Philippines shall have the power:

"(c) To grant loans to provincial, city and municipal government for the rehabilitation, construction, or reconstruction of public markets, irrigation, waterworks, toll bridges, slaughterhouses, for cadastral surveys and other self-liquidating or income producing services, or the purchase and acquisition of municipal electric power plants and heavy equipment and machineries and to agencies and corporations owned or controlled by the Government of the Republic of the Philippines for the production and distribution of electrical power, for the purchase and subdivision of rural and urban estates, for housing projects, for irrigation and waterworks system, and for other essential industrial and agricultural enterprises;

"(g) To issue bonds, debentures, securities, collaterals, and other obligations and/or the renewal or the refunding of the same upon, recommendation of the Secretary of Finance and with the approval of the President, but in no case to exceed at any one time an aggregate amount equivalent to ten times of its paid-in capital and surplus. These bonds and other obligations shall be redeemable at the option of the Bank at or before maturity and in such manner as may be stipulated therein and shall bear such rate of interest as may be fixed by the Bank. Such obligations shall be secured by the assets of the Bank including the stocks, bonds, debentures, and other securities underwritten, purchased or held by it under the provisions of this Act. The Bank shall provide for appropriate reserves for the redemption or retirement of said obligations. Such obligations may be issued and offered for sale at such price or prices as the Bank may determine, and shall be exempt from taxation both as to principal and interest. The said obligations shall be and are hereby fully and unconditionally guaranteed both as to principal and interest by the Government of the Republic of the Philippines and such guaranty shall be expressed on the face thereof;