

[REPUBLIC ACT NO. 2612, July 20, 1959]

AN ACT TO AUTHORIZE THE PRESIDENT OF THE PHILIPPINES TO NEGOTIATE AND CONTRACT WITH THE EXPORT AND IMPORT BANK OF TOKYO, JAPAN, OR WITH ANY OTHER FOREIGN FINANCIAL INSTITUTIONS OR FOREIGN MANUFACTURING CORPORATIONS OR THEIR DULY AUTHORIZED AGENTS, IN THE NAME AND ON BEHALF OF THE REPUBLIC OF THE PHILIPPINES, ONE OR SEVERAL LOANS, FOR THE PURPOSE OF FINANCING A NATIONWIDE TELECOMMUNICATIONS EXPANSION AND IMPROVEMENT PROJECT TO BE HANDLED BY THE BUREAU OF TELECOMMUNICATIONS AND TO GUARANTEE THE SAME FOR AND ON BEHALF OF THE REPUBLIC OF THE PHILIPPINES, AND FOR OTHER PURPOSES.

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

SECTION 1. The President of the Philippines is hereby authorized to negotiate and contract with the Export and Import Bank of Tokyo, Japan, or with any other foreign financial institutions or foreign manufacturing corporations or their duly authorized agents, in the name and on behalf of the Republic of the Philippines, one or several loans not to exceed twelve million dollars for the purpose of financing a nationwide telecommunications expansion and improvement project of the Republic of the Philippines.

SEC. 2. The President of the Philippines is hereby further authorized to guarantee, absolutely and unconditionally, as primary obligor and not as surety merely, in the name and on behalf of the Republic of the Philippines, the payment of the loan or loans herein authorized as well as the performance of all or any of the obligations undertaken by the Republic of the Philippines in the territory of said Republic pursuant to loan agreements entered into with any the Export and Import Bank of Tokyo, Japan, or with any other foreign financial institutions or foreign manufacturing corporations or their duly authorized agents, for the implementation of the nationwide telecommunications expansion and improvement project provided for in this Act.

SEC. 3. Pursuant to the authority granted under sections one and two of this Act, the President of the Philippines is empowered to enter into agreements with the Export and Import Bank of Tokyo, Japan, or with any other foreign financial institutions or foreign manufacturing corporations or their duly authorized agents, or such terms and conditions as he shall deem proper to effectuate the purposes of this Act.

SEC. 4. The total principal amount of loans contracted or guaranteed by the Republic of the Philippines pursuant to the provisions of this Act shall not exceed the sum of