

[Acts No. 4093, November 29, 1933]

AN ACT AMENDING SECTIONS NINETEEN HUNDRED AND EIGHTY-SEVEN, NINETEEN HUNDRED AND EIGHTY-NINE, NINETEEN HUNDRED AND NINETY, NINETEEN HUNDRED AND NINETY-TWO, TWO THOUSAND AND TWO, TWO THOUSAND AND TWENTY-NINE, AND TWO THOUSAND AND THIRTY-ONE, ARTICLE VIII OF ACT NUMBERED TWENTY-SEVEN HUNDRED AND ELEVEN, OTHERWISE KNOWN AS THE REVISED ADMINISTRATIVE CODE, REGARDING THE POSTAL SAVINGS BANK, AND FOR OTHER PURPOSES.

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. Section nineteen hundred and eighty-seven of the Revised Administrative Code is hereby amended to Bank; read as follows:

"SEC. 1987. *Authority of bank.*—The bank shall have authority to receive, invest, loan, pay out, and otherwise dispose of sums of money and other valuable things, to receive and pay out interest and other charges therefor and to conduct and transact any other business incidental to the operation of a savings bank: *Provided*, That the Postal Savings Bank Board upon the recommendation of the Director of Posts is hereby authorized and empowered, any provisions of existing law to the contrary notwithstanding, to reorganize the personnel of the bank in order that the requirements for the proper operation of the same may be adequately served, and for this purpose, the said board, upon the recommendation of the Director of Posts, is hereby authorized and empowered to create such positions and incur such expenditures as may be necessary out of the profits of the said bank in addition to those provided for in the appropriation Acts for the years nineteen hundred and thirty-three and nineteen hundred and thirty-four, this provision to have retroactive effect to cover the six positions already found necessary and filled with the approval of the Governor-General on the fifth of June, nineteen hundred and thirty-three: *Provided*, further, That after December thirty-first, nineteen hundred and thirty-four, no salaries shall be paid and expenditures incurred by the bank other than those provided for in the annual appropriation Acts."

SEC. 2. Section nineteen hundred and eighty-nine of the Revised Administrative Code, as amended, is hereby further amended to read as follows:

"SEC. 1989. *Postal Savings Bank Board.*—The Postal Savings Bank Board, hereinafter referred to as the board, shall consist of five members who shall be appointed by the Governor-General, with the consent of the Philippine Senate, and shall hold office for a term of three years. The members of the board shall elect from among themselves a chairman and a vice-chairman. The Superintendent, Postal Savings Bank Division, shall be secretary of the Board. Each member of the board shall receive a compensation of twenty pesos per diem for attendance at the sessions of the board, the provisions of existing law to the contrary notwithstanding:

Provided, That in no year shall this remuneration exceed five hundred pesos for each member of the board. This compensation shall be paid out of the profits of the Postal Savings Bank."

SEC. 3. Section nineteen hundred and ninety of the Revised Administrative Code is hereby amended to read as follows:

"SEC. 1990. *Duties of Board*.—It shall be the duty of the board to invest the funds of the bank as provided herein, to fix the rates of interest on loans and deposits, to appoint the personnel of the bank authorized by section nineteen hundred and eighty-seven and to fix their compensations, and to perform such other duties as the proper investment and administration of the bank shall require."

SEC. 4. Section nineteen hundred and ninety-two of the Revised Administrative Code is hereby amended to read as follows:

"SEC. 1992. *Duties of chief of division*.—The superintendent, postal savings bank division, shall, under the direction of the Director of Posts, have immediate supervision over all matters pertaining to deposits and withdrawals, and such matters pertaining to investment as may be assigned to him by the Postal Savings Bank Board, upon recommendation of the Director of Posts. The bank shall keep a separate set of books dealing solely with its operations and the superintendent of the bank shall make monthly and annual statements thereof to the Director of Posts and the board and perform such other duties as the Director of Posts or the board may require."

SEC. 5. Section two thousand and two of the Revised Administrative Code is hereby amended to read as follows:

"SEC. 2002. *Dormant accounts*.—Any bank account upon which there has been no deposit, withdrawal, or other transaction at the request of the depositor for ten years after the end of the fiscal year in which the account was opened, or for ten years after a stipulation period named in the application when the account was opened, shall thereafter become a dormant account, and may be disposed of only by the Postal Savings Bank Board in accordance with Act Numbered Thirty-nine hundred and thirty-six, the provisions of existing law to the contrary notwithstanding."

SEC. 6. Subsections (e) and (m) of section two thousand and twenty-nine of the Revised Administrative Code is hereby amended to read as follows:

"(e) Upon first mortgage, deed of trust, or deed with contract for resale to the bank of improved and unencumbered real estate, with a title duly registered according to law, when the buildings are of a permanent and substantial character, situated in the Philippine Islands; but no such loan or investment shall be for more than sixty per centum of the value of such property as determined by the board.

"(m) In loans to provincial and municipal governments, for the construction of permanent public improvements: *Provided*, That these loans shall be repaid in not more than ten annual installments with interest at not to exceed six per centum per annum, payable quarterly: