

[Act No. 3521, February 20, 1929]

AN ACT AMENDING SECTION ONE HUNDRED NINETEEN OF ACT NUMBERED ONE THOUSAND FOUR HUNDRED AND FIFTY-NINE.

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 one hundred nineteen of Act Numbered One thousand four hundred and fifty-nine is hereby amended to read as follows:

"SEC. 119. The total liabilities to a banking corporation of any person, or of any company, corporation, or firm, for money borrowed, including in the liabilities of the company or firm the liabilities of the several members thereof, shall at no time exceed fifteen per centum of the unimpaired capital and surplus of such bank. But the discount of bills of exchange drawn in good faith against actually existing values and the discount of commercial or business paper actually owned by the person negotiating the same shall not be considered as money borrowed; and in addition to the fifteen per centum of the unimpaired capital and surplus of a banking corporation herein above provided for, the total liabilities of any borrower may amount to a further fifteen per centum of the unimpaired capital and surplus of such banking corporation provided such additional liabilities are secured by shipping documents, warehouse receipts or other similar documents transferring or securing title covering readily marketable, nonperishable staples, when such staples are fully covered by insurance, and when such staples have a market value equal to at least one hundred and twenty-five per centum of such additional liabilities."

SEC. 2. This Act shall take effect upon its approval.

Approved, February 20, 1929.



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