

[Act No. 3204, December 03, 1924]

AN ACT TO PROVIDE FOR THE ISSUE OF BONDS OF THE GOVERNMENT OF THE PHILIPPINE ISLANDS IN THE SUM OF THREE MILLION DOLLARS THE PROCEEDS OF THE SALE OF WHICH ARE TO BE USED FOR THE PURCHASE OF AN EQUIVALENT AMOUNT OF BONDS OF THE METROPOLITAN WATER DISTRICT

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. The Secretary of War is hereby authorized to issue in the name and behalf of the 'Government of the Philippine Islands bonds in the amount of three million dollars the proceeds of the sale of which shall be used by said Government for the purchase of an equivalent par amount of first mortgage bonds of the Metropolitan Water District to be issued for the purpose of obtaining funds for the extension of the water supply and sewerage systems of said district.

The bonds so authorized to be issued shall bear such date and be in such form as the Secretary of War may determine and shall bear such rate of interest and run for such length of time as may be determined by said official. Both principal and interest shall be payable in gold coin of the United States at the Treasury of the United States and the interest shall be payable at such periods as the Secretary of War may determine. Said bonds shall be issued at times and in amounts to be determined by the Governor-General upon the recommendation of the Secretary of Finance, and they may be coupon bonds or registered bonds, convertible, in the discretion of the Secretary of War, into either form, and in the case of the issue or transfer of any registered bonds the same shall be registered in the Treasury of the United States.

Said bonds shall be exempt from taxation by the Government of the Philippine Islands or by any political or municipal subdivisions thereof, or by the Government of the United States, or by any State or territory of the United States, or by any county, municipality, or other municipal subdivision of any State or territory of the United State's, or by the District of Columbia, which fact shall be stated upon their face by virtue of section one of the Act of Congress approved February sixth, nineteen hundred and five, according to which Act, as well as in accordance with the Act of Congress approved on August twenty-ninth, nineteen hundred and sixteen, as amended, and in accordance with this Act, the said bonds are issued.

SEC. 2. The Secretary of War is further authorized to sell said bonds upon such terms as in his judgment are most favorable to the Government of the Philippine Islands, and he shall deposit the proceeds of the sales thereof with the authorized depository or depositories of the Government of the Philippine Islands in the United States, to the credit of the Treasurer of the Philippine Islands.

SEC. 3. The proceeds of the sale of the bonds issued by virtue of this Act are hereby appropriated for the purpose of purchasing first mortgage bonds issued by the Metropolitan Water District under the provisions of Act Numbered Twenty-eight hundred and thirty-two, which bonds of the Metropolitan Water District shall