

[Act No. 2992, February 26, 1921]

**AN ACT TO AMEND SECTIONS EIGHT AND TEN OF ACT
NUMBERED TWENTY-SIX HUNDRED AND FIFTY-FIVE, KNOWN AS
THE USURY LAW.**

*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 eight of Act Numbered Twenty-six hundred and fifty-five, is hereby amended to read as follows:

"SEC. 8. All loans under which payment is to be made in agricultural products or seed or in any other kind of commodities shall also be null and void unless they provide that such products or seed or other commodities shall be appraised at the time when the obligation falls due at the current local market price: *Provided*, That unless otherwise stated in a document written in a language or dialect intelligible to the debtor and subscribed in the presence of not less than two witnesses, any contract advancing money to be repaid later in agricultural products or seed or any other kind of commodities shall be understood to be a loan, and any person or corporation having paid otherwise shall be entitled in case action is brought within two years after such payment or delivery to recover all the products or seed delivered as interest, or the value thereof, together with the costs and attorneys's fees in such sum as may be allowed by the court. Nothing contained in this section shall be construed to prevent the lender from taking interest for the money lent, provided such interest be not in excess of the rates herein fixed."

SEC. 2. Section ten of the same Act is hereby amended to read as follows:

"SEC. 10. Without prejudice to the proper civil action, violations of this Act shall be subject to criminal prosecution and the guilty person shall, upon conviction, be sentenced to a fine of not less than fifty pesos nor more than two hundred pesos, or to imprisonment for not less than ten days nor more than six months, or both, in the discretion of the court, and to return the entire sum received as interest from the party aggrieved, and in case of non-payment, to suffer subsidiary imprisonment at the rate of one day for every two pesos: *Provided*, That in case of corporations, associations, societies or companies the manager, administrator or *gerente* or the person who has charge of the management or administration of the business shall be criminally responsible for any violation of this Act."

SEC. 3. This Act shall take effect on its approval.

Approved, February 26, 1921.
