

## [ Act No. 2780, May 29, 1918 ]

### **AN ACT TO PROVIDE FOR THE ISSUE OF BONDS OF THE GOVERNMENT OF THE PHILIPPINE ISLANDS FOR THE CONSTRUCTION OF A SUBMARINE AND A DESTROYER.**

*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 Governor-General is hereby authorized to make the necessary arrangements to carry into immediate effect the construction of a submarine and a destroyer, as contemplated by Joint Resolution Numbered Seven of the Philippine Legislature, finally adopted on November twelfth, nineteen hundred and seventeen. The submarine shall be designated as "S-18" or be given any other number agreed upon between the Government of the United States and the Government of the Philippine Islands, with the Governor-General acting on behalf of the latter. The destroyer shall be named "Jose Rizal."

SEC. 2. Until otherwise provided by law, the administration and control of the war vessels the construction where-' of is hereby authorized, and of such other vessels as may be constructed hereafter, shall be in the hands of the Governor-General; and in order the better to carry into effect the purposes set forth in the aforesaid Joint Resolution Numbered Seven of the Philippine Legislature, the said Governor-General is authorized to enter, on behalf of the Government of the Philippine Islands, into such arrangements or agreements with the Government of the United States concerning the crew and equipment of the vessels and their use either in the Islands or outside of the same, as the needs of the service may require.

SEC. 3. The Secretary of War is hereby authorized to issue, in the name and on the account of the Government of the Philippine Islands, bonds to the amount of four million pesos, at such interest as may be agreed upon between the Secretary of War, the Governor-General, and the presiding officers of both Houses. Said interest shall be payable quarterly and the bonds shall be redeemable at the pleasure of the Government of the Philippine Islands after ten years and payable thirty years after the date of their issue, in gold coin of the United States. The principal and interest of said bonds shall be payable at such place or places as the Secretary of War may determine.

SEC. 4. The Secretary of War is further authorized to sell the bonds issued by virtue of the authority of this Act at not less than par value, on such terms as are most favorable to the Government of the Philippine Islands, and the proceeds of such sale or sales shall be deposited in any authorized depository of the Government of the Philippine Islands, to the credit of the Treasurer of the Philippine Islands. Said bonds shall be registered and transferable at the Office of the Register of the Treasury Department of the United States, Washington, District of Columbia.

SEC. 5. There is hereby created a continuing appropriation, out of any funds in the Insular Treasury not otherwise appropriated, for the purpose of creating and maintaining a sinking fund for the redemption at their maturity of the bonds the issue whereof is authorized by this Act. The sinking fund hereby created shall be formed annually, beginning with the year of the issue of the bonds, in such manner