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Method of payment.

Vol. 26, p. 418.

That the sum hereby appropriated to the States and Territories for the further endowment and support of the colleges shall be paid by, to, and in the manner prescribed by the Act of Congress approved August thirtieth, eighteen hundred and ninety, entitled "An Act to apply a portion of the proceeds of the public lands to the more complete endowment and support of the colleges for the benefit of agriculture and the mechanic arts established under the provisions of the Act of Congress approved July second, eighteen hundred and sixty-two," and the expenditure of the said money shall be governed in all respects by the provisions of the said Act of Congress approved July second, eighteen hundred and sixty-two, and the said Act of Congress approved August thirtieth, eighteen hundred and ninety: *Provided*, That said colleges may use a portion of this money for providing courses for the special preparation of instructors for teaching the elements of agriculture and the mechanic arts.

Proviso. Courses for teachers.

Additional statements of receipts and expenditures required.

That hereafter on or before the first day of January of each year the Secretary of Agriculture shall submit to Congress, in addition to the estimates now required by law, classified and detailed estimates of every subject of expenditure intended for the Agricultural Department for the next fiscal year, and detailed reports of all expenditures under any appropriation for such service during the preceding fiscal year.

Total carried by this bill for the Department of Agriculture, nine million four hundred and forty-seven thousand two hundred and ninety dollars.

Approved, March 4, 1907, 9.43 a. m.

March 4, 1907. [S. 6249.]

[Public, No. 243.]

CHAP. 2908.—An Act To provide for the establishment of an agricultural bank in the Philippine Islands.

Philippine Islands. Establishment of agricultural bank in, authorized.

Four per cent interest on stock guaranteed.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purpose of aiding in the establishment and operation of such an agricultural bank in the Philippine Islands as the general government thereof may hereafter specifically authorize the Philippine government is empowered to guarantee an income of not exceeding four per centum per annum upon cash capital actually invested by individuals or corporations in such agricultural bank; such guaranty shall be granted by an act of the Philippine Commission which shall contain, among others, the following provisions:

Guaranty made to company organized under Philippine laws.

First. The guaranty shall be made to a company organized under the laws of the Philippine Islands, with its principal office in Manila and with branches in such parts of the islands as may be designated by the Philippine Commission.

Loans restricted.

Second. The bank shall not grant loans except to those engaged in agriculture and with the sole purpose of assisting agriculture in the Philippine Islands.

Maximum loans.

Third. No loan exceeding in amount five thousand dollars shall be made except upon the written authorization of the secretary of finance and justice of the Philippine Islands.

Maximum interest.

Proviso. Limit of liability, etc.

Fourth. Interest charged on loans shall not exceed ten per centum per annum: *Provided*, That in no event shall the total annual contingent liability under the guaranties authorized by this Act at any time exceed two hundred thousand dollars, and no such guaranty shall continue for a longer period than twenty-five years.

Regulations.

For the further security of the Philippine government said government shall provide by the aforesaid act proper rules, including those for determining the cash capital actually invested in such bank and

the net income actually received on said capital so invested, and shall provide for supervision by said Philippine government, through the auditing and other appropriate bureaus thereof, of the conduct of the business of the bank.

Reports.

The bank shall make such reports from time to time as to its receipts and expenditures in such form and substance and sworn to by such officials as may be prescribed by the Philippine government, and its books and accounts shall be at all times open to inspection by any authorized agent of the Philippine government.

Guaranty payment a lien on net profits.

SEC. 2. That money paid by the Philippine government pursuant to the aforementioned guaranty shall be a liability of the bank to the Philippine government, and, as such, shall constitute a lien upon and be paid out of the annual net profits of the bank, subject only to the right of the stockholders to receive therefrom four per centum dividends per annum upon the bank's cash paid-up capital stock. No dividends above four per centum shall be paid, and no profits credited to the surplus fund, either during the period of the government's guaranty or subsequent thereto, until the Philippine government shall have been repaid in full all sums advanced to the bank under said guaranty.

Payment of dividends.

Liquidation.
Government advances a lien on assets.

Obligations of the bank to the Philippine government arising from advances made pursuant to the aforementioned guaranty and existing at the time when the bank shall go into liquidation shall constitute a lien on the bank's assets, subject only to the payment of the bank's legitimate debts and the repayment to the stockholders of the par value of the bank's duly authorized cash paid-up capital stock: *Provided*, That nothing in this section shall be interpreted as a guaranty on the part of the Philippine government to the stockholders of the bank of the par value of the bank's cash paid-up capital stock when the bank shall go into liquidation.

Proviso.
Capital stock.

Realty holdings forbidden.

SEC. 3. That the bank shall not be permitted to hold real estate beyond that required for business premises: *Provided*, That the temporary acquisition of land as the result of foreclosure, or otherwise, on account of a debt, shall be permitted on condition that land so acquired shall be sold within ten years from the date of acquisition, and all said land not so alienated in good faith shall be forfeited to the Philippine government.

Proviso.
Temporary acquisitions allowed.

Forfeiture.

Approved, March 4, 1907, 10 a. m.

March 4, 1907.
[S. 8189.]
[Public, No. 244.]

CHAP. 2909.—An Act Granting to the Saint Louis, Iron Mountain and Southern Railway Company, a corporation, the right to construct, maintain, and operate a single track railway across the lands of the United States in the southeast quarter of the northeast quarter of section twenty-one, township fourteen north, range six west of the fifth principal meridian, in the county of Independence and State of Arkansas, reserved for use in connection with the construction of Lock Numbered One, Upper White River, Arkansas.

Upper White River, Ark.

Saint Louis, Iron Mountain and Southern Railway Company granted right of way through land reserved for Lock No. 1.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Saint Louis, Iron Mountain and Southern Railway Company, a corporation, created and existing under and by virtue of the laws of the State of Arkansas, its successors and assigns, be, and they are hereby, authorized to construct, maintain, and operate a single track railway over and across the lands of the United States in the southeast quarter of the northeast quarter of section twenty-one, township fourteen north, range six west of the fifth principal meridian, in the county of Independence and State of Arkansas, reserved for use in connection with the construction of Lock Numbered One, Upper White River, Arkansas, subject to such conditions as may be prescribed by the Secretary of War