

UNPAID INTERESTS CONDONED

First Congress of the Republic)
of the Philippines)
Fourth Session)

H. No. 2699

Begun and held in the City of Manila on Monday, the twenty-fourth of January, nineteen hundred and forty-nine

[Republic Act No. 401]

AN ACT TO CONDONE ALL UNPAID INTERESTS ACCRUING FROM JANUARY FIRST NINETEEN HUNDRED AND FORTY-TWO TO DECEMBER THIRTY-FIRST NINETEEN HUNDRED AND FORTY-FIVE ON ALL OBLIGATIONS OUTSTANDING ON DECEMBER EIGHT, NINETEEN HUNDRED AND FORTY-ONE, AND TO APPLY PAYMENTS OF INTERESTS PAID AFTER FEBRUARY TWENTY-EIGHT, NINETEEN HUNDRED AND FORTY-FIVE, TO THE PRINCIPAL OBLIGATION IF STILL OUTSTANDING, IN CERTAIN CASES.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

Section 1. Declaration of policy.—Rehabilitation of those who have suffered the ravages of war constitutes a prime concern of the Government. In order to afford opportunities to debtors of the Government or Government-owned or controlled corporations to rehabilitate themselves, and to enable them to pay their pre-war obligations under terms and conditions beneficial to them, it is the declared policy of the State that the condonation of interests contemplated herein be extended.

Sec. 2. All unpaid interests in favor of the Government or Government-owned or controlled corporations accruing from the first day of January, nineteen hundred and forty-two to the thirty-first day of December, nineteen hundred and forty-five, on all debts and other obligations outstanding on the eighth day of December, nineteen hundred and forty-one, shall not be demandable and are hereby condoned in the following cases:

(a) When the debtor was unable to pay an obligation which became due and demandable, or interests which should have been paid during the said period because of the refusal of the latter to accept payment or because of

the failure of the creditors to open for business during the said period.

(b) When the debtor was unable to pay an obligation which became due and demandable, or interests which should have been paid, during the said period because he was prevented from doing so by reason of his activity in the resistance movement against the enemy or his imprisonment, arrest or detention by the said enemy resulting in his inability to freely pursue his normal work.

(c) When the debtor was unable to pay an obligation which became due and demandable, or interests which should have been paid during the said period because of penury caused by the ravages of the war, financial restrictions imposed by whatever authority in connection with the prosecution by the enemy of the war, or loss of his ordinary sources of income or control over them as a result thereof.

(d) When the debtor was unable to pay an obligation which became due and demandable, or the interests which should have been paid during the said period because the assets of the creditor were under the control of the enemy and/or administered through the so-

called Enemy Alien Property Custodian or other enemy instrumentality, and the debtor paid the interests to it in the belief that such payment was valid and effective payment to the creditor or because of fear that failure to comply with the demand would lead to reprisals on his person or property.

Sec. 3. All interests paid on account of debts or other obligations outstanding on the eighth day of December, nineteen hundred and forty-one corresponding to the period from the first day of January, nineteen hundred and forty-two to the thirty-first day of December, nineteen hundred and forty-five, by the debtors mentioned in section one hereof, shall be applied in payment of the principal obligation, if same is still outstanding and if the payment is made from or after February 28, nineteen hundred and forty-five to the date of the effectivity of this Act.

Sec. 4. This Act shall take effect fifteen days after its publication in the *Official Gazette*.

Approved June 18, 1949.

Compliments of

P. AREVALO

Dealer:

Office Supplies and Equipment

609 Quezon Boulevard, Manila

PRONUNCIAMENTOS

MANUEL L. QUEZON—There is one thought which I want you always to have in mind, and that is: That you are Filipinos, that the Philippines is your country and the only country God has given you; that you must keep it for yourselves, for your children, and your children's children, until the world is no more; and that you must live for it and die for it, if necessary.

* * *

APOLINARIO MABINI—Thou shalt love thy country after God and thy honor more than thyself; for she is the only Paradise which God has given thee in this life, the only patrimony of thy race, the only inheritance of thy ancestors and the only hope of thy posterity; because of her, thou hast life, love and interests, happiness, honor and God.

* * *

ANTONIO LUNA—The Filipino people want independence; I will defend, until I exhaust the last recourse, the cause of my country, thus complying with the oath to my flag.

* * *

MANUEL A. ROXAS—With the help of God, let us build in this our land a monument of freedom and to justice, a beacon to all mankind.

* * *

T. H. PARDO DE TAVERA—In order to make possible the liberation of the genuine Filipino soul which lives in our masses, we must establish a constructive system of instruction and education of an independent individuality, free from the unnatural pressure which represses the reason of man and subjects it to the reason of another by means of religious, political, or social dogmas.

* * *

FRANCISCO SANTIAGO—It is always my desire to inculcate our music in our people from an early age so that when they grow up they may know and appreciate what is ours and thus understand the real meaning of patriotism.

* * *