

[No. 272]

[Approved, May 15, 1945]

AN ACT

AUTHORIZING THE DEVELOPMENT BANK OF PUERTO RICO TO ACT AS FISCAL AGENT, PAYING AND CO-PAYING AGENT AND AS AGENT FOR OTHER PURPOSES OF THE INSULAR GOVERNMENT, ITS AGENCIES AND MUNICIPALITIES, AND OF THE TREASURER OF PUERTO RICO AND ON BEHALF OF THE TREASURER OF PUERTO RICO; AUTHORIZING AND DIRECTING THE DEVELOPMENT BANK OF PUERTO RICO TO ACT AS A FINANCIAL ADVISORY AND REPORTING AGENCY TO THE GOVERNOR OF PUERTO RICO, TO THE EXECUTIVE COUNCIL OF PUERTO RICO AND TO THE TREASURER OF PUERTO RICO; AUTHORIZING AND APPOINTING THE DEVELOPMENT BANK OF PUERTO RICO AS FISCAL AGENT, PAYING AGENT AND AS AGENT FOR THE PURCHASE, SALE, ISSUE AND EXCHANGE OF ALL BONDS, NOTES OR OTHER EVIDENCES OF INDEBTEDNESS FOR ALL PUBLIC SERVICE ENTERPRISES AND AUTHORITIES OWNED AND CONTROLLED BY THE INSULAR GOVERNMENT; AUTHORIZING AND DIRECTING ALL PUBLIC SERVICE ENTERPRISES AND AUTHORITIES OWNED AND CONTROLLED BY THE INSULAR GOVERNMENT TO CONTRACT WITH THE DEVELOPMENT BANK OF PUERTO RICO FOR CERTAIN PURPOSES, DEFINING AND DETERMINING THE TERMS AND CONDITIONS OF CONTRACTS THEREFOR AND PROVIDING FOR A METHOD OF APPEAL FROM THE DECISIONS OF THE DEVELOPMENT BANK AS TO RATE AND OTHER ASPECTS OF SUCH CONTRACTS; DEFINING THE RESPONSIBILITIES OF THE DEVELOPMENT BANK AND LIMITING THE RATES IT MAY CHARGE; STATING THE AUTHORITY OF THE BANK TO BUY, SELL, OWN, HOLD AND DEAL IN ANY OF THE BONDS, NOTES, EVIDENCES OF INDEBTEDNESS AND OF INTEREST COUPONS OR EVIDENCES OF INTEREST, APPURTENANT THERETO, OF THE INSULAR GOVERNMENT, ITS AGENCIES, MUNICIPALITIES AND AUTHORITIES AND OF THE TREASURER OF PUERTO RICO AND TO JOIN IN ANY ACTION AT LAW RELATIVE TO SUCH SECURITIES; TO DECLARE THE OFFICIAL TEXT OF THIS LAW IN THE ENGLISH LANGUAGE; TO DECLARE THAT THE SAME WILL PREVAIL OVER THE SPANISH TEXT; TO DECLARE AN EMERGENCY, AND FOR OTHER PURPOSES.

Be it enacted by the Legislature of Puerto Rico:

Section 1.—The Development Bank of Puerto Rico (hereinafter called the "Bank") shall be and it is hereby authorized to act as fiscal agent of the Insular Government, its agencies and municipalities and of the Treasurer of Puerto Rico for the purpose of registering, authenticating or countersigning, the bonds, notes or other evidences of indebtedness of the Insular Government, its agencies and municipalities and of the Treasurer of Puerto Rico, and to perform, without limitation, such other services for the Insular Government, its agencies and municipalities and for the Treasurer of Puerto Rico, for any purpose not contrary to already existent legislation, subject, however, to the approval of the Treasurer of Puerto Rico on such terms as may be agreed upon by and between the Bank and the Treasurer of Puerto Rico for services rendered to the Insular Government, its agencies and the Treasurer of Puerto Rico, and on

[NÚM. 272]

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LEY

AUTORIZANDO AL BANCO DE FOMENTO DE PUERTO RICO PARA ACTUAR COMO AGENTE FISCAL, AGENTE PAGADOR, PAGADOR O CO-AGENTE PAGADOR Y COMO AGENTE PARA OTROS FINES DEL GOBIERNO INSULAR, SUS AGENCIAS Y MUNICIPALIDADES Y DEL TESORERO DE PUERTO RICO Y EN REPRESENTACION DEL TESORERO DE PUERTO RICO; AUTORIZANDO Y ORDENANDO AL BANCO DE FOMENTO DE PUERTO RICO PARA ACTUAR COMO AGENTE CONSULTOR FINANCIERO Y DE INFORMACION DEL GOBERNADOR DE PUERTO RICO, DEL CONSEJO EJECUTIVO DE PUERTO RICO Y DEL TESORERO DE PUERTO RICO; AUTORIZANDO Y DESIGNANDO AL BANCO DE FOMENTO DE PUERTO RICO COMO AGENTE FISCAL, AGENTE PAGADOR Y AGENTE PARA LA COMPRA, VENTA, EMISION Y PERMUTA DE BONOS, PAGARES Y OTRAS EVIDENCIAS DE DEUDAS PARA TODAS LAS EMPRESAS DE SERVICIO PUBLICO Y AUTORIDADES DOMINADAS Y POSEIDAS POR EL GOBIERNO INSULAR; AUTORIZANDO Y ORDENANDO A TODA EMPRESA DE SERVICIO PUBLICO Y AUTORIDAD POSEIDA Y DOMINADA POR EL GOBIERNO INSULAR PARA CONTRATAR CON EL BANCO DE FOMENTO DE PUERTO RICO PARA CIERTOS FINES, DEFINIENDO Y DETERMINANDO LOS TERMINOS Y CONDICIONES DE DICHS CONTRATOS Y PROVEYENDO LOS MEDIOS PARA APELAR DE LAS DECISIONES DEL BANCO DE FOMENTO EN CUANTO A TIPOS Y OTROS ASPECTOS DE DICHS CONTRATOS; DEFINIENDO LAS RESPONSABILIDADES DEL BANCO Y LIMITANDO LOS TIPOS QUE PUEDE CARGAR; DEFINIENDO LA AUTORIDAD DEL BANCO PARA COMPRAR, VENDER, POSEER, COMERCIAR EN BONOS, PAGARES, EVIDENCIAS DE DEUDAS Y DE CUPONES O EVIDENCIAS DE INTERESES, DEL GOBIERNO INSULAR, SUS AGENCIAS, MUNICIPALIDADES Y AUTORIDADES Y DEL TESORERO DE PUERTO RICO Y PARA UNIRSE EN CUALESQUIERA ACCION EN DERECHO RELATIVA A DICHS VALORES; PARA DECLARAR EL TEXTO OFICIAL EN INGLES DE ESTA LEY; PARA DECLARAR QUE EL MISMO PREVALECERA SOBRE EL TEXTO CASTELLANO; PARA DECLARAR UNA EMERGENCIA, Y PARA OTROS FINES.

Decrétase por la Asamblea Legislativa de Puerto Rico:

Artículo 1.—El Banco de Fomento de Puerto Rico (en adelante llamado "el Banco"), será y por la presente Ley queda autorizado para actuar como Agente Fiscal del Gobierno Insular, de sus agencias y municipalidades y del Tesorero de Puerto Rico, con el propósito de inscribir, autenticar o refrendar los bonos, pagarés y otras evidencias de deuda del Gobierno Insular, de sus agencias y municipalidades, y del Tesorero de Puerto Rico; y queda autorizado para prestar, sin limitación alguna, al Gobierno Insular, a sus agencias y municipalidades y al Tesorero de Puerto Rico, otros servicios que no estén en pugna con legislación vigente, sujetos, sin embargo, a la aprobación del Tesorero de Puerto Rico y bajo aquellas condiciones en que el Banco y el Tesorero de Puerto Rico convengan, por servicios prestados al Gobierno Insular, a sus agencias y al Tesorero de

such terms as may be agreed upon by and between the Bank and the municipalities of Puerto Rico for services rendered to the municipalities of Puerto Rico.

Section 2.—The Bank shall be and is hereby authorized to act as paying agent or co-paying agent, with or on behalf of the Treasurer of Puerto Rico for the payment of interest and principal of bonds, notes or other evidences of indebtedness issued by the Insular Government and its agencies, and by the Treasurer of Puerto Rico and by or on behalf of the municipalities of Puerto Rico, on such terms as may be agreed upon by and between the Bank and the Treasurer of Puerto Rico. No agency of the Insular Government nor municipality thereof, shall select any other Bank, Trust Company, individual, partnership or corporation to act as such paying agent or co-paying agent for such purposes, unless the Treasurer of Puerto Rico shall otherwise determine.

Section 3.—The Bank shall be and it is hereby appointed and authorized to act as a Financial Advisory and Reporting Agency to the Governor of Puerto Rico and to the Treasurer of Puerto Rico. The Bank is hereby directed to prepare and submit to the Governor of Puerto Rico and to the Treasurer of Puerto Rico, prior to the issuance, sale or exchange by the Insular Government or by the Treasurer of Puerto Rico of any bonds, notes or other evidences of indebtedness, issued pursuant to the provisions of any law authorizing the issuance, sale or exchange of such bonds, notes or other evidences of indebtedness by the Insular Government, its agencies or by the Treasurer of Puerto Rico, a report as to the feasibility of such financing procedure, including the Bank's recommendation as to maximum interest rate, redemption privileges and premium therefor, maturity schedule, proper sale procedure and other relevant information.

Section 4.—The Treasurer of Puerto Rico is hereby authorized and directed to make available to the Bank for the purposes of Section 3 of this Act, prior to the issuance, sale or exchange by the Insular Government or its agencies, or by the Treasurer of Puerto Rico, of any bonds, notes, or other evidences of indebtedness, such transcripts, certificates, documents or other information, as the Bank may in its discretion require for an understanding of the financing procedure proposed by the Insular Government or its agencies, or by the Treasurer of Puerto Rico.

Puerto Rico; y bajo aquellas condiciones en que el Banco y las municipalidades de Puerto Rico convengan, por servicios prestados a las municipalidades de Puerto Rico.

Artículo 2.—El Banco será, y por la presente ley queda autorizado para actuar como agente pagador o co-agente pagador con, o en representación del Tesorero de Puerto Rico para el pago de interés y principal de bonos, pagarés y otra evidencia de deudas emitidos por el Gobierno Insular y sus agencias, y por el Tesorero de Puerto Rico y por, o en representación de, las municipalidades de Puerto Rico, bajo aquellas condiciones que acuerden el Banco y el Tesorero de Puerto Rico. Ninguna agencia del Gobierno Insular ni municipalidad alguna podrá seleccionar ningún otro banco, compañía de fideicomiso, individuo, sociedad o corporación para que actúe como tal agente pagador, o co-agente pagador, con tales fines, a menos que el Tesorero de Puerto Rico determine lo contrario.

Artículo 3.—El Banco será y por la presente Ley queda autorizado para actuar como Agente Consultor Financiero y de Información del Gobernador de Puerto Rico y del Tesorero de Puerto Rico. Se ordena al Banco que prepare y someta al Gobernador de Puerto Rico y al Tesorero de Puerto Rico, antes de la emisión, venta o permuta por el Gobierno Insular o por el Tesorero de Puerto Rico de cualesquiera bonos, pagarés, u otra evidencia de deudas a emitirse, venderse, o permutarse de acuerdo con las disposiciones de cualquier ley que autorice la emisión, venta o permuta de tales bonos, pagarés u otra evidencia de deudas por el Gobierno Insular, sus agencias, o por el Tesorero de Puerto Rico, un informe sobre la factibilidad del procedimiento de financiamiento, incluyendo la recomendación del Banco en relación con tipos máximos de interés, privilegios de redención, primas de redención, programa de vencimientos, procedimiento de venta apropiado, así como otra información relevante.

Artículo 4.—Por la presente Ley se autoriza y ordena al Tesorero de Puerto Rico para que ponga a la disposición del Banco, para cumplir con lo dispuesto en el artículo 3 de esta Ley, antes de la emisión, venta o permuta por el Gobierno Insular o sus agencias, o por el Tesorero de Puerto Rico de bonos, pagarés, u otra evidencia de deudas, aquellas actas, certificados, documentos u otra información que a juicio del Banco sean necesarios para la mejor comprensión del procedimiento de financiamiento propuesto por el Gobierno Insular o sus agencias, o por el Tesorero de Puerto Rico.

Section 5.—The Bank shall be and is hereby appointed and authorized to act as a Financial Advisory and Reporting Agency to the Executive Council of Puerto Rico and to the Treasurer of Puerto Rico. The Bank is hereby directed to prepare and submit to the Executive Council of Puerto Rico and to the Treasurer of Puerto Rico, prior to the issuance, sale or exchange by any municipality of Puerto Rico or by the Treasurer of Puerto Rico on the behalf of any municipality, of any bonds, notes, or other evidences of indebtedness issued pursuant to the provisions of any law, authorizing the issuance, sale or exchange of such bonds, notes or other evidence of indebtedness by the Municipalities of Puerto Rico, or by the Treasurer of Puerto Rico, on behalf of the Municipalities of Puerto Rico, a report as to the feasibility of such financing procedure, including the Bank's recommendation as to maximum interest rate, redemption privileges and premiums therefor, maturity schedule, proper sale procedure and other relevant information.

Section 6.—The Municipalities of Puerto Rico and the Treasurer of Puerto Rico are hereby authorized and directed to make available to the Bank, for the purposes of Section 5 of this Act, prior to the issuance, sale or exchange by the Municipalities of Puerto Rico or by the Treasurer of Puerto Rico on behalf of the Municipalities of Puerto Rico, of any bonds, notes or other evidences of indebtedness, such transcripts, certificates, documents or other information, as the Bank may, in its discretion, require for an understanding of the financing procedure proposed by any Municipality of Puerto Rico or by the Treasurer of Puerto Rico on behalf of any Municipality of Puerto Rico.

Section 7.—The Bank shall be and is hereby appointed and authorized to act as agent for the payment of interest and principal of bonds, notes or other evidences of indebtedness issued by any public service enterprise or authority owned or controlled by the Insular Government heretofore created or hereinafter created, including but without limiting thereto, the Puerto Rico Water Resources Authority, Puerto Rico Transportation Authority, Development Company of Puerto Rico, Puerto Rico Agricultural Development Company, Puerto Rico Aqueduct and Sewerage Service, Puerto Rico Land Authority, Puerto Rico Communications Authority (each of which is hereinafter sometimes referred to as a "unit"). No such unit shall select any other Bank, Trust Company, individual or

Artículo 5.—El Banco será, y por la presente Ley queda designado y autorizado para actuar como Agente Consultor Financiero y de Información del Consejo Ejecutivo y del Tesorero de Puerto Rico. Por la presente Ley se ordena al Banco que prepare y someta al Consejo Ejecutivo de Puerto Rico y al Tesorero de Puerto Rico, antes de la emisión, venta o permuta por cualquier municipalidad de Puerto Rico o por el Tesorero de Puerto Rico en representación de cualquier municipalidad, de cualesquiera bonos, pagarés, u otra evidencia de deudas, a emitirse, venderse, o permutarse de acuerdo con las disposiciones de cualquier ley que autorice la emisión, venta o permuta de tales bonos, pagarés u otra evidencia de deudas por las municipalidades de Puerto Rico, o por el Tesorero de Puerto Rico, en representación de las municipalidades de Puerto Rico, un informe sobre la factibilidad del procedimiento de financiamiento, incluyendo la recomendación del Banco en relación con tipos máximos de interés, privilegios de redención, primas de redención, programas de vencimientos, procedimiento de venta apropiado, así como otra información relevante.

Artículo 6.—Por la presente Ley se autoriza y ordena a las municipalidades de Puerto Rico y al Tesorero de Puerto Rico para que ponga a la disposición del Banco, para cumplir con lo dispuesto en el artículo 5 de esta Ley, antes de la emisión, venta o permuta por las municipalidades de Puerto Rico o por el Tesorero de Puerto Rico en representación de las municipalidades de Puerto Rico, de bonos, pagarés u otras evidencias de deuda, aquellas actas, certificados, documentos u otra información que a juicio del Banco sean necesarios para una mejor comprensión del procedimiento de financiamiento propuesto por cualquier municipalidad de Puerto Rico o por el Tesorero de Puerto Rico en representación de cualquier municipalidad de Puerto Rico.

Artículo 7.—El Banco será, y por la presente Ley queda designado y autorizado para actuar como Agente Fiscal para el pago de interés y principal de bonos, pagarés u otra evidencia de deudas emitidos por cualquier empresa de servicio público o autoridad dominada y poseída por el Gobierno Insular que se hubieren creado o que se crearen en el futuro, incluyendo, pero sin limitación, la Autoridad de las Fuentes Fluviales, Autoridad de Transporte de Puerto Rico, Compañía de Fomento de Puerto Rico, Compañía de Fomento Agrícola de Puerto Rico, Servicio de Acueductos y Alcantarillado de Puerto Rico, Autoridad de Tierras de Puerto Rico, Autoridad de Comunicaciones de Puerto Rico, (en adelante llamadas "Unidad"). Ninguna de dichas unidades seleccionará ningún otro banco, com-

partnership or corporation to act as such paying agent, for such purposes, unless the Bank shall, by resolution of its Board of Directors, determine not to act as such paying agent, for such unit, in such instance. In the event that the Bank shall determine not to act as such paying agent, for such unit, in such instance, the selection of the paying agent or paying agents, in the event that the appointment of more than one is determined to be advisable, shall be at the election of the Bank and it shall further be within the discretion of the Bank, by resolution of its Board of Directors, to determine to act as co-paying agent for each unit in each instance.

Section 8.—The Bank shall be and is hereby authorized and appointed to act as agent for any unit for the purpose of registering, authenticating or countersigning, the bonds, notes or other evidences of indebtedness of any such unit, on such terms as may be agreed upon by and between the Bank and such unit. No such unit shall select any other Bank, Trust Company, individual, corporation, association or partnership, to act as such fiscal agent for such purposes, unless the Bank shall, by resolution of its Board of Directors, determine not to act as such fiscal agent for such unit, in such instance. In the event that the Bank shall determine not to act as such fiscal agent for such unit, in such instance, the selection of the fiscal agent or fiscal agents, in the event that the appointment of more than one is determined to be advisable, shall be at the election of the Bank, and it shall further be within the discretion of the Bank, by resolution of its Board of Directors, to act as co-fiscal agent, for each unit, in each instance.

Section 9.—In the event there is already existent, prior to the enactment of this legislation, a contract between any such unit and any other Bank, Trust Company, individual, corporation, association or partnership, to act as fiscal agent and/or paying agent, and/or co-paying agent, such contract on such issue for such unit for such purpose, shall not be invalidated by the enactment of this legislation, until such time as such unit shall have discharged its liabilities for such issue, either thru payment in full of the principal amount of the indebtedness of such issue together with all accrued interest thereon, or until such unit shall redeem such issue thru the call of such issue prior to maturity and shall have discharged its obligation thru the payment in full of the principal amount of such issue then outstanding, together with the interest thereon and any and all premiums that may be required thereon or thru the retirement in full

pañía de fideicomiso, individuo, sociedad o corporación para actuar como tal agente pagador con tales fines, a menos que el Banco, por resolución de su Junta Directiva, decida no actuar como tal agente pagador para cierta y determinada Unidad en cierto y determinado caso. En caso que el Banco decida no actuar como tal agente pagador, para cierta y determinada Unidad, en cierto y determinado caso, la selección del agente pagador o de los agentes pagadores, en caso que el nombramiento de más de uno se considere aconsejable, será hecha a elección del Banco, y éste podrá, discrecionalmente mediante resolución de su Junta Directiva, actuar como co-agente pagador de cierta y determinada Unidad en cierto y determinado caso.

Artículo 8.—El Banco será y por la presente Ley queda autorizado para actuar como agente de cualquier Unidad con el propósito de inscribir, autenticar, o refrendar los bonos, pagarés u otra evidencia de deudas de cualquier Unidad bajo aquellos términos que acuerden el Banco y tal Unidad. Ninguna Unidad seleccionará ningún otro banco, compañía de fideicomiso, individuo, sociedad o corporación para actuar como tal agente fiscal con tales fines, a menos que el Banco, por resolución de su Junta Directiva, decida no actuar como tal agente fiscal para cierta y determinada Unidad en cierto y determinado caso. En caso que el Banco decida no actuar como tal agente fiscal de cierta y determinada unidad, en cierto y determinado caso, la selección del agente fiscal, o agentes fiscales, en caso de que el nombramiento de más de uno se considere aconsejable, será hecha por el Banco, y éste podrá, discrecionalmente, y mediante resolución de la Junta Directiva, actuar como co-agente fiscal de cierta y determinada Unidad en cierto y determinado caso.

Artículo 9.—En caso de que exista, con anticipación a la vigencia de esta Ley, un contrato entre alguna Unidad y otro banco, compañía de fideicomiso, individuo, asociación, sociedad o corporación, para que tal banco, compañía de fideicomiso, individuo, sociedad, asociación o corporación actúe como agente fiscal, y/o agente pagador, y/o co-agente pagador, dicho contrato, comprendiendo cierta y determinada emisión de cierta y determinada Unidad, para cierto y determinado propósito, no quedará invalidado por la aprobación de esta Ley, hasta tanto dicha Unidad haya cumplido con las obligaciones contraídas por concepto de la emisión, mediante pago total del principal de la deuda y los intereses acumulados sobre ella, o hasta tanto la unidad redima dicha emisión con anterioridad a su vencimiento y haya satisfecho su deuda mediante pago total de su principal, así como los intereses acumulados, además de las primas que

of such issue thru the purchase of such issue and all coupons or interest obligations appurtenant thereto, either by such unit or by the Insular Government or by the Bank.

The existence of such relationship as described in this Section, shall in no way impair the appointment of, nor the authorization of the Bank to act as fiscal agent or paying agent or co-paying agent on any subsequent issue of such unit, nor shall contract, as described in this section, impair the appointment, authorization, powers, duties or obligations of the Bank to act under any other section or sections of this Act, singly or severally, as may be determined by resolution of its Board of Directors.

Section 10.—The Bank shall be and is hereby authorized and appointed as agent for each unit for the purpose of creating by and between the Bank and each unit, a proceeding or fiscal agency purchase and sales contract for the issuance, purchase, sale and exchange of all bonds, notes or other evidence of indebtedness, on such terms as to payment of fees and expenses as may be agreed on by and between the Bank and each unit; *Provided*, That such contract shall authorize and empower the Bank to determine the form of the issue including maturity schedule, redemption privileges and premiums therefor maximum interest rate or rates, method of sale and all other factors which the Bank may in its discretion determine as being essential for the protection of each unit and of the Insular Government and for proper sale procedure. No unit shall select any investment banker, Bank, Trust Company, individual, corporation, association, partnership, or combination thereof, for the purpose of this Section, unless the Bank shall, by resolution of its Board of Directors determine not to act as such agent, for such unit, in such instance, then in such event the selection of an agent, for the purposes of this section, for such unit, shall be at the election of the Bank; *Provided, further*, That no such contract shall impair the appointment, authorization, powers, duties or obligations of the Bank to act under any other Section or Sections of this Act, singly or severally, as may be determined by resolution of its Board of Directors.

Section 11.—Each unit shall be and is hereby authorized and directed to execute a contract with the Bank for the purposes of Section 10 of this Act. Such contract shall be a proceeding or fiscal agency purchase and sales contract for the issuance, purchase, sale and exchange of all bonds, notes or other evidences of indebtedness for such

sea necesario pagar; o cuando la Unidad, el Gobierno Insular, o el Banco retiren del mercado toda la emisión por compra, así como todos sus cupones u obligaciones por concepto de intereses.

La existencia de relaciones como las descritas en este artículo, en forma alguna menoscabarán la designación y la facultad del Banco para actuar como agente fiscal o agente pagador, o co-agente pagador en cualquier emisión sucesiva de alguna Unidad; ni la existencia de un contrato previo como el descrito en este artículo podrá menoscabar la designación, autorización, poderes, deberes y obligaciones del Banco para actuar separada o conjuntamente bajo las disposiciones de cualquier otro artículo o artículos de esta Ley, según lo determine por resolución la Junta Directiva del Banco.

Artículo 10.—El Banco será y por la presente Ley queda designado y autorizado para actuar como agente de cada Unidad con el fin de crear por y entre el Banco y cada Unidad un contrato de agente fiscal para la emisión, compra, venta y permuta de bonos, pagarés u otra evidencia de deudas, bajo aquellas condiciones que el Banco y la Unidad acuerden y estipulen para el pago de honorarios y gastos; *Disponiéndose*, que dicho contrato autorizará y facultará al Banco para determinar la forma de las emisiones, incluyendo programas de vencimientos, privilegios de redención, primas de redención, tipos máximos de interés, métodos a seguirse en la venta y todos aquellos factores que el Banco, discrecionalmente, pueda considerar como esenciales para la protección de cada Unidad y del Gobierno Insular, y para determinar el procedimiento de venta adecuado. Ninguna Unidad seleccionará banquero o banco, compañía de fideicomiso, individuo, sociedad, corporación, asociación o combinación de éstas para cumplir con las disposiciones de este artículo, a menos que el Banco, por resolución de su Junta Directiva, decida no actuar como tal agente de cierta y determinada Unidad, en tal caso la selección de un agente para cumplir con las disposiciones de este artículo, será hecha por el Banco; *Disponiéndose, además*, que dicho contrato no menoscabará la autoridad, poderes, deberes y obligaciones del Banco para actuar bajo las disposiciones de éste u otro artículo o artículos de esta Ley, individual o conjuntamente, según lo determine, por resolución, su Junta Directiva.

Artículo 11.—Por la presente Ley se autoriza y ordena a cada Unidad celebrar un contrato con el Banco para cumplir con las disposiciones del artículo 10 de esta Ley. Dicho contrato será uno de agente fiscal para la emisión, compra, venta y permuta de bonos, pagarés u otra evidencia de deudas de dicha Unidad; *Disponiéndose*

unit; *Provided*, That such contract shall authorize and empower the Bank to determine the form of the issue including maturity schedule, redemption privileges and premiums therefor, maximum interest rate or rates, method of sale and all other factors which the Bank may, in its discretion, determine as being essential for the protection of such unit and of the Insular Government and for proper sale procedure. The terms for payment of fees and expenses by each unit to the Bank for services rendered or to be rendered shall be agreed on by and between each unit and the Bank; *Provided*, That in the event such terms cannot be agreed upon by and between any unit and the Bank, such unit may appeal to the Governor of Puerto Rico for his judgment in the matter, and both, the unit and the Bank, shall accept the decision of the Governor as final. In the event that any unit shall contest the decision of the Bank as to terms for purchase, sale, issue or exchange of any bonds, notes, or other evidence of indebtedness of such unit, such unit may appeal to the Executive Council as final.

Section 12.—In the event that there shall exist, prior to the enactment of this legislation, any proceeding or fiscal agency purchase or sales contract, by and between any unit and any investment banker, bank, trust company, individual, corporation, association, partnership, or a combination thereof, for the issuance, sale, exchange or purchase by any unit, of bonds, notes or other evidences of indebtedness, such contract shall in no way impair the appointment or authorization of the Bank to act as fiscal agent, paying agent or co-paying agent of such unit, on such issue, nor shall it impair the rights, duties, or obligations of the Bank, under any other section or sections of this Act, either singly or severally.

Section 13.—The Bank is hereby charged with the responsibility of basing its determination to act or not to act for or on the behalf of any unit, on the sole basis that such determination will best serve The People of Puerto Rico, its Municipalities, Agencies, Authorities and other political subdivisions, and is further charged with the responsibility of fixing the fees and expenses chargeable to the Insular Government, its agencies and municipalities, and to the Treasurer of Puerto Rico, and to units (as described in Section 7 of this Act) on an amount that would not exceed normal commercial rates for identical services, in each instance, where such rates are a matter of

dose, que dicho contrato autorizará y facultará al Banco a determinar el plan de las emisiones, incluyendo programas de vencimiento, privilegios de redención, primas de redención, tipos máximos de interés, métodos a seguirse en la venta, y todos aquellos factores que el Banco, discrecionalmente, pueda considerar como esenciales para la protección de cada Unidad y del Gobierno Insular, y para determinar el procedimiento de venta adecuado. Las condiciones que gobiernen el pago de honorarios y gastos por cada Unidad al Banco por servicios prestados, o a prestarse por el Banco, serán fijadas por y entre cada Unidad y el Banco; *Disponiéndose*, que en caso de que no sea posible llegar a un acuerdo en cuanto a estos extremos, dicha Unidad podrá apelar ante el Gobernador de Puerto Rico, y tanto la Unidad como el Banco acatarán la decisión del Gobernador como final. En caso de que alguna Unidad no esté de acuerdo con la decisión del Banco en cuanto a los términos de compra, venta, emisión, o permuta de cualesquiera bonos, pagarés, u otra evidencia de deudas de dicha Unidad, ésta podrá apelar ante el Consejo Ejecutivo, y tanto el Banco como la Unidad acatarán la decisión del Consejo Ejecutivo como final.

Artículo 12.—En caso de que antes de decretarse esta Ley existiere un contrato de agente fiscal por y entre alguna Unidad y algún banco, banquero, compañía de fideicomiso, individuo, corporación, asociación, sociedad o combinación de éstos, para la emisión, venta, permuta o compra por alguna Unidad, de bonos, pagarés u otra evidencia de deudas, dicho contrato en forma alguna menoscabará el poder o autoridad del Banco para actuar como agente fiscal, o agente pagador de dicha Unidad en relación con cierta y determinada emisión ni tampoco menoscabará los derechos, deberes u obligaciones del Banco, individual o conjuntamente bajo cualquiera otro artículo o artículos de esta Ley.

Artículo 13.—El Banco tendrá la responsabilidad de su decisión para actuar o no actuar en representación de cualquier Unidad, pero dicha decisión deberá ser fundamentada exclusivamente en el hecho de que los intereses de El Pueblo de Puerto Rico, sus municipalidades, agencias, autoridades y otras subdivisiones políticas estarán mejor servidos. El Banco tendrá, además, la responsabilidad de fijar los honorarios y gastos a ser satisfechos por el Gobierno Insular, sus agencias y municipalidades y por el Tesorero de Puerto Rico y por las unidades (tal y como se describen en el artículo 7 de esta Ley), en una suma que no exceda de lo que comercial y normalmente se carga por servicios idénticos, en cada caso, donde dichos tipos cons-

established record in Banks and Trust Companies, and in all other instances, on a basis that will afford reasonable compensation to the Bank for services rendered.

Section 14.—The Bank may in good faith, buy, sell, own, hold and deal in any of the bonds, notes, evidences of indebtedness and/or interest coupons or evidences of interest appurtenant thereto, of the Insular Government, its agencies and municipalities, and of the Treasurer of Puerto Rico, and of any unit, as described in Section 7 of this Act, and may join in any action which any bondholder, noteholder or holder of evidence of indebtedness, may be entitled to take with like effect, as if the Bank were not acting singly or severally under any Section or Sections of this Act.

Section 15.—Subdivision (a).—The official translation into the English language of the title of this Act shall be as follows:

“Authorizing the Development Bank of Puerto Rico to act as fiscal agent, paying and co-paying agent and as agent for other purposes of the Insular Government, its agencies and municipalities, and of the Treasurer of Puerto Rico and on behalf of the Treasurer of Puerto Rico; authorizing and directing the Development Bank of Puerto Rico to act as a financial advisory and reporting agency to the Governor of Puerto Rico, to the Executive Council of Puerto Rico and to the Treasurer of Puerto Rico; authorizing and appointing the Development Bank of Puerto Rico as fiscal agent, paying agent and as agent for the purchase, sale, issue and exchange of all bonds, notes or other evidences of indebtedness for all public service enterprises and authorities owned and controlled by the Insular Government; authorizing and directing all public service enterprises and authorities owned and controlled by the Insular Government to contract with the Development Bank of Puerto Rico for certain purposes, defining and determining the terms and conditions of contracts therefor and providing for a method of appeal from the decisions of the Development Bank as to rate and other aspects of such contracts; defining the responsibilities of the Development Bank and limiting the rates it may charge; stating the authority of the bank to buy, sell, own, hold and deal in any of the bonds, notes, evidences of indebtedness and of interest coupons or evidences of interest, appurtenant thereto, of the Insular Government, its agencies, municipalities and authorities and of the Treasurer of Puerto Rico and to join in any action at law relative to such securities; to declare the official text of this law in the English language; to declare that

tituyen materia de récord establecida por bancos, compañías de fideicomiso y en los demás casos los honorarios y gastos a ser pagados lo serán sobre bases que brinden al Banco una compensación razonable por los servicios prestados.

Artículo 14.—El Banco, podrá de buena fe comprar, vender, poseer, retener y comerciar en bonos, pagarés, evidencias de deuda y/o cupones de intereses u otras evidencias de intereses, del Gobierno Insular, sus agencias y municipalidades, y del Tesorero de Puerto Rico, y de cualquier Unidad tal y como se describen en el artículo 7 de esta Ley, y podrá unirse en aquella acción que cualquier tenedor de bonos o pagarés o de evidencia de deudas tenga derecho a entablar, (como si el Banco no estuviera actuando individual o conjuntamente), bajo cualquier artículo o artículos de esta Ley.

Artículo 15.—Inciso (a).—La traducción oficial al idioma inglés del título de esta Ley, será la siguiente: “Authorizing the Development Bank of Puerto Rico to Act as fiscal agent, paying and co-paying agent and as agent for other purposes of the Insular Government, its agencies and municipalities, and of the Treasurer of Puerto Rico and on behalf of the Treasurer of Puerto Rico; authorizing and directing the Development Bank of Puerto Rico to Act as a financial advisory and reporting agency to the Governor of Puerto Rico, to the Executive Council of Puerto Rico and to the Treasurer of Puerto Rico; authorizing and appointing the Development Bank of Puerto Rico as fiscal agent, paying agent and as agent for the purchase, sale, issue and exchange of all bonds, notes or other evidences of indebtedness for all public service enterprises and authorities owned and controlled by the Insular Government; authorizing and directing all public service enterprises and authorities owned and controlled by the Insular Government to contract with the Development Bank of Puerto Rico for certain purposes, defining and determining the terms and conditions of contracts therefor and providing for a method of appeal from the decisions of the Development Bank as to rate and other aspects of such contracts; defining the responsibilities of the Development Bank and limiting the rates it may charge; stating the authority of the bank to buy, sell, own, hold and deal in any of the bonds, notes, evidences of indebtedness and of interest coupons or evidences of interest, appurtenant thereto, of the Insular Government, its agencies, municipalities and authorities and of the Treasurer of Puerto Rico and to join in any action at law relative to such securities; to declare the official text of this law in the English language;

the same will prevail over the Spanish text; to declare an emergency, and for other purposes.”

Subdivision (b).—The official translation into the English language of sections numbers 1 to 14, both inclusive, of this Act shall be as follows:

Section 1.—The Development Bank of Puerto Rico (hereinafter called the “Bank”) shall be and it is hereby authorized to act as fiscal agent of the Insular Government, its agencies and municipalities and of the Treasurer of Puerto Rico for the purpose of registering, authenticating or countersigning, the bonds, notes or other evidences of indebtedness of the Insular Government, its agencies and municipalities and of the Treasurer of Puerto Rico, and to perform, without limitation, such other services for the Insular Government, its agencies and municipalities and for the Treasurer of Puerto Rico, for any purpose not contrary to already existent legislation, subject, however, to the approval of the Treasurer of Puerto Rico on such terms as may be agreed upon by and between the Bank and the Treasurer of Puerto Rico for services rendered to the Insular Government, its agencies and the Treasurer of Puerto Rico, and on such terms as may be agreed upon by and between the Bank and the municipalities of Puerto Rico for services rendered to the municipalities of Puerto Rico.

Section 2.—The Bank shall be and is hereby authorized to act as paying or co-paying agent, with or on behalf of the Treasurer of Puerto Rico for the payment of interest and principal of bonds, notes or other evidences of indebtedness issued by the Insular Government and its agencies, and by the Treasurer of Puerto Rico and by or on behalf of the municipalities of Puerto Rico, on such terms as may be agreed upon by and between the Bank and the Treasurer of Puerto Rico. No agency of the Insular Government nor municipality thereof, shall select any other Bank, Trust Company, individual, partnership, or corporation to act as such paying agent or co-paying agent for such purposes, unless the Treasurer of Puerto Rico shall otherwise determine.

Section 3.—The Bank shall be and it is hereby appointed and authorized to act as a Financial Advisory and Reporting Agency to the Governor of Puerto Rico and to the Treasurer of Puerto Rico. The Bank is hereby directed to prepare and submit to the Governor of Puerto Rico and to the Treasurer of Puerto Rico, prior to the issuance, sale or exchange by the Insular Government or by the Treasurer of Puerto Rico of any bonds, notes or other evidences

to declare that the same will prevail over the Spanish text; to declare an emergency, and for other purposes.”

Inciso (b).—La traducción oficial al idioma inglés de los artículos desde el número 1 hasta el número 14 de esta Ley, ambos inclusive, será la siguiente:

Section 1.—The Development Bank of Puerto Rico (hereinafter called the “Bank”) shall be and it is hereby authorized to act as fiscal agent of the Insular Government, its agencies and municipalities and of the Treasurer of Puerto Rico for the purpose of registering, authenticating or countersigning, the bonds, notes or other evidences of indebtedness of the Insular Government, its agencies and municipalities and of the Treasurer of Puerto Rico, and to perform, without limitation, such other services for the Insular Government, its agencies and municipalities and for the Treasurer of Puerto Rico, for any purpose not contrary to already existent legislation, subject, however, to the approval of the Treasurer of Puerto Rico on such terms as may be agreed upon by and between the Bank and the Treasurer of Puerto Rico for services rendered to the Insular Government, its agencies and the Treasurer of Puerto Rico, and on such terms as may be agreed upon by and between the Bank and the municipalities of Puerto Rico for services rendered to the municipalities of Puerto Rico.

Section 2.—The Bank shall be and is hereby authorized to act as agent or co-agent, with or on behalf of the Treasurer of Puerto Rico for the payment of interest and principal of bonds, notes or other evidences of indebtedness issued by the Insular Government and its agencies, and by the Treasurer of Puerto Rico and by or on behalf of the municipalities of Puerto Rico, on such terms as may be agreed upon by and between the Bank and the Treasurer of Puerto Rico. No agency of the Insular Government nor municipality thereof, shall select any other Bank, Trust Company, individual, partnership or corporation to act as such paying agent or co-paying agent for such purposes, unless the Treasurer of Puerto Rico shall otherwise determine.

Section 3.—The Bank shall be and it is hereby appointed and authorized to act as a Financial Advisory and Reporting Agency to the Governor of Puerto Rico and to the Treasurer of Puerto Rico. The Bank is hereby directed to prepare and submit to the Governor of Puerto Rico and to the Treasurer of Puerto Rico, prior to the issuance, sale or exchange by the Insular Government or by the Treasurer of Puerto Rico of any bonds, notes or other evidences of

of indebtedness, issued pursuant to the provisions of any law authorizing the issuance, sale or exchange of such bonds, notes or other evidences of indebtedness by the Insular Government, its agencies or by the Treasurer of Puerto Rico, a report as to the feasibility of such financing procedure, including the Bank's recommendation as to maximum interest rate, redemption privileges and premium therefor, maturity schedule, proper sale procedure and other relevant information.

Section 4.—The Treasurer of Puerto Rico is hereby authorized and directed to make available to the Bank for the purposes of Section 3 of this Act, prior to the issuance, sale or exchange by the Insular Government or its agencies, or by the Treasurer of Puerto Rico, of any bonds, notes, or other evidences of indebtedness, such transcripts, certificates, documents or other information, as the bank may in its discretion require for an understanding of the financing procedure proposed by the Insular Government or its agencies, or by the Treasurer of Puerto Rico.

Section 5.—The Bank shall be and is hereby appointed and authorized to act as a Financial Advisory and Reporting Agency to the Executive Council of Puerto Rico and to the Treasurer of Puerto Rico. The Bank is hereby directed to prepare and submit to the Executive Council of Puerto Rico and to the Treasurer of Puerto Rico, prior to the issuance, sale or exchange by any Municipality of Puerto Rico or by the Treasurer of Puerto Rico on the behalf of any municipality, of any bonds, notes, or other evidences of indebtedness, issued pursuant to the provisions of any law, authorizing the issuance, sale or exchange of such bonds, notes or other evidences of indebtedness by the Municipalities of Puerto Rico, or by the Treasurer of Puerto Rico, on behalf of the Municipalities of Puerto Rico, a report as to the feasibility of such financing procedure, including the Bank's recommendation as to maximum interest rate, redemption privileges and premiums therefor, maturity schedule, proper sale procedure and other relevant information.

Section 6.—The Municipalities of Puerto Rico and the Treasurer of Puerto Rico are hereby authorized and directed to make available to the Bank, for the purposes of Section 5 of this Act, prior to the issuance, sale or exchange by the Municipalities of Puerto Rico or by the Treasurer of Puerto Rico on behalf of the Municipalities of Puerto Rico, of any bonds, notes or other evidences of indebtedness, such transcripts, certificates, documents or other information, as the Bank may, in its discretion, require for an understanding of the

indebtedness, issued pursuant to the provisions of any law authorizing the issuance, sale or exchange of such bonds, notes or other evidences of indebtedness by the Insular Government, its agencies or by the Treasurer of Puerto Rico, a report as to the feasibility of such financing procedure, including the Bank's recommendation as to maximum interest rate, redemption privileges and premium therefor, maturity schedule, proper sale procedure and other relevant information.

Section 4.—The Treasurer of Puerto Rico is hereby authorized and directed to make available to the Bank for the purposes of Section 3 of this Act, prior to the issuance, sale or exchange by the Insular Government or its agencies, or by the Treasurer of Puerto Rico, of any bonds, notes, or other evidences of indebtedness, such transcripts, certificates, documents or other information, as the bank may in its discretion require for an understanding of the financing procedure proposed by the Insular Government or its agencies, or by the Treasurer of Puerto Rico.

Section 5.—The Bank shall be and is hereby appointed and authorized to act as a Financial Advisory and Reporting Agency to the Executive Council of Puerto Rico and to the Treasurer of Puerto Rico. The Bank is hereby directed to prepare and submit to the Executive Council of Puerto Rico and to the Treasurer of Puerto Rico, prior to the issuance, sale or exchange by any Municipality of Puerto Rico or by the Treasurer of Puerto Rico on the behalf of any municipality, of any bonds, notes, or other evidences of indebtedness, issued pursuant to the provisions of any law, authorizing the issuance, sale or exchange of such bonds, notes or other evidences of indebtedness by the Municipalities of Puerto Rico, or by the Treasurer of Puerto Rico, on behalf of the Municipalities of Puerto Rico, a report as to the feasibility of such financing procedure, including the Bank's recommendation as to maximum interest rate, redemption privileges and premiums therefor, maturity schedule, proper sale procedure and other relevant information.

Section 6.—The Municipalities of Puerto Rico and the Treasurer of Puerto Rico are hereby authorized and directed to make available to the Bank, for the purposes of Section 5 of this Act, prior to the issuance, sale or exchange by the Municipalities of Puerto Rico or by the Treasurer of Puerto Rico on behalf of the Municipalities of Puerto Rico, of any bonds, notes or other evidences of indebtedness, such transcripts, certificates, documents or other information, as the Bank may, in its discretion, require for an understanding of the

financing procedure proposed by any Municipality of Puerto Rico or by the Treasurer of Puerto Rico on behalf of any Municipality of Puerto Rico.

Section 7.—The Bank shall be and is hereby appointed and authorized to act as agent for the payment of interest and principal of bonds, notes or other evidences of indebtedness issued by any public service enterprise or authority owned or controlled by the Insular Government heretofore created or hereinafter created, including but without limiting thereto, the Puerto Rico Water Resources Authority, Puerto Rico Transportation Authority, Development Company of Puerto Rico, Puerto Rico Agricultural Development Company, Puerto Rico Aqueduct and Sewerage Service, Puerto Rico Land Authority, Puerto Rico Communications Authority (each of which is hereinafter sometimes referred to as a "unit"). No such unit shall select any other Bank, Trust Company, individual or partnership or corporation to act as such paying agent, for such purposes, unless the Bank shall, by resolution of its Board of Directors, determine not to act as such paying agent, for such unit, in such instance. In the event that the Bank shall determine not to act as such paying agent, for such unit, in such instance, the selection of the paying agent or paying agents, in the event that the appointment of more than one is determined to be advisable, shall be at the election of the Bank and it shall further be within the discretion of the Bank, by resolution of its Board of Directors, to determine to act as co-paying agent for each unit in each instance.

Section 8.—The Bank shall be and is hereby authorized and appointed to act as agent for any unit for the purpose of registering, authenticating or countersigning, the bonds, notes or other evidences of indebtedness of any such unit, on such terms as may be agreed upon by and between the Bank and such unit. No such unit shall select any other Bank, Trust Company, individual, corporation, association or partnership, to act as such fiscal agent for such purposes, unless the Bank shall, by resolution of its Board of Directors, determine not to act as such fiscal agent for such unit, in such instance. In the event that the Bank shall determine not to act as such fiscal agent for such unit, in such instance, the selection of the fiscal agent or fiscal agents, in the event that the appointment of more than one is determined to be advisable, shall be at the election of the Bank, and it shall further be within the discretion of the Bank, by resolution of its Board of Directors, to act as co-fiscal agent, for each unit, in each instance.

financing procedure proposed by any Municipality of Puerto Rico or by the Treasurer of Puerto Rico on behalf of any Municipality of Puerto Rico.

Section 7.—The Bank shall be and is hereby appointed and authorized to act as agent for the payment of interest and principal of bonds, notes or other evidences of indebtedness issued by any public service enterprise or authority owned or controlled by the Insular Government heretofore created or hereinafter created, including but without limiting thereto, the Puerto Rico Water Resources Authority, Puerto Rico Transportation Authority, Puerto Rico Industrial Development Company, Puerto Rico Agricultural Development Company, Puerto Rico Aqueduct and Sewerage Service, Puerto Rico Land Authority, Puerto Rico Communications Authority (each of which is hereinafter sometimes referred to as a "unit"). No such unit shall select any other Bank, Trust Company, individual or partnership or corporation to act as such paying agent, for such purposes, unless the Bank shall, by resolution of its Board of Directors, determine not to act as such paying agent, for such unit, in such instance. In the event that the Bank shall determine not to act as such paying agent, for such unit, in such instance, the selection of the paying agent or paying agents, in the event that the appointment of more than one is determined to be advisable, shall be at the election of the Bank and it shall further be within the discretion of the Bank, by resolution of its Board of Directors, to determine to act as co-paying agent for each unit in each instance.

Section 8.—The Bank shall be and is hereby authorized and appointed to act as agent for any unit for the purpose of registering, authenticating or countersigning, the bonds, notes or other evidences of indebtedness of any such unit, on such terms as may be agreed upon by and between the Bank and such unit. No such unit shall select any other Bank, Trust Company, individual, corporation, association or partnership, to act as such fiscal agent for such purpose, unless the Bank shall, by resolution of its Board of Directors, determine not to act as such fiscal agent for such unit, in such instance. In the event that the Bank shall determine not to act as such fiscal agent for such unit, in such instance, the selection of the fiscal agent or fiscal agents, in the event that the appointment of more than one is determined to be advisable, shall be at the election of the Bank, and it shall further be within the discretion of the Bank, by resolution of its Board of Directors, to act as co-fiscal agent, for each unit, in each instance.

Section 9.—In the event there is already existent, prior to the enactment of this legislation, a contract between any such unit and any other Bank, Trust Company, individual, corporation, association or partnership, to act as fiscal agent and/or paying agent, and/or co-paying agent, such contract on such issue for such unit for such purpose, shall not be invalidated by the enactment of this legislation, until such time as such unit shall have discharged its liabilities for such issue, either thru payment in full of the principal amount of the indebtedness of such issue together with all accrued interest thereon, or until such unit shall redeem such issue thru the call of such issue prior to maturity and shall have discharged its obligation thru the payment in full of the principal amount of such issue then outstanding, together with the interest thereon and any and all premiums that may be required thereon or thru the retirement in full of such issue thru the purchase of such issue and all coupons or interest obligations appurtenant thereto, either by such unit or by the Insular Government or by the Bank.

The existence of such relationship as described in this Section, shall in no way impair the appointment of, nor the authorization of the Bank to act as fiscal agent or paying agent or co-paying agent on any subsequent issue of such unit, nor shall contract, as described in this section, impair the appointment, authorization, powers, duties or obligations of the Bank to act under any other section or sections of this Act, singly or severally, as may be determined by resolution of its Board of Directors.

Section 10.—The Bank shall be and is hereby authorized and appointed as agent for each unit for the purpose of creating by and between the Bank and each unit, a proceeding or fiscal agency purchase and sales contract for the issuance, purchase, sale and exchange of all bonds, notes or other evidence of indebtedness, on such terms as to payment of fees and expenses as may be agreed on by and between the Bank and each unit; *Provided*, That such contract shall authorize and empower the Bank to determine the form of the issue including maturity schedule, redemption privileges and premiums therefor maximum interest rate or rates, method of sale and all other factors which the Bank may in its discretion determine as being essential for the protection of each unit and of the Insular Government and for proper sale procedure. No unit shall select any investment banker, Bank, Trust Company, individual, corporation, association, partnership, or combination thereof, for the purpose of this Section, unless the Bank shall, by resolu-

Section 9.—In the event there is already existent, prior to the enactment of this legislation, a contract between any such unit and any other Bank, Trust Company, individual, corporation, association or partnership, to act as fiscal agent and/or paying agent, and/or co-paying agent, such contract on such issue for such unit for such purpose, shall not be invalidated by the enactment of this legislation, until such time as such unit shall have discharged its liabilities for such issue, either thru payment in full of the principal amount of the indebtedness of such issue together with all accrued interest thereon, or until such unit shall redeem such issue thru the call of such issue prior to maturity and shall have discharged its obligation thru the payment in full of the principal amount of such issue then outstanding, together with the interest thereon and any and all premiums that may be required thereon or thru the retirement in full of such issue thru the purchase of such issue and all coupons or interest obligations appurtenant thereto, either by such unit or by the Insular Government or by the Bank.

The existence of such relationship as described in this Section, shall in no way impair the appointment of, nor the authorization of the Bank to act as fiscal agent or paying agent or co-paying agent on any subsequent issue of such unit, nor shall contract, as described in this section, impair the appointment, authorization, powers, duties or obligations of the Bank to act under any other section or sections of this Act, singly or severally, as may be determined by resolution of its Board of Directors.

Section 10.—The Bank shall be and is hereby authorized and appointed as agent for each unit for the purpose of creating by and between the Bank and each unit, a proceeding or fiscal agency purchase and sales contract for the issuance, purchase, sale and exchange of all bonds, notes or other evidence of indebtedness, on such terms as to payment of fees and expenses as may be agreed on by and between the Bank and each unit providing further that such contract shall authorize and empower the Bank to determine the form of the issue including maturity schedule, redemption privileges and premiums therefor maximum interest rate or rates, method of sale and all other factors which the Bank may in its discretion determine as being essential for the protection of each unit and of the Insular Government and for proper sale procedure. No unit shall select any investment banker, Bank, Trust Company, individual, corporation, association, partnership, or combination thereof, for the purpose of this Section, unless the Bank shall, by resolution of its Board of

tion of its Board of Directors determine not to act as such agent, for such unit, in such instance, then in such event the selection of an agent, for the purposes of this section, for such unit, shall be at the election of the Bank; *Provided, further,* That no such contract shall impair the appointment, authorization, powers, duties or obligations of the Bank to act under any other Section or Sections of this Act, singly or severally, as may be determined by resolution of its Board of Directors.

Section 11.—Each unit shall be and is hereby authorized and directed to execute a contract with the Bank for the purposes of Section 10 of this Act. Such contract shall be a proceeding or fiscal agency purchase and sales contract for the issuance, purchase, sale and exchange of all bonds, notes or other evidences of indebtedness for such unit; *Provided,* That such contract shall authorize and empower the Bank to determine the form of the issue including maturity schedule, redemption privileges and premiums therefor, maximum interest rate or rates, method of sale and all other factors which the Bank may, in its discretion, determine as being essential for the protection of such unit and of the Insular Government and for proper sale procedure. The terms for payment of fees and expenses by each unit to the Bank for services rendered or to be rendered shall be agreed on by and between each unit and the Bank, *Provided,* That in the event such terms cannot be agreed upon by and between any unit and the Bank, such unit may appeal to the Governor of Puerto Rico for his judgment in the matter, and both, the unit and the Bank, shall accept the decision of the Governor as final. In the event that any unit shall contest the decision of the Bank as to terms for purchase, sale, issue or exchange of any bonds, notes, or other evidence of indebtedness of such unit, such unit may appeal to the Executive Council for intervention, and, both the unit and the Bank, shall accept the decision of the Executive Council as final.

Section 12.—In the event that there shall exist, prior to the enactment of this legislation, any proceeding or fiscal agency purchase or sales contract, by and between any unit and any investment banker, bank, trust company, individual, corporation, association, partnership, or a combination thereof, for the issuance, sale, exchange or purchase by any unit, of bonds, notes or other evidences of indebtedness, such contract shall in no way impair the appointment or authorization of the Bank to act as fiscal agent, paying agent or

Directors determine not to act as such agent, for such unit, in such instance, then in such event the selection of an agent, for the purposes of this section, for such unit, shall be at the election of the Bank, provided further, that no such contract shall impair the appointment, authorization, powers, duties or obligations of the Bank to act under any other Section or Sections of this Act, singly or severally, as may be determined by resolution of its Board of Directors.

Section 11.—Each unit shall be and is hereby authorized and directed to execute a contract with the Bank for the purposes of Section 10 of this Act. Such contract shall be a proceeding or fiscal agency purchase and sales contract for the issuance, purchase, sale and exchange of all bonds, notes or other evidences of indebtedness for such unit; *Provided, further,* That such contract shall authorize and empower the Bank to determine the form of the issue including maturity schedule, redemption privileges and premiums therefor, maximum interest rate or rates, method of sale and all other factors which the Bank may, in its discretion, determine as being essential for the protection of such unit and of the Insular Government and for proper sale procedure. The terms for payment of fees and expenses by each unit to the Bank for services to be rendered shall be agreed on by and between each unit and the Bank; *Provided, further,* That in the event such terms cannot be agreed upon by and between any unit and the Bank, such unit may appeal to the Governor of Puerto Rico for his judgment in the matter, and both, the unit and the Bank, shall accept the decision of the Governor as final. In the event that any unit shall contest the decision of the Bank as to terms for purchase, sale, issue or exchange of any bonds, notes or other evidence of indebtedness of such unit, such unit may appeal to the Executive Council for intervention, and, both the unit and the Bank, shall accept the decision of the Executive Council as final.

Section 12.—In the event that there shall exist, prior to the enactment of this legislation, any proceeding or fiscal agency purchase or sales contract, by and between any unit and any investment banker, bank, trust company, individual, corporation, association, partnership, or a combination thereof, for the issuance, sale, exchange or purchase by any unit, of bonds, notes or other evidences of indebtedness, such contract shall in no way impair the appointment or authorization of the Bank to act as fiscal agent, paying

co-paying agent of such unit, on such issue, nor shall it impair the rights, duties, or obligations of the Bank, under any other section or sections of this Act, either singly or severally.

Section 13.—The Bank is hereby charged with the responsibility of basing its determination to act or not to act for or on the behalf of any unit, on the sole basis that such determination will best serve The People of Puerto Rico, its Municipalities, Agencies, Authorities and other political subdivisions, and is further charged with the responsibility of fixing the fees and expenses chargeable to the Insular Government, its agencies and municipalities, and to the Treasurer of Puerto Rico, and to units (as described in Section 7 of this Act) on an amount that would not exceed normal commercial rates for identical services, in each instance, where such rates are a matter of established record in Banks and Trust Companies, and in all other instances, on a basis that will afford reasonable compensation to the Bank for services rendered.

Section 14.—The Bank may in good faith, buy, sell, own, hold and deal in any of the bonds, notes, evidences of indebtedness and/or interest coupons or evidences of interest appurtenant thereto, of the Insular Government, its agencies and municipalities, and of the Treasurer of Puerto Rico, and of any unit, as described in Section 7 of this Act, and may join in any action which any bondholder, noteholder or holder of evidence of indebtedness, may be entitled to take with like effect, as if the Bank were not acting singly or severally under any Section or Sections of this Act.

Section 16.—If in the interpretation and application of this Act any conflict arises as between the Spanish and the English texts thereof, the latter shall prevail over the former.

Section 17.—Notwithstanding any other evidence to the contrary, it is hereby declared that if the provisions of this Act, or the application of said provisions to the Insular Government, or to the municipalities or agencies thereof, or to the Treasurer of Puerto Rico, or to any unit or circumstance, is declared invalid, the remainder of the Act and the application of said provisions to the Insular Government, to the municipalities and agencies thereof, to the Treasurer of Puerto Rico, and to any unit or circumstance other than those as to which said declaration of nullity has been made, shall not be affected by such declaration; *Provided*, That if any clause, para-

agent or co-paying agent of such unit, on such issue, nor shall it impair the rights, duties, or obligations of the Banks, under any other section or sections of this Act, either singly or severally.

Section 13.—The Bank is hereby charged with the responsibility of basing its determination to act or not to act for or on the behalf of any unit, on the sole basis that such determination will best serve The People of Puerto Rico, its Municipalities, Agencies, Authorities and other political subdivisions, and is further charged with the responsibility of basing the fees and expenses chargeable to the Insular Government, its agencies and municipalities, and to the Treasurer of Puerto Rico, and to units (as described in Section 7 of this Act) on an amount that would not exceed normal commercial rates for identical services, in each instance, where such rates are a matter of established record in Banks and Trust Companies, and in all other instances, on a basis that will afford reasonable compensation to the Bank for services rendered.

Section 14.—The Bank may in good faith, buy, sell, own, hold and deal in any of the bonds, notes, evidences of indebtedness and/or interest coupons or evidences of interest appurtenant thereto, of the Insular Government, its agencies and municipalities, and of the Treasurer of Puerto Rico, and of any unit, as described in Section 7 of this Act, and may join in any action which any bondholder, noteholder or holder of evidence of indebtedness, may be entitled to take with like effect, as if the Bank were not acting singly or severally under any Section or Sections of this Act.

Artículo 16.—Si en la interpretación y aplicación de esta Ley surgiere algún conflicto entre el texto español y el texto inglés de la misma, prevalecerá el último sobre el primero.

Artículo 17.—A pesar de cualquier otra evidencia en contrario, por la presente se declara que las disposiciones de esta Ley, o la aplicación de dichas disposiciones al Gobierno Insular, o a las municipalidades o agencias del mismo, o al Tesorero de Puerto Rico, o a cualquier unidad o circunstancia, fuera declarada inválida, el resto de la ley y la aplicación de tales disposiciones al Gobierno Insular, a sus municipalidades y agencias y al Tesorero de Puerto Rico y a cualquier unidad o circunstancia, que no sean aquéllas respecto a las cuales se hubiere dictado la declaración de nulidad, no serán afectadas por dicha declaración; *Disponiéndose*, que si alguna cláu-

graph, section, article or part of this Act is declared unconstitutional by a court of competent jurisdiction, said judgment shall not affect, impair or invalidate the rest of this Act, but its effects shall be circumscribed to such clause, paragraph, section or article thereof as may have been declared unconstitutional.

Section 18.—All laws or parts of laws in conflict herewith are hereby repealed.

Section 19.—This Act, being of an urgent character, shall take effect immediately after its approval.

Approved, May 15, 1945.

[No. 273]

[*Approved, May 15, 1945*]

AN ACT

TO PROVIDE THAT THE DEPARTMENTS, DIVISIONS, AGENCIES, BOARDS, COMMISSIONS, AUTHORITIES AND OTHER INSTRUMENTALITIES OF THE GOVERNMENT OF PUERTO RICO SHALL PUBLISH NOTICES AND ADVERTISEMENTS FOR THE PUBLIC IN DAILY NEWSPAPERS AND IN MAGAZINES IN GENERAL CIRCULATION IN PUERTO RICO, CHARGEABLE EXCLUSIVELY TO THE ITEMS AND APPROPRIATIONS THAT THEY MAY HAVE FOR SUCH PURPOSE, AND FOR OTHER PURPOSES.

Be it enacted by the Legislature of Puerto Rico:

Section 1.—The departments, divisions, agencies, boards, commissions, authorities and other instrumentalities of the Government of Puerto Rico shall publish their notices, citations, calls for bids, and other public notices solely in daily newspapers and in magazines in general circulation in Puerto Rico, chargeable exclusively to the items and appropriations which they may have for such purpose.

In case the corresponding item or appropriation should be exhausted, no publication shall be authorized.

Section 2.—All laws or parts of laws in conflict herewith are hereby repealed.

Section 3.—This Act, being of an urgent and necessary character, shall take effect immediately after its approval.

Approved, May 15, 1945.

sula, párrafo, artículo, sección o parte de esta Ley fuese declarada inconstitucional por un tribunal de jurisdicción competente, dicho fallo no afectará, menoscabará o invalidará el resto de esta Ley, pero sus efectos serán circunscritos a dicha cláusula, párrafo, artículo o sección de ley que hubiere sido declarada inconstitucional.

Artículo 18.—Toda ley o parte de ley que esté en conflicto con la presente Ley, queda por ésta derogada.

Artículo 19.—Esta Ley, por ser de carácter urgente, empezará a regir inmediatamente después de su aprobación.

Aprobada en 15 de mayo de 1945.

[NÚM. 273]

[*Aprobada en 15 de mayo de 1945*]

LEY

PARA DISPONER QUE LOS DEPARTAMENTOS, DIVISIONES, AGENCIAS, JUNTAS, COMISIONES, AUTORIDADES Y DEMAS INSTRUMENTALIDADES DEL GOBIERNO DE PUERTO RICO PUBLICARAN SUS NOTIFICACIONES Y AVISOS AL PUBLICO EN DIARIOS Y REVISTAS DE CIRCULACION GENERAL EN PUERTO RICO Y EXCLUSIVAMENTE CON CARGO A LAS PARTIDAS Y ASIGNACIONES QUE TUVIERAN PARA TAL FIN, Y PARA OTROS FINES.

Decrétase por la Asamblea Legislativa de Puerto Rico:

Artículo 1.—Los departamentos, divisiones, agencias, juntas, comisiones, autoridades y demás instrumentalidades del Gobierno de Puerto Rico publicarán sus notificaciones, citas, subastas y demás avisos públicos únicamente en diarios y revistas de circulación general en Puerto Rico y exclusivamente con cargo a las partidas y asignaciones que tuvieren para tal fin.

En caso de agotarse la partida o asignación correspondiente, no se autorizará publicación alguna.

Artículo 2.—Toda ley o parte de ley que se oponga a la presente, queda por ésta derogada.

Artículo 3.—Esta Ley, por ser de carácter urgente y necesaria, empezará a regir inmediatamente después de su aprobación.

Aprobada en 15 de mayo de 1945.