MILITARY GOVERNMENT OF SANTO DOMINGO.

Executive Order No. 713.

DOMINICAN REPUBLIC SIX MONTHS' CERTIFICATE OF INDEBTEDNESS, ISSUE OF 1922, WITH FIVE YEAR CUSTOMS ADMINISTRATION BOND AS COLLATERAL SECURITY THEREFOR.

WHEREAS, it has become necessary to raise funds immediately for the settlement of certain outstanding obligations and for the continuance of the public works necessary for the development of the Republic, and

WHEREAS, the issue of a Six Months' Certificate of Indebtedness and of a Bond as collateral security therefor, thus increasing the public debt of the Dominican Republic, has been duly authorized by the Government of the United States in accordance with the terms of the American-Dominican Convention dated February 8, 1907,

NOW, THEREFORE, by virtue of the powers vested in the Military Government of Santo Domingo, the following Executive Order is hereby promulgated:

ARTICLE 1. The Secretaria de Estado de Hacienda y Comercio is hereby authorized, empowered, and directed to issue a Six Months' Certificate of Indebtedness of the Dominican Republic in the sum of Four Hundred and Fifty Thousand Dollars ($450,000.00), to bear interest at the rate of Seven (7) percent per annum, which interest shall be payable at the expiration of Six Months from the date of said Certificate. As collateral security for the payment of this Certificate of Indebtedness when due, the issue of a Five Year Bond in the sum of Five Hundred Thousand Dollars ($500,000.00), bearing interest at the rate of Seven (7) percent per annum, is also hereby authorized, empowered, and directed. This bond shall be delivered to the purchaser of the Certificate of Indebtedness, and shall be held by the purchaser upon the following conditions: if, at least Thirty (30) days prior to the maturity of the said certificate of indebtedness, the said purchaser shall not have received official advice from the officer administering the affairs of the Secretaría de Estado de Hacienda y Comercio of the Dominican Republic that the said certificate of indebtedness will be paid at the maturity thereof, with interest as therein specified, or if the said certificate of indebtedness shall not be so paid at maturity, whether or not such prior advice shall have been received, the said purchaser

shall be authorized on or at any time after the maturity of the said certificate of indebtedness to sell the said bond at a price not less than Ninety (90) percent of the principal amount thereof and accrued interest to the date of sale, and, after crediting to the payment of the said certificate of indebtedness an amount in cash equal to the face value thereof and accrued interest to the date of such payment, to account to the said officer administering the affairs of the **Secretaría de Estado de Hacienda y Comercio** for any balance of the said purchase price. Any such sale may be made either at private of at public sale, and may be made without notice either to the Dominican Republic or to the United States Military Government of Santo Domingo, or to any officer of such government, all such notice being expressly waived as a condition of the purchase and acceptance of the said certificate of indebtedness by the said purchaser. If, however, the said certificate shall be paid at maturity, with interest thereon, pursuant to prior advice of payment as above provided, then the said purchaser shall deliver the said temporary bond in accordance with the instructions of the said officer administering the affairs of the **Secretaría de Estado de Hacienda y Comercio.**

ARTICLE 2. This bond issue shall be known as the DOMINICAN REPUBLIC FIVE YEAR SEVEN PERCENT CUSTOMS ADMINISTRATION GOLD BOND ISSUE OF 1922.

ARTICLE 3. The certificate of indebtedness shall bear the signature of the Officer administering the affairs of the **Secretaría de Estado de Hacienda y Comercio** and the seal of the Dominican Legation at Washington, D. C., as shall also the bond for Five Hundred Thousand Dollars ($500,000.00) issued as collateral security therefor.

ARTICLE 4. The said certificate of indebtedness and bond are hereby declared to be exempt from the payment of taxes of any kind whatsoever of the Government of the Dominican Republic or of any local authority therein.

ARTICLE 5. The principal and interest of the Six Months' Certificate of Indebtedness shall be paid by the Dominican Government at the office of the International Banking Corporation, Borough of Manhattan, City and State of New York, on July 15, 1922.

ARTICLE 6. Definitive bonds shall be issued in the denomination of One Thousand Dollars ($1,000.00) each and shall have

interest coupons attached. Pending the preparation of definitive bonds there shall be issued a single temporary bond in the principal amount of Five Hundred Thousand Dollars ($500,000.00), without interest coupon. Both principal and interest of the bonds shall be payable at the principal office of the The National City Bank of New York, Borough of Manhattan, City and State of New York, and in the bonds the Dominican Republic shall covenant, among other things, substantially as follows: the General Receiver of Customs will remit monthly to the said The National City Bank of New York, in the said City of New York, or, upon its order, to its representative in Santo Domingo City, a sum equal to one-twelfth of the annual interest charge on all bonds of this issue outstanding at the time of such remittance, which sums, so remitted, will be applied by the said bank, from time to time, to the payment of the semi-annual instalments of interest on the said bonds, as the same shall respectively become payable. For the amortization of the bonds of this issue, the General Receiver of Customs will remit to or upon the order of the said bank, monthly, commencing in August, 1925, the sum of at least Thirty Thousand Dollars ($30,000.00), and if, in any calendar year, the aggregate customs receipts of the Republic shall exceed the sum of Three Million Dollars ($3,000,000.00), thereafter, the General Receiver of Customs shall remit to or upon the order of the said bank, in addition to any and all other sums herein provided to be remitted for the amortization of the bonds of this issue, ten (10) percent of all customs receipts of the Republic over and above the said aggregate sum of Three Million Dollars ($3,000,000.00). All remittances by the General Receiver of Customs shall be made on or before the 15th day of each month, from the customs receipts collected in the month preceding the month in which such remittance is made; and the payment thereof shall constitute a charge upon the customs receipts of the Republic, subject only to existing prior charges respectively, constituted by the American-Dominican Convention of February 8, 1907, and by Executive Orders Nos. 193, 272, and 637 of the Military Government of Santo Domingo. In the event that, in any year, the customs receipts of the Republic shall be insufficient to pay the said sums in full, the Republic covenants that it will provide the necessary funds from other sources of revenue. All sums remitted to The National City Bank of New York, or upon its order, for the amortization of the bonds of this issue, shall be accumulated by the said bank and applied by it to the payment of the said bonds at maturity; provided, that, at any time or times, the Republic may require the said bank to apply any of the said funds at the time in its possession to the redemp-

tion of the bonds of this issue, in the manner herein provided. The Republic reserves the right to redeem all or any bonds of this issue on any interest date prior to manurity at 105 percent of the principal amount hereof, upon prior notice, published once a week for four consecutive weeks in one newspaper of general circulation published in the Borough of Manhattan, City and State of New York, the first publication to be not less than thirty (30) days prior to the interest date designated therein for redemption. Notice of redemption having been given as herein provided, this bond shall on the date designated for redemption become due and payable at the said redemption price; and after such redemption date no further interest hereon will be paid. If less than all the outstanding bonds of this issue are to be redeemed at any, the outstanding bonds of this issue are to be redeemed at any time, the bonds so to be redeemed shall be determined by lot by The National City Bank of New York. The customs receipts of the Dominican Republic are hereby pledged in accordance with the provisions of the foregoing covenant.

ARTICLE 7. The sums hereby pledged with the consent of the Government of the United State shall be paid from the Customs Revenues of the Dominican Republic and shall constitute an additional charge upon the Customs Revenues of the Republic collected in accordance with the Convention of February 8, 1907, between the United States of America and the Dominican Republic and after their application to the first three objects designated in article one of that Convention, and after the payments provided for by Executive Orders 193, 272, and 637 have been made, and before any payment is made to the Treasury of the Dominican Republic.

ARTICLE 8. For the payment of the interest on said bonds as it falls due, and of the principal, the good faith of the Dominican Republic is hereby irrevocably pledged and said bonds and the obligations created thereby shall not be impaired by any law or decree which the Government of the Dominican Republic or any authority thereof may subsequently enact or issue, or by any interpretation of any law or decree heretofore enacted or issued, but such bonds when duly issued shall constitute a legal and binding obligation of the Government of the Dominican Republic until properly redeemed and paid.

ARTICLE 9. With the consent of the United States Government, the General Receiver of Dominican Customs is hereby authorized and directed to make monthly deductions from the customs receipts in accordance with the provisions of the covenant set forth in Article 6 hereof, and such monthly deductions

and payments shall be regularly continued by the General Receiver of Dominican Customs until all the bonds herein provided for have been redeemed and paid.

ARTICLE 10. THE ACCEPTANCE OF AND VALIDATION OF THIS BOND ISSUE BY ANY GOVERNMENT OF THE DOMINICAN REPUBLIC AS A LEGAL, BINDING AND IRREVOCABLE OBLIGATION OF THE DOMINICAN REPUBLIC IS HEREBY GUARANTEED AND, WITH THE CONSENT OF THE UNITED STATES, THE DUTIES OF THE GENERAL RECEIVER OF DOMINICAN CUSTOMS, UNDER THE AMERICAN-DOMINICAN CONVENTION OF 1907, ARE EXTENDED TO THIS BOND ISSUE SO FAR AS CONCERNS THE REVENUES WHICH ACCRUE TO THE DOMINICAN REPUBLIC BY THE TERMS OF THAT CONVENTION.

ARTICLE 11. The foregoing provisions in regard to the payments for the interest and amortization of the loan shall be deemed to be in the nature of a continuous appropriation and no further appropriation for such purpose shall be required. The Auditor of the Republic is authorized and directed to allow due credit in accounts therefor.

ARTICLE 12. In accordance with the American-Dominican Convention of 1907, it is agreed that until the Dominican Republic has paid the whole amount of this bond issue its public debt will not be increased, except by provisions agreed between the Dominican Government and the United States.

ARTICLE 13. Such funds as may be necessary to defray the expense of printing the bonds, advertising notices relating thereto, and other expenses incidental to the issuance, marketing, redemption, and cancellation of the certificate of indebtedness and bonds are hereby appropriated out of any funds in the National Treasury not otherwise appropriated.

ARTICLE 14. All laws or parts of laws in conflict herewith are hereby repealed.

S. S. ROBISON,

Rear Admiral, United States Navy,

Military Governor of Santo Domingo.

Washington, D. C.,

January 23, 1922.