

basis upon which the minimum subscription is computed. Notwithstanding the provisions of Section 9 as amended, the Securities and Exchange Commissioner believes that "where the capital stock of a proposed corporation is divided into shares with different par values, the twenty per cent subscription requirement should be based on the entire amount of capital stock and not literally on the entire number of authorized shares without considering the different par values into which said shares have been divided. Otherwise situations could be created which are not contemplated under the law. Thus, by the expediency of classifying shares with different par values and getting subscriptions only for the shares having the least par value, it would be possible to form a corporation with an authorized capital stock of ₱1,000,000.00 with only ₱0.50 as the paid-up capital stock."

Professor Guevara on the other hand maintains that under the present law, the basis upon which the minimum subscribed capital should be computed is the entire number of authorized shares. The author distinguishes the right of incorporation from the ability of operation. Thus, it is possible to incorporate a corporation even with a very small paid-up capital provided such paid-up capital represents the 25% of the subscription of 20% based on the entire number of authorized shares. To operate with small capital is absurd, but to incorporate with small capital is not absurd. (Sulpicio Guevara, *The Right of Incorporation Under the Philippine Incorporation Law*, 33 Phil. L. J. No. 3 at 349-357 (1958). ₱2.50 at U.P., Diliman, Q.C. This issue also contains: Antonio R. Bautista. *The Res Judicata of C.A.R. — Approved Agreements.*

LEGISLATION

LIST OF REPUBLIC ACTS APPROVED DURING THE FIRST REGULAR AND FIRST SPECIAL SESSIONS OF THE FOURTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES.

R.A. No. 2050. An Act appropriating the sum of one hundred fifty thousand pesos to help defray the expenses of the training, preparation and participation of a Filipino Athletic Delegation to the Third Asian Games to be held in Tokyo, Japan from May 24, 1958 to June 1, 1958.

R.A. No. 2051. An Act to amend section eight hundred thirty of the Tariff and Customs Code of the Philippines. (H. No. 481).

R.A. No. 2052. An Act authorizing the President of the Philippines to increase the participation of the Republic of the Philippines in the International Monetary Fund and the International Bank for Reconstruction and Development, and providing for the procedure to meet the financial requirements therefor. (H. No. 1090).

R.A. No. 2053. An Act to authorize the Philippine Charity Sweepstakes Office to hold annually a lottery for the benefit of the Blood Bank. (H. No. 777).

R.A. No. 2054. An Act to further amend Chapter Fifty-six of the Revised Administrative Code, as amended by Republic Act Numbered Eighteen Hundred Thirty-six. (Re salaries of provincial engineers) (S. No. 83).

R.A. No. 2055. An Act to amend Sections One and Five of Republic Act Numbered Three Hundred and Fifty-Seven as amended by Republic Act Numbered Eight Hundred Thirteen by increasing to one hundred million dollars the amount of loans which the National Power Corporation may contract from the International Bank for Reconstruction and Development, the Export-Import Bank of Washington D.C., U.S.A., or any other international financial institution. (S. No. 122).

R.A. No. 2056. An Act to prohibit the construction of dams, dikes or any other works in public navigable waters or waterways, to regulate works in such waters or waterways and to provide penalties for its violations, and for other purposes. (S. No. 196).

R.A. No. 2057. An Act to up-date the commissioned service of the Bureau of Coast and Geodetic Survey and for other purposes. (S. No. 240).

R.A. No. 2058. An Act to amend Section One of Commonwealth Act Numbered One Hundred Twenty by fixing the period of existence of the National Power Corporation. (S. No. 256).

R.A. No. 2059. An Act to authorize the Philippine Charity Sweepstakes Office to hold one special sweepstakes race for the Welfareville Institution as beneficiary. (S. No. 267).

R.A. No. 2060. An Act amending Article One hundred and ninety of the

Revised Penal Code, so as to include marihuana and similar drugs among the prohibited drugs. (H. No. 17).

R.A. No. 2061. An Act setting a new time limit within which imperfect or incomplete titles covering lands of the public domain may be judicially confirmed, further amending for this purpose sections forty-five and forty-seven of the Public Land Act. (H. No. 318).

R.A. No. 2062. An Act to exempt awards given by the Ramon Magsaysay Award Foundation from the payment of income, gift and all other taxes. (H. No. 853).

R.A. No. 2063. An Act appropriating the sum of seven million five hundred fifty-nine thousand, eight hundred ten pesos for the implementation of Republic Act Numbered One thousand eight hundred thirty-one. (H. No. 932).

R.A. No. 2064. An Act providing for the holding of a lottery annually for the benefit of the Philippine Mental Health Association, amending for the purpose Republic Act Numbered Eleven hundred sixty-nine, as amended. (H. No. 1167).

R.A. No. 2065. An Act amending section eight hundred twenty-seven of the Tariff and Customs Code of the Philippines. (H. No. 1293).

R.A. No. 2066. An Act to authorize the Bureau of Posts to use each year a portion of its yearly stamp sales, in addition to its annual appropriation, for the purpose of undertaking necessary improvements in the postal service and coping with public demand for expanded postal facilities. (H. No. 1294).

R.A. No. 2067. An Act to integrate and intensify scientific and technological research, development, and application; to provide funds therefor; and for other purposes. (H. No. 1462).

R.A. No. 2068. An Act increasing the number and the salaries of certain officials of the Office of the Solicitor General, amending for this purpose section sixteen hundred fifty-nine of the Administrative Code, as amended by Republic Act Numbered Nine hundred forty-five. (H. No. 1486).

R.A. No. 2069. An Act to amend certain sections of Republic Act Numbered One thousand four hundred thirty-four, otherwise known as the Charter of the Samar Institute of Technology. (H. No. 1604).

R.A. No. 2070. An Act to provide for a national tax census. (S. No. 36; H. No. 1629).

R.A. No. 2071. An Act to amend certain sections of Republic Act Numbered Four hundred eighty-one, entitled "An Act to provide for more efficient dental care for the personnel of the Armed Forces of the Philippines," as amended by Republic Act Numbered Eleven hundred twenty-eight. (H. No. 1755).

R.A. No. 2072. An Act to amend section one hundred ninety-one of the National Internal Revenue Code, as amended. (H. No. 1761).

R.A. No. 2073. An Act to amend paragraphs 73.11 and 73.21 of Chapter 73, Schedule XV, of Republic Act Numbered One thousand nine hundred thirty-seven, otherwise known as Tariff and Customs Code of the Philippines, and for other purposes. (H. No. 1800).

R.A. No. 2074. An Act appropriating additional funds for the operation and maintenance of the Bureau of Prisons during the period from July

first, nineteen hundred and fifty-seven to June thirtieth, nineteen hundred and fifty-eight, and for other purposes. (H. No. 1856).

R.A. No. 2075. An Act appropriating the sum of eight hundred thousand pesos for handling, hauling and distributing the relief goods which may be donated to the Philippines by the national relief or welfare organizations in the United States of America and other countries in the free world. (H. No. 1860).

R.A. No. 2076. An Act amending certain sections of Republic Act Numbered Sixteen hundred nine, entitled "An Act to encourage agricultural production by making fertilizers available to farmers at reasonable prices. (H. No. 1929).

R.A. No. 2077. An Act to amend sections one, two, three, four, five, six, and eight of Republic Act Numbered One thousand eight hundred twenty-eight. (H. No. 1965).

R.A. No. 2078. An Act appropriating the amount of two million four hundred forty-eight thousand three hundred forty-four pesos as additional funds for the operation of the Bureau of Prisons during the period from July first, nineteen hundred and fifty-eight to June thirtieth, nineteen hundred and fifty-nine. (H. No. 1994).

R.A. No. 2079. An Act appropriating the sum of three million pesos to cover deficiencies in the appropriation of the Bureau of Hospitals for the operation and maintenance of general hospitals under it. (H. No. 2035).

R.A. No. 2080. An Act appropriating funds for the operation of the Government of the Republic of the Philippines during the period from July first, nineteen hundred and fifty-eight to June thirtieth, nineteen hundred and fifty-nine, and for other purposes. (H. No. 1055).

R.A. No. 2081. An Act to provide ample credit facilities for production through the establishment of development banks to be assisted by the government and for other purposes. (S. No. 61).

R.A. No. 2082. An Act to further amend section five of Republic Act Numbered Six hundred and sixty-three as amended by Republic Act Numbered Two thousand seventeen. (H. No. 89).

R.A. No. 2083. An Act to amend certain provisions of Reorganization Plan Numbered Two—A relative to standardized pay, and for other purposes. (H. No. 648).

R.A. No. 2084. An Act to promote rice and corn production. (H. No. 1065).

R.A. No. 2085. An Act to appropriate one hundred twenty-three thousand pesos for the operation and maintenance of the deworming, malnutrition and health education units of the medical and dental services, Bureau of Public Schools, donated by the Cooperative for American Remittances to Everywhere, Inc. (CARE). (H. No. 1187).

R.A. No. 2086. An Act appropriating annually the sum of one hundred thousand pesos as aid to the Music Promotion Foundation. (H. No. 1832).

R.A. No. 2087. An Act granting life pensions and franking privileges to widows of former Presidents of the Philippines. (S. No. 244).

R.A. No. 2088. An Act converting the Mambusao High School in the Province of Capiz into a national agricultural school, authorizing the appropriation of funds therefor. (H. No. 62).

R.A. No. 2089. An Act to amend Republic Act Numbered Five hundred fifteen. (Re radio franchise of Silliman University). (H. No. 883).

R.A. No. 2090. An Act granting Felix Alberto and Company, Incorporated, a franchise to establish radio stations for domestic and transoceanic telecommunications. (H. No. 1177).

R.A. No. 2091. An Act to amend Republic Act Numbered Seven hundred sixty-five, entitled "An Act granting Henry R. Canoy a temporary permit to construct, maintain and operate a radio broadcasting station in the City of Cagayan de Oro." (H. No. 1267).

R.A. No. 2092. An Act granting the Tarlac Development Corporation a temporary permit to construct, establish, maintain and operate private fixed point-to-point radio stations for the reception and transmission of radio communications within the Philippines. (H. No. 1492).

R.A. No. 2093. An Act appropriating funds for public works and for other purposes. (H. No. 1780).

CASE DIGEST

SUPREME COURT

CIVIL LAW — CONTRACT — A TELEGRAPHIC TRANSFER CANNOT BE CONSIDERED TENDER OF PAYMENT WHEN SUCH TRANSFER IS NOT DELIVERED TO CREDITOR. — Defendant acknowledges receipt from the plaintiff of goods valued at P1,798.95. Defendant on various occasions from January 6, 1949 up to and including December 17, 1951 made payments with an aggregate total of P1,331.00, leaving a balance of P459.95 on the actual value of said goods. As of April 30, 1952 the total balance on account of the said goods, including interest amounted to P816.88. On October 22, 1952 defendant sent a telegraphic transfer in the amount of P458.92 in favor of plaintiff, said amount being in accordance with the statement of accounts prepared by defendant's accountant. The said telegraphic transfer was not, however, delivered and was returned to defendant. **Held**, when defendant made partial payments, it clearly indicates that it agreed to the terms and conditions of the sale. The fact that defendant sent telegraphic transfer of P458.92 to the Clerk of Court of the Municipal Court of Manila in payment of all obligations had with the plaintiff cannot be considered as tender of payment because it was not received and therefore it cannot be given effect even as partial payment, and obviously it cannot release the obligation, for it did not comply with the requisites provided in articles 1256, 1257, and 1258 of the New Civil Code. **ALEMAR'S v. CAGAYAN VALLEY COLLEGE, INC.**, G.R. No. L-11270, April 28, 1958.

CIVIL LAW — CONTRACT — EACH ONE OF THE ITEMS IN AN "INVITATION TO BID" BEING COMPLETE IN ITSELF, THE AWARD OF JUST ONE ITEM TO A BIDDER IS NEITHER A MODIFICATION OF HIS OFFER NOR A PARTIAL ACCEPTANCE THEREOF, ALTHOUGH HE BIDS FOR ALL THE ITEMS. — Prior to May 15, 1952, respondent Rehabilitation Finance Corporation advertised to the public an "invitation to bid" for the construction of a reinforced concrete building at Claveria St., Davao City. The "invitation to bid" contained four separate and distinct items. In response to the invitation, petitioner Valencia submitted a bid, dated May 15, 1952, for all the items. On June 9, 1952, the RFC Board of Governors passed a resolution awarding the contracts on the different items to different bidders. The contract for the fourth item, which was for the plumbing installations, was awarded to Valencia for P12,800. On Aug. 28, 1952, after being notified of the said award, petitioner wrote to the Davao Manager of the RFC, stating that it would be to the advantage of respondent to award the contract for the plumbing installations to the contractor of the main building. In view of petitioner's failure to sign the contract for the plumbing installations, respondent was forced to award the same for P19,000.00 to the contractor for the construction of the building. Hence the action by respondent to recover the sum of P6,200.00,