

CIVIL AND COMMERCIAL CODIFICATION IN LATIN AMERICA

(A General View)

By

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SUMMARY:

I. The Civil Codification

1. The System
2. The Conceptology

II. The Commercial Codification

1. Argentina
2. Brazil
3. Chile
4. Other Countries

III. Puerto Rico.

I. Civil Codification

There can be established two great tendencies

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whitin the civil codification through Latin American countries insofar as it concerns their influence exercised in foreign jurisdictions. First, Chile's Civil Code of 1855, the wonderful work of Andrés Bello (1), and second, the 1860-1865 Draft of Civil Code for Brazil worked out by Augusto Teixeira de Freitas. The former has served as a basis to the countries of the Pacific Coast as well as Central America: Ecuador, Colombia, Venezuela, Nicaragua, El Salvador, Guatemala, Panama and Honduras; whilst, the latter has furnished the sample to countries of the South Atlantic: Brazil, Uruguay, Argentina and Paraguay (2).

Both do represent an innovator spirit before the Code Napoleon manifest especially through their system and conceptology. In the following lines we are going to present the underlying principles of both tendencies.

1. The System

Concerning the system, we may affirm that the technique of the civil codification is excellent even in comparison with the Code Napoleon for there exists a logical cohesion among their structural divisions (3). For illustration, the Draft of Freitas is divided as follows:

(1) ANDRÉS BELLO (1781-1865), a native of Venezuela and Chilean citizen, has been recognized as one of the greatest codifiers of all times in Latin America. Cf. the homage tributed to him by the Secretary General José A. Mora of the Organization of American States in February 1966, on behalf of the governments represented in that Organization.

(2) MANUEL RODRIGUEZ RAMOS. Dean Emeritus, University of Puerto Rico Law School, distinguishes five groupes of Codes as follows: those inspired in the French Code; those inspired by the Spanish Code; those composed by the original old Codes; those composed by modern original Codes, and finally those integrated by Codes drafted according to Latin American samples ("Una mirada al derecho latinoamericano" — A View on Latin American Law; in *Revista Jurídica de la Universidad de Puerto Rico* (Law Journal of the University of Puerto Rico), Rio Piedras, XXVIII, No. 3, 1959).

(3) Cf. Justinian's *Instituta*.

Part General: Book I. Persons, Res, Acts.

Part Special: Book II. Personal rights (the person in general; personal rights in the family relations; personal rights in civil relations).

Book III. Property rights (in general; on personal property and on the property of others).

Book IV. Succession (unfinished).

The actual Civil Code of Brazil preserves, basically, this division as follows:

Law of Introduction. Part General: persons, res, juridical acts, prescription.

Part Special: Book I. Family.

Book II. Property.

Book III. Obligations.

Book IV. Succession.

Insofar as it concerns the Argentinean Civil Code, drafted by Dalmacio Vélez Sarsfield, passed by Law 340 in 1869 and in force since 1871, it has the following formal structure:

Preliminary Titles;

Book One. Persons (in general; personal rights in family relations).

Book Two. Personal rights in civil relations (Obligations in general; juridical facts and acts which produce the acquisition, modification, transfer, or extinction of rights and obligations; obligations arising from contracts).

Book Three. Property.

Book Four. Property rights and personal rights (transfer of rights by death; concurrence of property rights and personal rights against the property of the common debtor; acquisition and loss of property and personal rights through the passing of time). It closes with a Complementary Title on the application of civil laws.

This Code, which has been adopted by Paraguay, has been prepared by Vélez Sarsfield, called by Argen-

tinean scholars, The Codificator (4), who had been under diversified influences, such as the influence of Freitas (5) whose work in Vélez Sarsfield's opinion is comparable only to that of Savigny. Vélez Sarsfield had also been influenced by the philosophical conception of the rationalistic natural law (Domat, Grotius) as a consequence of the introduction of the so called Deacon Funes' Plan into the University of his hometown, Córdoba. Also, the new spirit in Roman law as well as the restauration of the classic texts (Cujas, Heineccius, Huber, Savigny, the "Spiegels" of Germany and the "Consolidação" of Freitas). Of course, the Code Napoleon, and more properly, its commentators had influenced Vélez Sarsfield as proved by his personal notes throughout the whole Code. Finally, the scientific law, the social philosophy of the XIX century, the economic theory of Adam Smith and the physiocrats who granted full value and recognition to real property and denied value to movables (6).

Enrique Díaz de Guijarro has analyzed the "capital ideas" of Vélez Sarsfield, and he emphasized among other things the Codificator's innovations in family law, in obligations, in property and in successions. In his opinion, the most significant innovation consists of the legal equality of woman and man (7), the woman's

(4) Among others I quote the name of scholars analyzing Vélez Sarsfield's work such as Colmo, Sariniento, Chaneton, Martinez Paz, Arturo Orgaz, Rodolfo Rivarola, Rébora and others.

(5) DALMACIO VÉLEZ SARSFIELD's statement on this subject in his note of presentation of Book One of his Draft to the Secretary of Justice on June 21, 1865.

(6) ENRIQUE MARTINEZ PAZ, "El Código Civil y el juicio sobre su tiempo" (The Civil Code and the Judgment on Its Time), An address delivered on the 75th anniversary of the Civil Code, in "Anales de la Academia de Derecho y Ciencias Sociales de Córdoba", 1944.

(7) ENRIQUE DIAZ DE GUIJARRO, "El pensamiento jurídico de Vélez Sarsfield" (The Juridical Thought of Vélez Sarsfield), in "Jurisprudencia Argentina", Buenos Aires, October 20, 1960.

vocation to inheritance, and the legal equality of legitimate children suppressing the "mayorazgo" institution (the right of inheritance of the primogenitus) as well as the vocation to inheritance of illegitimate or natural children with an obligatory legal portion.

On the other hand, Marco A. Risolía analyzes the innovations introduced by Vélez Sarsfield in contracts (8). He emphasizes that The Codificator separated the general theory of obligations from the theory of contracts surpassing in this way the Code Napoleon. According to Risolía, Vélez Sarsfield also realized the importance of abstracting and formulating legal rules concerning juridical facts and acts, therefore, including this subject into Section Second, immediately after the general theory of obligations (9).

2. The Conceptology

One of the most characteristic features of all Latin American legislation, a derivation of the civil law, consists of the codification of the idea of the juridical or legal equality of nationals and aliens. This principle had obtained constitutional consecration and had been included into the great majority of the Civil Codes, or regulated by special statutes.

For information, I quote Article 14 of the 1853 Constitution of Argentina, which is in force today, consecrating the fundamental rights of the person for all "inhabitants" of the Nation. Article 20 of the same Constitution guarantees to aliens "to enjoy in the territory of the Nation all the civil rights of a citizen". In other words, besides the "fundamental" rights of

(8) MARCO A. RISOLÍA, "La metodología del Código Civil en materia de contratos" (Methodology of the Civil Code in Contracts), Cuaderno 7, Centro de Derecho y Ciencias Sociales, Edition Perrot, Buenos Aires, 1959.

(9) Book Two is divided into three sections: Obligations in general; Juridical facts and acts; Obligations arising from contracts Cf. Juan Carlos Rébora, Derecho civil y Código civil, ed. Eudeba, Buenos Aires, 1960.

Article 14, the Constitution also guarantees the same "civil rights" to aliens as to nationals. These principles are in harmony with the Preamble of the said Constitution which affirms the existence of the benefits of Liberty to "all men of the world who want to live on Argentinean soil".

In order to illustrate the doctrine of equality I quote the decree of the Federal Supreme Court of Argentina, of October 22, 1937, affirming (10) that the Constitution recognizes to man the "rights prior to the State from which the State cannot deprive him" (Art. 14). On the other hand, the same Supreme Court confirmed on February 6, 1875 the decree of the Judge of Section of Mendoza (11) in the following terms: "The principle of equality of all persons before the law, by virtue of the science and spirit of our Constitution is nothing else than the right to no exceptions or privileges which would exclude some persons from what is conceded to others in equal circumstances. Consequently, the real equality consists of applying the law in practical cases in accordance with the constituent differences of the said cases. Any other understanding or acceptance of this right is contrary to its own nature and the social interest".

This principle has been incorporated into other national statutes. For instance, the Civil Code of Chile in its Articles 57 drafted by Andrés Bello states: "The law will not recognize differences between a Chilean and an alien insofar as it concerns the acquisition and enjoyment of civil rights regulated by this Code". The Civil Code of Argentina in Article I establishes the rule that "the laws are obligatory to anybody living in the territory of the Republic, citizens and aliens, domiciled or transient". Even if this article announces the obligatory character of the laws, it is evident that

(10) FALLOS 179, 117 (This is the traditional Argentinean way of quoting Decisions of the Federal Supreme Court).

(11) FALLOS 16, 119.

according to the legal equilibrium principle, if there exists obligation, there also must exist faculty since there cannot be obligation without the counterbalance of rights; moreover, the converse is also true. Similarly the Civil Code of Chile in its Article 14 establishes the rule that the law is binding on all inhabitants, including foreigners.

Augusto Teixeira de Freitas' position in favor of equality is explained in his "Consolidação" and "Esbôço". He wrote in 1857: "To assume actually a civil law of simply nationality or to deny civil rights to aliens or to speak of civil death would signify an imaginary state of things which would evoke the traditions of Roman law and reproduce false theories of French law, but which would not correspond to anything" (12).

In his "Esbôço" he declared that the rights contained in the Code are independent from being a Brazilian citizen and enjoying political capacity (Art. 37). In a note to Art. 38 he stated that all Brazilian citizens and aliens domiciled or not in Brazil, having their residence in the country or not, may acquire these mentioned rights, since "this is our law, and this is our custom" (13).

So, Article 141 of the Brazilian Constitution ensures to Brazilians as well as to foreigners residing in the country the inviolability of the rights concerning life, liberty, individual security and property. In addition, the Supreme Court has ruled in "Recurso Extraordinario" 33.919 of September 12, 1957 that this equality of treatment extends to foreigners who are not residents of Brazil but have property in Brazil.

In Bolivia, Article 3 of the Decree-law of August

(12) "Consolidação", 185.

(13) QUOTED by HAROLDO VALLADÃO, "El derecho latino americano" (Latin American Law), in "Boletín de la Facultad de Derecho y Ciencias Sociales", National University of Córdoba, XX, No. 2, 1956, p. 479.

2, 1937 guarantees to all foreigners the same rights as are accorded to nationals.

In Ecuador, Article 180 of the Constitution guarantees to foreigners "under the law" the same rights as to Ecuadorians, except of political rights.

Article 33 of the Mexican Constitution confers upon foreigners the so called individual liberties or guarantees enjoyed by every individual within the country (with some limitation in property law and liberal professions).

The Constitution of Paraguay in its Article 19 ensures the equality to all inhabitants, and Article 36 guarantees the civil rights to foreigners. In Peru, Article 23 of the Constitution establishes the legal equality. In Venezuela, by virtue of Article 45 of the Constitution the same rights and duties as to Venezuelans are guaranteed to foreigners, and Article 2 of the Law of Foreigners of July 31, 1937 rules the same principles establishing, however, some exceptions.

II. The Commercial Codification

Like in civil codification, Argentina, Brazil and Chile took the initiative also in the field of commercial codification.

1. Argentina

The first step towards codification in commercial material in 1859 was due to the efforts of the Uruguayan Eduardo Acevedo, the author of the Uruguayan Civil Code of 1851, and Dalmacio Vélez Sarsfield who in 1869 became The Codificator of Argentina. It is interesting to emphasize that the first commercial code had been drafted for use in the Province (State) of Buenos Aires whose authorities commissioned both Acevedo and Vélez Sarsfield to draft a code of commerce. The reason for this was that the laws then in force, the Ordinances of Bilbao from 1757 extended to the Province through the creation of the "Consulate" of Bue-

nos Aires in 1794 (14), lacked sufficient provisions to cover the new needs of the economy and commerce.

On September 10, 1862, i.e., after the incorporation of the Province of Buenos Aires into the Confederation by virtue of the Pact of November 11, 1859 (15), Congress passed Act Nr. 15 declaring "National Code, the Code of Commerce, at present time in force in the Province of Buenos Aires" (16). This Code is based, according to its own framers, upon "national" jurisprudence as well as upon French and German doctrines which "fortunately had coincided with the merchant customs of Buenos Aires". On the other hand, in the field of commercial papers, there has been coinciding with English and American practices. However the reference made to "national jurisprudence" also indicates inherently Spanish legislation.

This Code, adopted by Uruguay in 1866, has been revised on several occasions. In 1870, the Chief Executive had designated Sixto Villegas and Vicente G. Quesada to prepare a report of necessary amendments to be introduced into the Code. They presented their report three years later; however, it had no effect at all.

Later, in 1886, the Chief Executive commissioned Lisandro Segovia to prepare another draft. He finished his work in less than six months and presented it to the House of Representatives (Diputados); however, the House of Representatives approved in 1889 another

(14) The insufficiency of this legislation in the country has been amended by the Provinces such as Mendoza in 1845, San Juan in 1862 applying the 1829 Spanish Code of Commerce. This is why there is a harmony between the Code of 1859 and the invoked "national jurisprudence" based on Spanish legislation".

(15) HÉCTOR P. LANFRANCO, "La forma federal de gobierno y la Constitución de 1853" (The Federal Form of Government and the 1853 Constitution), in "Jurisprudencia Argentina", Buenos Aires, October 23, 1956.

(16) Cf. history in CARLO JUAN ZAVALA RODRÍGUEZ, *Código de comercio y leyes complementares* (Code of Commerce and Complementary Laws), Ed. Depalma, Buenos Aires, I, 1959.

draft prepared by a "Committee of Codes" integrated by Wenceslao Escalante, Ernesto Colombres, Benjamín Basualdo and Estanislao Zeballos. This draft was approved by the House of Representatives and by the Senate as Act No. 2637 on October 9, 1889, and entered into force on May 1st, 1890. This Code was adopted by Paraguay in 1903.

The structure of the Code is synthetically the following:

Book I. Persons of commerce (the merchants; their obligations; stock exchange and markets; auxiliary agents of commerce).

Book II. Contracts of commerce (in general; mandate and commissions; merchant companies; sales; insurance; loans; deposit; security; bill of exchange; other commercial papers; banking account; checks; prescription).

Book III. Rights and duties arising from navigation (ships; the owner, skipper, pilot; charter parties; loans on bottomry and respondentia; marine insurance; risk, damages and accidents; averages; arrivals under stress; collisions; shipwrecks; naval mortgages; marine privileges).

Book IV. Bankruptcy (amendment of 1933 by Act No. 11.719). There is also a Preliminary Title. We must keep in mind posterior amendments which have been incorporated into the latest official editions of the Code (17).

Finally, in the text of 1889, the Code of Chile of 1865 had exerted great influence, whilst the Code of 1859 had received the impact of the 1850 Brazilian Code.

2. Brazil

The Code of Commerce of Brazil of 1850 was based

(17) So the Act of warrants, 1914; patent right, 1864; "sociedades anónimas" (corporations); companies of merged economy; cooperatives; sales of business (commercial and industrial establishments), 1934; commercial bookkeeping, 1963, etc.

upon the French (1807), the Spanish (1829) and the Portuguese (1833) Commercial Codes.

This Code introduced new elements of the aforementioned French Code of 1807: the non professional character of merchant law, which separated commerce and merchants from merchant law, as it established the concept of "act of commerce" or commercial transaction, regardless from classes and professions. This introduced the norm that the merchant law acquired the character of a rule of exception before the civil law insofar as the former prevails over the latter in matters concerning "commercial acts". In other words, the civil law is of application only if and when there is no express commercial legal norm. Another innovation was the fact that the commercial regime was concerned only with movables. The Code also created the Merchant Register.

The fact that the Code contains also civil legal rules is explained, such as in the case of the Argentinean Commercial Code, by the prior existence of commercial codification to civil codification. It was necessary for the lack of civil codification (18).

Two other Acts must be mentioned, especially Act No. 737 (Code of Procedure) drafted by Carvalho Moreira, and Act No. 738 drafted by José Clemente Pereira in order to second the Commercial Code (19).

3. Chile

The notable Chilean legal tradition through its Civil Code has been continued in merchant legislation. This time it was the exiled Argentinean José Gabriel Ocampo who drafted the Code of Commerce, promul-

(18) FRETAS, besides his Draft of Civil Code was an author also of important papers on commercial law.

(19) We must pay tribute also to CARVALHO DE MENDONÇA, WALDEMAR FERREIRA, JOSÉ DA SILVA LISBOA, and other eminent scholars.

gated on November 23, 1865 which was praised greatly by scholars.

This Code, the same as the French Code of 1807 and the Spanish Code of 1829, is based on the objectivity of the "acts of commerce", as the Code of Commerce of Argentina of 1899. It also introduced the sale of commercial establishments (business). It does not make obligatory the inscription of merchants into the Merchant Register; it embraces banking accounts and insurances.

In addition to the French and Spanish Codes, it was influenced by the French legislation on commercial papers, the Ordinances of Bilbao, other European Codes and the Code of Commerce of Argentina of 1859.

Latin American countries, such as Columbia, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Panama (in part), Peru and Venezuela have been significantly influenced by the Chilean Commercial Code. Paraguay also has been influenced indirectly through the Argentinean Code of 1889 which in its turn had the impact of the 1865 Chilean Code.

4. Other countries

Some Latin American countries (Costa Rica, Bolivia, Cuba, Haití and the Dominican Republic) have adopted the French Code of 1807 or the Spanish Codes of 1829 or 1885 with amendments. Mexico's first Code of Commerce of 1854 was followed by others in 1884 and 1889. These were influenced by the 1885 Spanish Code and the 1882 Italian Code. There have been several Drafts, 1869, 1880 and 1947. The 1947 Draft was the sample for Honduras' Code of 1950.

Our century has produced a relatively a small number of complete Codes, for instance, Nicaragua, 1916; Panama 1919; Venezuela 1919 as amended in 1945 and 1955; Honduras 1950, Guatemala 1942, Peru 1902; on the other hand, the amendment legislation has been very prolific through all Latin America. The most significant of the modifications are the following:

In bankruptcy: Argentina, Law 11.719 of 1933; Bolivia, D.S. (Supreme Decree) of August 21, 1920; Brazil, Decree-law 7661 of June 21, 1945; Chile, Law No. 4558 of February 4, 1929 and Decree No. 1297 of June 23, 1931; Columbia, Decree-law No. 750 of 1940; Costa Rica, Law 15 of October 15, 1901; Dominican Republic, Law 4582 of November 3, 1962; Guatemala, Code of Civil and Commercial Procedure, Decree-Law 107 in force since July 1, 1964; México, Law of December 31, 1942; Peru, Law 7566 of August 2, 1932.

In commercial companies: Argentina, Law 11.645 of April 8, 1932 (limited liability companies); Bolivia, Law on limited liability companies of March 12, 1941; on corporations, several amendments up to D.S. of April 28, 1938; Brazil, Decree-law 2627 of September 26, 1940 (on corporations); Decree-law 8401 of December 19, 1945 (on corporative societies); Chile, Law 3918 of March 14, 1923 (limited liability companies), Law 7302 of October 23, 1942 (amendments to corporations law); Columbia, Decree 2521 of 1950, Law 58 of 1931, Law 66 of 1947; Costa Rica, Law 6 of November 24, 1909, amended by Law 10 of December 1929, Law 64 of July 12, 1933, Law 886 of July 7, 1947, Law 32 of July 27, 1932, Law 19 of June 13, 1937, Law 272 of August 25, 1942; Dominican Republic, Law 5260 of November 20, 1959; México, Law of July 28, 1934; Paraguay, Decree-law 10.268 of December 29, 1941 (limited liability companies); Uruguay, corporations law 2230 of June 2, 1893, Law 8992 of April 26, 1933 (limited liability companies).

Negotiable instruments: Argentina, Decree-Law 4776 of June 12, 1963 (B.O. June 19) on checks; Decree-law 5965 of July 19, 1963 (B.O. July 25) on bills of exchange and notes; Decree-law 6601 of 1963 created a new negotiable instrument, the "facturas confirmadas" — confirmed invoices; Bolivia, Law of December 5, 1912 (checks) and Law of March 20, 1929; D.S. of August 13, 1943 (Law 87 of December 23, 1949), D.S. 1943 of March 6, 1950; Brazil, Law 2591 of August 7, 1912 (checks), Law 2044 of December 31, 1908

(drafts and notes); Chile, Decree 3777 of November 3, 1943, Law 9590 of March 23, 1950, Law 14.601 of August 16, 1961; Colombia, Law 46 of July 19, 1923 (identical with NIL), Decree 0014 of 1955 (on checks); Costa Rica, Law 17 of November 25, 1902; Law 1633 of September 12, 1953; Dominican Republic, Law 2859 of April 30, 1951 (checks); Ecuador, Law on bills and notes of December 5, 1925, Law on checks of November 18, 1927 and R.O. No. 56 of September 16, 1963 (law of checks), No. 439 (20); México, Law of August 26, 1932; Uruguay, Law 6895 of March 24, 1919 (on checks), amended Law 12.996 of November 28, 1961.

I may add that Peru had its Code of Commerce in 1902. Although many Committees have been established in order to revise that Code by Act No. 6606 of March 16, 1929; by Executive Orders of October 20, 1936 and of July 12, 1941 and others, the Code, however, stands as it is (21). The latest report of another revision-committee is dated 1962.

III. Puerto Rico

Puerto Rico deserves a special mention due to its political status and its geographical position which is expressed in the Preamble of its 1952 Constitution: "We consider determining factors of our life the American citizenship (...); the coexistence in Puerto Rico of the two great cultures of the American hemisphere (...)".

The Civil Code of Puerto Rico is the old Spanish Civil Code of 1888 which was made extensive to the Islands of Cuba, Puerto Rico and the Philippines by Royal Decree of July 31, 1889. It entered into force on

(20) Text in "Boletín del Instituto de Derecho Comparado", Universidad Central del Ecuador, No. 13, Año XIII, 1964, p. 97

(21) JULIO AYASTA GONZÁLEZ, "La reforma del Código de Comercio peruano" "Reform to the Peruvian Code of Commerce", in "Revista Jurídica del Perú", IV, No. 1, January-March; 1953, p. 1).

January 1, 1890. It was revised in 1902 after the cession of Puerto Rico by Spain to the United States of America in consequence of the Treaty of Paris of December 10, 1898. There have been three more important revisions of the Code, in 1911, 1930 and 1941. In 1950 the Legislature by Law 395 of May 11, 1950 created the Committee of Codification in order to revise the texts of the different statutes, and since 1954 and by virtue of Law 47 of June 4, 1954 the edition of "Leyes de Puerto Rico Anotadas" — Laws of Puerto Rico Annotated (bilingua) constitutes *prima facie* evidence of the Laws existing in Puerto Rico.

The Civil Code preserves the original plan of the Instituta of Justinian: persons; property; acquisition of property; and obligations and contracts (22).

The so called "ley hipotecaria" which is the law of the registry of property is the old Spanish law of 1893 with a few amendments. Other statutes, such as the Penal Code, the Codes of Criminal and Civil Procedure are of American origin (California, Montana, Idaho). This is true also for the Federal Rules of Civil Procedure.

In commercial material, there is in force the old Spanish Code of Commerce of 1885 by virtue of Royal Decree of January 28, 1886, which made extensive the said Code to the Islands of Cuba and Puerto Rico. Through the "change of sovereignty" over the Island at the end of the Spanish-American War in consequence of the mentioned Treaty of Paris of 1898, the Commercial Code continued to be in force because it was the "legislation in force" at the moment of passing of Puerto Rico to the United States of America (23).

Even though the Code has suffered some minor

(22) Cf. Preliminary Study to "Código Civil de Puerto Rico" by Felix Ochoteco, Jr., Ed. Instituto de Cultura Hispánica, Madrid, 1960.

(23) Cf. Preliminary Study to "Código de comercio de Puerto Rico" by J. J. Santa-Pinter, ed. Consejo Superior de Investigaciones Científicas, Instituto de Derecho Comparado, Barcelona, 1963.

amendments (24), the most significant feature of the reform movements is that whole Titles and even Books have been remade or simply ceased to be applied. In 1930 Title XI of Book Two has been substituted by NIL, allowing in force, however, the rules on prescription in the field of commercial papers (Article 946). In 1957 Title IX of the same Book Two on insurance was replaced by the so called Insurance Code.

Book Three on maritime commerce has been the subject matter of much discussion since 1898; however, its revision has not been made by the Legislative Codification Committee during the years 1928-1930 since this constitutes a field reserved for the **admiralty jurisdiction of the federal government** (25).

Title I of Book Four, Suspension of payments and bankruptcy, is in suspense (26) since the federal law of bankruptcy is governing.

In the field of merchant companies (27), Act No. 3 of January 9, 1956 (14 L.P.R.A. 1101) is locating beyond the reach of the Code the corporations, which are formed and ruled following basically the Delaware platform.

(24) Cf. J. J. Santa-Pinter, "Comentarios al Código de comercio" (Commentaries to the Code of Commerce), Equity Publishing Corp., Orford, N.H., 1964.

(25) See note on Page 168, Official Edition of the Code. 1932. Cf. also **Inter Island Shipping Corp. v. Comisión Industrial de Puerto Rico**, decided by the Supreme Court on December 18, 1963, Ref. 1963, No. 219 (Col. Abog.).

(26) 4 D.P.R. (= Decisions of Puerto Rico) 28 and 11 D.P.R. 49.

(27) J. J. Santa-Pinter, *Sociedades mercantiles puertorriqueñas* (Commercial companies of Puerto Rico), Ed. Instituto de Cultura Hispánica, Madrid, 1965.