

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 5488



Introduced by **REP. JOSEPH GILBERT F. VIOLAGO**

EXPLANATORY NOTE

This bill seeks to extend Teodoro N. Romasanta, Inc (TNRI) franchise to construct, install, operate and maintain satellites and other telecommunication systems throughout the Philippines.

Teodoro N. Romasanta, Inc. is a franchise grantee under Republic Act 4075, as amended by Republic Act No. 4601, from the Congress of the Philippines in 1965. It is a public telecommunications entity authorized by the NTC to provide broadband telecommunication services via satellite and other wired and wireless technology. Throughout its 50-year history, the company has consistently provided communications to the remotest regions of the Philippines. It connected shipping vessels, mining sites, and lumber yards and constructions sites in the mid 1960's by introducing Singe Sideband Radio Telephone and Morse Code Telegraph. By the 1980's to the 1990's, it introduced numeric paging then deployed Public Calling Offices to the countryside. It went into the deployment of Satellite Services in the 2000's that connected most of the Philippines, especially in the least serviced regions of the country.

In the 2010 and 2013 Philippine Automated Election, TNRI provided the much needed communications infrastructure by connecting more than 10,000 polling centers via cutting edge BGAN and VSAT terminals. TNRI again became indispensable to the country particularly in rendering support in the aftermath of the strongest typhoon to hit the country. When all terrestrial communication systems where down during Supertyphoon Yolanda, TNRI deployed satellite services that eventually brought up terrestrial mobile services in several provinces in central Philippines.

With the advances in technology, the company can provide the much needed access to digital information and knowledge to the remotest elementary schools, barangays and small towns of the Philippines with the same quality as those of their

peers in the premier business central districts of Makati and the Bonifacio Global City.

With the foregoing, the immediate passage of this bill is earnestly requested.



JOSEPH GILBERT F. VIOLAGO

Representative

2nd District, Nueva Ecija

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2 HOUSE OF REPRESENTATIVES
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8 HOUSE BILL NO. **5488**

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10
11 AN ACT

12 AMENDING THE FRANCHISE OF TEODORO N. ROMASANTA, INC.
13 GRANTED UNDER REPUBLIC ACT. NO. 4075, AS AMENDED BY REPUBLIC
14 ACT NO. 4601, AND RENEWING/EXTENDING THE TERM THEREOF TO
15 ANOTHER TWENTY-FIVE (25) YEARS FROM THE DATE OF EFFECTIVITY OF
16 THIS ACT

17
18 *Be it enacted by the Senate and House of Representatives of the Philippines in Congress*
19 *assembled:*

20
21 SECTION 1. The franchise of Teodoro N. Romasanta, Inc., granted under
22 Republic Act No. 4075, as amended by Republic Act. No. 4601, is hereby amended to
23 read as follows:

24
25 "SECTION 1. NATURE AND SCOPE OF FRANCHISE. - SUBJECT TO THE
26 PROVISIONS OF THE 1987 PHILIPPINE CONSTITUTION AND APPLICABLE
27 LAWS, RULES AND REGULATIONS, THE FRANCHISE GRANTED TO
28 TEODORO N. ROMASANTA, INC., UNDER REPUBLIC ACT NO. 4075, AS
29 AMENDED BY REPUBLIC ACT NO. 4601, ENTITLED "AN ACT GRANTING
30 TEODORO N. ROMASANTA A TEMPORARY PERMIT TO ESTABLISH,
31 MAINTAIN AND OPERATE RADIOTELEPHONE AND RADIOTELEGRAPH
32 COASTAL STATIONS, WITH THE CORRESPONDING RELAY STATIONS AND
33 PUBLIC FIXED AND PUBLIC BASED AND LAND MOBILE STATIONS FOR THE
34 TRANSMISSION AND RECEPTION OF RADIOTELEPHONE AND
35 RADIOTELEGRAPH COMMUNICATIONS WITHIN THE PHILIPPINES",
36 HEREUNDER REFERRED TO AS THE GRANTEE, ITS SUCCESSORS OR
37 ASSIGNS, TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN
38 FOR COMMERCIAL PURPOSES AND IN THE PUBLIC INTEREST, WIRE
39 AND/OR WIRELESS TELECOMMUNICATIONS SYSTEMS, IS HEREBY
40 AMENDED TO INCLUDE MOBILE, CELLULAR, PAGING, FIBER OPTICS,
41 SATELLITE TRANSMIT AND RECEIVE SYSTEMS, SWITCHES, AND THEIR
42 VALUE-ADDED SERVICES SUCH AS, BUT NOT LIMITED TO, TRANSMISSION
43 OF VOICE, DATA, FACSIMILE, CONTROL SIGNS, AUDIO AND VIDEO,
44 INFORMATION SERVICES BUREAU AND ALL OTHER
45 TELECOMMUNICATIONS SYSTEMS TECHNOLOGIES AS ARE AT PRESENT
46 AVAILABLE OR WILL BE MADE AVAILABLE THROUGH TECHNOLOGICAL

1 ADVANCES OR INNOVATIONS IN THE FUTURE; AND/OR CONSTRUCT,
2 ACQUIRE, LEASE AND OPERATE OR MANAGE TRANSMITTING AND
3 RECEIVING STATIONS, LINES, CABLES OR SYSTEMS IN THE PHILIPPINES.”
4

5 “SEC. 2. *MANNER OF OPERATION OF STATIONS OR FACILITIES.* - THE
6 STATIONS OR FACILITIES OF THE GRANTEE SHALL BE CONSTRUCTED AND
7 OPERATED IN A MANNER AS WILL, AT MOST, RESULT ONLY IN THE
8 MINIMUM INTERFERENCE ON THE WAVELENGTHS OR FREQUENCIES OF
9 EXISTING STATIONS OR OTHER STATIONS WHICH MAY BE ESTABLISHED BY
10 LAW, WITHOUT IN ANY WAY DIMINISHING ITS OWN RIGHT TO USE ITS
11 SELECTED WAVELENGTHS OR FREQUENCIES AND THE QUALITY OF
12 TRANSMISSION OR RECEPTION THEREON AS SHOULD MAXIMIZE
13 RENDITION OF THE GRANTEE’S SERVICES AND/OR AVAILABILITY
14 THEREOF.”
15

16 “SEC.3. *AUTHORITY OF THE NATIONAL TELECOMMUNICATIONS*
17 *COMMISSION (NTC).* - THE GRANTEE SHALL SECURE FROM THE NTC A
18 CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY OR THE
19 APPROPRIATE PERMITS AND LICENSES FOR THE CONSTRUCTION,
20 INSTALLATION AND OPERATION OF ITS TELECOMMUNICATIONS
21 SYSTEMS/FACILITIES. IN ISSUING THE CERTIFICATE, THE NTC SHALL HAVE
22 THE POWER TO IMPOSE SUCH CONDITIONS RELATIVE TO THE
23 CONSTRUCTION, OPERATION, MAINTENANCE, OR SERVICE LEVEL OF THE
24 TELECOMMUNICATIONS SYSTEM. THE NTC SHALL HAVE THE AUTHORITY
25 TO REGULATE THE CONSTRUCTION AND OPERATION OF ITS
26 TELECOMMUNICATIONS SYSTEMS. THE GRANTEE SHALL NOT USE ANY
27 FREQUENCY IN THE RADIO SPECTRUM WITHOUT AUTHORIZATION FROM
28 THE NTC. SUCH CERTIFICATE SHALL STATE THE AREAS COVERED AND
29 DATE THE GRANTEE SHALL COMMENCE THE SERVICE. THE NTC,
30 HOWEVER, SHALL NOT UNREASONABLY WITHHOLD OR DELAY THE
31 GRANT OF ANY SUCH AUTHORITY, PERMITS OR LICENSES.”
32

33 “SEC. 4. *EXCAVATION AND RESTORATION WORKS.* - FOR THE
34 PURPOSE OF ERECTING AND MAINTAINING POLES OR OTHER SUPPORTS
35 FOR SAID WIRES OR OTHER CONDUCTORS FOR THE PURPOSE OF LAYING
36 AND MAINTAINING UNDERGROUND WIRES, CABLES OR OTHER
37 CONDUCTORS, IT SHALL BE LAWFUL FOR THE GRANTEE, ITS SUCCESSORS
38 OR ASSIGNS, WITH THE PRIOR APPROVAL OF THE DEPARTMENT OF PUBLIC
39 WORKS AND HIGHWAYS (DPWH) OR THE LOCAL GOVERNMENT UNIT
40 CONCERNED, AS MAY BE APPROPRIATE, TO MAKE EXCAVATIONS OR LAY
41 CONDUITS IN ANY OF THE PUBLIC PLACES, HIGHWAYS, STREETS, LANES,
42 ALLEYS, AVENUES, SIDEWALKS OR BRIDGES OF SAID PROVINCE, CITIES
43 AND/OR MUNICIPALITIES: *PROVIDED, HOWEVER,* THAT A PUBLIC PLACE,
44 HIGHWAY, STREET, LANE, ALLEY, AVENUE, SIDEWALK OR BRIDGE
45 DISTURBED, ALTERED OR CHANGED BY REASON OF ERECTION OF POLES
46 OR OTHER SUPPORTS OR THE UNDERGROUND LAYING OF WIRES, OTHER

1 CONDUCTORS OR CONDUITS, SHALL BE REPAIRED AND REPLACED IN
2 WORKMANLIKE MANNER BY SAID GRANTEE, ITS SUCCESSORS OR ASSIGNS,
3 IN ACCORDANCE WITH THE STANDARDS SET BY DPWH OR THE LOCAL
4 GOVERNMENT UNIT CONCERNED. SHOULD THE GRANTEE, ITS
5 SUCCESSORS ASSIGNS, AFTER THE TEN (10) DAY NOTICE FROM THE SAID
6 AUTHORITY, FAIL, REFUSE OR NEGLECT TO REPAIR OR REPLACE ANY PART
7 OF PUBLIC PLACE, ROAD, HIGHWAY, STREET, LANE, ALLEY, AVENUE,
8 SIDEWALK OR BRIDGE ALTERED, CHANGED OR DISTURBED BY THE SAID
9 GRANTEE, ITS SUCCESSORS OR ASSIGNS, THEN THE DPWH OR THE LOCAL
10 GOVERNMENT UNIT CONCERNED SHALL HAVE THE RIGHT TO HAVE THE
11 SAME REPAIRED AND PLACED IN GOOD ORDER AND CONDITION AT
12 DOUBLE EXPENSE TO BE CHARGED AGAINST THE GRANTEE, ITS
13 SUCCESSORS OR ASSIGNS."

14
15 "SEC. 5. RESPONSIBILITY TO THE PUBLIC. - THE GRANTEE SHALL
16 CONFORM TO THE ETHICS OF HONEST ENTERPRISE AND NOT USE ITS
17 STATIONS/FACILITIES FOR OBSCENE OR INDECENT TRANSMISSION OR FOR
18 DISSEMINATION OF DELIBERATELY FALSE INFORMATION OR WILLFUL
19 MISREPRESENTATION, OR ASSIST IN SUBVERSIVE OR TREASONABLE ACTS.

20
21 THE GRANTEE SHALL PROVIDE BASIC OR ENHANCED TELEPHONE
22 SERVICE IN ANY CITY AND/OR MUNICIPALITY IN THE PHILIPPINES WHERE
23 IT HAS AN APPROVED CERTIFICATE OF PUBLIC CONVENIENCE AND
24 NECESSITY FOR THE ESTABLISHMENT, OPERATION AND MAINTENANCE OF
25 A LOCAL EXCHANGE SERVICE, WITHOUT DISCRIMINATION TO ANY
26 APPLICANT THEREFOR, IN THE ORDER OF THE DATE OF THEIR
27 APPLICATIONS, UP TO THE LIMIT OF THE CAPACITY OF ITS LOCAL
28 TELEPHONE EXCHANGE, AND SHOULD THE DEMAND FOR THE
29 TELEPHONE SERVICE AT ANY TIME INCREASE BEYOND THE CAPACITY
30 THEREOF, THE GRANTEE SHALL INCREASE THE SAME TO MEET SUCH
31 DEMAND: PROVIDED, THAT IN CASE THE TOTAL DEMAND TO BE
32 SATISFIED BY THE EXPANSION IS LESS THAN THE SMALLEST VIABLE LOCAL
33 EXCHANGE AVAILABLE IN THE MARKET AS DETERMINED BY THE NTC, THE
34 GRANTEE SHALL NOT BE OBLIGED TO FURNISH SUCH SERVICE UNLESS THE
35 APPLICANT FOR TELEPHONE SERVICE DEFRAYS THE ACTUAL EXPENSES
36 FOR THE INSTALLATION OF THE TELECOMMUNICATIONS APPARATUS
37 NECESSARY FOR SUCH SERVICES AND IN SUCH CASE, THE NTC MAY
38 EXTEND THE TIME WITHIN WHICH THE GRANT SHALL FURNISH SUCH
39 SERVICE.

40
41 THE GRANTEE SHALL OPERATE AND MAINTAIN ALL ITS STATIONS,
42 LINES, CABLES, SYSTEMS, AND EQUIPMENT FOR THE TRANSMISSION AND
43 RECEPTION OF MESSAGES, SIGNALS AND PULSES IN A SATISFACTORY
44 MANNER AT ALL TIMES, AND AS FAR AS ECONOMICAL AND PRACTICABLE,
45 MODIFY, IMPROVE OR CHANGE SUCH STATIONS, LINES, CABLES, SYSTEMS,

1 AND EQUIPMENT TO KEEP ABREAST WITH THE ADVANCES IN SCIENCE
2 AND TECHNOLOGY.”

3
4 “SEC. 6. *RATES FOR SERVICES.* - THE CHARGES AND RATES FOR
5 TELECOMMUNICATIONS SERVICES OF THE GRANTEE, EXCEPT THE RATES
6 AND CHARGES ON THOSE THAT MAY HEREAFTER BE DECLARED OR
7 CONSIDERED AS NON-REGULATED SERVICES, WHETHER FLAT RATES OR
8 MEASURED RATES OR VARIATION THEREOF, SHALL BE SUBJECT TO THE
9 APPROVAL OF THE NTC OR ITS LEGAL SUCCESSOR. THE RATES TO BE
10 CHARGED BY THE GRANTEE SHALL BE UNBUNDLED, SEPARABLE AND
11 DISTINCT AMONG THE SERVICES OFFERED AND SHALL BE DETERMINED IN
12 SUCH A MANNER THAT REGULATED SERVICES DO NOT SUBSIDIZE THE
13 UNREGULATED ONES.”

14 “SEC. 7. *RIGHT OF GOVERNMENT.* - A SPECIAL RIGHT IS HEREBY
15 RESERVED TO THE PRESIDENT OF THE PHILIPPINES, IN TIMES OF WAR,
16 REBELLION, PUBLIC PERIL, CALAMITY, EMERGENCY, DISASTER OR
17 DISTURBANCE OF PEACE AND ORDER, TO TEMPORARILY TAKE OVER AND
18 OPERATE THE STATIONS, TRANSMITTERS, FACILITIES OR EQUIPMENT OF
19 THE GRANTEE, TO TEMPORARILY SUSPEND THE OPERATION OF ANY
20 STATION, TRANSMITTER, FACILITY OR EQUIPMENT IN THE INTEREST OF
21 PUBLIC SAFETY, SECURITY AND PUBLIC WELFARE, OR TO AUTHORIZE THE
22 TEMPORARY USE AND OPERATION THEREOF BY ANY AGENCY OF THE
23 GOVERNMENT, UPON DUE COMPENSATION TO THE GRANTEE FOR THE
24 USE OF SAID STATIONS, TRANSMITTERS, FACILITIES OR EQUIPMENT
25 DURING THE PERIOD WHEN THEY SHALL BE SO OPERATED.

26
27 THE RADIO SPECTRUM IS A FINITE RESOURCE THAT IS PART OF THE
28 NATIONAL PATRIMONY AND THE USE THEREOF IS A PRIVILEGE
29 CONFERRED UPON THE GRANTEE BY THE STATE AND MAY BE
30 WITHDRAWN ANYTIME AFTER DUE PROCESS.”

31
32 “SEC. 8. *RIGHT OF INTERCONNECTION.* - THE GRANTEE IS HEREBY
33 AUTHORIZED TO CONNECT OR DEMAND CONNECTION OF ITS
34 TELECOMMUNICATIONS SYSTEMS TO OTHER TELECOMMUNICATIONS
35 SYSTEMS INSTALLED, OPERATED AND MAINTAINED BY ANY OTHER DULY
36 AUTHORIZED PERSON OR ENTITY IN THE PHILIPPINES FOR THE PURPOSE
37 OF PROVIDING EXTENDED AND IMPROVED TELECOMMUNICATIONS
38 SERVICES TO THE PUBLIC, UNDER SUCH TERMS AND CONDITIONS
39 MUTUALLY AGREED UPON BY THE PARTIES CONCERNED AND THE SAME
40 SHALL BE SUBJECT TO THE REVIEW AND MODIFICATION OF THE NTC.”

41
42 “SEC. 9. *GROSS RECEIPTS.* - THE GRANTEE, ITS SUCCESSORS OR
43 ASSIGNS, SHALL KEEP A SEPARATE ACCOUNT OF THE GROSS RECEIPTS OF
44 THE BUSINESS TRANSACTED BY IT AND SHALL FURNISH THE COMMISSION
45 ON AUDIT (COA) AND THE NATIONAL TREASURY A COPY OF SUCH

1 ACCOUNT NOT LATER THAN THE THIRTY-FIRST (31ST) DAY OF JANUARY
2 OF EACH YEAR FOR THE PRECEDING TWELVE (12) MONTHS."

3 "SEC. 10. *BOOKS AND ACCOUNTS.* - THE BOOKS AND ACCOUNTS OF
4 THE GRANTEE, ITS SUCCESSOR OR ASSIGNS, SHALL ALWAYS BE OPEN TO
5 THE INSPECTION OF THE COMMISSION ON AUDIT (COA) AND ITS DULY-
6 AUTHORIZED REPRESENTATIVES. IT SHALL BE THE DUTY OF THE GRANTEE
7 TO SUBMIT TO THE COA TWO (2) COPIES OF THE QUARTERLY REPORTS ON
8 THE GROSS RECEIPTS, THE NET PROFITS AND THE GENERAL CONDITION OF
9 THE BUSINESS."

10
11 "SEC. 11. *WARRANTY IN FAVOR OF THE NATIONAL AND LOCAL*
12 *GOVERNMENTS.* - THE GRANTEE SHALL HOLD THE NATIONAL,
13 PROVINCIAL, CITY AND MUNICIPAL GOVERNMENTS OF THE PHILIPPINES
14 FREE FROM ALL CLAIMS, ACCOUNTS, DEMANDS OR ACTIONS ARISING OUT
15 OF ACCIDENTS OR INJURIES, WHETHER TO PROPERTY OR TO PERSONS,
16 CAUSED BY THE CONSTRUCTION OR OPERATION OF THE STATIONS,
17 TRANSMITTERS, FACILITIES AND EQUIPMENT OF THE GRANTEE."

18
19 "SEC. 12. *SALE, LEASE, TRANSFER, USUFRUCT, OR ASSIGNMENT OF*
20 *FRANCHISE.* - THE GRANTEE SHALL NOT SELL, LEASE, TRANSFER, GRANT
21 THE USUFRUCT OF, OR ASSIGN THIS FRANCHISE OR THE RIGHTS AND
22 PRIVILEGES ACQUIRED THEREUNDER TO ANY PERSON, FIRM, COMPANY,
23 CORPORATION OR OTHER COMMERCIAL OR LEGAL ENTITY, NOR MERGE
24 WITH ANY OTHER CORPORATION OR ENTITY, NOR SHALL TRANSFER THE
25 CONTROLLING INTEREST OF THE GRANTEE, WHETHER AS A WHOLE OR IN
26 PARTS, AND WHETHER SIMULTANEOUSLY OR CONTEMPORANEOUSLY, TO
27 ANY SUCH PERSON, FIRM, COMPANY, CORPORATION OR ENTITY WITHOUT
28 THE PRIOR APPROVAL OF THE CONGRESS OF THE PHILIPPINES: *PROVIDED,*
29 *THAT CONGRESS SHALL BE INFORMED OF ANY SALE, LEASE, TRANSFER,*
30 *GRANT OF USUFRUCT, OR ASSIGNMENT OF FRANCHISE OR THE RIGHTS OR*
31 *PRIVILEGES ACQUIRED OR THEREUNDER OF THE MERGER OR SALE OF*
32 *CONTROLLING INTEREST, WITHIN SIXTY (60) DAYS AFTER THE*
33 *COMPLETION OF SAID TRANSACTION: PROVIDED, FURTHER, THAT*
34 *FAILURE TO REPORT TO CONGRESS SUCH CHANGE OF OWNERSHIP SHALL*
35 *RENDER THE FRANCHISE IPSO FACTO REVOKED: PROVIDED, FINALLY, THAT*
36 *ANY PERSON OR ENTITY TO WHICH THIS FRANCHISE IS SOLD,*
37 *TRANSFERRED OR ASSIGNED, SHALL BE SUBJECT TO THE SAME*
38 *CONDITIONS, TERMS, RESTRICTIONS AND LIMITATIONS OF THIS ACT."*

39
40 "SEC. 13. *DISPERSAL OF OWNERSHIP.* - IN ACCORDANCE WITH THE
41 CONSTITUTIONAL PROVISION TO ENCOURAGE PUBLIC PARTICIPATION IN
42 PUBLIC UTILITIES, THE GRANTEE SHALL OFFER TO FILIPINO CITIZENS AT
43 LEAST THIRTY PER CENTUM (30%) OR A HIGHER PERCENTAGE THAT MAY
44 HEREFTER BE PROVIDED BY LAW OF ITS OUTSTANDING CAPITAL STOCK
45 IN ANY SECURITIES EXCHANGE IN THE PHILIPPINES WITHIN FIVE (5) YEARS

1 FROM THE COMMENCEMENT OF ITS OPERATIONS: *PROVIDED*, THAT IN
2 CASES WHERE PUBLIC OFFER OF SHARES IS NOT APPLICABLE,
3 ESTABLISHMENT OF COOPERATIVES OPERATING PUBLIC UTILITIES MUST
4 BE IMPLEMENTED. NONCOMPLIANCE THEREWITH SHALL RENDER THE
5 FRANCHISE *IPSO FACTO* REVOKED. "
6

7 "SEC. 14. *REPORTORIAL REQUIREMENT*. - THE GRANTEE SHALL
8 SUBMIT AN ANNUAL REPORT TO THE CONGRESS OF THE PHILIPPINES,
9 THROUGH THE COMMITTEE ON LEGISLATIVE FRANCHISES OF THE HOUSE
10 OF REPRESENTATIVES AND THE COMMITTEE ON PUBLIC SERVICES OF THE
11 SENATE, ON ITS COMPLIANCE WITH THE TERMS AND CONDITIONS OF THE
12 FRANCHISE AND ON ITS OPERATIONS ON OR BEFORE APRIL 30 OF THE
13 SUCCEEDING YEAR."

14
15 "SEC. 15. *PENALTY CLAUSE*. - ANY GRANTEE WHO FAILS TO SUBMIT
16 THE REQUISITE ANNUAL REPORT TO CONGRESS SHALL BE FINED FIVE
17 HUNDRED PESOS (P500.00) PER WORKING DAY OF NONCOMPLIANCE. THE
18 FINE SHALL BE COLLECTED BY THE NTC FROM SAID DELINQUENT
19 FRANCHISE GRANTEE SEPARATE FROM THE REPORTORIAL PENALTIES
20 IMPOSED BY THE NTC. ALL PROCEEDS FROM SAID FINES OR PENALTIES
21 SHALL ACCRUE TO THE MONITORING FUND OF THE NTC IN LINE WITH ITS
22 SUPERVISORY AND REGULATORY FUNCTIONS. THE REPORTORIAL
23 COMPLIANCE CERTIFICATE ISSUED BY THE CONGRESS SHALL BE REQUIRED
24 BEFORE ANY APPLICATION FOR PERMIT OR CERTIFICATE IS ACCEPTED BY
25 THE NTC. "
26

27 "SEC. 16. *EQUALITY CLAUSE*. - ANY ADVANTAGE, FAVOR, PRIVILEGE,
28 EXEMPTION, OR IMMUNITY GRANTED UNDER OTHER EXISTING
29 FRANCHISE, OR WHICH MAY HEREAFTER BE GRANTED, UPON PRIOR
30 REVIEW AND APPROVAL OF CONGRESS, SHALL BECOME PART OF THIS
31 FRANCHISE AND SHALL BE ACCORDED IMMEDIATELY AND
32 UNCONDITIONALLY TO THE HEREIN GRANTEE: *PROVIDED*, HOWEVER,
33 THAT THE FOREGOING SHALL NEITHER APPLY TO NOR AFFECT
34 PROVISIONS OF TELECOMMUNICATIONS FRANCHISES CONCERNING
35 TERRITORY COVERED BY THE FRANCHISE, THE LIFE SPAN OF THE
36 FRANCHISE OR THE TYPE OF SERVICE AUTHORIZED BY THE FRANCHISE."
37

38 "SEC. 17. *SEPARABILITY CLAUSE*. - IF ANY OF THE SECTIONS OR
39 PROVISIONS OF THIS ACT IS HELD INVALID, ALL OTHER PROVISIONS NOT
40 AFFECTED THEREBY SHALL REMAIN VALID."
41

42 "SEC. 18. *REPEALABILITY AND NON-EXCLUSIVITY CLAUSE*. - THIS
43 FRANCHISE SHALL BE SUBJECT TO AMENDMENT, ALTERATION, OR REPEAL
44 BY THE CONGRESS OF THE PHILIPPINES WHEN THE PUBLIC INTEREST SO
45 REQUIRES AND SHALL NOT BE INTERPRETED AS AN EXCLUSIVE GRANT OF
46 THE PRIVILEGE HEREIN PROVIDED FOR."

1 SEC. 2. *Renewal/Extension of the Term of Franchise.* - The term of franchise
2 granted under Republic Act No. 4075, as amended by republic Act No. 4601, is
3 hereby renewed/extended for a period of twenty-five (25) years from the date of the
4 effectivity of this Act. This franchise shall be deemed *ipso facto* revoked in the event
5 the grantee fails to operate continuously for two (2) years.
6

7 SEC. 3. *Acceptance and Compliance.* - Acceptance of the amendment and
8 extension/renewal of the franchise shall be given in writing to the Congress of the
9 Philippines, through the Committee on Legislative Franchises of the House of
10 Representatives and the Committee on Public Services of the Senate within sixty (60)
11 days from the effectivity of this Act. Upon giving such acceptance, the grantee shall
12 exercise the privileges granted under this Act. Nonacceptance shall render the
13 franchise void.
14

15 SEC. 4. *Publication.* - This Act shall be published, through the initiative of the
16 grantee, fifteen (15) days after this Act is signed by the President of the Philippines
17 or has lapsed into law.
18

19 SEC. 5. *Effectivity Clause.* - This Act shall take effect fifteen (15) days from the
20 date of its publication in at least two (2) newspapers of general circulation in the
21 Philippines.
22

23 Approved,
24
25
26