

Republic of the Philippines  
Congress of the Philippines  
Metro Manila  
Twelfth Congress  
Third Regular Session

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Begun and held in Metro Manila, on Monday, the twenty-eighth day of July, two thousand three.

[ REPUBLIC ACT NO. 9283 ]

AN ACT EXPANDING THE AREA OF OPERATION OF THE FRANCHISE OF EDISON C. ESPINOSA, AMENDING FOR THE PURPOSE SECTION 1 OF REPUBLIC ACT NO. 8101 AND CONVERTING THE GRANTEE INTO A CORPORATION

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

SECTION 1. Section 1 of Republic Act No. 8101 entitled, "An Act Granting Edison C. Espinosa A Franchise To Establish, Install, Operate And Maintain Public Radiotelephone Coastal Stations In Region VI To Be Based In Iloilo City And Bacolod City For The Transmission And Reception Of Radiotelephone Communications Within And Outside The Philippines," is hereby amended to read as follows:

"SECTION 1. *Nature and Scope of Franchise.* — Subject to the provisions of the Constitution and applicable laws, rules and regulations, there is hereby granted to Edison C. Espinosa, hereunder referred to as the grantee, its successors or assigns,

a franchise to establish, install, operate and maintain for commercial purposes and in the public interest, public radiotelephone coastal stations in the Philippines for the transmission and reception of radiotelephone communications with vessels at sea within and outside of the Philippines."

SEC. 2. *Conversion to a Corporation.* – The grantee shall transfer the ownership of the franchise to a corporation within six (6) months from the approval of this Act: *Provided*, That the grantee shall retain majority ownership thereof. Noncompliance therewith shall render the franchise *ipso facto* revoked.

SEC. 3. *Tax Provisions.* – The grantee, its successors or assigns, shall be subject to the payment of all taxes, duties, fees or charges and other impositions under the National Internal Revenue Code (NIRC) of 1997, as amended, and other applicable laws: *Provided*, That nothing herein shall be construed as repealing any tax exemptions, incentives, or privileges granted under any relevant law: *Provided, further*, That all rights, privileges, benefits and exemptions accorded to existing and future telecommunications franchises shall likewise be extended to the grantee.

The grantee shall file the return with the city or province where its principal office is located and pay the taxes due thereon to the Commissioner of Internal Revenue or his duly authorized representatives in accordance with the NIRC and the return shall be subject to audit by the Bureau of Internal Revenue.

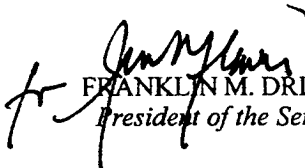
SEC. 4. *Dispersal of Ownership.* – In accordance with the constitutional provision to encourage the public participation in public utilities, the grantee shall offer at least thirty *percentum* (30%) of its outstanding capital stock or a higher percentage that may hereafter be provided by law in any securities exchange in the Philippines within five (5) years from the commencement of its operations as a corporation. Noncompliance therewith shall render the franchise *ipso facto* revoked.

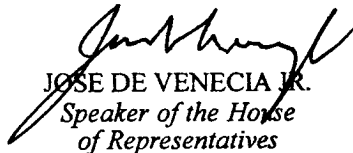
SEC. 5 *Equality Clause.* – Any advantage, favor, privilege, exemption, or immunity granted under existing franchises, or may hereafter be granted, shall *ipso facto* become part of this

franchise and shall be accorded immediately and unconditionally to the herein grantee: *Provided, however,* That the foregoing shall neither apply to nor affect provisions of telecommunications franchises concerning territory covered by the franchise, the life span of the franchise, or the type of service authorized by the franchise.

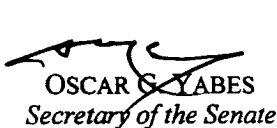
SEC. 6. *Effectivity Clause.* – This Act shall take effect fifteen (15) days from the date of its publication, upon the initiative of the grantee, in at least two (2) papers of general circulation in the Philippines.

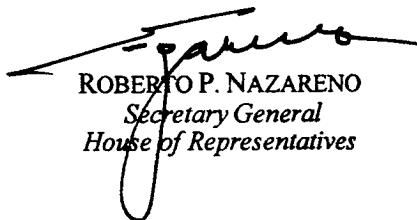
Approved,

  
FRANKLIN M. DRILON  
*President of the Senate*

  
JOSE DE VENECIA JR.  
*Speaker of the House  
of Representatives*

This Act which originated in the House of Representatives was finally passed by the House of Representatives and the Senate on January 21, 2004 and December 8, 2003, respectively.

  
OSCAR S. YABES  
*Secretary of the Senate*

  
ROBERTO P. NAZARENO  
*Secretary General  
House of Representatives*

Approved:

GLORIA MACAPAGAL-ARROYO  
*President of the Philippines*

Lapsed into law on APR 01 2004,  
without the signature of the President, in accordance with Article VI, Section 27 (1) of the Constitution.