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LAWNUM: RA07229 DATE : 03/19/92

TITLE : AN ACT APPROVING THE MERGER BETWEEN GLOBE MACKAY CABLE AND

RADIO

CORPORATION AND CLAVECILLA RADIO SYSTEM AND THE CONSEQUENT TRANSFER OF

THE FRANCHISE OF CLAVECILLA RADIO SYSTEM GRANTED UNDER REPUBLIC ACT NO.

402, AS AMENDED, TO GLOBE MACKAY CABLE AND RADIO CORPORATION, EXTENDING

THE LIFE OF SAID FRANCHISE, AND REPEALING CERTAIN SECTIONS OF REPUBLIC

ACT NO. 402, AS AMENDED

TEXT :

H. No. 32763

Republic of the Philippines Congress of the Philippines Metro Manila

Fifth Regular Session

Begun and held in Metro Manila, on Monday, the twenty-second day of July, nineteen hundred and ninety-one.

[REPUBLIC ACT No. 07229]

AN ACT APPROVING THE MERGER BETWEEN GLOBE

MACKAY CABLE AND RADIO CORPORATION AND

CLAVECILLA RADIO SYSTEM AND THE CONSEQUENT

TRANSFER OF THE FRANCHISE OF CLAVECILLA

RADIO SYSTEM GRANTED UNDER REPUBLIC ACT NO.

402, AS AMENDED, TO GLOBE MACKAY CABLE AND

RADIO CORPORATION, EXTENDING THE LIFE OF

SAID FRANCHISE, AND REPEALING CERTAIN

SECTIONS OF REPUBLIC ACT NO. 402, AS

AMENDED

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

SECTION 1. The merger between Globe Mackay Cable and Radio Corporation and Clavecilla Radio System, with Globe Mackay Cable and Radio Corporation thenceforth known as GMCR, Inc., and hereinafter referred to as the grantee as the surviving corporation, is hereby approved.

SEC. 2. The transfer of the franchise of Clavecilla Radio

System under Republic Act No. 402, as amended by Republic Act Nos. 1618 and 4540, as well as all the rights, privileges and licenses arising therefrom with the exception of broadcasting, to the grantee as a consequence of the merger between Globe Mackay Cable and Radio Corporation and Clavecilla Radio System, is hereby approved.

- SEC. 3. The stations or facilities of the grantee shall be constructed and operated in a manner as will at most result only in the minimum interference on the wavelengths or frequencies of the existing stations or other stations which may be established in accordance with law of other telecommunications services grantees without in any way diminishing its own right to use its selected wavelengths or frequencies and the quality of transmission or reception thereon as should maximize rendition of the grantee's services and/or the availability thereof.
- SEC. 4. The grantee shall provide reasonable public service time to enable the Government, through the stations of the grantee, to reach the population on important public issues; provide at all times sound and balanced programming; promote public participation such as in community programming; assist in the functions of public information and education; conform to the ethics of honest enterprise; and not use in its stations for the broadcasting of obscene and indecent language, speech, act or scene, or for the dissemination of deliberately false information or willful misrepresentation to the detriment of the public interest, or to incite, encourage or assist in subversive or treasonable acts.
- SEC. 5. The grantee shall not require any previous censorship of any speech, play, act or scene, or other matter to be broadcast and/or telecast from its stations; but if any such speech, play, act or scene, or other matter should constitute a violation of the law or infringement of a private right, the grantee shall be free from any liability, civil or criminal, for such speech, play, act or scene, or other matter: Provided, That the grantee, during any broadcast and/or telecast, shall cut off from the air the speech, play, act or scene, or other matter being broadcast/telecast if the tendency thereof is to propose and/or incite treason, rebellion or sedition; or the language used therein or the theme thereof is indecent or immoral; and willful failure to do so shall constitute a valid cause for the cancellation of this franchise.
- SEC. 6. The grantee shall not lease, transfer, grant the usufruct of, sell or assign this franchise or the rights and privileges acquired thereunder to any person, firm, company, corporation or entity, nor merge with any other corporation or entity without the prior approval of the Congress of the Philippines. Neither shall the controlling interest in the grantee be transferred, whether as a whole or in parts and

whether simultaneously or contemporaneously, to any such person, firm, company, corporation or entity without the prior approval of the Congress of the Philippines, except when the transfer is done through a stock exchange transaction. Any person or entity to which this franchise is validly sold, transferred or assigned shall be subject to all the same conditions, terms, restrictions and limitations of this Act.

- SEC. 7. The grantee shall comply with and be subject to the provisions of such general telecommunications and broadcast policy laws as may hereafter be enacted.
- SEC. 8. The grantee shall submit an annual report to the Congress of the Philippines on its compliance with the terms and conditions of this franchise and on its operations within sixty (60) days from the end of every year.
- SEC. 9. The life of the franchise granted under Republic Act No. 402, as amended by Republic Act Nos. 1618 and 4540, is hereby extended to 24 December 2030 so as to make it coterminous with the term of the franchise of Globe Mackay Cable and Radio Corporation granted under Batas Pambansa Blg. 95.
- SEC. 10. Sections 8 and 13 of Republic Act No. 402, as amended by Republic Act Nos. 1618 and 4540, are hereby repealed in their entirety.
- SEC. 11. All the other provisions of Republic Act No. 402, as amended by Republic Act Nos. 1618 and 4540, and the provisions of Batas Pambansa Big. 95 which are not inconsistent with the provisions of this Act and are still unrepealed shall continue to be in full force and effect.
 - SEC. 12. This Act shall take effect upon its approval.

Approved,

NEPTALI A. GONZALES

RAMON V.

MITRA

House

President of the Senate

Speaker of the

of Representatives

This Act which originated in the House of Representatives was finally passed by the House of Representatives and the Senate on January 27, 1992 and January 23, 1992, respectively.

ANACLETO D. BADOY, JR.

CAMILO L.

General

House of Representatives

Approved: March 19, 1992

CORAZON C. AQUINO President of the Philippines