

REPUBLIC ACT NO. 8147

AN ACT GRANTING THE SOUTHERN BROADCASTING NETWORK A FRANCHISE TO CONSTRUCT, MAINTAIN, ESTABLISH AND OPERATE COMMERCIAL RADIO/TELEVISION BROADCASTING STATIONS IN THE PHILIPPINES

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

SECTION 1. Subject to the provisions of the Constitution and the provisions not inconsistent herewith of Act Numbered Three thousand eight hundred and forty-six, entitled "An Act Providing for the Regulation of Radio Stations and Radio Communications in the Philippine Islands, and for Other Purposes", Commonwealth Act Numbered One hundred forty-six, otherwise known as the Public Service Act, and their amendments, and other applicable laws, there is hereby granted to the Southern Broadcasting Network, its successors or assigns, and hereunder referred to as the grantee, the right and privilege of constructing, installing, establishing and operating in the Philippines, at such places as Southern Broadcasting Network may select and the National Telecommunications Commission may approve, radio and television broadcasting stations in the Philippines.

SEC. 2. A special right is hereby reserved to the President of the Philippines in times of war, rebellion, public peril, calamity, emergency, disaster or disturbance of peace and order, to take over and operate the said stations or to authorize the temporary use and operation thereof by any department of the government upon due compensation to the grantee for the use of said stations during the period when they shall be operated.

SEC. 3. The President of the Philippines shall have the power and authority to permit the construction of said stations or any of them on any land of the public domain upon such terms and conditions as it may prescribe.

SEC. 4. This franchise shall continue for a period of twenty-five (25) years from the date the first of said stations shall be placed in operation, and is granted upon the express condition that the same shall be void unless the construction of said station be begun two (2) years from the date of approval of this Act and be completed within four (4) years from said date.

SEC. 5. The grantee shall file a bond in the amount of Two hundred thousand pesos (P200,000) to guarantee the full compliance and fulfillment of the conditions under which this franchise is granted. If after two (2) years from the date of approval of this Act the grantee shall have fulfilled said conditions, or as soon thereafter as the grantee shall have fulfilled the same, the bond aforesaid shall be cancelled by the government.

SEC. 6. The grantee shall not require any previous censorship of any speech, play or other matter to be broadcast from its stations: *Provided*, That the grantee during any broadcast may cut off from the air the speech, play or other matter being broadcast 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.

SEC. 7. (a) This franchise shall not take effect nor shall any power thereunder be exercised by the grantee until the National Telecommunications Commission shall have allotted to the grantee the frequencies and channels to be used hereunder and determined the stations to and from which each frequency may be used, and issued to the grantee a license for such use. (b) The National Telecommunications Commission on reasonable notice to the grantee may, at any time, change, or cancel, or modify, in whole or in part, any or all of the allotments of frequencies to be used. It may take such action: (1) whenever in its judgment the public interest of the Republic of the Philippines requires that such frequencies should be used for other purposes than those of the grantee, either by the government of the Philippines or by other

individuals or corporations licensed by it; and (2) whenever in its judgment for any reason, the public interest of the Philippines so requires.

SEC. 8. The stations of the grantee shall be so constructed and operated and the frequencies so selected as to avoid interference with existing stations and to permit the expansion of the grantee's services.

SEC. 9. The grantee shall hold the national, provincial and municipal governments of the Philippines harmless from all claims, accounts, demands or actions arising out of accidents or injuries, whether to properties or to persons, caused by the construction or operation of the stations of the grantee.

SEC. 10. No private property shall be taken for any purpose by the grantee without proper condemnation proceedings and just compensation paid or tendered thereof, and any authority to take and occupy land contained herein shall not apply to the taking, use or occupation of any land except such as is required for the actual necessary purposes for which this franchise is granted.

SEC. 11. The grantee shall keep an account of the gross receipts of its business and shall furnish the Commission on Audit Chairman and the Treasurer of the Philippines with a copy of such account not later than the thirty-first day of January of each year for the preceding year. All the books and accounts of the grantee pertaining to its business shall be subject to the official inspection of the Commission on Audit Chairman or his authorized representatives and the audit and approval of such accounts shall be final and conclusive evidence as to the amount of said gross receipts, except that the grantee shall have the right to appeal to the courts under the terms and conditions provided in the laws of the Philippines.

SEC. 12. The grantee, its successors or assigns shall be subject to the corporation laws of the Philippines now existing or hereafter enacted.

SEC. 13. 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 other commercial or legal entity nor merge with any person, firm, company or corporation organized for the same purpose, without the approval of the Congress of the Philippines first had. Any corporation to which this franchise may be sold, transferred or assigned shall be subject to the corporation laws of the Philippines now existing or hereafter enacted, and any person, firm, company, corporation or other commercial or legal entity to which this franchise is sold, transferred or assigned shall be subject to all conditions, terms, restrictions and limitations of this franchise as fully and completely and to the same extent as if the franchise had been originally granted to the said person, firm, company, corporation or other commercial or legal entity.

SEC. 14. (a) The grantee shall be liable to pay the same taxes on its real estate, buildings and personal property, exclusive of this franchise, as other persons or corporations are now or hereafter may be required by law to pay. (b) The grantee shall further pay to the Treasurer of the Philippines each year, within ten (10) days after the audit and approval of the accounts as prescribed by this Act, three percent (3%) of all the gross receipts from the business transacted under this franchise by the said grantee; except payment of the taxes mentioned in subsection (a), and income taxes, the payment of a franchise tax shall be in lieu of any other taxes, license fees as well as administrative supervisory and regulatory fees.

SEC. 15. This franchise shall not be interpreted to mean as an exclusive grant of the privilege herein provided for.

SEC. 16. This Act shall take effect upon approval.

Lapsed into law on September 7, 1995 without the President's signature, pursuant to Sec. 27(1), Article VI of the Constitution.