

[REPUBLIC ACT NO. 9104, April 09, 2001]

AN ACT AMENDING REPUBLIC ACT NO. 8589, ENTITLED "AN ACT GRANTING THE SAMARTEL, INC. A FRANCHISE TO CONSTRUCT, ESTABLISH, INSTALL, MAINTAIN AND OPERATE LOCAL EXCHANGE NETWORK IN THE ISLAND OF SAMAR"

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

SECTION 1. Section 1 of Republic Act No. 8589 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 the Samartel Inc., hereunder referred to as the grantee, its successors or assigns, a franchise to construct, establish, install, maintain and operate for commercial purposes and in the public interest, local exchange network, including public calling stations or pay telephone stations or wireless local loop and for such purpose provide basic telephone service or other means related to the foregoing now known to science or which in the future may be developed, in Region VI, Region VII and Region VIII, for public domestic telecommunications."

SEC. 2. Section 4 of Republic Act No. 8589 is hereby amended to read as follows:

"SEC. 4. *Responsibility to the Public.* - The grantee shall conform to the ethics of honest enterprise and shall not use its stations for obscene or indecent transmission or for dissemination of deliberately false information or willful misrepresentation, or assist in subversive or treasonable acts.

The grantee shall provide basic or enhanced telephone service in Region VI, Region VII and Region VIII, where it has an approved Certificate of Public Convenience and Necessity for the establishment, operation and maintenance of a local exchange service, without discrimination to any applicant therefor, in the order of the date of their applications, up to the limit of the capacity of its local telephone exchange, and should the demand for the telephone service at any time increase beyond the capacity thereof, the grantee shall increase the same to meet such demand: Provided, That in case the total demand to be satisfied by the expansion is less than the smallest viable local exchange available in the market as determined by the Commission, the grantee shall not be obliged to furnish said service, unless the applicant for telephone service defrays the actual expenses for the installation of the telecommunications apparatus necessary for such services and in such case the Commission may extend the time within which the grantee shall furnish such service.