

**[ REPUBLIC ACT NO. 8591, March 12, 1998 ]**

**AN ACT AMENDING REPUBLIC ACT NO. 8169, ENTITLED "AN ACT GRANTING GV BROADCASTING SYSTEM, INC. A FRANCHISE TO CONSTRUCT, INSTALL, MAINTAIN AND OPERATE FOR COMMERCIAL PURPOSES RADIO BROADCASTING STATIONS IN THE ISLAND OF LUZON AND FOR OTHER PURPOSES"**

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

SECTION 1. Section 1 of Republic Act No. 8169 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 GV Broadcasting System, Inc., hereinafter referred to as the grantee, its successors or assigns, a franchise to construct, install, establish, operate and maintain for commercial purposes and in the public interest, radio and television broadcasting stations throughout the Philippines, and such other systems, facilities or structures for the origination, reception, processing, transmission, broadcast, rebroadcast or distribution of audio, video, information, and other electronic signals, for the provision of services such as direct to home/user broadcast via satellite, pay television, multimedia, local multipoint distribution systems and value-added services and other similar services, through electromagnetic waves, fiber optics, satellites and whatever means now available or which in the future may be developed, with the corresponding technical auxiliaries or facilities, relay stations, transmit and receive satellite systems, content production and distribution facilities and other systems as are essential or convenient to carry out the purposes of this franchise."

SEC. 2. Section 3 of Republic Act No. 8169 is hereby amended to read as follows:

"SEC. 3. *Prior Approval of the National Telecommunications Commission.* - The grantee shall secure from the National Telecommunications Commission the appropriate permits and licenses for the construction and operation of its stations and facilities and shall not use any frequency in the radio/television spectrum without having been authorized by the Commission. The Commission, however, shall not unreasonably withhold or delay the grant of any such authority."

SEC. 3. Section 5 of Republic Act No. 8169 is hereby amended to read as follows:

"SEC. 5. *Right of Government.* - 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 temporarily take over and operate the stations or facilities of the grantee, to temporarily suspend the operation of any station or facility in the interest of public safety, security and public welfare, or to authorize the temporary use and operation thereof by any agency of the government, upon due compensation to the grantee, for the use of said stations or facilities during the period when they shall be so operated.

"The radio spectrum is a finite resource that is a part of the national patrimony and the use thereof is a privilege conferred upon the grantee by the State and may be withdrawn anytime, after due process."

SEC. 4. Section 6 of Republic Act No. 8169 is hereby amended to read as follows:

"SEC. 6. *Term of Franchise.* - This franchise shall be for a term of twenty-five (25) years from the date of effectivity of this Act, unless sooner revoked or canceled. This franchise shall be deemed ipso facto revoked in the event the grantee fails to comply with any of the following conditions:

"A) Commence operations within one (1) year from the approval of its permit by the National Telecommunications Commission;

"B) Operate continuously for two (2) years; and

"C) Commence operations within three (3) years from the effectivity of this Act."

SEC. 5. Section 7 of Republic Act No. 8169 is hereby amended to read as follows:

"SEC. 7. *Acceptance and Compliance.* - Acceptance of this franchise shall be given in writing within sixty (60) days from the effectivity of this Act. Upon giving such acceptance, the grantee shall exercise the privileges granted under this Act. Non-acceptance shall render the franchise void."

SEC. 6. A new Section 8 is hereby inserted after Section 7 of Republic Act No. 8169 to read as follows:

"SEC. 8. *Bond.* - The grantee shall file a bond issued in favor of the National Telecommunications Commission, which shall determine the amount, to guarantee the compliance with and fulfillment of the conditions under which this franchise is granted. If after three (3) years from the date of the approval of its permit by the Commission, the grantee shall have fulfilled the same, the bond shall be canceled by the Commission. Otherwise, the bond shall be forfeited in favor of the government and the franchise *ipso facto* revoked."

SEC. 7. The present Section 8 of Republic Act No. 8169 is renumbered as Section 9 and is amended to read as follows:

"SEC. 9. *Tax Provisions.* - The grantee, its successors or assigns, shall be liable for all taxes, duties, fees and charges and other impositions, both