

[REPUBLIC ACT NO. 3851, April 13, 1964]

AN ACT GRANTING THE NATION BROADCASTING CORPORATION OF THE PHILIPPINES A FRANCHISE TO ESTABLISH COMMERCIAL RADIO STATIONS FOR DOMESTIC COMMUNICATIONS, BROADCASTING AND TELECASTING.

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 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, known as the Public Service Act, and their amendments, and other applicable laws, there is hereby granted to Nation Broadcasting Corporation of the Philippines, 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 Nation Broadcasting Corporation of the Philippines may select and the Secretary of Public Works and Communications may approve, radio stations for broadcasting, telecasting and for the reception and transmission of messages on radio stations in the domestic public fixed point-to-point and public base, aeronautical and land mobile stations, including coastal marine service with the corresponding relay stations for the reception and transmission of wireless messages on radiotelegraphy and/or radiotelephony, radioteletype, radiophoto, facsimile, and such other types of emissions or both with vessels at sea and aircrafts in the air, without or within the Philippines.

SEC. 2. A special right is reserved to the President of the Philippines in time of war, rebellion, public peril, calamity, emergency, disaster or disturbance of peace or 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 so 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 he may prescribe.

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

SEC. 5. The grantee shall file a bond in the amount of fifty thousand pesos to guarantee the full compliance and fulfillment of the conditions under which this franchise is granted. If after four years from the date of the approval of the 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; but if any such speech, play or other matters should constitute a violation of the law or infringement of a private right, the grantee shall be free from any liability, civil or criminal, from such speech, play or other matter: *Provided*, That the grantee during any broadcast may cut off from the air the speech, play or other matters 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 Secretary of Public Works and Communications shall have allotted to the grantee the frequencies and wave lengths and channels to be used thereunder and determined the stations to and from which each frequency and wave length may be used, and issued to the grantee a license for such use. (b) The Secretary of Public Works and Communications, 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 or wave lengths to be used. He may take such action: (1) whenever in his judgment such frequencies and wave lengths have been used, or there is danger that they will be used by the grantee to impair electrical communications, or stifle competition, or to obtain a monopoly in electrical communications or to secure unreasonable rates for such communication, or to violate otherwise the laws or public policy of the Philippine Republic; (2) whenever in his judgment the public interests of the Republic of the Philippines require that such frequencies and wave lengths 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 (3) whenever in his judgment, for any reason, the public interests of the Philippines so require.

SEC. 8. The stations of the grantee shall be so constructed and operated and the wave lengths 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 property or to person, 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 therefor, 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 Auditor General and the Treasurer of the Philippines with a copy of