

Republic of the Philippines
Congress of the Philippines
Metro Manila

Thirteenth Congress

Third Regular Session



Begun and held in Metro Manila, on Monday, the twenty-fourth day of July, two thousand six.

[REPUBLIC ACT NO. **9382**]

AN ACT GRANTING THE CABLE LINK & HOLDINGS
CORP. A FRANCHISE TO CONSTRUCT, INSTALL,
ESTABLISH, OPERATE AND MAINTAIN CABLE/
COMMUNITY ANTENNAE TELEVISION SYSTEMS
IN THE PHILIPPINES

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

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 Cable Link & Holdings Corp., hereunder referred to as the grantee, a franchise to construct, install, establish, operate and maintain for commercial purposes and in the public interest, cable/community antennae television (CATV) systems and other related services

in and between the different provinces, cities and municipalities in the Philippines and between the Philippines and other countries and territories through the reception of audio, visual and other signals of the different national and local television and radio stations in the Philippines and those of foreign television, radio and other stations and the distribution or transmission of the same to homes, offices, condominiums, subdivisions, hotels, restaurants and other residential, commercial and industrial structures and other public and private conveyance within the Philippines: to originate, store, distribute, transmit and receive through said systems, news and documentaries, entertainment, cultural, informational and educational radio and television programs both live and recorded; to construct, establish, install, operate, manage, lease, maintain and purchase transmitting, receiving and switching stations both local and international services, lines, fiber optics, microwave, cables, satellite transmit, pay and pay per view television, video on demand and public information on demand services, multi-disc read only memory network deliver, and other value-added services and all other related technologies as are at present available, or to be made available through technological advances or innovations in the future, as is, or are convenient to or essential to efficiently carry out the purpose of this franchise.

SEC. 2. *Manner of Operation of Stations or Facilities.* – 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 existing stations or other stations which may be established by law, 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 availability thereof.

SEC. 3. *Prior Approval of the National Telecommunications Commission.* – The grantee shall secure from the National Telecommunications Commission (NTC) the appropriate permits and licenses for the construction and operation of its stations, transmitters 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. 4. *Ingress and Egress.* – For the purpose of erecting and maintaining poles or other supports for said wires or other conductors for the purpose of laying and maintaining underground wires, cables or other conductors, it shall be lawful for the grantee, with the prior approval of the Department of Public Works and Highways (DPWH), to make excavations or lay conduits in any of the public places, highways, streets, lanes, alleys, avenues, sidewalks or bridges of said provinces, cities and/or municipalities: *Provided, however,* That any public place, highway, street, lane, alley, avenue, sidewalk or bridge disturbed, altered or changed by reason of erection of poles or other supports of the underground laying of wires, other conductors or conduits, shall be repaired and replaced in a workmanlike manner by said grantee, in accordance with the standards set by the DPWH. Should the grantee, after ten (10) days' notice from the said authority, fail, refuse or neglect to repair or replace any part of a public place, road, highway, street, lane, alley, avenue, sidewalk or bridge altered, changed or disturbed by the said grantee, then the DPWH shall have the right to have the same repaired and placed in good order and condition at double the expense to be charged against the grantee.

SEC. 5. *Responsibility to the Public.* – The grantee shall provide adequate public service time to enable the government, through the said cable television stations, 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 its stations for the transmission 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. 6. *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 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. 7. *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 cancelled. 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 year from the approval of its operating permit by the NTC;

(b) Operate continuously for two years; and

(c) Commence operations within three years from the effectivity of this Act.

SEC. 8. *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. Nonacceptance shall render the franchise void.

SEC. 9. *Bond.* – The grantee shall file a bond issued in favor of the NTC, which shall determine the amount, to guarantee the compliance with and fulfillment of the conditions under which this franchise is granted. If after three years from

the date of the approval of its permit by the Commission, the grantee shall have fulfilled the same, the bond shall be cancelled by the Commission. Otherwise, the bond shall be forfeited in favor of the government and the franchise *ipso facto* revoked.

SEC. 10. Tax Provisions. – The grantee shall be subject to the payment of all taxes, duties, fees or charges and other impositions under the National Internal Revenue Code (NIRC) of 1997, as amended, and other applicable laws: *Provided*, That nothing herein shall be construed as repealing any specific tax exemptions, incentives or privileges granted under any relevant law: *Provided, further*, That all rights, privileges, benefits and exemptions accorded to existing and future cable/community antennae television systems shall likewise be extended to the grantee.

The grantee shall file the return with the city or municipality where its principal place of business is located and pay the taxes due thereon to the Commissioner of Internal Revenue or his duly authorized representative in accordance with the NIRC and the return shall be subject to audit by the Bureau of Internal Revenue.

SEC. 11. Self-regulation by and Undertaking of Grantee. – The grantee shall not require any previous censorship of any speech, play, act or scene, or other matter to be broadcast or transmitted from its stations: *Provided*, That the grantee, during any broadcast or transmission, shall cut off from the air the speech, play, act or scene, or other matter being broadcast or transmitted 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. 12. Warranty in Favor of National and Local Governments. – The grantee shall hold the national, provincial, city and municipal governments of the Philippines free from all claims, accounts, demands or actions arising out of accidents or injuries, whether to property or to persons, caused by the

construction or operation of the stations, transmitters, facilities and equipment of the grantee.

SEC. 13. *Nontransferability of Franchise.* – The grantee shall not lease, transfer, grant the usufruct of, sell nor 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 other corporation or entity, nor shall the controlling interest of 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. Any person or entity to which this franchise is sold, transferred or assigned, shall be subject to the same conditions, terms, restrictions and limitations of this Act. Any transfer of franchise in violation of this section shall render the franchise *ipso facto* revoked.

SEC. 14. *General Cable Television Policy Law.* – The grantee shall comply with and be subject to the provisions of a general cable television policy law which Congress may hereafter enact.

SEC. 15. *Reportorial Requirement.* – The grantee shall submit an annual report to the Congress of the Philippines on its compliance with the terms and conditions of the franchise and on its operations within sixty (60) days from the end of every year.

SEC. 16. *Separability Clause.* – If any of the sections or provisions of this Act is held invalid, all the other provisions not affected thereby shall remain valid.

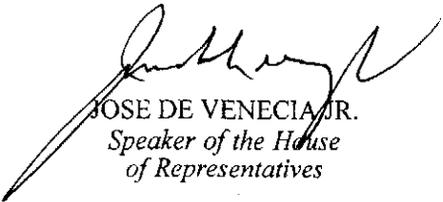
SEC. 17. *Repealing and Nonexclusivity Clause.* – This franchise shall be subject to amendment, alteration or repeal by the Congress of the Philippines when the public interest so requires and shall not be interpreted as an exclusive grant of the privileges herein provided for.

SEC. 18. *Effectivity Clause.* – This Act shall take effect fifteen (15) days from the date of its publication, upon the

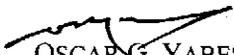
initiative of the grantee, in at least two newspapers of general circulation in the Philippines.

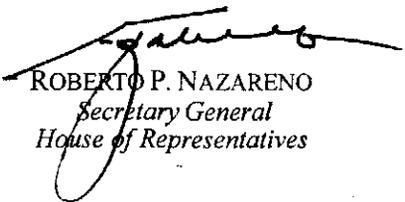
Approved,


MANNY VILLAR
President of the Senate


JOSE DE VENECIA JR.
*Speaker of the House
of Representatives*

This Act which originated in the House of Representatives was finally passed by the House of Representatives and the Senate on December 18, 2006 and November 13, 2006, respectively.


OSCAR G. YABES
Secretary of the Senate


ROBERTO P. NAZARENO
*Secretary General
House of Representatives*

Approved:

GLORIA MACAPAGAL-ARROYO
President of the Philippines

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Lapsed into law on
without the signature of the Presi
dent, in accordance with Article VI,
Section 27 (1) of the Constitution.