

[REPUBLIC ACT NO. 8197, July 11, 1996]

AN ACT GRANTING THE NEWS AND ENTERTAINMENT NETWORK CORPORATION, A FRANCHISE TO ESTABLISH, CONSTRUCT, INSTALL, MAINTAIN, AND OPERATE FOR COMMERCIAL PURPOSES 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 News and Entertainment Network Corporation, hereunder referred to as the grantee, its successors or assigns, a franchise to construct, establish, install, 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 including interactive computer electronic systems and 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 conveyances within and outside of 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 for local and international services, lines, fiber optics, microwave, cables, satellite transmit and receive systems, control signals, audio and video systems, information service bureau, pay and pay per view television, video on demand and public information on demand services, multi disc read only memory network delivery, packet and frame relay and electronic mail services and other value added services and all other related technologies as are at present available, or to be made available through technical advances or innovations in the future, as is, or are, convenient to or essential to efficiently carry out the purposes 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 would 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 the appropriate permits and licenses for the construction and operation of its stations, transmitters or facilities and shall not use any frequency in the radio and 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, its successors or assigns, with the prior approval of the Department of Public Works and Highways, 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 the erection of poles or other supports or the underground laying of wires, other conductors or conduits, shall be repaired and replaced in a workmanlike manner by said grantee, its successors or assigns, in accordance with the standards set by the Department of Public Works and Highways. Should the grantee, its successors or assigns, after the 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 said grantee, its successors or assigns, then the department of Public Works and Highways 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, its successors or assigns.

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 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, transmitters or facilities of the grantee, to temporarily suspend the operation of any station, transmitter or facility in the interest of public safety, security and public welfare, or 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, transmitters 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. 7. *Term of Franchise.* – This franchise shall be for a term of twenty-five (25)