

**[ REPUBLIC ACT NO. 7692, March 25, 1994 ]**

**AN ACT GRANTING TO BELL TELECOMMUNICATION PHILIPPINES, INC., A FRANCHISE TO INSTALL, OPERATE AND MAINTAIN TELECOMMUNICATIONS SYSTEMS THROUGHOUT THE PHILIPPINES AND FOR OTHER PURPOSES**

*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 on public telecommunications, the Bell Telecommunication Philippines, Inc., its successors or assigns, and hereunder referred to as the grantee, is hereby granted the right, privilege, and authority to carry on the business of providing telecommunications services in and between provinces, cities, and municipalities in the Philippines and between the Philippines and other countries and territories and, for this purpose, to establish, operate, manage, lease, maintain and purchase telecommunications systems, including mobile, cellular and wired or wireless telecommunications systems, fiber optics, satellite transmit and receive systems, and other telecommunications systems and their value-added services such as, but not limited to, transmission of voice, data, facsimile, control signals, audio and video, information service bureau, and all other telecommunications systems technologies as are at present available or be made available through technical advances or innovations in the future, or construct, acquire, lease and operate or manage transmitting and receiving stations and switching stations, both for local and international services, lines, cables or systems, as is, or are, convenient or essential to efficiently carry out the purposes of this franchise.

SEC. 2. *Authority of the National Telecommunications Commission.* — The grantee shall secure from the National Telecommunications Commission, hereinafter referred to as the Commission, a certificate of public convenience or appropriate permits and licenses for the location, construction, installation, and operation of its telecommunications systems. In issuing the certificate, the Commission shall have the power to impose such conditions relative to the construction, operation, maintenance, or service level of the telecommunications systems. The Commission shall have the authority to regulate the construction and operation of its telecommunications systems. The grantee shall not use any frequency in the radio spectrum without having been authorized by the Commission. Such certificate shall state the areas covered and date the grantee shall commence the service.

SEC. 3. *Responsibility to the Public.* — The grantee shall provide telephone service in any municipality in the Philippines where it has an approved certificate of public convenience for the establishment, operation and maintenance of a local exchange service, without discrimination to any applicant thereof, in the order of the date of

their applications.

The grantee shall operate and maintain all its stations, lines, cables, systems and equipment for the transmission and reception of messages, signals and pulses in a satisfactory manner at all times, and modify, improve or change such stations, lines, cables, systems and equipment to keep abreast with the advances in science and technology.

SEC. 4. *Eminent Domain.* — The grantee may acquire such private property as is actually necessary for the realization of the purposes for which this franchise is granted: *Provided*, That in case the owner refuses to sell or allow the use thereof, the proper proceedings shall be instituted: *Provided, further*, That just compensation is paid.

SEC. 5. *Ingress and Egress.* — For the purpose of installing, operating and maintaining its telecommunication lines, it shall be lawful for the grantee to make excavations or lay conduits in any of the public places, highways, streets, lanes, sidewalks, bridges or infrastructure in any provinces and municipalities: *Provided, however*, That any public place, highway, street, lane, sidewalk, bridge or infrastructure disturbed, altered, or changed thereby shall be repaired and placed in a workmanlike manner by the grantee to the satisfaction of the Department of Public Works and Highways or the local engineering office, as the case may be, and/or in accordance with existing laws or rules on excavations and reconstitution of such public civil works.

SEC. 6. *Interconnection.* — The grantee is authorized to connect or demand connection of its telecommunications systems to any other telecommunications systems installed, maintained and operated by any other duly-authorized person or entity in the Philippines for the purpose of providing extended and improved telecommunications services to the public, under such terms and conditions mutually agreed upon by the interconnection and the same shall be subject to the review or modification of the Commission.

SEC. 7. *Equality Clause.* — If any subsequent franchise for telecommunications service is awarded or granted by the Congress of the Philippines with terms, privileges and conditions more favorable and beneficial than those contained in this Act, then the same privileges or advantages shall ipso facto accrue to the herein grantee and be deemed part of this Act.

SEC. 8. *Sale, Lease, Usufruct, etc.* — The grantee shall not lease, transfer, grant the usufruct of, sell or assign this franchise or the rights and privileges acquired thereunder to any person, firm, company, corporation or entity, nor merge with any other corporation or entity without the prior approval of the Congress of the Philippines. Neither shall the controlling interest in 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: *Provided*, That the foregoing limitations shall not apply to: (a) Any transfer or issuance of shares of stock in the implementation of the requirement for the dispersal of the grantee's ownership pursuant to Section 11 of this Act; (b) any transfer or sale of shares of stock to a foreign investor or investors; (c) any issuance of shares to any foreign or local investors pursuant to or in connection with any increase in the grantee's authorized capital stock which shall