

[REPUBLIC ACT NO. 7110, August 15, 1991]

AN ACT AUTHORIZING THE TRANSFER AND ASSIGNMENT TO THE FRANCISCO N. CERVANTES, INC., OF THE FRANCHISE TO ESTABLISH AND OPERATE RADIO STATIONS FOR DOMESTIC AND INTERNATIONAL COMMUNICATIONS GRANTED UNDER REPUBLIC ACT NUMBERED FIFTY-NINE HUNDRED FIFTY-FOUR TO FRANCISCO N. CERVANTES, AND ALL PROPERTIES AND RIGHTS ACQUIRED THEREUNDER OF FRANCISCO N. CERVANTES, AND EXTENDING THE TERM OF THE SAID FRANCHISE BY TWENTY-FIVE YEARS

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

SECTION 1. The sale, transfer and assignment to the Francisco N. Cervantes, Inc., a corporation organized and existing in accordance with the laws of the Philippines, of the franchise to construct, install, establish and operate radio stations for domestic and international communications granted under Republic Act Numbered Fifty-nine hundred fifty-four to Francisco N. Cervantes, and all properties and rights acquired thereunder of Francisco N. Cervantes, are hereby authorized and approved.

SEC. 2. In compliance with the constitutional mandate to democratize ownership of public utilities, the herein grantee shall make public offering through the stock exchanges of at least thirty percent of its common stocks within a period of three years from the date of the approval of this Act: *Provided*, That no single person or entity shall be allowed to own more than five percent of the stock offerings.

SEC. 3. The Francisco N. Cervantes, Inc., shall henceforth be subject to the provisions of said Republic Act Numbered Fifty-nine hundred fifty-four.

SEC. 4. The term of the franchise granted under Republic Act Numbered Fifty-nine hundred fifty-four is hereby extended by another twenty-five years from March 4, 1999 which is the date of expiration thereof under the said Act.

SEC. 5. The grantee shall submit an annual report to the Congress of the Republic of the Philippines on its compliance with the terms and conditions of the franchise.

SEC. 6. The facilities subject of the franchise may be used for free in times of calamity or emergency by the police or fire protection service or by any duly licensed hospital, or by duly licensed educational institution, and by any sea, land or air transport in distress.

SEC. 7. This Act shall take effect fifteen (15) days from the date of its publication in at least two (2) newspapers of general circulation.