

[REPUBLIC ACT NO. 6417, October 04, 1971]

AN ACT AMENDING SECTIONS THREE AND SEVEN OF REPUBLIC ACT NUMBERED FORTY-SIX HUNDRED FIFTY-TWO, ENTITLED "AN ACT GRANTING THE PHILIPPINE MONORAIL TRANSIT SYSTEM, INCORPORATED A FRANCHISE TO ESTABLISH, MAINTAIN AND OPERATE A MONORAIL TRANSPORTATION SERVICE IN THE CITY OF MANILA AND SUBURBS AND CEBU CITY AND PROVINCE."

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

SECTION 1. Section three of Republic Act Numbered Forty-six hundred fifty-two is hereby amended to read as follows:

"SEC. 3. In the event that the grantee fails to commence construction of the monorail transportation service contemplated in this Act within three years, nor commence operation of the service within eight years from the approval of this Act, this franchise shall be null and void unless prevented by fortuitous cause or *force majeure*, martial law, riot, civil commotion, usurpation by a military power, or any other reasonable cause beyond the grantee's control: *Provided, however*, That all the time during which the grantee, its successors and assigns, may be prevented from carrying out the terms and conditions of this franchise shall be added to the time allowed by this franchise for compliance with its provisions."

SEC. 2. Section seven of the same Act is amended to read as follows:

"SEC. 7. The grantee shall not lease, transfer, grant the usufruct of, sell or assign this franchise, nor any rights and privileges acquired thereunder to any individual, company or corporation, nor merge with any other individual, company or corporation. The grantee also shall not sell any share of its capital stock to any person other than the incorporators thereof, before the completion and approval of the feasibility survey of this project. Any provincial, city or municipal government whose territorial area is directly served by the monorail transit service is authorized to invest therein through purchase of shares of the capital stock of the grantee."

SEC. 3. Any provision of law to the contrary notwithstanding, the franchise shall be limited to the City of Manila and suburbs and shall exclude Cebu City and province.

SEC. 4. This Act shall take effect upon its approval.

Enacted without executive approval, October 4, 1971.
