[REPUBLIC ACT NO. 4924, June 17, 1967]

AN ACT GRANTING JESUS B. AREVALO A FRANCHISE TO INSTALL, MAINTAIN AND OPERATE AN ELECTRIC LIGHT, HEAT AND POWER SYSTEM IN THE MUNICIPALITY OF SAN FERNANDO, PROVINCE OF MASBATE.

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

SECTION 1. Subject to the provisions of the Constitution and to the terms and conditions established in Act Numbered Thirty-six hundred and thirty-six, as amended by Commonwealth Act Numbered One hundred and thirty-two, there is granted to Jesus B, Arevalo, for a period of twenty-five years from the approval of this Act, the right, privilege and authority to install, maintain and operate an electric light, heat and power system for the purpose of generating and distributing electric light, heat and/or power for sale within the Municipality of San Fernando, Province of Masbate.

SEC. 2. In the event that the grantee shall purchase and secure electric heat and power from the National Power Corporation, the latter is hereby authorized to negotiate and transact for the benefit and in behalf of the public consumers with reference to rates.

SEC. 3. In consideration of the franchise and rights hereby granted, the grantee shall pay a franchise tax equal to five *per centum* of the gross earnings under this franchise, three per centum of which shall accrue to National Government and two *per centum* to the municipality where the franchise is being operated.

SEC. 4. It is expressly provided that in the event the Government should desire to maintain and operate for itself the system and enterprise herein authorized, the grantee shall surrender his franchise and turn over to the Government all serviceable equipment therein, at cost, less reasonable depreciation.

SEC. 5. This Act shall take effect upon its approval.

Enacted without Executive approval, June 17, 1967.