

**[ REPUBLIC ACT NO. 4550, June 19, 1965 ]**

**AN ACT GRANTING RURAL ELECTRIFICATION CORPORATION A  
FRANCHISE TO CONSTRUCT, MAINTAIN AND OPERATE AN ICE  
PLANT AND COLD STORAGE IN THE MUNICIPALITY OF  
HAGONOY, PROVINCE OF DAVAO.**

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

SECTION 1. Subject to the terms and conditions established in this Act and in Commonwealth Act Numbered One hundred forty-six, as amended, and to the provisions of the Constitution, Rural Electrification Corporation is hereby granted for a period of twenty-five years from the approval of this Act, the right, privilege and authority to construct, maintain and operate an ice plant and cold storage in the Municipality of Hagonoy, Province of Davao, for the purpose of manufacturing ice for distribution and sale, and for supplying cold storage in the Municipality of Hagonoy, Province of Davao, and to charge and collect a schedule of prices and rates therefor, which schedule shall at all times be subject to regulation by the Public Service Commission or its legal successor.

SEC. 2. The grantee shall manufacture and supply ice up to the limit of the capacity of its plant, said limit to be determined by the Public Service Commission, and sell the same at rates to be determined by said Commission.

SEC. 3. All the apparatus and appurtenances to be used by the grantee shall be modern, safe and first class in every respect, and the grantee shall, whenever the Public Service Commission shall determine that public interest reasonably requires it, change or alter any of its apparatus and appurtenances at grantee's expense.

SEC. 4. If the grantee shall not commence the construction of the said plant within two years from the approval of this Act, unless prevented by an act of God or *force majeure*, martial law, riot, civil commotion, usurpation by a military power or any other cause beyond the grantee's control, this franchise shall become null and void.

SEC. 5. This franchise is granted with the understanding and upon the condition that it shall be subject to amendment, alteration, or repeal by the Congress of the Philippines when the public interest so requires.

SEC. 6. The books, records and accounts of the grantee shall always be open to inspection by the Auditor General or his authorized representatives, and it shall be the duty of the grantee to submit to the Auditor General quarterly reports in duplicate showing the gross receipts for the previous quarter.

SEC. 7. 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