

[REPUBLIC ACT NO. 3803, June 22, 1963]

AN ACT GRANTING THE V. B. FLORES ELECTRIC LIGHT, INC., A FRANCHISE FOR AN ELECTRIC LIGHT, HEAT AND POWER SYSTEM IN THE MUNICIPALITIES OF LUNA AND BALAOAN, BOTH IN THE PROVINCE OF LA UNION.

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 Act Numbered Thirty-six hundred and thirty-six, as amended by Commonwealth Act Numbered One hundred and thirty-two, and to the provisions of the Constitution, there is granted to the V. B. Flores Electric Light, Inc., for a period of fifty years from the approval of this Act, the right, privilege and authority to construct, 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 limits of the municipalities of Luna and Balaoan, both in the Province of La Union.

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

SEC. 3. The said V. B. Flores Electric Light, Inc., shall neither lease, transfer, grant the usufruct of, sell or assign this franchise to any person, firm, company, corporation or other commercial or legal entity, nor merge with any other company or corporation organized for the same purpose without first securing the approval of the Congress of the Philippines. Any corporation to which this franchise may be sold, transferred or assigned shall be subject to the corporation laws of the Philippines now existing or which may hereafter be enacted, and any person, firm, company, corporation or other commercial or legal entity to which this franchise is sold, transferred or assigned shall be subject to all the conditions, terms, restrictions and limitations of the franchise as fully and completely and to the same extent as if the franchise, had been originally granted to the said person, firm, company, corporation or other commercial or legal entity.

SEC. 4. In consideration of the franchise and rights hereby granted, the grantee shall pay into the Treasury of the Philippines a franchise tax equal to two per centum of the gross earnings for electric current sold under this franchise.

SEC. 5. 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 this franchise and will turn over to the Government all serviceable equipment therein, at cost, less reasonable depreciation.