



REPUBLIC OF THE PHILIPPINES
PROVINCE OF PANGASINAN
Lingayen

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OFFICE OF THE SANGGUNIANG PANLALAWIGAN SECRETARY

Introduced by SP Members Von Mark R. Mendoza, December 11, 1998
Arthel B. Caronongan and
Dionisio A. Villar, Jr.

C E R T I F I C A T I O N

TO WHOM IT MAY CONCERN:

THIS IS TO CERTIFY that at the regular session duly constituted of the Sangguniang Panlalawigan, Province of Pangasinan, held on December 11, 1998 at Lingayen, Pangasinan, the following resolution was approved:

PROVINCIAL ORDINANCE NO. 77-98

AN ORDINANCE GRANTING A NON-EXCLUSIVE FRANCHISE TO URBAN SATELLITE VISION, INC. (USATV) TO INSTALL, OPERATE AND MAINTAIN A CABLE TV SYSTEM IN THE MUNICIPALITY OF LINGAYEN, PROVINCE OF PANGASINAN AND FOR OTHER PURPOSES

Be it enacted by the Sangguniang Panlalawigan in session assembled, in accordance with Section 468 of the Local Government Code of 1991 and the Pangasinan Franchising Ordinance of 1993, that:

SECTION 1. For a period of fifteen (15) years from the approval of the Ordinance, Urban Satellite Vision, Inc. (USATV) with corporate address at Dagupan City is hereby granted the non-exclusive right, privilege and authority to install, operate and maintain a cable television system (CATV) in the Municipality of Lingayen, Province of Pangasinan, subject to the following terms and conditions, to wit:

- a) GRANTEE shall, within ten (10) days from the receipt of this franchise ordinance, file with the Sangguniang Panlalawigan a written acceptance of all terms and conditions of said franchise;
- b) Before actual installation and operation, GRANTEE shall secure a certificate/authority to install and operate a CATV system in the Municipality of Lingayen from the National Telecommunications



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Commission (NTC), and within fifteen (15) days after said certification/authority is obtained, GRANTEE shall deposit with the Provincial Treasurer a performance bond in cash or manager's check, to guarantee of performance of the installation works required of the GRANTEE under this franchise and by the NTC, as well as to answer for all possible losses, damages, destruction of property or properties of the municipality/province and/or any private person arising from misdemeanor, negligence and/or fault of the employees of the GRANTEE. Such performance bond is redeemable by the GRANTEE after 3 months from the date a certification of its performance efficiency shall have been issued by the NTC;

- c) GRANTEE shall secure the necessary permit and license for its equipment and facilities and shall at all times operate the system through a duly-licensed Electronics and Communications Engineer (ECE); its operation shall be subject at all times to the regulatory and visitorial powers of the Provincial Government and the NTC;
- d) GRANTEE shall be responsible for insuring that its system is designed, installed and operated in a manner that fully complies with the technical standards set forth in the Memorandum Circular No. 4-08-88 of the NTC, entitled "Revised Rules and Regulations Governing Cable Television System in the Philippines";
- e) The CATV service of GRANTEE shall provide, as necessity requires, but not limited to the following services:
 - 1. Very high frequency and ultra-high frequency, as well as sub-very high frequency channels for distribution by cables;
 - 2. Locally-originated channels from GRANTEE or as broadcast by local television channels or repeater television channels;
 - 3. Background music facilities for commercial and industrial establishments;
 - 4. Special pay-by-programs channel or channels;
 - 5. Other communication facsimile reproduction and program facilities as may be feasible;



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6. Free TV time allotted to the Provincial Government to cover vital community programs and activities and to convey significant news and information;
- f) The community antenna and the truck cable from the community antenna to the main service area of the municipality shall be installed and made operative within ninety (90) days from the date the GRANTEE secure its certificate/authority from the NTC to install its facilities;
- g) Right of way is granted herein to GRANTEE in pursuit of this franchise subject to existing laws; provided, that GRANTEE shall enter into an agreement with the Central Pangasinan Electric Cooperative, Inc. (CENPELCO) and/or other companies or firms with existing poles for cable attachment/installation and maintenance;

Excavation and other works in public places such as highways and public streets shall be governed by law, local ordinance, the Department of Public Highways' Memorandum-Circular dated October 30, 1961, and regulations of the NTC;

- h) GRANTEE undertakes to deliver to residential, commercial and industrial subscribers within the Municipality of Lingayen the services mentioned in paragraph (e) of this ordinance and to collect the following rates:
 1. a) Service Connection Charge in the sum ofP1,500.00
 - b) Monthly Subscription Fee/Charge in the sum ofP250.00
 - c) Additional P50.00 will be charged for each additional TV set.
2. GRANTEE is given authority to increase the connection fees and monthly rates on the second year of its operation and thereafter at a rate not to exceed 7% of the rates herein above fixed, annually; provided, that its increased rates shall be submitted to the Sangguniang Panlalawigan and the NTC for their information and the new rates shall be posted by the GRANTEE in public places at least 60 days prior to their effectivity;



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- i) In case of interruption originating from or caused by GRANTEE'S facilities, the affected subscribers are entitled to a rebate on their monthly subscription fee corresponding to the number of days that service was interrupted;
- j) In no case can the GRANTEE increase its rates to more than the allowable 7% increase, except upon prior amendment of this ordinance by the Sangguniang Panlalawigan; neither can the GRANTEE charge reduced rates without first obtaining permit or authority from the NTC;
- k) GRANTEE'S operation shall cover the following barangays of Lingayen within the periods specified or earlier, to wit: (Still to be submitted by the Applicant)

FIRST YEAR

SECOND YEAR

THIRD YEAR

FOURTH YEAR

FIFTH YEAR

- l) GRANTEE shall maintain at its local office a current listing of the cable television channels which its system delivers to the subscribers, and the station/s where the signals are delivered on each channel, and shall specify for subscribers the minimum visual signal level it maintains on its channel under normal operating conditions;
- m) GRANTEE shall provide, free of charge, a minimum of 45 hours per month time or access channel thru its CATV facilities to the government, national and local, to enable it to reach the population on important public issues and development programs, assist government in public information and education conform to the ethics of lowest enterprises and shall not use its station for the telecasting of obscene and indecent language, speech or act or for the dissemination of



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deliberately false information of willful misrepresentation, or do any such act to the detriment of public welfare, health and morality or to incite, encourage or assist in any treasonous, rebellious or subversive acts/omissions;

- n) Special right is reserved to the government in times of war, rebellion, public peril, or other national emergency, when public safety or interest so requires, to cause the closing of said station or to authorize the use and operation thereof by any agency of the government without compensation to the GRANTEE for the use of said station during the continuance of the national emergency;
- o) GRANTEE shall comply with the provision of the Social Security Act, Labor and Social Legislation Laws in its personnel administration;
- p) GRANTEE shall conduct complete performance tests of its system at least once a year and results thereof shall be made available for inspection by the NTC and the Sangguniang Panlalawigan on request. The performance test shall be directed at determining the extent to which the system complies with all the technical standards of the NTC;
- q) GRANTEE shall not lease, transfer, sell or assign this franchise or any right or privilege acquired hereunder, to any person or firm organized for the same purpose, without the prior approval of NTC and the Sangguniang Panlalawigan;
- r) The GRANTEE shall pay the Provincial Government of Pangasinan a franchise tax of ONE-TWENTIETH (1/20) OF ONE PERCENT (1%) of its capital investment effective upon approval of this Ordinance; and in the succeeding calendar years, the franchise tax of FIFTY PERCENT (50%) OF ONE PERCENT (1%) of the gross receipt of the preceding year payable on or before the 20th day of January or of its subsequent quarter as the case may be, if paid by installments. Except for the foregoing and the real estate tax on its land and building, the GRANTEE shall be subject to no other tax. GRANTEE'S posts, lines, apparatus, equipment and the systems facilities are exempt from the real estate tax;



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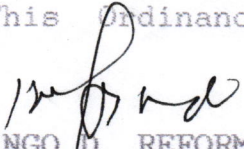
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- s) GRANTEE shall hold the Provincial Government of Pangasinan free from any action or liability, whatsoever arising from any claim by its personnel or by any third party or damages, losses, destruction of property arising from its operations;
- t) Fraud, deceit or illegal machinations in the use of substandard materials for the operation of the system, upon verified report of agents of the NTC the Provincial government, shall be a cause for cancellation or revocation of this franchise;
- u) In case of serious violations by the GRANTEE of the terms and condition of this franchise or the standards and regulations or the NTC, the Sangguniang Panlalawigan, by a vote of at least two-thirds (2/3) of its membership, may cancel or revoke this franchise with the right to claim consequential damages;

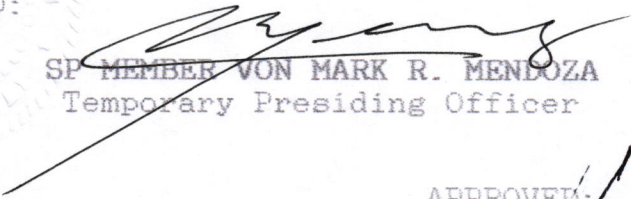
SECTION 2. This franchise is granted upon the condition that it shall be subject to amendment, alteration or repeal with the Sangguniang Panlalawigan conformably with the exercise of police power when so required by the public interest;

SECTION 3. Separability Clause. If any section or provisions of this Ordinance is held or declared to be unconstitutional or invalid by a competent court in a final judgement, the other sections or provisions hereof shall continue to be in force and effect as of the section of provisions so annulled or void had never been incorporated in this ordinance.

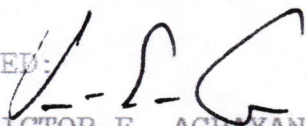
SECTION 4. EFFECTIVITY. This Ordinance shall take effect upon its approval.


DOMINGO D. REFORMADO
Secretary to the Sanggunian

ATTESTED:


SP MEMBER VON MARK R. MENDOZA
Temporary Presiding Officer

APPROVED:


VICTOR E. AGBAYANI
Governor