



Republic of the Philippines
PROVINCE OF PANGASINAN
Lingayen
—o0o—

OFFICE OF THE SANGGUNIANG PANLALAWIGAN SECRETARY

Introduced by SP Member Juan Ll. Amor

August 26, 1994

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 August 26, 1994, at Lingayen, Pangasinan, the following Provincial Ordinance was approved:

PROVINCIAL ORDINANCE NO. 40

AN ORDINANCE AMENDING SECTIONS 6 AND 13 OF PROVINCIAL ORDINANCE NO. 18, SERIES OF 1992 ENTITLED GRANTING A PROVINCIAL FRANCHISE TO DIGITAL TELECOMMUNICATIONS PHILIPPINES, INC. (DIGITEL) TO INSTALL, MAINTAIN AND OPERATE A TELEPHONE SYSTEM IN THE ENTIRE PROVINCE OF PANGASINAN AND FOR OTHER PURPOSES

Be it enacted by the Sangguniang Panlalawigan in session assembled that:

SECTION 1. For a period of twenty-five (25) years from the approval of this Ordinance, applicant Digital Telecommunications Philippines, Inc. (DIGITEL), its successors or assigns is hereby granted the right, privilege and authority to install, maintain and operate a telephone system in the Province of Pangasinan, and in pursuit thereof is authorized to install, maintain and operate such telecommunications lines, poles, cables, apparatus and accessories needed for the provision of said telecommunications services, on over, or under the public roads, government right-of-ways, land bridges, rivers, waters, streets, lanes and sidewalks of this Province, and to install, construct, maintain and operate such telecommunications facilities required or needed for the purpose of connecting its telecommunications system with those of other telecommunications systems operated by other domestic and international service providers within the Philippines and to connect and keep connected its telecommunications systems for the interconnection of telecommunications services in the Philippines and other countries, PROVIDED, HOWEVER, that all telecommunications apparatus installed or used by the grantee, its successors and assigns, shall be located in places approved by the National Telecommunications Commission (NTC), and PROVIDED, FURTHER, that upon reasonable notice by the Sangguniang Panlalawigan and consent of the NTC, the grantee may be required at its own cost to relocate its telecommunication line so as to permit access to or between buildings or other structures and to relocate telecommunication line, conduits, poles, and to raise or remove lines when the public interest so requires; PROVIDED, FINALLY, that from any order to relocate telecommunication lines, the said grantee, its successors or assigns, shall have the right of appeal to the Secretary of Transportation and Communications whose decision on the matter shall be final;



Republic of the Philippines
PROVINCE OF PANGASINAN
Lingayen
—o0o—

OFFICE OF THE SANGGUNIANG PANLALAWIGAN SECRETARY

- 2 -

Should the grantee fail, refuse or neglect within a period of ninety (90) days after notice to relocate its telecommunication lines when so directed by this Sangguniang Panlalawigan, then the Provincial Governor may relocate or cause to be relocated said telecommunication lines at the expense of the grantee, its successors or assigns; PROVIDED, that said NTC shall give its consent to such relocation and the installation of all telecommunication lines and construction work shall be done in accordance with his prescribed rules and regulations; PROVIDED, FURTHER, that the poles erected, and telecommunication lines installed by virtue of this franchise shall be so placed as not to impair the efficient and effective transmission of messages or signals by any other company whose poles are erected and whose telecommunication lines are installed by virtue of any other franchise; and PROVIDED, FINALLY, that any poles erected by the grantee shall be of such height as to maintain any telecommunication lines attached to it at a height of at least ten (10) feet above the level of the ground providing a height of at least fifteen (15) feet in crossing roads or streets, and shall be placed so as not to be a danger to the public safety;

SECTION 2. The grantee, DIGITEL, shall install, construct, maintain, and operate public calling stations in strategic locations in the municipalities of this Province, to end that the said municipalities shall be interconnected with technology capable of voice and/or data transmission, pursuant to Republic Act No. 6849, and for this purpose, the grantee is authorized to install, maintain, construct and operate in the said municipalities, all the necessary appliances, apparatus, facilities and equipment, for the efficient functioning of said public calling stations in the municipalities of this Province, as the grantee may strategically locate them; PROVIDED, that this shall be subject to the grant of a Certificate of Public Convenience and Necessity (CPCN) by the National Telecommunications Commission (NTC) upon finding that the grantee, DIGITEL, is technically and financially capable of complying with all the requirements of public service for said public stations;

SECTION 3. The grantee, DIGITEL, may install, construct, maintain and operate, such cable and/or radio telecommunications systems as may now be known to science or any other types or types of telecommunications systems which may in the future be developed, to provide telephone services including mobile services within this Province, and interconnect them to other municipalities, cities and provinces in the Philippines and ships at sea, aircraft in the air and the telecommunications systems of other countries; PROVIDED, FURTHER, that the National Telecommunications Commission (NTC) shall have the authority to supervise and regulate the installation or operate and maintenance of such cable, radio or other telecommunications systems;

SECTION 4. For the purpose of installing and maintaining its telecommunications lines and facilities, the grantee may, with the approval of the Office of the Governor, make excavations or lay conduits in any public places, highways, streets, lanes, alleys, avenues, sidewalks, bridges, or other public places within the Province; PROVIDED, that all



Republic of the Philippines
PROVINCE OF PANGASINAN
Lingayen
—o0o—

OFFICE OF THE SANGGUNIAN PANLALAWIGAN SECRETARY

- 3 -

all the necessary repairs and replacement shall be done in a workmanlike manner by the grantee. Should the grantee fail, refuse or neglect, after place or road or bridge, highway street, lane, alley, avenue, sidewalk or public place altered, changed or disturbed by the grantee, then the Office of the Governor shall have the same repaired and/or restored in as good a condition as it was prior to the commencement of the installation or maintenance work by the grantee, at the expense of the grantee;

SECTION 5. Eminent Domain. The grantee may acquire such private property as is actually necessary for the realization of the purposes for which this franchise is granted provided that the proper condemnation proceedings shall have been instituted and just compensation paid;

SECTION 6. The GRANTEE shall:

A) Be liable to pay the same taxes on his real estate, buildings, personal property, exclusive of the franchise, as other persons or corporation are now or hereafter may be required by law to pay;

B) Pay to the Provincial Treasurer of Pangasinan or his duly authorized representative each year, within ten (10) days after the audit and approval of the accounts as prescribed in the Ordinance, a Franchise Tax of 1/20th of 1% of the total capital investment for the 1st year of its operation and thereafter, fifty percent of 1% of the gross receipts realized during the preceding calendar year;

SECTION 7. The grantee shall, within thirty (30) days from date of approval of this Ordinance, deposit with the Provincial Treasurer of this Province the sum of TEN THOUSAND PESOS (P10,000.00) as a sign of its good faith in applying for this franchise. Within six (6) months from date of approval of this Ordinance, the grantee shall make a second deposit of FORTY THOUSAND PESOS (P40,000.00), which together with the first deposit shall be retained by the Provincial Treasurer as security for the compliance by the grantee of the approval plan referred to in the succeeding section. If the second deposit of P40,000.00 is not made within the 6-month period mentioned, then the first deposit of P10,000.00, the work is not commenced and accomplished in accordance with the approved plan, both deposits, upon resolution of the Sangguniang Panlalawigan may be forfeited in favor of the Province as liquidated damages;

SECTION 8. Within six (6) months after the issuance by the NTC of the requisite certificate that the grantee, DIGITEL, is technically and financially capable of complying with the requirements of public service, the grantee shall commence the work contemplated under this franchise in accordance with the plans and specifications as approved by the said NTC and shall complete the installation and start operation within the specified time-frame that the NTC may impose upon the grantee;



Republic of the Philippines
PROVINCE OF PANGASINAN
Lingayen
—o0o—

OFFICE OF THE SANGGUNIANG PANLALAWIGAN SECRETARY

- 4 -

SECTION 9. In case of violation of the terms and conditions of this franchise, the Sangguniang Panlalawigan shall grant the grantee a period of not less than sixty (60) days to cure the violation;

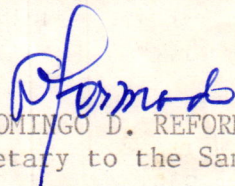
SECTION 10. This franchise is granted upon the condition that it shall be subject to amendment, alteration or repeal by the Sangguniang Panlalawigan when so required by the public interest and shall not be interpreted as an exclusive grant of the privilege herein provided for;

SECTION 11. The rates chargeable by the grantee for telephone service shall be subject to regulation by the National Telecommunications Commission in accordance with the laws and rules applicable thereto;

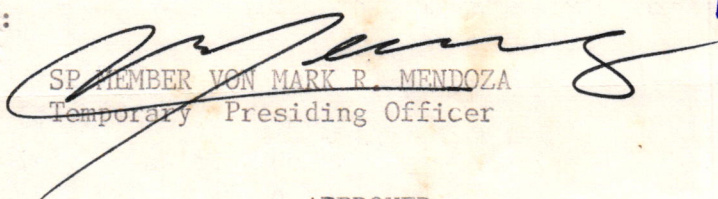
SECTION 12. A special right is hereby reserved to the President of the Philippines in time of war, insurrection, public peril, calamity of disaster to cause the closing of the facilities or to authorize the temporary use or possession thereof by any department of the Government, upon payment of just compensation;

SECTION 13. This Ordinance shall take effect upon compliance of the requirements of posting and upon acceptance thereof by the franchisee, DIGITAL Telecommunications Philippines, Inc. (DIGITEL), thru a written conforme submitted to the Sangguniang Panlalawigan within 15 days from receipt of a copy thereof.

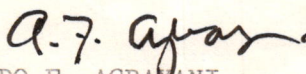
Failure to submit the written conforme on the part of the Franchisee, shall have the effect of automatic revocation and rejection of this franchise.


DOMINGO D. REFORMADO
Secretary to the Sanggunian

ATTESTED:


SP MEMBER VON MARK R. MENDOZA
Temporary Presiding Officer

APPROVED:


AGUEDO F. AGBATANI
Governor *7/5*