

RESOLUTION NO. 099 Series of 2018

(Re: ACCREDITATION OF FRATELLI TECH & LOGISTICS, INC. AS
TRANSPORTATION NETWORK COMPANY)

WHEREAS, pursuant to Memorandum Circular No. 2015-015-A (Re: Rules and Regulations to Govern the Accreditation of Transportation Network Companies) a Pre-Accreditation Committee was created to evaluate all applications for Transportation Network Company (TNC) accreditation filed before the LTFRB and recommend to the Board, its approval or disapproval;

WHEREAS, on December 20, 2018, the Committee conducted its evaluation of the documents submitted by Fratelli Tech & Logistics, Inc. ("Fratelli" for brevity);

WHEREAS, during the scheduled evaluation, the Committee found that Fratelli failed to file a Verified Application for TNC accreditation sufficient in form and substance;

WHEREAS, upon further evaluation, the Committee observed the following:

- a) Fratelli failed to submit original copies of its Certificate of Incorporation issued by the Securities and Exchange Commission (SEC) and Articles of Incorporation and By-Laws;
- b) Fratelli submitted Certificate of Registration and Tax Exemption (CRTE) and a Certification, both issued by Subic Bay Metropolitan Authority instead of a Business Permit issued by the Local Government Unit where its principal place of business is located;
- c) Fratelli's Audited Financial Statement was not stamped received by the SEC;

WHEREAS, the Committee observed that in the No. 1 *Introduction* of applicant's Terms of Service for Passengers and TNVS Operators, the applicant expressly declared that:

"f. The company is a technology company that does not provide or engage in transportation services and **the company is not a transportation provider**. The software or the application is intended to be used for facilitating drivers or vehicle owners to offer their transportation services to passengers"

(Emphasis ours.)

WHEREAS, pursuant to Item I. *Scope of Application* of MC No. 2015-015-A, "A Transportation Network Company (TNC) as defined under Department Order No. 2015-011, shall mean as an "organization whether a corporation, partnership, or sole proprietor, that provides pre-arranged transportation services for compensation using an internet-based technology application or digital platform technology to connect passengers with drivers using their personal vehicles", **hence treated as a transport provider.**"

NOW THEREFORE, premises considered, the Committee resolves to DIRECT applicant Fratelli Tech & Logistics, Inc. to SUBMIT within Fifteen (15) days from receipt of this Resolution the following supporting documents:

- a.) Verified Application;
- b.) Business Permit issued by the Local Government Unit where its principal place of business is located;
- c.) Audited or Interim Financial Statement stamped received by the SEC as proof of applicant's financial capability.

Applicant is further directed to FILE its Position Paper within Fifteen (15) days from receipt of this Resolution, on the issue:

- a.) The company does not provide transport services.

Failure to submit/comply within the period specified herein, the Committee shall be constrained to treat the same as a withdrawal of the application with forfeiture of any payments paid by the applicant to the LTFRB.

APPROVED AND SIGNED by the undersigned Chairman and Members of the Pre-Accreditation Committee, this 20th day of December 2018 at Quezon City, Philippines.


ATTY SAMUEL A.M. JARDIN
Chairman

ATTY ZONA RUSSET M. TAMAYO
Member


ATTY. CARL SHA JEMIMAH F. MARBELLA
Member


NIDA P. QUIBIC
Member


JOEL J. BOLANO
Member