

REPUBLIC OF THE PHILIPPINES
Department of Transportation and Communications
LAND TRANSPORTATION FRANCHISING AND REGULATORY BOARD
East Avenue, Quezon City

MEMORANDUM CIRCULAR NO. 87-0005

DATE : 03 September 1987
SUBJECT : Prohibition of Unit substitution within
one (1) year period after CPC grant.

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The Board pursuant to its power as provided for in Executive Order No. 202, requires operators to provide safe, adequate and efficient public service and allows operators to substitute their units that are no longer fit for public service. However, it has been observed that petitions of this nature increased significantly to the point of arousing the suspicion of the Board as to the motive of the petitioners.

In view of the foregoing, the Board hereby prohibits petition/application for substitution if filed within one (1) year from the date of the granting of the Certificate of Public Convenience except for the following causes:

1. The unit or vehicle to be substituted is wrecked by accident and is beyond repair;
2. The unit or vehicle to be substituted is destroyed by fire or other natural disaster beyond the operator's control and is beyond repair; and
3. The unit or vehicle to be substituted has been stolen, and not recovered. The loss by the commission of a crime must be proven at a hearing.

This Memorandum supersedes all other memoranda regarding substitution of units and shall take effect immediately.

Quezon City, Philippines, September 03, 1987.

Remedios A. Salazar-Fernando
REMEDIOS A. SALAZAR-FERNANDO
Chairman

Juan L. Kilayko
JUAN L. KILAYKO
Board Member

Dante M. Lantín
DANTE M. LANTIN
Board Member