



**MEMORANDUM CIRCULAR**  
**NUMBER 2004-029**

**Subject: AMENDING PARAGRAPH B OF MEMORANDUM CIRCULAR NUMBER 2002-015 (RE: POLICY GUIDELINES FOR ALL TRANSPORT COOPERATIVES TRANSACTING BUSINESS WITH LTFRB)**

On 31 July 2002, the Board promulgated Memorandum Circular No. 2002-015 (Re: Policy Guidelines For All Transport Cooperatives Transacting Business With LTFRB), laying down therein the guidelines that should be observed by transport cooperatives when transacting with this Board. Despite the same, the Board still receives complaints regarding intra-cooperative disputes, particularly on the issue of dropping and substitution of unit/s.

In view thereof and after a careful evaluation of said MC No. 2002-015, the Board hereby amends Paragraph B of the said Circular to read as follows:

**"b) Where there is involuntary dropping of unit, the cooperative shall submit the following documents, in addition to other existing requirements:**

- b.1) Board Resolution approving the involuntary dropping of the unit;
- b.2) Board Resolution authorizing the official to represent the Cooperative in the Petition;
- b.3) Indorsement of the Office of Transport Cooperative conforming to the involuntary dropping.

In case the member whose unit sought to be dropped refuses to surrender the LTO issued yellow plates, the Board shall issue a Subpoena to such member to appear and explain to the Board his/her refusal to surrender the yellow plates. If the member fails to appear with proof of service to him/her for three (3) consecutive hearings, the Board shall order the law enforcement agencies to apprehend the unit concerned and confiscate the yellow plates and submit the same to this Board including contempt of Board at the sole discretion of the Board."

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Republic of Philippines  
Department of Transportation & Communications  
**LAND TRANSPORTATION FRANCHISING & REGULATORY BOARD**

All other issuances or parts hereof which are inconsistent herewith, are therefore modified or superseded accordingly.

This Circular shall take effect fifteen (15) days following the filing of three (3) copies hereof with the UP Law Center, pursuant to Presidential Memorandum Circular No. 11, dated 09 October 1992.

**SO ORDERED.**

Quezon City, Philippines. **SEP 30 2004**

  
MARIA ELENA H. BAUTISTA  
Chairperson

~~FELIX S. RACADIO  
Board Member~~

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