



MEMORANDUM CIRCULAR
NUMBER 2006-024

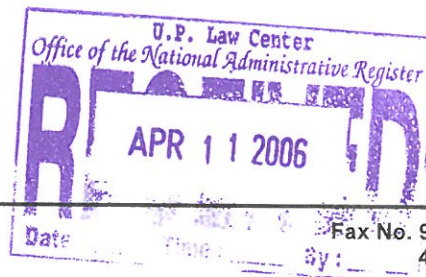
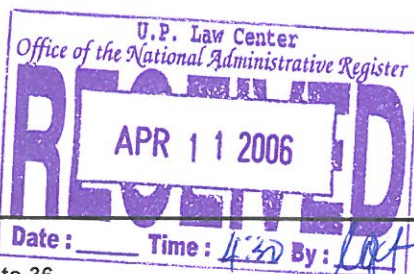
SUBJECT: VOLUNTARY SEGREGATION PROGRAM FOR PUBLIC UTILITY BUSES

In line with the policy of the Board to eradicate the harmful and unlawful trade of clandestine Public Utility Bus (PUB) operators by operating under an arrangement, commonly known as the "kabit system", this Board resolved that Public Utility Buses shall be covered by the voluntary segregation program, but with separate segregation fees per unit declared from both parties aside from the usual fees and charges of the Board:

First Party	-	P 25,000.00
Second Party	-	P 50,000.00

The guidelines as set forth under Memorandum Circular 2006-005, Re: VOLUNTARY SEGREGATION OF AUTHORITY TO OPERATE A UNIT FROM A CERTIFICATE OF PUBLIC CONVENIENCE and Memorandum Circular 2006-013, Re: MODIFYING AND AMENDING CERTAIN PROVISIONS OF MC 2006-005, shall be applicable insofar as they are not inconsistent herewith.

For Metro Manila operators, in compliance with Memorandum Order No. 202, Re: PROVIDING NEW GUIDELINES ON THE OPERATIONS OF BUSES AS PUBLIC TRANSPORTATION IN METROPOLITAN MANILA, dated November 24, 1988, Sec. 1 (B) thereof, which requires operators to have at least 10 units, applicants with less than ten (10) units after approval of segregation, are given 60 days to cooperate themselves subject to rules and regulations of Office of Transport Cooperative (OTC) and Cooperative Development Authority (CDA) or to form a consortium to comply with said minimum requirement.





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

This Memorandum Circular supersedes any and all issuances inconsistent herewith and shall take effect fifteen (15) days after publication in a newspaper of general circulation or in Official Gazette.

SO ORDERED.

Quezon City, Philippines. APR 10 2006


MARIA ELENA H. BAUTISTA
Chairperson

GERARDO A. PINILI
Board Member


MA. ELLEN DIRIGE-CABATU
Board Member