

**[LTFRB MEMORANDUM CIRCULAR NO. 2000-010,
March 31, 2000]**

**AMENDING MEMORANDUM CIRCULAR NO. 99-011 (PASSENGER
ACCIDENT INSURANCE REQUIREMENT FOR PUV OPERATORS)**

This Board issued Memorandum Circular No. 99-011 on the Passenger Accident Insurance Requirement for PUV operators dated June 22, 1999, the sixth and eight paragraphs of which read as follows:

"Furthermore, to ensure public safety along our roads and considering that accidents can happen any time, all passenger public utility operators are hereby directed to submit proof of compliance of this Memorandum Circular under oath, by attaching thereto a copy of the insurance policy or proof of coverage, specifying therein the LTO license plates, the motor and chassis numbers of the unit/s covered, case number of the decision granting the franchise and the type of service offered or franchise held, within sixty (60) days from the effectivity of this Order.

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In case of failure to secure said insurance policy/coverage within the period provided for above, the certificate of public convenience of the PUV operators shall be suspended until the operator complies with this circular. If after the lapse of fifteen (15) days from the initial date of suspension, and the operator still has not submitted any proof of compliance, the penalty imposable shall be cancellation of the certificate of public convenience issued to the operator concerned".

During the implementation of this circular, truck-for-hire operators, through their association, requested that they be exempted from the circular as they do not carry passengers.

After further and careful deliberation on the matter, this Board hereby deletes the entire paragraphs six and eight of said Memorandum Circular No. 99-011. Likewise, truck-for-hire operators are exempted from securing Passenger Accident Insurance Coverage. Provided, however, that TH operators using Asian Utility Vehicles (AUVs) to carry both cargo and passengers (e.g. those based in NAIA) shall still be covered by this Memorandum Circular.

To ensure accident insurance coverage for passengers at all times, for hire vehicles must be covered by this insurance policy from the issuance of Certificate of Public Convenience. Pursuant hereto, no decisions, orders and/or confirmations shall be released to those concerned public utility vehicle operators without presenting proof of compliance to this Memorandum Circular, i.e., Certificate of Cover duly approved by the Insurance Commission and issued by an insurance company accredited by the Insurance Commission specifically for this purpose. The coverage could either be