

**[ MIA MEMORANDUM CIRCULAR NO. 22, August 25, 1980 ]**

**GUIDELINES ON THE CHARTERING OF VESSELS UNDER PD 760/866 BEYOND THE AGE LIMITS SPECIFIED IN MEMORANDUM CIRCULAR NOS. 17, 20, 21, AND 21-A**

In the interest of the national economy, Memorandum Circulars No. 17 dated 20 September 1978, No. 20 dated 4 September 1979, No. 21 as amended by No. 21-A dated 12 September 1979 and 27 June 1980, respectively, are hereby amended so as to allow the chartering of vessels under PD 760/866 beyond the age limits specified under said Memorandum Circulars provided:

1. All other requirements under Memorandum Circular Nos. 17, 20, 21, and 21-A shall have been complied with;
2. The charter party shall be for a period of not more than two years, subject to renewal in accordance with item 3 below;
3. No same vessel shall be chartered for a total of more than four (4) years in the case of cargo and passenger vessels, or five (5) years in the case of fishing vessels, irrespective of whether or not;
  - a. the charterer is the same company, or
  - b. the charter period is continuous.
4. The relevant charter party shall not contain an option on the part of the charterer to purchase the overaged vessel, unless the said vessel is sold for scrapping purposes. Actual scrapping shall be done within a reasonable period after the sale;
5. The charterer owns at least twice the gross tonnage and number of vessel/s proposed for charter; and
6. The charter party shall contain provision that the government has the right to preterminate the charter party on two months advance notice on the ground that the vessel is deemed unseaworthy by the Philippine Coast Guard or by any accredited classification society.

Violations of the terms and conditions stipulated in the approval of a charter party and the guidelines prescribed herein, will warrant the revocation of the authority to charter by the MARINA and the consequent pretermination of the charter party.

Unless otherwise inconsistent with this Circular, Memorandum Circular Nos. 17, 20, 21 and 21-A shall remain in full force and effect.

This Circular shall take effect immediately.