

## MEMORANDUM CIRCULAR NO. 112

**TO : ALL OWNERS/OPERATORS OF INTER-ISLAND LINER VESSELS AND ALL CONCERNED**

**SUBJECT : POLICY GUIDELINES ON THE REFUND/REVALIDATION OF PASSENGER TICKETS FOR INTER-ISLAND VESSELS, DECORUM OF THE CARRIER AND ITS EMPLOYEES, AND DELAYED AND UNFINISHED VOYAGE**

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In line with the Government's intensified program to upgrade the existing inter-island shipping services, the Maritime Industry Authority Board in its MEETING on 23 NOV. 1995 has approved and promulgated the following policy guidelines to ensure the protection of the public against unreasonable and unwarranted charges, and poor and inefficient service.

### **I. OBJECTIVE**

This Circular serves to provide a consolidated policy guidelines intended to promote uniform rules and regulations on refund/revalidation of passenger tickets for inter-island liner vessels, decorum of the carrier and its employees, and delayed and unfinished voyage.

### **II. COVERAGE**

This circular shall apply to all persons, corporations, firms and entities engaged in the operation of a domestic water transportation service, commercial or public use, involving the carriage of passengers between and among the various ports and places in the Philippines.

### **III. DEFINITIONS**

For purposes of this Circular, the following terms and phrases shall have the meaning as herein below indicated:

1. **Liner Service** – the operation of domestic water transportation which publicly offers its services without discrimination to any user, have regular ports of call/destination and have fixed sailing schedules and frequency.
2. **Contract of Carriage/ticket** – is one whereby a certain person or association of persons obligate themselves to transport persons or things from one place to another for a fixed price.

3. **Carrier** – person, corporation, firm or association who undertakes to transport persons or things indiscriminately from one place to another, for compensation.
4. **Vessel** – a means of transportation on water engaged in the business of carrying or transporting passengers or goods and is offering its services to the public.
5. **Refund** – the amount as reflected in the ticket paid back to the owner of said ticket who is not able to board the particular vessel bound to his/her destination.
6. **Revalidation** – the accreditation of the ticket that is not used and intended to be used for another voyage.
7. **Non-Transferability** – only the person whose name appears in the ticket can solely use the said ticket for a particular voyage and can not be conveyed to another.
8. **Sailing Schedule** – the vessel's time of departure and arrival as provided for in the authority to operate, i.e., CPC/PA/SP.
9. **Decorum** – propriety and decency of words, dress and conduct of the carrier and its employees.
10. **Delayed Voyage** – late departure of the vessel from its port of origin and/or late arrival of the vessel to its port of destination.
11. **Unfinished Voyage** – failure of the vessel to reach its port of destination.
12. **Unreasonable Delay** – the period of time that has lapsed without just cause and is solely attributable to the carrier which has prejudiced the transportation of passengers and/or cargoes to their port of destination.
13. **Fortuitous Event** – occurrence by chance without cause or relation or without human intention.
14. **Mealtime** – is a period where meals shall be served on board vessels between 0600 and 2200 hours, specifically:

Breakfast	-	0600-0800
Lunch	-	1100-1300
Supper	-	1800-2000

#### IV. POLICY GUIDELINES

##### A. GENERAL

1. The carrier is bound to carry the passenger safely as far as human care and foresight can provide, using the utmost diligence of a very cautious person, with a due regard for all the circumstances. It is not enough that the carrier shall exercise ordinary diligence or the diligence of a good father of a family, but must render service with the greatest skill and utmost foresight.
2. The carrier shall provide ticket outlet(s)/booking office(s) in all ports of call of the vessel
3. The carrier shall observe a ‘NO TICKET, NO BOARDING’ policy at all times.

##### B. SPECIFIC

###### 1. REFUND/REVALIDATION

###### 1.1 Refund of Tickets

###### Assessment

- |   |  |
|---|--|
| a) More than twenty-four (24) hours before vessel departure | Less P 10.00                                 |
| b) Within twenty-four (24) hours before vessel departure    | Less P10% Surcharge but not less than P10.00 |
| c) After vessel departure                                   | Less 20% Surcharge                           |

###### 1.2 Revalidation of Tickets

###### Assessment

- |                            |                             |
|----------------------------|-----------------------------|
| a) Before vessel departure | Less P 10.00 Service Charge |
| b) After vessel departure  | Less 10% Surcharge          |

- 1.3 In case the vessel is not able to depart on time and the delay is unreasonable, the passenger may opt to have his/her ticket immediately refunded without any refund service fee from the authorized issuing/ticketing Office.

- 1.4 No surcharge shall be collected in case of change of name, if the ticket is presented before the departure date.
- 1.5 The ticket is non-transferable and shall not be used by any person other than the passenger named therein.
- 1.6 The ticket is valid only on the particular voyage indicated therein and shall not be honored if used in any other voyage.
- 1.7 No refund shall be made on lost tickets.
- 1.8 The conditions above set forth shall be imprinted at the back of the ticket for information of the passengers.

## 2. DECORUM OF THE CARRIER AND ITS EMPLOYEES

- 2.1. Passengers do not contract merely for transportation. They have a right to be treated by the carrier and its employees with kindness, respect, courtesy and due consideration. They are entitled to be protected against personal conduct, in injurious language, indignities and abuses from the said carrier and its employees. Any rude or discourteous conduct on the part of the carrier and/or its employees toward a passenger is a violation of this Circular.
- 2.2. Vessel's complements on duty shall at all times wear their respective uniform for easy identification. During embarkation and disembarkation, complements' concerned shall be strategically positioned in the vessel so as to be able to assist the passengers.
- 2.3. In order not to disrupt the free flow of traffic of passengers during disembarkation, a separate gang plunk shall be provided for porters who shall board vessels' to carry luggages/baggages of passengers.
- 2.4. The carrier shall collect/inspect passengers' tickets within one (1) hour from the vessel's departure so as not to disrupt the passengers who are either resting or sleeping.
- 2.5. The carrier shall not issue Cot on Board (COB) tickets to ensure that all passengers are provided the proper accommodation.

## 3. DELAYED AND UNFINISHED VOYAGE

- 3.1 In case the vessel can not continue or complete her voyage for any cause, the carrier is under obligation to transport the passenger to his/her destination at the expense of the carrier

including free meals and lodging before the said passenger is transported to his/her destination. A passenger may opt to have his/her ticket refunded in full if the cause of the unfinished voyage is due to the negligence of the carrier, or, to an amount that will suffice to defray transportation cost at the shortest possible route towards his/her destination if the cause of the unfinished voyage is a fortuitous event.

- 3.2 The carrier shall provide meals, free of charge, during meal time in case the vessel is delayed in the arrival at the port of destination.
- 3.3 In case of delay in the departure at the port of origin due to the carrier's negligence, the carrier is also under obligation to provide meals, free of charge, during meal time to ticketed passengers for the particular voyage. If the cause of the delay is a fortuitous event, the carrier is under no obligation to serve free meals to the passengers.
- 3.4 The carrier is under obligation to duly inform the passengers of the change in sailing schedule of the vessel(s).

## **V. DUE PROCESS AND HEARING**

1. For violations of this Circular, the Maritime Industry Authority or its Maritime Regional Offices shall investigate upon its own initiative or based on a written complaint or any other official report against a public service or operator and if warranted, a SHOW CAUSE ORDER shall be issued directing the respondent to explain in writing within a period provided for in the Show Cause Order why no administrative penalty or fine shall be imposed.
2. Notice and hearing shall be in accordance with the provisions of MARINA Memorandum Circular No. 74-A, series of 1995. The provisions of the Rules of Court shall be applied suppletorily to the provisions of Memorandum Circular No. 74-A.
3. Cases which involve violations of the Revised Penal Code shall be referred to the concerned Offices of the Prosecuting Service of the Government.
4. This Circular is without prejudice to the rights of the aggrieved passenger and/or any other proper party to ventilate their case(s) in the regular courts of law.

## **VI. PENALTIES/SANCTIONS**

Violations of any the provision(s) of this Circular shall be subject to the following fines and penalties, after due notice and hearing:

- |                     |   |  |
|---------------------|---|--|
| 1. First violation  | = | P 5,000.00 + warning                                   |
| 2. Second violation | = | 10,000.00 + suspension of<br>CPC/PA/SP                 |
| 3. Third violation  | = | 25,000.00 + cancellation or<br>revocation of CPC/PA/SP |

**VII. EFFECTIVITY**

This Memorandum Circular shall take effect on 01 January 1996 after its publication once in a newspaper of general circulation in the Philippines and in a newspaper of regional circulation.

Manila, Philippines, 15 December 1995.

BY AUTHORITY OF THE BOARD:

**PACIENCIO M. BALBON, JR.**  
Administrator

**SECRETARY'S CERTIFICATE**

This is to certify that Memorandum Circular No. 112 was approved in the meeting of the Maritime Industry Board held on 23 November 1995.

**EMERSON M. LORENZO**  
Deputy Corporate Board Secretary

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Submitted to the U.P. Law Center on 20 December 1995