

**[ REPUBLIC ACT NO. 5118, June 17, 1967 ]**

**AN ACT GRANTING ISLAND TRANSPORT COMPANY, INCORPORATED, A FRANCHISE TO ESTABLISH, MAINTAIN AND OPERATE A FERRY SERVICE FOR PASSENGERS AND FREIGHT VEHICLES BETWEEN THE BARRIO OF PAJO, LAPULAPU CITY, AND BANTAYAN SA HARI, BARRIO OF LO-OC, MUNICIPALITY OF MANDAWA, PROVINCE OF CEBU; AND BETWEEN OTHER VISAYAN FOCAL POINTS OF TRADE AND TRANSHIPMENT.**

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

SECTION 1. Subject to the conditions established in this Act and the provisions of the Constitution and the Public Service Act, there is granted to the Island Transport Company, Inc., for a period of twenty-five years from the approval of this Act, the right, privilege and authority to establish, maintain and operate a vehicular, freight and passenger ferry service between the Barrio of Pajo, Lapulapu City and Mandawe (Bantayan sa Hari) Barrio of Lo-oc, Municipality of Mandawe, Province of Cebu; Barrio of Maribago, Mactan Island, and Barrio Pajo, Olango Island, Province of Cebu; Municipality of Mandawe, Province of Cebu, alternating to the Municipality of Clarin, Province of Bohol and Municipality of Bato, Province of Southern Leyte; Municipality of Guihulngan, Province of Negros Oriental, alternating to the Municipalities of Dumanjug and Barili, Province of Cebu; Municipality of Escalante, Province of Negros Occidental, alternating to the municipalities of Tuburan, San Remigio, and Tabuelan (Bantayan Island), Province of Cebu; Municipality of Placer, Province of Masbate, alternating to the Municipality of Estancia, Province of Iloilo and Municipality of Escalante, Province of Negros Occidental; and the municipalities of Tabuelan (Bantayan Island) and San Remigio, Province of Cebu; and to establish a schedule of rates therefor, which shall at all times be subject to regulations by the Public Service Commission: *Provided*, That this franchise shall be null and void unless the grantee, within two years from the date of the approval of this Act, files with the Public Service Commission its acceptance of the terms and conditions stipulated in this Act.

SEC. 2. Within two years after the acceptance of the franchise granted hereunder and in accordance with the conditions herein stipulated, the grantee shall put in operation an adequate and efficient ferry service between the municipalities and the islands mentioned in the preceding section. The ferryboats operated by the grantee and the equipment thereof shall meet the requirements prescribed by the Public Service Commission, and the grantee shall, whenever the Public Service Commission shall determine that public interest reasonably requires it, change or improve any of said ferryboats or the equipment thereof at its expense.

SEC. 3. The grantee binds itself to provide in its ferryboats a suitable and adequate place for the mails and shall carry them in the manner stipulated between the