[MIA MARINA CIRCULAR NO. 2012-01, October 17, 2011]

AMENDING MEMORANDUM CIRCULAR NO. 182 ON THE RULES IN THE ACQUISITION OF SHIPS UNDER PRESIDENTIAL DECREE (PD) 760, AS AMENDED, SPECIFICALLY ON BOND REQUIREMENTS

Pursuant to the provisions of Presidential Decree No. 760, as amended and to further encourage shipping investments by allowing shipping companies for the temporary Philippine registration under bareboat charter of ships, Memorandum Circular No. 182, Regulation V.14 (CONDITIONS FOR SHIP REGISTRATION) is hereby amended, to read as follows:

"Companies with bareboat chartered ships shall have the option to comply with the imposition of bonds in any of the following modes of posting the said bond requirements:

1. *Cash bond of P100,000.00 (One Hundred Thousand Pesos) and surety bond of P100,000. 00 (One Hundred Thousand Pesos); or*

2. *Pure cash bond of P200,000.00 (Two Hundred Thousand Pesos).*

The cash bond shall be deposited in favor of the Maritime Industry Authority (MARINA), with any reputable commercial bank or any government bank to answer for the payment of the 4.5% withholding tax, fines and penalties due the government in the event that company fails to settle the same upon deletion of the ship from the Philippine Registry. The surety bond to be posted shall be secured from any bonding company acceptable to MARINA.

After the deletion of the ship from the Philippine Register of Ships, the amount of (P200,000.00) may be withdrawn provided that proof of payment of all taxes/penalties due to the government by reason of the registration of the ship under the Philippine flag had been submitted. Ship owning companies shall be exempted from this requirement for their bareboat chartered ships".

All other provisions of MARINA Memorandum Circular No. 182, insofar as they are not inconsistent with this Circular, shall remain in full force and effect.

This memorandum Circular shall take effect fifteen (15) days after its publication once in a newspaper of general circulation.

Adopted: 17 October 2011