

**[LTFRB MEMORANDUM CIRCULAR NO. 2009-034,
December 21, 2009]**

**RE: NEW CASE NUMBER OF CPC ISSUED PURSUANT TO SALE AND
TRANSFER**

The principle in the application for approval of sale and transfer of Certificate of Public Convenience (CPC) or franchise is that a new one is granted to the vendee and the one granted to the vendor subject of the sale is canceled or revoked. The proper procedure should be to replace the old docket case number of the sold CPC or franchise and a new docket case number should be affixed to the new CPC or franchise issued pursuant to the grant of the application for approval of sale and transfer.

However, the present practice before this Board is to use the same case number of the sold CPC or franchise which has been already canceled. This results in confusion and possible fraudulent activities of some individuals or parties who sometimes succeed in selling the same franchises/CPCs to the various parties because the sold and the new have the same case number. This results in controversies, problems for the Board and damage upon the integrity of the franchising system.

This Board has made the necessary queries with the Register of Deeds regarding the recording and assigning of torrens title numbers for sale of lands with or without improvements thereon. The procedure followed in said office is to cancel the previous torrens title representing the land with or without improvements sold and then assign a new torrens title number to subsequent torrens title issued pursuant to such sale transaction but indicating in the new title the origin and title number of the old and canceled mother title.

Accordingly, the Board hereby decrees that henceforth, CPCs or franchises sold to another should be given a new and separate Case Number in its docket books when the corresponding application for approval of sale and transfer thereof is filed. However, the old case number shall be reflected in the first entry of the docket book of the new case number for proper monitoring and immediate reference.

This directive shall be strictly observed and followed by the Central Office of this Board and by all its Regional Offices in the recording and reporting of applications for approval of sale and transfer of franchises/CPCs filed therein.

This Memorandum Circular shall take effect fifteen (15) days after their publication in a newspaper of general circulation in Philippines pursuant to the New Civil Code. Three (3) copies hereof shall be furnished the UP Law Center in accordance with Presidential Memorandum Circular No. 11 dated October 9, 1992.