



Pls be guided

Republic of the Philippines
LAGUNA LAKE DEVELOPMENT AUTHORITY

National Ecology Center, East Avenue, Diliman, Quezon City
Tel. Nos.: 332-2346, 376-4039, 376-4072, 376-4049, 376-4061

February 19, 2016

MEMORANDUM CIRCULAR NO. 2016-02

SUBJECT : ALLOWING FISHPEN/FISHCAGE OPERATORS WITH OUTSTANDING ARREARS IN REGISTRATION AND OTHER IMPOSABLE FEES TO SETTLE THEIR DUES IN KIND, PURSUANT TO ARTICLE 1245 OF THE CIVIL CODE.

WHEREAS, Sec. 4-B of Republic Act No. 4850, as amended empowers the Authority to collect annual fees for the use of the lake waters and its tributaries for all beneficial purposes including recreation, municipal, industrial, agricultural, fisheries, navigation and waste disposal purposes;

WHEREAS, through the years, certain fishpen/fishcage operators have incurred arrears in unpaid registration and other imposable fees for their aquaculture structures, which arrears have since resulted in lost revenues for the Authority;

WHEREAS, a number of these operators deposited postdated checks (PDC's) in payment of said registration and other fees for their aquaculture structures; however, some of these PDC's bounced due to insufficient funds, while others were unaccounted for for some time until they became stale;

WHEREAS, those operators that issued bounced PDC's have since been prosecuted for violation of Batas Pambansa Blg. 22, while those PDC's that went stale shall be collected through the institution of civil action in the proper courts;

WHEREAS, there are likewise fishpen/fishcage operators who availed of the Staggered Payment scheme under Memorandum Circular No. 2015-02 to settle their arrears;

WHEREAS, to facilitate and allow for an easier collection and settlement of said arrears that have become due and demandable, management has agreed as it does hereby agree to allow said fishpen/fishcage operators with outstanding obligations to settle their arrears in kind through the transfer of ownership to the Authority of a thing or property agreed to as an accepted equivalent of the



07 Mar

Benji 3/7/16 *3/7/16*

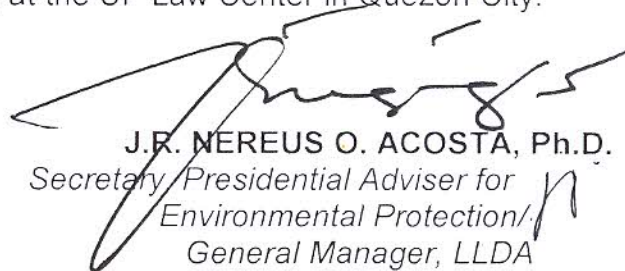
outstanding debt as provided for under Article 1245 of the Civil Code of the Philippines¹;

WHEREAS, the acceptance of the thing or property by the Authority shall extinguish the existing obligation of the concerned operator to the extent of the value of the thing delivered, as agreed upon by the parties in writing; *Provided that*, the parties may consider the thing as equivalent to the obligation, in which case the same shall be totally extinguished;

NOW THEREFORE, for and in consideration of the foregoing premises and subject to the usual auditing and accounting rules and regulations, the Laguna Lake Development Authority hereby adopts the policy of payment in kind or *dation in payment* under Article 1245 of the Civil Code of the Philippines in the collection and settlement of arrears of aquaculture operators within the Laguna de Bay Region, and for this purpose, the Finance Division, is hereby directed to determine all fishpen/fishcage operators with outstanding obligations that have become due and demandable, including the respective amounts thereof, and thereby coordinate with the Legal and Adjudication Division the sending of formal demand for the payment thereof either in cash or in kind.

Should an offer to pay in kind under the foregoing policy is made, the Management Services Department is hereby tasked to value the thing or property offered and determine whether the same is an accepted equivalent of the existing debt, and thereafter recommend to management its approval, in which case, appropriate deed of sale shall be executed on subject conveyance; however, the operator, at his expense, may be allowed to engage the services of a third party appraiser, whose assessment shall be considered in the said valuation, *provided that*, the same is not disadvantageous to the Authority in accordance with applicable laws.

This Circular shall take effect immediately upon publication in a newspaper of general circulation and registration hereof with the Office of the National Administrative Register (ONAR) at the UP Law Center in Quezon City.


J.R. NEREUS O. ACOSTA, Ph.D.
Secretary/Presidential Adviser for
Environmental Protection/
General Manager, LLDA

¹Article 1245. Dation in payment, whereby property is alienated to the creditor in satisfaction of a debt in money, shall be governed by the law of sales.



 07 Mar
 3/7