

Republic of the Philippines
Ministry of Trade and Industry
Trade and Industry Building
361 (Buendia) Sen. Gil J. Puyat Avenue
Makati, Metro Manila

MINISTRY ORDER NO. 32
SERIES OF 1985

RULES AND REGULATIONS ON THE ACCREDITATION
OF ENTERPRISES ENGAGED IN THE SERVICE AND
REPAIR OF MOTOR VEHICLES, HEAVY EQUIPMENT,
ENGINE AND ENGINEERING WORKS; ELECTRONICS,
ELECTRICAL, AIRCONDITIONING AND REFRIGERA-
TION; OFFICE MACHINES AND DATA PROCESSING
EQUIPMENT; MEDICAL AND DENTAL EQUIPMENT,
AND OTHER CONSUMER MECHANICAL AND INDUSTRIAL
EQUIPMENT, APPLIANCES OR DEVICES, INCLUDING
THE TECHNICAL PERSONNEL EMPLOYED THEREIN.

Pursuant to the provisions of Section 2 (k) of P. D.
1572 issued on June 11, 1978, Executive Order No. 709 pro-
mulgated on July 7, 1981 and Executive Order No. 913 pro-
mulgated on October 7, 1983, the following Rules and
Regulations hereinafter referred to as the Rules, are
hereby promulgated for the information, guidance and com-
pliance of all concerned.

RULE I

SECTION I - DEFINITION OF TERMS

For purposes of these Rules and as used herein, the
following definitions are hereby adopted:

- a) "Decree" refers to Presidential Decree No. 1572
- b) "Minister" refers to the Minister of Trade and
Industry
- c) "Ministry" refers to the Ministry of Trade and
Industry
- d) "Director" refers to the Director of Domestic
Trade
- e) "Bureau" refers to the Bureau of Domestic Trade
- f) "Certificate" refers to the Certificate of
Accreditation
- g) "MIRDC" refers to the Metals Industry Research
and Development Center

The MIRDC shall act as a government
representative/consultant/specialist on
matters of technological expertise. It
shall exercise regulatory powers with
respect to technological standards such

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as measurement and/or inspection of machine shops and the like.

Moreover, the MIRDC shall have the authority to decide whether or not the applicant has satisfied all the requisites in order to be accepted by the industry and shall extend assistance to those who fail to meet the standard requirements.

Further, the MIRDC shall take an active part in the developmental aspect of the industry.

- h) "Consultative Committed" refers to the body to be created by the Minister of Trade and Industry to provide technical assistance in accreditation.
- i) "Person" refers to either natural or juridical person.
- j) "Enterprise" means any sole proprietorship, partnership, corporation, cooperative or association, engaged, among others, directly or indirectly, in the service, repair and/or maintenance of any and/or all vehicles, engines, and engineering works, electrical, electronics, airconditioning and refrigeration, office machines and data processing equipment; medical and dental equipment mentioned in P. D. 1572
- k) "Technical Personnel" refers to a mechanic or technician or any person who works or renders diagnosis or advice in connection with the service, repair and maintenance of those mentioned in paragraph j of Section 1 of Rule 1 hereof
- l) "Accreditation" means the legal recognition by competent authority that a service and/or repair enterprise as well as technical personnel employed therein, or a specialty contractor who is accredited, have complied with the requirement of P. D. 1572, has fulfilled the basic operational requirements of the service and repair business and are, therefore, considered deemed reliable and competent to engage in the trade
- m) "On Site Repair/Service" refers to the place where the machine or equipment to be repaired is located
- n) "Unwarrantable Jobs" those arising from damages

caused by accident, negligence or misuse of components by clients which can easily be detected i.e., bumper dents, collision marks and the like. Likewise, in electrical parts, those which deteriorate due to normal wear and tear i. e., contact points, fuse, bulbs, switches, wear of tire surface (automobile) except tire blow-out. To become effective, the unwarrantable job must be expressly agreed upon by the parties concerned.

RULE II

SECTION I - ACCREDITATION

Accreditation shall be granted to an enterprise and/or technician/mechanic or practitioner in accordance with the various classification provided in these rules. Technicians or mechanics can file their accreditation together with enterprise if they are employed therein.

SECTION 2 - APPLICATION FOR ACCREDITATION

All enterprise mentioned in paragraph b of Section 1 of Rule 1 of these Rules which are in accordance with the type of service and the various classifications provided shall apply for accreditation and shall apply for renewal thereof on or before the 31st day of January of every year thereafter with the Bureau. Technical personnel applying for accreditation may if necessary, enlist the assistance of the professional association concerned in filing their application.

However, those enterprises which have already been accredited under the previous Rules and Regulations shall not be governed by the above and need only to apply for renewal on or before the 31st day of January of every year.

SECTION 3- LATE FILING OF APPLICATION

An applicant who filed his application for renewal after January 31 shall pay surcharge equivalent to twenty five (25%) of the annual fee in addition to the basic annual fee.

RULE III

SECTION 1 - REQUIREMENTS FOR ACCREDITATION

- 1) Enterprise applying for original accreditation shall

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submit the following:

- 1.1. List of machineries/equipment/tools in useful condition;
- 1.2. List of certified engineers/accredited technicians mechanics with their personal data;
- 1.3. Copy of Insurance Policy of the shop covering the property entrusted by its customer for repair, service or maintenance together with a copy of the official receipt covering the full payment of premium;
- 1.4. Copy of Bond referred to under Section 7, Rule 111 of this Rules and Regulations;
- 1.5. Written service warranty in the form prescribed by the Bureau;
- 1.6. Certificate issued by the Securities and Exchange Commission and Articles of Incorporation or Partnership in case of corporation or partnership;
- 1.7. Such other additional documents which the Director may require from time to time.

2) Enterprises applying for renewal accreditation shall submit the following:

- 2.1. Copy of Insurance Policy of the shop covering the property entrusted by its customers for repair, together with a copy of official receipt covering full payment of premium;
- 2.2. Copy of Bond referred to under Section 7, Rule 111 of this Rules and Regulations; and
- 2.3. Such other additional documents which the Director may require from time to time and such other information which may update previously furnished documents.

3) Technical Personnel applying for accreditation shall submit the following:

- 3.1. Bio-Data in prescribed form;
- 3.2. If employed in an enterprise, certificate of employment stating his position, nature of work, SSS Number, and Tax Account Number;
- 3.3. If self-employed or working for himself and not employed by any person or enterprise, affidavit of

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self-employment, indicating period of employment of any, and description of experience and other technical expertise;

3.4. ID picture of passport size (2 copies)

3.5. Proof of certification from the National Manpower Youth Council, or such other institutions whether government or private capable of conducting trade test recognized by the Bureau.

SECTION 2 - PROCESSING OF APPLICATION FOR ACCREDITATION

The processing of all applications for accreditation shall be undertaken by the Bureau with the assistance and recommendation of a professional organization recognized by the Bureau. In any event, the recommendation of the consultative committee must be secured.

SECTION 3 - CERTIFICATE OF ACCREDITATION

The corresponding Certificate of Accreditation shall be issued by the Director to the applicant upon compliance with all the requirements. Enterprises with branch offices located at areas outside of the main office shall apply for a separate certificate of accreditation. However, service and repair centers of accredited enterprises enumerated in Rule VII of the Rules shall display a copy of the Certificate of Accreditation of the parent company in a conspicuous place in the said center, provided that such centers are just extensions of the parent company which handle maintenance, general cleaning and attendance to do repair on units manufactured or components thereof under factory warranty. Technical personnel certified and accredited in the main Office is no longer required to secure accreditation for the branch.

SECTION IV - DISPLAY OF SIGN BOARD

Every accredited enterprise, shall within thirty (30) days after receipt of its certificate, install and display a signboard with the minimum size of 300mm x 900 mm within the premises of the enterprises containing the name of the enterprise, its Accreditation Classification, if any, and the statement, "Accredited by the Bureau of Domestic Trade under Certificate of Accreditation Number ____". Said number must be indicated in all contracts/documents of work practices

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entered into by a duly accredited enterprise/technician.

Likewise, a sticker duly prescribed and approved by the Bureau may be used by the repair/service shop in its Office, service vehicle, or any medium to identify said repair/service enterprise.

SECTION 5 - ACCREDITATION, PRE-REQUISITE FOR GOVERNMENT CONTRACTS, TRANSACTION, LOANS, LICENSES, PERMITS AND REGISTRATION.

The Certificate of Accreditation shall be a pre-requisite for any enterprise entering into a contract, transaction, loan or application for license, permit or registration with any government agencies or instrumentalities including government owned or controlled corporations. No awards nor payments shall be made, neither license, permit nor registration be issued by the head of the said agencies without showing proof of accreditation.

SECTION 6 - REPLACEMENT OF CERTIFICATES

In case the certificate is lost, destroyed or mutilated, the enterprise may apply for the issuance of certified true copy of the Certificate based on the records upon payment of Five Pesos (P5.00) by the applicant. In case of reclassification, the Bureau may issue a new certificate based on the application for reclassification.

SECTION 7 - BOND

The application must also be accompanied by a bond issued in favor of the Republic of the Philippines in an amount not less than Twenty Thousand (P20,000.00) Pesos which shall guarantee the faithful performance of the job done by the enterprise. The bond shall remain in full force and effect until cancelled or released by the Director.

SECTION 8 - INSURANCE POLICY

The insurance policy for the following risks like theft, pilferage, fire, flood and loss should cover exclusively the machines, motor vehicles, heavy equipment, engines, electronics, electrical, airconditioners, refrigerators, office machines and data processing equipment, medical and dental equipment, other consumer mechanical and industrial equipment stored for repair

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and/or service in the premises of the applicant.

Such insurance should be at least in accordance with the rules and regulations issued by the Office of the Insurance Commission. Said policy must be indorsed in favor of the Director as trustee and representative of the customers of the enterprise.

In case the enterprise has an existing insurance prior to accreditation, said enterprise need not submit another insurance for the purpose of accreditation, provided that the coverage of the policy should include the above mentioned consumer mechanical and industrial equipment entrusted for repair and service. Furthermore, said insurance policy shall also be indorsed in favor of the Bureau.

The minimum amount of insurance coverage for the different classifications or categories are hereunder indicated:

- a) For Automotive and Heavy Equipment:
 - 1. 5 Star - ₱500,000.00
 - 2. 4 Star - ₱400,000.00
 - 3. 3 Star - ₱200,000.00
- b) For Engine and Engineering Works and Machine Shops:
 - 1. 5 Star - ₱50,000.00
 - 2. 4 Star - ₱40,000.00
 - 3. 3 Star - ₱30,000.00
- c) All other classification or categories:
 - A minimum of ₱20,000.00
- d) Enterprises whose capitalization does not exceed ₱20,000.00 are exempted from Insurance coverage requirement under these rules. However, in places where there are no insurance companies willing to undertake the risk due to the peace and order situation in the area, the Director may grant exemption upon sufficient proof of circumstance.

SECTION 9 - SUSPENSION

The Director after due notice and hearing, may suspend the Certificate of Accreditation on any of the following grounds:

- a) Violation by the enterprise or technician of any provision of the Decree or these Rules and other

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- implementing orders;
- b) Failure, refusal or neglect of the enterprise or technician to comply with its contractual obligations to its customers without just cause; and
 - c) Violation by the enterprise or technician of the applicable Code of Ethics governing the industry concerned.

SECTION 10 - CANCELLATION OR REVOCATION OF THE CERTIFICATE

The Director, after due notice and hearing, may cancel or revoke the Certificate of Accreditation on any of the following grounds:

- a) Fraud, misrepresentation or any act or omission that would be detrimental to the interest of their clients involving moral turpitude.
- b) Making a material false statement in the application for the accreditation.

SECTION 11 - RELEASE OR CANCELLATION OF BOND

The bond may be released upon written application with the Director and after the publication of a notice in a newspaper of general circulation advising the general public about the intended release or cancellation of the bond and that if there is any claim against said bond the same must be filed with the Director within 60 days from the date of such notice. The proof of publication should be submitted to the Director.

RULE IV

WRITTEN ESTIMATE OF COST AND AUTHORIZATION REQUIRED

No repair or service job shall be commenced without a specified written authority from or job order contract with its customers. In case additional job is to be done or additional parts are needed, the consent of the customer must be secured. A written estimated cost for labor and parts and additional information such as description of work, technical basis, date of completion, terms of payment, guarantee provision, etc. shall be given to the customers.

RULE V - WARRANTY

An enterprise/mechanic/technician shall issue a guarantee

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for the work done on the equipment for a minimum period of not less than thirty (30) days from the time of delivery in a form prescribed by the director which shall bear the approval of the customer. However, the foregoing shall not be applicable to unwarrantable jobs as expressly stipulated by the parties.

RULE VI

FEES FOR ACCREDITATION

Fees for accreditation of service and repair enterprise covered by these Rules shall be as follows:

- a) Filing Fee - ₱50.00
- b) Accreditation - not less than ₱100.00 but not more than ₱500.00 depending on the classification of the enterprise
- c) Satellite/Service Center - ₱10.00
- d) For technician not covered by the Professional Regulations Commission:
 - 1st Class - ₱50.00
 - 2nd Class - 35.00
 - 3rd Class - 20.00

RULE VII

CLASSIFICATION STANDARDS

SECTION 1 - STANDARDS OF CLASSIFICATION FOR AUTOMOTIVE AND HEAVY EQUIPMENT

- a) FIVE STAR "A" SHOP - is a factory Authorized Representative, or a Franchised Dealer, or a Franchised Branch or an Authorized Sub-Dealer. It must have at least TWENTY ONE (21) working stalls and must meet the other requirements prescribed by the Bureau for FIVE STAR "A" SHOP.
- b) FIVE STAR "B" SHOP - is a factory Authorized Representative, or a Franchised Dealer, or a Franchised Dealer Branch, or an Authorized Sub-Dealer. It must have a maximum of TWENTY (20) and a minimum of ELEVEN (11) working stalls, and must meet the other requirements prescribed by the Bureau for a FIVE STAR "B" SHOP.
- c) FIVE STAR "C" SHOP - is a factory Authorized Representative or a Franchised Dealer Branch or an

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Authorized Sub-Dealer. It must have a minimum of TEN (10) working stalls and must meet the other requirements prescribed by the Bureau for a FIVE STAR "C" SHOP.

- d) FOUR STAR SHOP - is a non-Franchised Dealer, non-Authorized Sub-Dealer. It must have at least TWENTY (20) working stalls, and must meet the other requirements prescribed by the Bureau for a FOUR STAR SHOP.
- e) THREE STAR SHOP - is an Independent Shop, with a minimum of TEN (10) working stalls, and must meet the other requirements prescribed by the Bureau for a THREE STAR SHOP.
- f) TWO STAR SHOP - is an Independent Shop, a Gas Station doing vehicle service work. It must meet the other requirements prescribed by the Bureau for a TWO STAR SHOP.
- g) ONE STAR SHOP - is an Independent Shop or an auto accessory shop, doing specialized jobs for automobiles. It must meet the other requirements prescribed by the Bureau for a ONE STAR SHOP.

SECTION 2 - STANDARD CLASSIFICATION FOR ENGINE AND ENGINEERING WORKS AND MACHINE SHOPS

a) FIVE STAR CATEGORIES:

- 1. FIVE STAR AUTOMOTIVE MACHINE SHOP - a shop must have the following minimum requirements:
 - a. Number of Machineries - 21 units of machineries (in accordance with the prescribed listings)
 - b. Personnel - FIFTY (50) percent of the total number of machineries for a minimum of 11 technicians
 - c. Area - 300 square meters working area to accomodate the total number of machineries, office, sales or reception, rest rooms, tool room or stock room.
- 2. FIVE STAR ENGINEERING MACHINE SHOP - a shop must have the following minimum requirements:
 - a. Number of Machineries - 23 units of machineries (in accordance with the prescribed listings)

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- a. Personnel - FIFTY (50) percent of total number of machineries or a minimum of 12 technicians
- c. Area - Same as 5-STAR AUTOMOTIVE MACHINE SHOP.

b) FOUR STAR CATEGORIES:

1. FOUR STAR AUTOMOTIVE MACHINE SHOP - a shop must have the following minimum requirements:
 - a. Number of Machineries - EIGHTY (80) percent of the total number of 5-STAR requirements or a minimum of 14 units excluding chain block, hand tools and measuring instruments
 - b. Personnel - FIFTY (50) percent of the total number of machineries or a minimum of 9 technicians
 - c. Area - 200 square meters working area to accomodate the total number of machineries, office sales, or reception, rest rooms, tool room or stock room.
2. FOUR STAR ENGINEERING MACHINE SHOP - a shop must have the following minimum requirements:
 - a. Number of machineries - EIGHTY (80) percent of 5-STAR ENGINEERING requirement or a minimum of 16 units excluding chain block, hand tools and measuring instruments
 - b. Personnel - same as 4-STAR AUTOMOTIVE requirements
 - c. Area - same as 4-STAR AUTOMOTIVE requirements.

c) THREE STAR CATEGORIES:

1. THREE STAR AUTOMOTIVE MACHINE SHOP - a shop must have the following requirements:
 - a. Number of machineries - SIXTY (60) percent of 5-STAR requirements or a minimum of 10 units excluding chain block, hand tools and measuring instruments
 - b. Personnel - FIFTY (50) percent of total number of machineries or a minimum of 5 technicians
 - c. Area - 100 square meter working area to accomodate the total number of machineries

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office sales or reception, rest room, tool room or stock room.

2. THREE STAR ENGINEERING MACHINE SHOP - a shop must have the following requirements:
 - a. Number of machineries - SIXTY (60) percent of a 5-STAR requirement or a minimum of 12 units excluding chain block, hand tools and measuring instruments
 - b. Personnel - Same as 3-STAR AUTOMOTIVE
 - c. Area - Same as 3-STAR AUTOMOTIVE
- d) TWO STAR CATEGORIES:
 1. TWO STAR AUTOMOTIVE MACHINE SHOP - a shop must have the following requirements:
 - a. Number of machineries - FORTY (40) to FIFTY (50) percent of 5-STAR requirements excluding chain block, hand tools, and measuring instruments
 - b. Personnel - FIFTY (50) percent of total number of machineries
 - c. Area - 50 square meters working area to accommodate total number of machineries, office, sales or reception, rest room, tool room or stock room.
 2. TWO STAR ENGINEERING MACHINE SHOP - a shop must have the following minimum requirements:
 - a. No. of Machineries - FORTY (40) to FIFTY (50) percent of 5-STAR "B" requirement excluding chain block, hand tools, and measuring instruments
 - b. Personnel - same as 2-STAR AUTOMOTIVE
 - c. Area - same as 2-STAR AUTOMOTIVE
- e) ONE STAR CATEGORIES:
 1. ONE STAR AUTOMOTIVE MACHINE SHOP - a shop must have the following requirements:
 - a. Number of machineries - below FORTY (40) percent of 5-STAR excluding chain block, hand tools and measuring instruments
 - b. Personnel - FIFTY (50) percent of total number of machineries

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- c. Area - 30 square meters working area to accommodate the total number of machineries, office, sales reception, rest room, tool room or stock room.
- 2. ONE STAR ENGINEERING MACHINE SHOP - a shop must have the following requirements:
 - a. Number of machineries - below FORTY (40) percent of 5-STAR "B" requirements excluding chain block, hand tools, and measuring instruments
 - b. Personnel - same as 1-STAR AUTOMOTIVE
 - c. Area - same as 1-STAR AUTOMOTIVE

SECTION 3 - STANDARDS OF CLASSIFICATION FOR ELECTRONICS, ELECTRICAL, AIRCONDITIONING AND REFRIGERATION SERVICE AND REPAIR

a) CATEGORY - A - ELECTRONIC SERVICE AND REPAIR ENTERPRISES

- 1. CATEGORY - A
 - a. Simple and multiple band AM radio system
 - b. Public address, paging and intercom systems
 - c. FM radio receivers
 - d. Mono phonographs and stereo tape recorders
- 2. CATEGORY A-1
 - a. Simple and multiple band AM radio systems
 - b. Public address, paging and intercom systems
 - c. FM radio receivers
 - d. Mono phonographs and stereo tape recorders
 - e. Monochrome television sets
 - f. Stereo phonographs and stereo tape recorders
 - g. Multiband AM/FM radio receivers
- 3. CATEGORY A-2
 - a. Simple and multiple band AM radio systems
 - b. Public address, paging and intercom systems
 - c. FM radio receivers
 - d. Mono phonographs and stereo tape recorders
 - e. Monochrome television sets
 - f. Stereo phonographs and stereo tape recorders
 - g. Multiband AM/FM radio receivers
 - h. Color television
 - i. Quadrosomic and 4-channel amplifiers
 - j. FM Multiplex stereo and quadruplex radio receivers
 - k. Sound distributing systems including speech

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- l. Close circuit television sets
- m. Video tape and Betamax

b) CATEGORY B - ELECTRICAL SERVICE AND REPAIR ENTERPRISES

Competent in dis-assembly, repair, rewinding and re-assembly of any or all of the following electrical equipment:

- a. Electric or Electronic oven and ranges
- b. Water heaters, washing machines, electric clothes dryers and ironers (flat iron)
- c. Electric fans and ventilators
- d. Water pumps and its accessories
- e. Fan and blower motors
- f. Electric motors
- g. Transformers
- h. Sealed and semi-sealed compressors

c) CATEGORY C - AIRCONDITIONING AND REFRIGERATION SERVICE AND REPAIR ENTERPRISES

Competent in installation, maintenance, service, repair, reconditioning and re-installation of any or all of the following airconditioning and refrigeration equipment.

- a. Gas, solar or electrically operated conventional and frost-free refrigerators and freezers
- b. Beverage coolers, water coolers, vending machines, ice cream, ice drop and ice cube making machines
- c. Room, free blow or ducted split and unitary package tube (aircooled and water cooled airconditioners, auto airconditioners for bantam up to extra, heavy vehicles)
- d. Sealed, semi-sealed and open type airconditioning and refrigeration compressors
- e. Cold storage, walk-in refrigerators and freezers, ice making equipment and its accessories, airconditioning and refrigeration mains including insulation works, and brine tanks, brine coils and storage coils
- f. Airducts, air grills, cooling towers, air handling units, dehumidifiers, condensers and evaporator coils.

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- d) CATEGORY D-1 - any combination of two of categories A, B and C.
- e) CATEGORY D-2 - a combination of Categories A, B and C.

SECTION 4 - STANDARDS CLASSIFICATION FOR OFFICE MACHINE AND DATA PROCESSING EQUIPMENT

Office Machine and Data Processing Equipment - refers to typewriters, wordprocessors, adding machines, calculators, data processing equipment, facsimile machines, duplicators, copying machines, and cash registers, filing cabinets, vault doors, safes, staplers and pencil sharpeners together with hand-held or pocket size calculators and portable typewriters.

Consummable supplies and accessories such as ribbons, tapes, cord and other materials which the Ministry, by regulations determines as customarily performed by the operator and/or users, shall not be classified as office machines or equipment under this Section.

No service shall be defined as minor to exempt it from this Section of the Ministry finds that the performance of the service requires technical and/or mechanical expertise and/or source of deceptive practices or if it involves parts or components essential to their safe and efficient operation.

- a) FIVE STAR SERVICE ENTERPRISE - is a Factory Authorized Representative or Subsidiary
- b) FOUR STAR SERVICE ENTERPRISE - is a Franchise Dealer or any enterprise with an audited annual gross income of TEN MILLION PESOS (P10,000,000.00) and above during the preceeding past two (2) years and meets all the requirements prescribed by the Bureau for a Four Star Service Enterprise
- c) THREE STAR SERVICE ENTERPRISE - an enterprise with an audited annual gross income of FIVE MILLION PESOS (P5,000,000.00) and above but not more than TEN MILLION PESOS (P10,000,000.00) during the preceeding past two (2) years and meets all the requirements prescribed by the Bureau for a Three Star Service Enterprise
- d) TWO STAR SERVICE ENTERPRISE - an enterprise with a capitalization of above TEN THOUSAND PESOS (P10,000.00) but does not meet all the requirements under any of the categories from 3 to 5 Star and meets all the requirements prescribed by the Bureau for a TWO STAR

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Service Enterprise

- e) ONE STAR SERVICE ENTERPRISE - an enterprise with a capitalization of TEN THOUSAND PESOS (P10,000.00) and below but does not meet all the requirements prescribed by the Bureau for a Two Star Service Enterprise.

SECTION 5 - EXEMPTIONS

Firms or business traders exempted from these rules and regulations under P. D. 1572:

1. Fuel/Lubrication Service Stations:
 - a) Those firms not performing electro-mechanical, maintenance, repair, rehabilitation, conversion, including dismounting/disassembly and assembly of components, parts or assemblies of the vehicle.
 - b) Those personnel whose task involve filling and draining of fuel and lubricants, including washing/cleaning and polishing services.

However, if said firms or personnel also perform electro-mechanical repair/maintenance, service and others, even though incidental to their regular business but are nevertheless offered as a regular business to customers then, said firms/personnel are not exempted from the rules and regulations pursuant to the Decree.

2. Body building and manufacturing of all vehicles or components thereof, including fabricated works.
3. Battery and vulcanizing shops, including persons engaged therein whose capitalization does not exceed P20,000.00 or gross sales of P60,000.00 per annum.
4. Tire recapping and battery manufacturing plants/factories

However, shops or personnel who handle tires for heavy equipment/machineries, heavy duty vehicles are not exempted.

5. Repair and maintenance shop of private entities which mainly serve their own vehicles on a regular basis, such as transportation companies, factories,

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service marketing, offices, etc.

6. Persons who perform such technical services on their own vehicles on a self-help basis or as a hobby.

SECTION 6 - VOLUNTARY ACCREDITATION

Voluntary Accreditation - any or all of the above mentioned exempted firms or persons may nevertheless apply voluntary for accreditation at any time and at their discretion. Once accredited, they will be subject to the rules and regulations.

RULE VIII

ADMINISTRATIVE PROCEEDINGS

SECTION 1 - Administrative actions for violations of these rules and regulations shall be governed by MTI Ministry Order No. 69, Series of 1983, provided that complaints shall be commenced with the Bureau of Domestic Trade within six (6) months, from the date the subject of repair and service has been delivered to the customers.

SECTION 2 - SEPARABILITY CLAUSE

In the event that any provision/s of these rules and regulations or the application of any such provision/s to any person or circumstance, is declared invalid, all other provisions unaffected, shall continue to remain in full force and effect.

RULE IX

PENALTIES

SECTION 1 - A fine of not less than One Hundred Pesos (P100.00) and not more than Five Thousand Pesos (P5,000.00) or imprisonment of not less than thirty (30) days and not more than one (1) year, or both, at the discretion of the court, shall be imposed for violation of any of the provisions of P. D. 1572 and the Rules; Provided, That if the violation is committed by a corporation, partnership or association, the penalty provided herein shall be imposed upon the directors, partners, employees or persons therein responsible for the offense and provided, further, That, if the violation is committed by an alien, he shall be deported after service of sentence. If the offender is a naturalized Filipino citizen, he shall be automatically divested of his Filipino Citizenship and, likewise, deported

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after service of sentence. If the offender is a government official or employee he shall, in addition to the penalty herein provided for, suffer the penalty of perpetual and absolute disqualification to hold office.

RULE X

ORGANIZATION OF CONSULTATIVE COMMITTEE ON
ACCREDITATION OF SERVICE AND REPAIR ENTERPRISES

SECTION 1 - A Consultative Committee for each of the four main classification of repair and service enterprises shall be constituted to act as the advisory committee of the Director in accreditation of repair and service enterprises. These Consultative Committees are as follows:

- a) Committee for motor vehicles, heavy equipment, engine and engineering, machine repair and service enterprises.
- b) Committee for electronics, electrical, airconditioning and refrigeration repair and service enterprises.
- c) Committee for office machines and data processing equipment.
- d) Committee for medical and dental equipment.

Each Committee shall be composed of not more than five members to represent the different sectors under each classification to be recommended by the different accredited and duly recognized national association of repair and service enterprises. The National Manpower and Youth Council or any duly recognized technical institution, capable of conducting trade tests, shall also be represented in each of the Committee.

The Committee for motor vehicles, heavy equipment, engine and engineering works shall have as one of its members, the MIRDC.

The members of the Committee shall be appointed by the Minister of Trade and Industry upon recommendation of the Director of Domestic Trade.

The Director shall act as Chairman of each of the committee while the Vice-Chairman shall be designated by the Chairman from among the members. The Bureau shall provide the Secretariat for each of the Committees.

SECTION 2 - POWERS AND DUTIES

The Consultative Committee shall meet at least once a

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MA. CARLA VETTEL ILARDE
Head, Records Section *ml*

month to study and recommend measures to improve the operations of the repair and service enterprises and the promulgation of laws, decrees, rules and regulations to attain said objectives. It shall also act as a Consultative body to the Director in the processing of applications, and screen applicants for accreditation and the investigation of those who failed to apply with P. D. 1572 and these rules and regulations.

RULE XI


SECTION 1 - REPEALING CLAUSE

The rules and regulations on the accreditation of service and repair enterprises for motor vehicles, heavy equipment, engines and engineering works; and for electronics, electrical, airconditioning and refrigeration both dated January 1, 1979 are hereby repealed. All other rules and regulations contrary hereto are likewise repealed or modified accordingly.

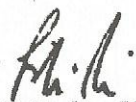
SECTION 2 - EFFECTIVITY

These rules shall take effect fifteen (15) days after the publication in a newspaper of general circulation.

Done in Makati, Metro Manila, this 21st day of
August in the year of our Lord, 1985.


ROBERTO V. ONGPIN
Minister


RECOMMENDED BY:


LILIA B. DE LIMA
Director

February 8, 1985

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MA. CARLA YVETTE L. ILARDE
Head, Records Section
Department of Trade & Industry

FIVE STAR OR CLASS A MACHINE SHOP
MINIMUM REQUIREMENTS FOR ACCREDITATION

1 - MACHINERY AND TOOL REQUIREMENT (5-A & 5-B)

5 - A

| <u>NO. OF UNITS</u> | <u>TYPES AND SPECIFICATION</u> |
|---------------------|--------------------------------------|
| 1 Unit | Lathe Machine, 22" swing diameter |
| 1 " | Lathe Machine, 18" swing diameter |
| 1 " | Lathe Machine, 10" swing diameter |
| 1 " | Milling Machine No. 1 |
| 1 " | Shaper Machine |
| 1 " | Drill Press, 1" capacity |
| 1 " | Hydraulic Press |
| 1 " | Electric Welding machine |
| 1 " | Oxy-acetylene welding equipment |
| 1 " | Crankshaft Grinder |
| 1 " | Line Boring Machine |
| 1 " | Reboring Machine |
| 1 " | Hydroboring machine & conrod resiter |
| 1 " | Honing machine |
| 1 " | Valve refacing machine |
| 1 " | Surface Grinder (Wet or Dry) |
| 1 " | Conrod Aligner |
| 1 " | Valve Seat Grinder |
| 1 " | Bench Grinder |
| 1 " | Air Compressor |
| 1 " | Turbo Washing Tank |
| 1 " | Chain Block |
| 1 Set | Standard Hand Tools |
| 1 " | Complete measuring instruments |

5 - B

| | |
|---------|------------------------------------|
| 2 Units | Lathe machines, 30" swing diameter |
| 2 " | Lathe Machines, 24" swing diameter |
| 2 " | Lathe Machines, 18" swing diameter |
| 1 Unit | Vertical Lathe Machine |
| 1 " | Milling Machine No. 2 |
| 1 " | Shaper Machine, 24 strokes |
| 1 " | Planer Machine |
| 1 " | Radial Drill Press |
| 1 " | Drill Press, 2" in steel |
| 1 " | Hydraulic Press, 50 tons |
| 1 " | Electric Welding Machine |
| 1 " | Oxy-acetylene Welding Equipment |
| 1 " | Plain Cylindrical Grinder |
| 1 " | Internal Grinder |
| 1 " | Bench Grinder |
| 1 " | Air compressor |
| 1 " | Power Hack Saw |
| 1 " | Chain Block |
| 1 Set | Standard hand tools |
| 1 " | Complete measuring instruments |