



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS  
OFFICE OF THE SECRETARY  
MANILA

017.13 DPWH  
8-4-89

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04 August 1989

DEPARTMENT ORDER

SUBJECT: Letting of Contracts to Attorneys-in-Fact and Sub-Letting to Unlicensed/Non-Prequalified Contractors.

NO. **102** *m*  
Series of 1989 *8/4*

It had been observed that there are contracts awarded/entered into with Attorneys-in-Fact on the basis of the license of a contractor thru Special Powers of Attorneys and portions of work under contract are being sub-let to non-prequalified or unlicensed contractors. This practice, aside from being violative of the provisions of Art. VI of RA 4566 (An Act Creating The Philippine Licensing Board For Contractors, Prescribing Its Powers, Duties and Functions, Providing Funds Therefore, And For Other Purposes), more especially Section 28(d) thereof (Causes for disciplinary action), often results in improper or non-implementation of projects to the prejudice of public service. For ready reference quoted hereunder is Section 28(d) of RA 4566, which states:

Sec. 28. Causes for disciplinary action. The following shall constitute causes for disciplinary action:

"Aiding or abetting an unlicensed person to evade the provisions of this Act, or knowingly combining or conspiring with an unlicensed person, or allowing one's license to be used by an unlicensed person, or acting as agent or partner, or associate, or otherwise of an unlicensed person with the intent to evade the provisions of this Act."

The sub-letting of portions of work under contract to unlicensed and/or non-prequalified contractors, aside from being violative of the provisions of law aforequoted, also violates the provisions of Section 3 of PD 1594, in relation to the provisions of the Implementing Rules and Regulations thereof, particularly on prequalification of contractors.

It is therefore directed that no contract should be awarded and entered into with Attorneys-in-Fact and no work under contract be sub-let to unlicensed and/or non-prequalified/accredited contractors of this Department.

This Order shall take effect immediately.

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FIORELLO B. ESTUAR  
Secretary

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