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

27 July 1989

DEPARTMENT ORDER)

No. **99** *7/28/89*
Series of 1989

SUBJECT : CASH DEPOSIT REQUIREMENT
PER PD 1594/IRR

In connection with Clause IB 2.4.1, item 5, of the latest amended Implementing Rules and Regulations (IRR) of PD 1594, which requires a cash deposit equivalent to the average operating expense requirement of the contract for two months based on the cash flow submitted, such requirement shall be computed as follows:

$$\frac{\text{contract cost less profit}}{\text{contract duration in months}} \times 2 \text{ months}$$

where "profit" (for purposes of this computation only) is as follows:

Contract Size -----	Profit (%) -----
Up to P500,000	11
Above P500,000 to P1 M	10
Above P1 M to P5 M	9
Above P5 M to P10 M	8
Above P10 M to P20 M	7
Above P20 M to P50 M	6
Above P50 M	6

This Department Order shall take effect immediately.

[Signature]
FIORELLO R. ESTUAR
Secretary

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