



**Philippine
Overseas
Employment
Administration**

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**MEMORANDUM CIRCULAR NO. 04
Series of 2009**



TO : ALL LICENSED RECRUITMENT AGENCIES
SUBJECT : SUBSTITUTION OF EMPLOYMENT CONTRACTS
DATE : 30 APRIL 2009

There has been increasing alarm on the plight of hapless OFWs who were forced to run away from their employers because their contracts have been substituted with new contracts providing lower salaries and benefits to workers.

All licensed recruitment agencies, as well as their foreign principals, are hereby reminded to refrain from the practice of substituting/altering to the prejudice of the worker, employment contracts approved and verified by the DOLE from the time of actual signing thereof by the parties up to and including the period of the expiration of the same without the approval of the DOLE.

Substitution of contracts to the prejudice of the worker is punishable by:

- 1st Offense - Suspension of License (2 months to 6 months)
- 2nd Offense - Suspension of License (6 months & 1 day to one year)
- 3rd Offense - Cancellation of License

The above is without prejudice, ^{to} placing the agency and the principal under Preventive Suspension pending investigation for possible contract substitution, should the Administration deem it appropriate.

Finally, recruitment agencies should ensure that they have provided their workers copies of their employment contracts duly verified by the DOLE/ POEA.

For immediate compliance.

Jennifer Jardin-Manalili
JENNIFER JARDIN-MANALILI
Administrator

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BY CRD ON MAY 06 2009