


## FOREWORD

This Manual is designed primarily for the employees of Visayan Surety and Insurance Corporation (VSIC). This will serve as our GUIDE as we work together as a team. It contains the general information concerning company policies, rules, regulations and procedures that reinforces our core values and set forth our expectations regarding the professional and ethical conduct of each employee in the workplace.

I trust that this manual will provide each one of us a secure and healthy working environment, create harmonious and productive work relationships that will nurture each individual growth not only as members of the VSIC family but more importantly as responsible members of the society.

Lastly, each employee is expected to read, understand and live by this manual. You are encouraged to discuss to your immediate superior or your HR/Admin should you have questions and concerns.

  
Mr. Kenneth L. Go, President

## GENERAL POLICY STATEMENT

VSIC values the contribution of its employees, and further believes they can carry the company's goals and objectives to achieve its vision. The company invests on its people through trainings, people management and having a healthy and fun environment. To this effect, the employees will become effective leaders, efficient workers, thus, making them a better person.

While VSIC is giving such concern to its people, the company in return expects their employees to give their best effort and performance. They will act in accordance to a professional conduct. An employee is expected to act in a manner that is advantageous to the best interest of the company, its property and workers, as well, at all times.

The company ensures to create, maintain and improve an organization that encourages discipline in every employee.

This manual is meant to complement and not to punish or replace such discipline within. It enumerates the policies and guidelines on the acceptance of standards of behavior, and corrective measures for certain acts or omissions that run against it in order to allow discipline and order in its daily operations.

### I. POLICIES AND GUIDELINES

#### IA. POLICIES

- a. **Employee Commitment.** The company regards its employees as its most valuable resources and therefore gives them the outmost trust and confidence. VSIC encourages its employees to return such commitment with quality performance and a display of ethical behavior in compliance with this manual.
- b. **Employee Performance.** An employee is hired by the company because Management believes that he/she has the necessary qualifications to perform a certain job effectively. The company relies on its employees to perform their assigned tasks to the best of their abilities with diligence and care, and in the best interests of the company, as well as its stakeholders and clients/customers.

- c. **Employee Attendance.** Good attendance and punctuality are essential to the company's success in serving its clients/customers. Employee attendance is one important factor to the employee's performance. However, there will be occasions when an employee will not be able to work. In this case, the authority to approve and pay for absences resides with the immediate superior up to the paid or unpaid time off permitted by company policy.
- d. **Employee Integrity.** Upon employment, the company extends to its employees its trust and confidence by allowing them to handle various transactions, access to cash and securities as well as other restricted and confidential information that is important to the company's operation. In return, the employees are expected to:
  - Use company property, funds, equipment and time only for the purpose allowed by the company;
  - Provide correct information and documents as deemed necessary and to the extent allowed;
  - Protect classified, restricted or confidential company information or documents;
  - Uphold company interest by not granting undue personal favors, especially in matters of contracts or in hiring and other similar activities; and
  - Exercise utmost discretion in accepting personal favors or gifts from individuals or entities seeking or doing business with the company and refuse any gift that may be considered as bribery.
- e. An employee may be assigned to a workspace, equipment or other company property for use in the performance of his/her job. The employee must exercise due care in using these properties.
- f. **Work Environment.** A clean and healthy work environment is conducive to work at the same time appealing to clients/customers. It is the responsibility of each employee to be concerned with the preservation of a clean environment and with good housekeeping.
- g. **Employee Respect.** Harmonious and productive relationships among employees and with the public are needed to promote an environment that helps deliver quality performance. An employee must therefore treat co-employees, clients/customers and suppliers with due respect, courtesy, consideration and understanding.

## **IB. GUIDELINES**

### **1. General**

1.1 This employee manual does not cover all acts or omissions which run contrary to the acceptable standards of behavior. With respect to such, they shall be dealt with analogly.

1.2 New policies concerning conduct and discipline that will be issued by the company from time to time shall form part of this manual. However, on instances when this manual and the new policies would conflict, the latter shall prevail. The HR/Admin shall be responsible for distributing copies to the employees and posting copies on bulletin board immediately after such are issued by the company.

1.3 Existing laws of the Philippines, including applicable city ordinances, are deemed incorporated into this manual. In case of conflict, the national law and/or city ordinance shall prevail.

1.4 It is important to understand and uphold the spirit behind the implementation of these policies and guidelines. Although corrective action may be imposed for violation of such, the overall intent is more of the prevention of the offense rather than the administration of the corrective action. The commission of the offense shall be taken as an opportunity to coach, counsel and promote a healthy and open two-way communication between the employee and the immediate superior rather than to punish the employee with no regard.

1.5 The responsibility to assist an employee to act in conformance with the acceptable standards of behavior rests on the employees' immediate supervisor (in coordination with the HR/Admin) together with the implementation of the corrective action.

### **2. Corrective actions**

2.1 Acts or omissions which run contrary to the acceptable standards of behavior embodied in this manual shall be subject to the following corrective actions:

#### **Verbal Reprimand**

Where the erring employee's immediate superior in coordination with the HR/Admin:

- Reminds and advises the employee of the acceptable standard of behavior in relation to an offense committed;

- Agrees with and assists the employee in correcting the offense committed to make it conform with the acceptable standard of behavior; and;
- Monitors the employee's future conduct to prevent the commission of the same offense.

#### **Written Reprimand**

Where the erring employee's immediate superior in coordination with the HR/Admin:

- Reminds and advises the employee in writing of the acceptable standard of behavior in relation to an offense committed;
- Agrees with the employee that in case of subsequent commission of the same offense, a stiffer corrective action shall be taken;
- Embodies such advice in a memo to be addressed to the employee;
- Assists the employee that in correcting the offense to make it conform with the acceptable standards of behavior; and
- Monitors the employee's future conduct to prevent the commission of the same offense.

#### **Suspension**

Where the erring employee's immediate superior in coordination with the HR/Admin:

- Counsels the employee of the acceptable standards of behavior in relation to an offense committed;
- Temporarily relieves the employee from work for a certain number of working days to allow the employee to reflect, plan and adopt a resolution and specific course of action to correct the offense committed to make it conform with the acceptable standards of behavior;
- Assists the employee in correcting the offense committed to make it conform with the acceptable standards of behavior; and
- Monitors the employee's future conduct to prevent the commission of the same offense.

## Dismissal

Where the erring employee's immediate superior in coordination with the HR/Admin terminates the employee's employment with the company either because:

- The offenses committed is absolutely inconsistent with the acceptable standards of behavior and results in very serious, potential or actual damage to the company; or
- The employee's behavior, in the judgment of his immediate superior, can no longer be in line with the acceptable standards of behavior through coaching and counseling.

2.2 In taking corrective action, the employee's immediate superior, shall, at all times, be guided by the principles of consistency and fairness. The immediate superior in coordination with the HR/Admin shall decide upon his/her independent consideration of the relevant matters free from bias, prejudice or influence.

2.3 Regardless of the number of times an employee has committed an act or omission, his immediate superior in coordination with the HR/Admin may increase or decrease the gravity of the corrective action to be taken considering the following factors:

- Employee's last performance
- Length of service
- Extent of participation in the act or omission involved
- Place, occasion and manner the act or omission was committed
- Presence or absence of malice
- Magnitude of its effects to the company and its employees
- Employee's resolve to rectify the act or omission committed

2.4 In cases of compounded offenses, i.e. the commission of several offenses arising from the same act or omission, the corrective action applicable for the more serious offenses shall be imposed.

2.5 Replacement may be imposed independently or together with any other corrective action in case of loss or damage to property of the company, its employees, customers, or other parties doing business with the company. The company may recover the amount involved by means of salary deductions, company imposed benefits or other legal means that will prompt offenders to pay the amount involved.

But the replacement shall in no way reduce the corrective action attached to the offense.

2.6 The provisions of this manual notwithstanding the company has the right to impose such other sanctions as may be provided by the labor manual or other pertinent laws, rules and regulations. The imposition of corrective action to an employee under the Employee Manual does not stop the company to file an action, civil, criminal or administrative against the employee concerned.

2.7 The corrective actions imposed, which are short of dismissal, are taken into consideration in effecting promotions, transfers and merit ratings. Such effects are made known to all employees to further discourage them from committing offenses.

## 3. Due Process

The corrective actions provided in this manual shall only be taken after all legal conditions of procedural process have been complied with.

### 3.1 Incident report

Anyone who discovers/learns of employee's wrongdoing must immediately report the incident to the immediate superior of the erring employee. It is the immediate superior's responsibility to report or inform such incident to the next level superior and HR/Admin.

### 3.2 Investigation

- The immediate superior, the next level superior and the HR/Admin shall immediately investigate the case through interviews and by securing the documents pertinent to the case, including the written statements of witnesses and the employee concerned.
- Cases discovered by Audit will be initially investigated by Accounting in coordination with the HR/Admin. Their findings shall be sent to his/her superior concerned.
- The immediate superior shall give reasonable notice in writing to the employee concerned on the date, time and place of investigation as noted by the HR/Admin. All proceedings of the investigation shall be recorded in writing.
- An investigator cannot act as such if he is a witness to the offense, involved in the case, or if personally related to the one under investigation to ensure neutrality. In such case, he must inhibit as an investigator.

- In the case of absent without leave (AWOL) or tardiness, there is no need for investigation. The employee shall be given the opportunity to explain his/her side in writing.

### 3.3 Due process requirement

If the investigation shows that there is substantial evidence showing the guilt of the employee concerned, the immediate superior, in consultation and coordination with the next level superior and HR/Admin, shall inform the said employee in writing of such findings and ask the employee to explain in writing WITHIN 24 HOURS from receipt why no corrective action should be taken against him/her. Written request for explanation shall be signed by the investigators.

### 3.4 Preventive suspension

- If the nature of the offense or the result of the preliminary investigation of the case concludes the preventive suspension of the employee, the immediate superior, in consultation and coordination with the next level superior and the HR/Admin, shall immediately implement the preventive suspension upon getting the clearance of the President. The notice of preventive suspension shall be signed by the immediate superior and noted by the next level superior and the HR/Admin.
- The employee concerned may be placed under preventive suspension if his/her continued employment poses a serious and impending threat to the life or of the company, its properties and/its employees or if the employee's action was grave and is subjected to such:

The preventive suspension will not last longer than 30 days. The company will thereafter reinstate the employee concerned in his/her former or in a substantially equivalent position, or the company may extend the period of preventive suspension provided that during the period of extension the company pays the salaries and wages and other benefits due to the mentioned employee. In such case, the employee placed under preventive suspension will not be bound to reimburse the amount paid to him/her during the extension if the company so decides, after the completion of the investigation, to dismiss the said employee.

### 3.5 Final report

Based on the findings/reports gathered together with the written explanation of the employee concerned, the immediate superior, the

next level superior and the HR/Admin shall evaluate, determine the facts of the case, and decide and enforce the appropriate corrective actions.

### 3.6 Enforcement of decision

The enforcement of the decision shall be as follows:

- If the corrective action is verbal reprimand, the immediate superior shall, in consultation or in coordination with the next level superior and the HR/Admin, implement and document such corrective action in a memo.
- If the corrective action is a written reprimand, the memo shall be signed by the immediate superior, noted by the next level superior and the HR/Admin. The latter shall document such for the 201 file.
- If the corrective action is suspension, the notice of suspension shall be signed by the immediate superior, noted by the next level superior and the HR/Admin and cleared with the President. The HR/Admin shall document such for the 201 file.
- If the corrective action is dismissal, the notice of dismissal shall be signed by the immediate superior, noted by the next level superior and the HR/Admin, confirmed with the President. The HR/Admin shall document such for the 201 file.
- If the decision is that no corrective action should be imposed, the employee concerned shall be cleared of any responsibility and liability. The memorandum of such clearance shall be signed by the immediate superior, noted by the next level superior and the HR/Admin. The HR/Admin shall document such for the 201 file.
- If the alleged offense is a just and authorized cause for dismissal, the clearance shall likewise be noted by the President.

### 3.7 Overall coordination between the superiors and HR/Admin

- The immediate superior, next level superior and the HR/Admin must always be notified whenever any incidents/employee concerns arise.
- All four shall act as investigators to the matter and signatories when reports are addressed.
- All four must reach to a unanimous decision regarding the matter, if not the President's decision would be sought.

### 3.8 Prescription of offenses

When the management has either failed to file a report, investigate or finalize a corrective action against the employee in the following period, he/she must be cleared of the violation:

- "A" and "B" offenses – one month
- "C" and "D" offenses – three months
- "E" offenses – six months

### 3.9 Prescription of penalty

Corrective actions meted against an employee shall be prescribed based on the gravity of offenses

- "A" and "B" offenses – one year from the date the corresponding corrective action of the 1<sup>st</sup> offense was served
- "C", "D" and "E" offenses – not covered by any prescriptive period, the corrective action imposed shall be a degree higher even if the violation of the same offense happens after one year from the date of the offense was served.

### 3.10 Responsibilities

It shall be the responsibility of the following to:

#### EMPLOYEES

- Be aware of the provisions of the Employee Manual especially the acceptable standards of behavior; and
- Work in accordance with the said acceptable standards of behavior
- Report any incidents/violations of this manual to authorities
- Act in the best interest of the company

#### IMMEDIATE SUPERIOR/MANAGER

- Inform and explain to their subordinates this Manual together with the work standards, rules, procedures, policies and the like;
- Ensure that the acceptable standards of behavior as stated in this Manual are being observed by his/her subordinates
- Implement the provisions of this Manual and monitor the imposition of corrective actions to create, maintain and improve a healthy working environment
- Immediately report any knowledge of violation of this Manual and other company work rules to their immediate superior and HR/Admin

- Fairly and consistently impose the corresponding corrective actions immediately
- Continuously monitor violating employees
- Provide a summary report to the HR/Admin supervisor regarding the violation of the employee, corrective actions applied and other comments a year after the corrective action was served

#### HR/ADMIN

- Distribute copies of the Employee Manual and newly issued policies on conduct and discipline to all employees
- Assist in informing and explaining the provisions of the Employee Manual to all
- Assist in the implementation of the Employee Manual
- Document the corrective actions that the immediate superior implemented together with the violation of the erring employee
- Review, improve and update the Employee Manual in accordance with the company's objectives

#### PRESIDENT

Approve any modification on the Employee Manual. Ignorance of company policies and guidelines will not be an excuse for any offense and its corresponding corrective or legal actions(s).

II. CATEGORIES OF OFFENSES AND ITS CORRESPONDING CORRECTIVE ACTIONS

a. Classification of offenses:

Class	Definition
A	Minor offenses
B	Major offenses or less serious offenses or those acts deliberately done or neglected by employees that causes loss of productivity or interpersonal goodwill
C	Serious offenses or those acts deliberately done or neglected by employees that causes or threatens to cause serious inconvenience to the company or to co-employees
D	Very serious offenses or those acts deliberately done or neglected by employees that causes or threatens to cause very serious inconvenience to the company or to co-employees
E	Grave offenses or those acts deliberately done or neglected by employees which cause grave harm to the company or to co-employees

b. Table of Offenses and Corrective Actions

Type of offense	Corrective Action				
	1 <sup>st</sup> Offense	2 <sup>nd</sup> Offense	3 <sup>rd</sup> Offense	4 <sup>th</sup> Offense	5 <sup>th</sup> Offense
A	Verbal reprimand	Written reprimand	3-6 days suspension	6-12 days suspension	Dismissal
B	Written reprimand	3-6 days suspension	6-12 days suspension	Dismissal	
C	3-6 days suspension	6-12 days suspension	Dismissal		
D	6-12 days suspension	Dismissal			
E	Dismissal				

c. Specific Offenses

1. Offenses against company time

Item #	Offense Description	Corrective Action
1	Engaging in personal activities (e.g. frequent long personal phone calls) or in any business activities for personal gain (non-competitive with company's line of business) during working hours	A
2	Non-observance of meal or break time schedule; extending lunch or break time	A
3	Malingering or feigning illness to avoid doing assigned work.	B
4	Wasting time or loitering while on duty	B
5	Failure to log-in for time in/out in the biometrics	B
6	Being late for more than four (4) times or more in a month	C
7	Leaving work assignment and company premises during working hours without permission from or information given to one's immediate superior	C
8	Sleeping during company time	C
9	Doing overtime work that is not warranted/unnecessary	C
10	Being on unauthorized under time or half day	C
11	Failure to render overtime work during rest days and holidays after being advised and having agreed to do so, without justifiable reason	C
12	Unexcused absences 1 <sup>st</sup> offense 2 <sup>nd</sup> offense 3 <sup>rd</sup> offense 4 <sup>th</sup> offense 5 <sup>th</sup> offense	A B C D E
13	Continuous absence without official leave or permission or extending the original previously unauthorized leave for five (5)	E

days or abandonment of work

2. Offenses against work performance

Item #	Offense Description	Corrective Action
14	Failure to fill out proper forms or to observe procedures prescribed by the company.	A
15	Failure of immediate superior to disseminate information regarding company policies, work standards and procedures, and the like to his/her subordinates	B
16	Failure of anyone who have knowledge of any violation of this manual to report such violation or act to HR/Admin	B
17	Use of internet in the workplace during office hours not related to work, thereby causing loss in productivity	B
18	Eating and drinking in restricted areas; reading unrelated materials during working hours, thereby causing loss in productivity.	B
19	Betting within the company's premises and during company time	B
20	Acting in a disorderly manner, thereby disrupting work. Provoking a quarrel or fistfight or participating in one, even though there maybe no resulting physical injuries on both sides. Sole exception is the act of self defense	C
21	Submitting false, misleading, grossly inaccurate data or information about one's work or the work of other employees resulting from negligence, that is disadvantageous to the company with or without intent for personal gain	C
22	Negligence or inefficiency, including delayed completion of work assignments, failure to meet deadlines, improper discharge of instructions, inaccurate reports and the like	C
23	Deliberate slowdown or dragging out of work which directly affects productivity	D

24	Insubordination or refusing, neglecting to follow and obey order from superior, refusal or negligence to perform assigned work	D
25	Willful or intentional non-observance of standard operating procedures in handling any transaction or work assignment for personal purposes or another's gain, profit or advantage	D
26	Accepting any gifts or favor in exchange for a job, work assignment, work location or service for the company or in awarding contracts to suppliers	E
27	Sabotage, deliberate restraint, disruption or stoppage of work or output, cheating, intimidating or coercing co-workers to commit these acts	E

3. Offenses against company's interest

Item #	Offense Description	Corrective Action
28	Failure to file (within one working day) a report of an accident involving company personnel or property	B
29	Overstating one's authority to act in the company's behalf in order to enrich oneself	E
30	Revealing confidential information concerning company operations, trade secrets or any restricted data to unauthorized person	E
31	Unauthorized entering into contracts with any other person, or business enterprise on behalf of the company	E
32	Padding of expense accounts for reimbursement from company or charging to the company unnecessary expense as well as unauthorized ones that benefit only the employee in question	E
33	Falsification of company records and documents, including any misrepresentation made when applying for employment	E



34	Malversation of company funds	E
35	Stealing of company properties and/or funds including goods, materials, equipment, and supplies	E
36	Accepting kickbacks, rebates, commissions, favor, and gift in obtaining supplies or services for the company or in awarding contracts to suppliers	E

4. Offenses against company property

Item #	Offense Description	Corrective Action
37	Failure to put off any electronic/electrical items, and/or computers assigned to the staff after use, or when leaving work for the day	A
38	Using any company property or vehicle for a purpose other than that intended or assigned without any other authorization. Any damage or injury caused to company property or to the employee or to any third party stemming from such unauthorized use shall be the responsibility of the erring employee alone and shall not be shouldered by the company	D
39	Destruction, damage or loss of company property due to gross neglect	E
40	Theft of company property or co-employee's property or causing, forcing, influencing others to steal at company premises at anytime	E

5. Offenses against health, safety and security

Item #	Offense Description	Corrective Action
41	Failure to wear the prescribed ID card	A
42	Failure to wear the prescribed office uniform	A
43	Failure to maintain cleanliness and orderliness in personal appearance	A

44	Failure to report that one has contracted a contagious disease and such ailment endangers fellow workers	A
45	Littering on company premises	B
46	Disregard of office regulations relating to sanitation and orderly conditions of the workplace, security or office equipment, and economic use of supplies	B
47	Refusal to submit to, or failure to meet, the security and safety requirement of the company	C
48	Committing any act that puts the company's or the group's reputation and goodwill in bad light	C
49	Falsely testifying for or against a person who is the subject of company investigation; concealing matters of interest to the company where its employees are or maybe involved	C
50	Willful disregard of notices and signs such as "No Entry" in restricted areas	C
51	Lending ID card to another person or assisting non-employees to enter company premises and restricted areas without company permission	C
52	Engaging in any subversive acts (including distribution of subversive materials) within company premises or within company time	E
53	Inflicting bodily injury upon another person within company premises or company area of responsibility	E
54	Carrying a gun, knife, explosive or any deadly weapon in company premises or company area of responsibility, brandishing this weapon with or without any intention to harm people with company premises or company area of responsibility	E

6. Offenses involving work relationships

Item #	Offense Description	Corrective Action
55	Rumor-mongering or spreading false information against any person or the company	B
56	Discourteous conduct (use of profane language, harsh tone of voice or belligerent body language aimed to insult persons) during office hours and within company premises	C
57	Disrespectful, insulting or unbecoming language or remarks or behavior towards co-employees, immediate superior, other managers, customers or guests	C
58	Provoking or promoting or assisting a person who instigates a fight during company hours and/or within company premises	C
59	Assault or attempting to assault or inflict bodily harm with or without the use of a weapon on a co-employee, manager or any other person in the work place or elsewhere if it is started from within and ended outside the company premises or during company sponsored activities at anytime for any reason	C
60	Threatening, intimidating, forcing, provoking or harassing a co-employee or any other person in the company premises at anytime	C
61	Engaging in a fight while on duty or within the company premises or branches	C
62	Indecent public exposure or immoral conduct including bringing member of the opposite sex inside the company premises under questionable moral circumstances	C
63	Failure to report any form of past criminal record(s) or work related legal issues or information upon application for work	E

7. Offenses against public morals

Item #	Offense Description	Action
64	Showing pornographic materials, pictures, or literature during company time or within	
65	Coming to work under the influence of any intoxicating drink or drug	
66	Gambling and drinking liquor or any intoxicating drink during working hours and outside of areas explicitly designated and authorized by the company on office hours	C
67	Engaging in an illicit relationship with co-employees	C
68	Engaging in lascivious behavior within company premises or within company time	D
69	Engaging in sexual acts within the company premises	E
70	Conviction for any criminal or civil suit with strong evidence of guilt. Morally acceptable/unacceptable	E
71	Taking of illegal or harmful drugs in or outside the company premises or company area of responsibility	E
72	Engaging in acts that constitute sexual harassment in any work-related or employment including but not limited to the following specific acts: i. demanding, requesting or requiring, implying indirectly or directly sexual favor for any of the following considerations: 1. as condition for hiring employment or re-employment 2. as condition for granting favorable compensation, terms and conditions of employment, promotion or privileges 3. as a basis of any other employment decision 4. as a basis for performance evaluation	E

<p>5. as a cover up for an employee's violation</p> <p>6. as a basis or condition for granting request for cooperation, support, or prompt response in any work or employment related activity</p> <p>ii. demanding, requesting or requiring, implying indirectly or directly sexual favor from an individual whose work is entrusted for supervision to or otherwise assigned for coordination or cooperation with the offender</p> <p>iii. demanding, requesting or requiring, implying indirectly or directly sexual favor which affects the offended individual in any of the following manner:</p> <ol style="list-style-type: none"> <li>1. by interfering with the individual's work performance</li> <li>2. by causing discrimination, insecurity, discomfort, offense or humiliation to the individual</li> <li>3. by creating an intimidating, unfriendly or offensive environment for the individual</li> <li>4. by impairing the individual's right or privileges under existing civil law, rules and regulations</li> <li>iv. upon refusal of any such demand, request or requirement for sexual favor, limiting, classifying or segregating an individual as would this discriminate, deprive or diminish employment opportunities or otherwise negatively affect the said individual</li> </ol>	
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III. OTHERS

1. Attendance

Absences – Absences maybe planned or unplanned, excused or unexcused:

Planned Leave – a leave filed ahead of time before the date of his/her absence, approved by the immediate superior. This is chargeable against the Vacation Leave credits.

Emergency Leave (unplanned) – a leave filed on the day of the absence or made through text or telephone call to be approved by the HR/Admin or his/her immediate superior. This is chargeable to Sick Leave or Vacation Leave depending on the nature of his/her reason for the leave of absence.

Unexcused absences are:

- Absences without approval prior notification
- Absences without valid reason

In case of emergency absences, employee must call the Supervisor/Department Head by telephone or by other means to inform Management of his/her situation. The employee must fill out the necessary form on the first day he/she reports for work.

Absence Without Official Leave (AWOL) for five consecutive days is abandonment of work and employee is considered terminated from the company.

**Tardiness (Late) and Undertime** – A person is considered tardy or late when he/she comes to the office a minute late or his/her official time. A grace period of 15 minutes is given. Reporting beyond the grace period is due for salary deduction. The schedule is below:

Official time: 8:30am. to 12nn., 1pm to 5:30pm, (Monday to Friday)

No of Minutes Later/Day	Deductions (Saturday – rotation)
1 to 15 minutes	none
16 to 30 minutes	½ hour's pay
31 to 60 minutes	1 hour's pay
61 to 120 minutes	2 hours' pay
2 hours to 4 hours	½ day's pay
More than 4 hours	1 day's pay

a. **Excessive Tardiness** - is defined as coming to work four (4) times tardy within one month period. The phrase within one month period means that within a calendar day span, the offender will have to come late 4 times to deserve appropriate sanction.

b. **Effect on Overtime** -

- No person who is late in a day will be allowed to work overtime within the same day.
- Overtime is not allowed for person who is on leave, either half day or whole day.
- Offsetting of undertime and overtime is not allowed

c. **Breaktime**

All employees are given 60 minutes for their lunch break and 15 minutes for each coffee break in the morning and in the afternoon everyday. The coffee breaks cannot be accumulated, added or combined to each other or to his/her lunch break. All employees must observe their schedules for the coffee breaks. Lunch break is from 12nn to 1pm daily. This arrangement is made to avoid work delays.

A 30 minutes break will be given for those rendering overtime after 5:30pm off. Official OT time will start at 6pm.

2. **Definition**

- a. **Vicinity** - defined as an area within one-kilometer radius from the company's premises.
- b. **Reprimand** - warning (either oral or written) given by the employee supervisor detailing the circumstances surrounding the violation and explaining the sanction that will come if the violation is repeated. Written warnings are photocopied by the Supervisor/Immediate Head, and are sent to HR for his/her 201 Files.
- c. **Lascivious Behavior** - engaging in overly sexual behavior (kissing, hugging, touching of sensitive body parts) or sexual harassment within company premises and company time. An important thing to consider here is the context of the supposed violation.

- d. **Subversive Activities** - those activities which tend to or attempt to destabilize legally constituted authority.
- e. **Gross Neglect** - consistent, deliberate non-compliance with work instructions or Job steps.

3. **Accumulation of Offenses:**

All offenses, except attendance, are considered cumulative until the employee's separation from the company.

For attendance (absences and tardiness), the cumulative period is one (1) year. This means that subsequent excessive tardiness/absences must occur within one year after first occurrence in order to be considered as part of a pattern of behavior which we want to correct. After this period, all previous offenses of the same nature will not be considered. †

4. **Effect of Administrative Sanctions on Promotability**

No employee who has been charged with an administrative (except on attendance) or criminal offense within a three-year period from the date of the proposed promotion, maybe promoted - notwithstanding the employees appraised performances.

IV. **CLOSING**

All are required to know, understand and observe all articles written above. All the rules and regulations shall be always applicable on company premises (including branches) and company sponsored activities such as Summer Outing, Christmas parties, trainings/seminars, conventions, anniversaries, etc.

It shall be noted that offenses not mentioned in this manual are not limited to such. In cases of acts not enumerated above but are harmful to the company's interest, objectives, its properties and employees, the classification of such act would be determined and subjected to corrective actions from the unanimous decision of his/her immediate supervisor, next level superior, HR/Admin, and the President.