

**SIMBAG SA EMERHENSYA ASIN DAGDAG PASEGURO MUTUAL
BENEFIT ASSOCIATION (SEDP MBA), INC.**

EMPLOYEE CODE OF DISCIPLINE

IMPORTANT NOTICE

This employee Code of Discipline Handbook is an office property and must be returned to the Finance and Administrative Unit or General Manager upon severance of your employment with SEDP MBA.

Signature over printed name

FOREWORD

The SEDP MBA believes in the importance of well-disciplined human resources in order to achieve its mission. It believes that by enforcing acceptable norms of behavior and by dealing fairly, firmly, and consistently with people within the organization it can foster an environment conducive to the fulfillment of the MBA's objectives.

The SEDP MBA CODE OF DISCIPLINE outlines the expected standards of behavior and corresponding sanctions against those who violate acceptable norms. The Code serves as the guide of all who work within the organization.

SEDP MBA employees, agents and management are expected to be always aware of these disciplinary guidelines and the consequences of failure to comply, thus ensuring that one's stay with SEDP MBA will be as productive and harmonious as possible.

For those vested with managerial responsibility, this Code of Discipline serves a two-fold purpose – as a personal guide and as a tool for supervising more effectively and harmoniously.

PART I – DISCIPLINARY ACTIONS

Section 1. GENERAL STATEMENT

This Code shall govern the on-and-off job conduct of SEDP MBA employees in order to protect and enhance their rights and interests as well as those of SEDP MBA. Furthermore, this codified Rules and Regulations and its system of enforcement shall be viewed as more of a “PREVENTIVE” measure to forestall the breaking of the rules set herein, rather than a stiff sanction ready to be sprung on erring personnel. Nonetheless, willful breaches of these rules shall be dealt with firmly and fairly.

Section 2. OBJECTIVES

1. To maintain ORDER and DISCIPLINE in the workplace for the efficient, effective and quality operation of SEDP MBA;
2. To develop and instill in the employees the value of personal/self discipline, proper deportment and good manners;
3. To give all employees clear and specific guidelines on how to behave as professional staff of SEDP MBA in order to prevent the commission or omission of acts that will give rise to the need for disciplinary action; and
4. To enhance and protect the rights and interests of the employees and SEDP MBA.

Section 3. COVERAGE

This Code applies to all employees of SEDP MBA regardless of rank and position. It shall be applied fairly and equally to all who work for and within the company.

Section 4. GROUNDS FOR DISCIPLINARY ACTION

A disciplinary action can be commenced if one or more of the acts and/or omissions cited/enumerated in the “Table of Offenses and Penalties” under Part II hereof occur. Violations of other applicable laws can likewise be made bases for disciplinary actions.

Section 5. COMMITTEE ON DECORUM & INVESTIGATION

A Committee on Decorum and Investigation (hereinafter referred to as the Committee) is hereby created to be composed of the following:

- a) Chairman – Member of the Human Resource Committee
- b) Member – Member of the Human Resource Committee
- c) Member – General Manager
- d) Member – Finance and Administrative Manager
- e) Member – One representatives of the rank and file to be selected by the rank and file employees for a term of three (3) years.

Any member who complains or is complained of shall inhibit himself/herself from participating in the deliberation of the committee.

The Finance and Administrative Manager shall act as Committee Secretariat.

Section 6. POWERS OR FUNCTIONS

The committee shall receive complaints, investigate and hear all alleged violations of the provisions of this Code and any SEDP MBA policies, rules and regulations, prepare and submit reports with corresponding recommendation to the President or for the Human Resource Committee and/or for the Board of Trustees for decision in accordance with the Codified Approving and Signing Authority (CASA). Similar actions involving the management of SEDP MBA shall be addressed to the Chairman of the Board of Trustees who shall act in accordance with the rules and regulations of the Board.

Section 7. PROCEDURES

A. Handling of Disciplinary Actions

1. In dealing with the herein offenses, the General Manager or Finance and Administrative Manager should focus more on the “corrective” rather than the “punitive” aspect of discipline. In this regard, the appropriate officer shall explain to the employee the effects of not observing SEDP MBA Rules and Regulations to the latter and to his co-workers. In every instance and where appropriate, the employee shall be given the chance to improve this conduct through positive coaching and counseling.
2. Upon learning that an employee may have committed an act or acts that can be a ground for disciplinary action, the reporting employee shall ascertain all the essential facts of the alleged offense, gather material documents thereon and report the matter to his/her direct superior. If the direct superior is the person concerned and the subject of the report, the employee may refer it directly to the next level superior. The latter, after evaluation of the case, shall report to the President for his/her approval.
3. An employee who is to be the subject of such investigation shall be served a Written Notice about the investigation, specifying the facts involved and the basis for the institution of a disciplinary action against him or her, and giving the said employee reasonable opportunity of ten (10) working days within which to explain his/her side.
4. The Notice shall be written in a clear, simple and concise language so as to apprise the employee of the nature of the allegations against her to enable her to prepare her defense.
5. In the conduct of such investigation, the Committee shall schedule a hearing during which the employee concerned is given the opportunity to respond to the charge,

present her evidence or rebut the evidence presented against her. The said hearing or conference shall be conducted solely for the purpose of ascertaining the truth without necessarily adhering to the technical rules applicable in judicial proceedings.

6. The Committee shall accept all evidence having materialized and relevance to the matter under investigation. In case of doubt, the Committee should resolve for the admission of evidence.
7. The hearing or conference shall be held not earlier than five (5) days or later than ten (10) days from receipt of the employee's response to the charge. Unless extended by the Committee in meritorious cases, the investigation shall be finished within forty (40) days from the date such response to the charge was received by the Committee. The Committee shall submit its report and recommendations to the President and/or the Board of Trustees within fifteen (15) days after completing its investigation.
8. If the employee, duly notified to appear at any scheduled hearing or conference, refuses or fails to do so without valid reason, he may be considered as having waived his right to respond to the charge or present evidence in his favor. The hearing or conference may proceed without his presence, and a decision shall be rendered based on the evidence adduced on record.
9. The amount of proof required in providing just cause for disciplining an employee is substantial evidence, i.e., such amount of relevant evidence which a reasonable mind accepts as adequate to justify a conclusion.
10. Having ascertained all the facts, the Committee shall make the necessary recommendation of applicable corrective measures, as heretofore provided.
 - 10.1 For light offenses and depending on the employee's past disciplinary record, emphasis must be given to corrective measures and counseling over the punitive aspect of discipline. This approach affords first offenders the chance to mend their ways in a conciliatory atmosphere.
 - 10.2 Depending on the gravity of the offense, or for subsequent commission of minor offenses, where these rules indicate a range of possible penalties from "Written Warning" to "Dismissal" the following circumstances shall be considered in setting the appropriate penalty:
 - 10.2.1 The employee's past disciplinary record, if the offense has been repeated.
 - 10.2.2 The extent or amount of damage/injury caused by the violation (commission or omission) to operations; employee morale; company property; and to the other employees.
 - 10.2.3 The presence of proven aggravating or mitigating circumstances.

- 10.3. In the determination of the penalties to be imposed, mitigating, aggravating and alternative circumstances attendant to the commission of the offense shall be considered. For this purpose, the following circumstances shall be appreciated:
- a. Physical illness
 - b. Good faith
 - c. Taking undue advantage of one's position.
 - d. Taking undue advantage of a subordinate.
 - e. Use of company property in the commission of the offense
 - f. Habituality
 - g. Offense committed during the office hours or within the office premises
 - h. Employment of fraudulent means to commit or conceal the offense
 - i. Length of service in the corporation
 - j. Education, or
 - k. Other analogous circumstances.
11. If a "written warning" is issued, the General Manager must implement the disciplinary action. In cases where "written warning" or higher penalty is applicable, the erring employee must acknowledge notice/receipt of the penalty by signing on the Memorandum/Document itself, a copy of which must be furnished the employee's 201 file.
12. In cases where the penalty of "suspension" or "dismissal" imposed is within the CASA, the General Manager shall implement the same. If the penalty imposed is dismissal, the matter shall be elevated to the Board. In every case, the suspended or dismissed employee shall be informed in writing thereof. Should he/she disagree with the decision, he/she may appeal his case to the General Manager within five (5) days after receipt of notice. Otherwise, the penalty is due for immediate implementation.
13. In case of an appeal, the General Manager shall make the final decision within ten (10) days from receipt of the appeal after which the decision is due for immediate implementation.
14. It shall be the responsibility of Finance and Administrative Manager to ensure that all reportorial requirements pertinent to disciplinary action are properly submitted and accounted for.

B. Successive or Multiple Violations

1. Where a single act constitutes two or more offenses under this Code, the sanction for the more serious offense may be applied.

2. Where there is a repeated or habitual violation of the same rule, the disciplinary action for such offense shall be graver than the last sanction imposed for the same violation.

C. Preventive Suspension

Where an employee is under investigation for a Grave Offense and, to the mind of the investigating authorities, his continued presence or service poses a serious and imminent threat to the life and property of the company, its agents and employees, or where an employee is deemed to be in position to influence the investigation proceedings, or if there are strong reasons to believe that the respondent is guilty of charges which would warrant his/her removal from the service, he may be placed under "Preventive Suspension" up to a maximum period of thirty (30) days pending final resolution of the case. During the preventive suspension, the salaries and benefits of the employee concerned shall be withheld.

When the investigation of the employee under preventive suspension is not yet finally over after he serves his preventive suspension, he shall be automatically reinstated in the service; provided that, when the delay in the disposition of the investigation is due to the fault, negligence or petition of the respondent, the period of delay should not be included in the counting of the number of calendar days covered by the preventive suspension; provide, further, that should the respondent be on maternity/paternity leave, said preventive suspension shall be deferred or interrupted until such time that said leave has been fully enjoyed.

Employees subsequently exonerated of the alleged offense shall be entitled to the withheld salaries and other benefits during the period covered by the preventive suspension.

D. Prescriptive Period

All offenses officially reported to the company shall prescribe or lapse and the corresponding disciplinary action considered waived if the company takes no action within the period of one (1) year. The prescription period is understood to start to run from the date the offense is officially reported, or from the date of its discovery by the corporation, whichever comes first.

E. Guidelines on Implementation of Disciplinary Action

1. Personnel discipline, being a line function, is a prime responsibility of top management. They have the duty to report the offenses committed by their subordinates and, where appropriate, to initiate or implement disciplinary actions.
2. The General Manager should discipline erring employees in private and explain the offense committed and the disciplinary action taken. Records of disciplinary actions are classified "Confidential" and must be strictly treated as such.
3. The General Manager should see to it that his subordinates understand the consequences of non-compliance for themselves, their co-workers, the Unit, and SEDP MBA as a whole.

4. Reprimands should always be kept at the “professional level”. Under no circumstances should the superior allude to the erring subordinate’s private life or anything that will degrade or insult the employee as a person.
5. Any questions regarding this Code should be discussed with the Finance and Administrative Manager and, if necessary, brought up to the Committee. The Finance and Administrative Manager is responsible to ensure that all disciplinary actions are in compliance with the Labor Code of the Philippines and the requirements of the principle of “due process”.

F. Types of Disciplinary Sanction

1. **Written Warning.** This is a short memorandum to the offender from administration or his/her immediate superior where the specifics of the offense and its consequences are cited. The memorandum ends with a warning that a similar infraction in the future will be dealt with more severely in accordance with existing corporate policies. A copy of such memorandum is included in the employee’s 201 file.
2. **Suspension.** This consists of compulsory leave from work without pay and is imposed when the degree of severity of the infraction so warrants under existing corporate policies. This is different from preventive suspension.
3. **Dismissal.** This is the most severe penalty, wherein SEDP MBA severs or terminates the employer-employee relationship.
4. **Restitution.** In the event that SEDP MBA incurs any loss to the fault or negligence of an employee, restitution of the loss shall, in addition to the prescribed penalty, be required of the employee either by application of whatever benefits he is entitled from the corporation, or through salary deduction or by the other lawful means which allows the employee to pay the amount involved.

G. Applicability of Pertinent Laws

These rules and regulations are not exhaustive. SEDP MBA shall exercise its inherent right to discipline or dismiss employees for offenses or acts inimical to public morals or for violations of the laws of the Republic of the Philippines, which may be applicable herein.

H. Non-Restrictive Clause

SEDP MBA reserves the right to amend or repeal these Rules as the exigencies of the times warrant and upon proper announcement, orientation or notice and internal publication.

PART II – TABLE OF OFFENSES AND PENALTIES

A. POLICY STATEMENTS

1. Every employee is expected to report for work and perform his duties regularly and punctually.
2. Every employee shall perform with diligence and without rancor his duties and other work assigned to him.
3. Every employee shall adhere to the lawful orders, instructions or rules related to his work.
4. An employee's conduct or behavior shall be beyond reproach and free of impropriety at all times.
5. Employees should uphold SEDP MBA's and its member's interest at all times.
6. Every employee shall respect the rights or property of SEDP MBA or other persons.
7. An employee must preserve his personal and professional integrity and honesty, and put them into action at all times.

B. DEFINITION OF TERMS

1. **Absence Without Leave (AWOL)** – Officers or employees who are absent without approved leave.
2. **Habitual Absence** – unauthorized absences exceeding the allowable 2.5 days leave credit in a month for at least two (2) months in a semester or two (2) consecutive months in a year.
3. **Tardy** – reporting within 1-59 minutes after the start of the official work schedule. Arriving at least one (1) hour from the start of the work schedule shall be considered half-day.
4. **Undertime** – leaving the company premise before the end of the official work schedule. Leaving the office premise at least one (1) hour before the end of the official work schedule shall be considered half-day.
5. **Habitual Tardiness/ Uvertime** – incurring tardiness and/or undertime regardless of number of minutes, for at least ten (10) times a month.
6. **Gift** – refers to a thing or a right disposed of gratuitously, or any act of liberality, in favor of another who accepts it, and shall include a simulated sale or an ostensibly onerous disposition thereof. It shall not include an unsolicited gift of nominal or insignificant value not given in anticipation of, or in exchange for a favor from an official or employee.
7. **Receiving Gift** - the act of accepting, directly or indirectly, a gift from a person other than a member of his family or relative, even on the occasion of a family celebration or national festivity like Christmas, if the value of the gift is significant or material and given in anticipation of, or in exchange for a favor.
8. **Loan** – covers both simple loans as well as guarantees, financing agreements or accommodations.
9. **Just Debts** – refer to claims decided by a court of law as due and owing from the employee-debtor or claims the existence and justness of which are admitted by the employee-debtor.

C. OFFENSES AND PENALTIES

1.0 SEVERE OFFENSES

| Sec. | OFFENSE | SANCTION / PENALTY | | |
|------|---|--------------------|--------|-------|
| | | First | Second | Third |
| 1.1 | Padding of expenses, collections and other receivables | Dismissal | | |
| 1.2 | Willful and unauthorized alteration of vital company and/or members records | Dismissal | | |
| 1.3 | Furnishing false or misleading information about the corporation and/or oneself; giving false testimony during investigation; submitting false medical and other certificates; tampering or falsifying records or documents. | Dismissal | | |
| 1.4 | Conniving with another employee to defraud the company/co-employee or a client/member | Dismissal | | |
| 1.5 | Failure to remit or turnover collections and other funds or property or purposely delaying such remittance or turnover. | Dismissal | | |
| 1.6 | Unauthorized disclosure, release or selling of classified information, documents, articles, business or corporate secrets, manuals and soft wares, printouts, or permitting or assisting unauthorized persons to have access to such classified information, articles or proprietary materials. | Dismissal | | |
| 1.5 | Submitting or substituting company materials, equipment, or any property with another with intent to defraud the company. | Dismissal | | |
| 1.6 | Misappropriation, misuse or malversation of corporate funds, assets or properties; or theft of corporate property or those of other persons committed within office | Dismissal | | |

| Sec. | OFFENSE | SANCTION / PENALTY | | |
|------|---|--------------------|--------|-------|
| | | First | Second | Third |
| | premises. (Keeping property in ones' possession without proper authorization shall constitute an offense under this number). | | | |
| 1.7 | Gross discourtesy and disrespect of authority. | Dismissal | | |
| 1.8 | Willful disobedience of lawful instructions and/or directions of superiors. | Dismissal | | |
| 1.9 | Making false, vicious or malicious statements concerning the corporation, and/or its products or services, or misrepresenting the corporation to outsiders. | Dismissal | | |
| 1.10 | Soliciting or accepting, directly or indirectly, any gift, gratuity, favor, entertainment, loan, or anything of monetary value from any person or entity, which has dealings with the corporation. | Dismissal | | |
| 1.11 | Bribing or offering money, gift or anything of value of any employee/ entity, directly or indirectly, to seek or qualify for preferential benefit, or to influence the decision on any case, transaction or project. And recommending any person to any position in an entity that has dealings with SEDP MBA unless SEDP MBA Management, law or international agreements, commitment and obligation mandate such recommendation or referral. | Dismissal | | |
| 1.12 | Absence Without Official Leave of at least thirty (30) consecutive working days. | Dismissal | | |
| 1.13 | Failure of resigning employee to serve advance written notice to the corporation at least thirty (30) days before the date he/she intends to leave the service. | Dismissal | | |
| 1.14 | Failure of resigning employee to continue to work or to | Dismissal | | |

| Sec. | OFFENSE | SANCTION / PENALTY | | |
|------|---|--------------------|--------|-------|
| | | First | Second | Third |
| | render service during the thirty (30) days notice period, except when the employee has the approval of the company to go on leave of absence. | | | |
| 1.15 | Failure to clear accountabilities such as liquidation of cash advances payment for lost or damaged properties and loans of a separating employee acquired on the strength of employment with the company. | Dismissal | | |
| 1.16 | Threatening, intimidating, assaulting or insulting any member of Management or any supervisor for any cause whatsoever. | Dismissal | | |
| 1.17 | All other acts of dishonesty or deceit causing prejudice or damage to the company / customers or co-employee/s. | Dismissal | | |

LESS SEVERE OFFENSES

| Sec. | OFFENSE | SANCTION / PENALTY | | | |
|------|--|------------------------------------|-----------|-------|--------|
| | | First | Second | Third | Fourth |
| 2.1 | Unwelcome sexual advances or improper gestures of affection, request or demand for sexual favors, or any other act or conduct of sexual nature for purposes of sexual gratification, made directly or indirectly, whether accepted or not, which would result in an intimidating, hostile or offensive environment for the employee. <i>(Sexual harassment)</i> | Suspension of 30 days to Dismissal | Dismissal | | |
| 2.2 | Creating inciting joining, affiliating with or forming any movement/organization, association or group whose purposes are contrary to law. | Suspension 15 days to Dismissal | Dismissal | | |
| 2.3 | Possessing, using or causing to be used, narcotic or prohibited drugs within office premises except when such drugs are prescribed by a medical officer. | Suspension 15 days to Dismissal | Dismissal | | |
| 2.4 | Grave abuse of status, power or discretion. | Suspension 15 days to Dismissal | Dismissal | | |
| 2.5 | Failure to prevent and/or report violations of any corporate rules by any employee. | Suspension 15 days to Dismissal | Dismissal | | |
| 2.6 | Condoning, tolerating or participating in an offenses committed by a subordinate. | Suspension 15 days to Dismissal | Dismissal | | |

| Sec. | OFFENSE | SANCTION / PENALTY | | | |
|------|--|------------------------------------|-----------|-------|--------|
| | | First | Second | Third | Fourth |
| 2.7 | Any and all acts which hinder the implementation of company policy or discredit the company to its employees. | Suspension of 15 days to Dismissal | Dismissal | | |
| 2.8 | Absence Without Official Leave for 11-29 consecutive days | Suspension 15 days | Dismissal | | |
| 2.9 | Knowingly using another employee's ID or causing another employee to use his/her ID. | Suspension 15 days | Dismissal | | |
| 2.10 | Grossly indecent or immoral conduct. | Suspension 15 days | Dismissal | | |
| 2.11 | Unauthorized carrying or possession of deadly weapons or explosives inside office premises. | Suspension 10 days to Dismissal | Dismissal | | |
| 2.12 | Allowing others to use one's ID to gain access to office premises to defraud the company. | Suspension 10 days to Dismissal | Dismissal | | |
| 2.13 | Fighting or instigating a fight within office premises, or inflicting or attempting to inflict bodily harm or injury in any form to fellow employees/clients | Suspension 5 days to Dismissal | Dismissal | | |
| 2.14 | Malicious mischief or any act aimed to cause alarm, panic or confusion inside office premises | Suspension 5 days to Dismissal | Dismissal | | |
| 2.15 | Willful failure to pay just debts. | Suspension of 5 days to | Dismissal | | |

| Sec. | OFFENSE | SANCTION / PENALTY | | | |
|------|---|------------------------------|-----------|-------|--------|
| | | First | Second | Third | Fourth |
| | | Dismissal | | | |
| 2.16 | Entering office premises under the influence of liquor or intoxicating drinks or drugs whether on or off duty; or reporting for work or working under the influence of liquor or intoxicating drinks. | Suspension 10 days | Dismissal | | |
| 2.17 | Acts of negligence or omissions resulting to injury to oneself or others or to loss or damage of corporate property. | Written Warning to Dismissal | Dismissal | | |
| 2.18 | Unauthorized entry into restricted areas; or assisting others to illegally gain entry into office premises or restricted areas. | Written Warning to Dismissal | Dismissal | | |
| 2.19 | Knowingly harboring a contagious disease such as TB, STD, Hepatitis, which may endanger the health of fellow employees without notifying the management. | Written Warning to Dismissal | Dismissal | | |
| 2.20 | Having or engaging in conflict of interest, viz: Owning, controlling, managing, participating/involving oneself, directly or indirectly, in any transactions or accepting employment as officer, employee, consultant, counsel, broker, agent, trustee, or nominee in any company/institution and the interest of such corporation or a business, or his rights or duties therein, may be opposed to or affected by the faithful performance of his official duties | Written Warning to Dismissal | Dismissal | | |

| Sec. | OFFENSE | SANCTION / PENALTY | | | |
|------|--|--------------------------------------|---------------------------------|-----------|--------|
| | | First | Second | Third | Fourth |
| | or undesirable to the interest of the corporation unless allowed by management or by the law. | | | | |
| 2.21 | Refusal without valid reason to comply with or obey official / lawful orders / instruction, rules or orders related to work. | Suspension 10 days | Suspension 15 days | Dismissal | |
| 2.22 | Improper conduct or behavior or disrespect to fellow employees, visitors and clients. | Suspension 5 days | Suspension 10 days | Dismissal | |
| 2.23 | Threatening, intimidating or coercing fellow employees or visitors or clients. | Suspension 5 days | Suspension 10 days | Dismissal | |
| 2.24 | Submitting false, misleading or grossly inaccurate data about work or other employees. | Written Warning to Suspension 5 days | Suspension 10 days | Dismissal | |
| 2.25 | Intriguing or making false defamatory or malicious statements against another employee so as to cast dishonor, discredit or contempt on the latter. | Written Warning to Suspension 5 days | Suspension 10 days | Dismissal | |
| 2.26 | Refusal to abide by or failure to comply with published corporate rules, policies, or requirements on safety, security or health; or intentionally exposing oneself or others to danger. | Written Warning to Suspension 5 days | Suspension 10 days to Dismissal | Dismissal | |
| 2.27 | Unauthorized removal of corporate | Suspension 5 | Suspension | Dismissal | |

| Sec. | OFFENSE | SANCTION / PENALTY | | | |
|------|---|--------------------|--------------------|-----------|--------|
| | | First | Second | Third | Fourth |
| | property from the office premises | days | 15 days | | |
| 2.28 | Refusal to acknowledge receipt of disciplinary actions after having been found guilty under these rules. | Suspension 5 days | Suspension 10 days | Dismissal | |
| 2.29 | Refusal to leave place of work or the premises when required to do so by his superior or authorized representative as a disciplinary measure. | Suspension 5 days | Suspension 10 days | Dismissal | |
| 2.30 | Use of disrespectful, impolite, insulting obscene language in addressing or speaking with fellow employees, supervisory or corporate officers. | Suspension 5 days | Suspension 10 days | Dismissal | |
| 2.31 | Gambling in any form; or promoting or assisting in gambling, lotto or any game of chance within office premises. | Suspension 5 days | Suspension 10 days | Dismissal | |
| 2.32 | Using corporate time, materials, tools or other equipment to do unauthorized work or for personal use or purpose. | Suspension 5 days | Suspension 10 days | Dismissal | |
| 2.33 | Any act of vandalism, causing damage, deformity or defacement, either deliberate or through negligence to corporate property or to those of others within or outside office premises. | Suspension 5 days | Suspension 10 days | Dismissal | |
| 2.34 | Posting of unauthorized notices, | Suspension 5 | Suspension | Dismissal | |

| Sec. | OFFENSE | SANCTION / PENALTY | | | |
|------|---|--------------------------------------|------------------------------------|-----------|--------|
| | | First | Second | Third | Fourth |
| | signs, placards; or unauthorized removal or tampering of official communication. | days | 10 days | | |
| 2.35 | Opening another employee's drawer or locker without permission of the owner except upon expressed authorization of the corporation. | Suspension 5 days | Suspension 10 days | Dismissal | |
| 2.36 | Habitual absence | Suspension 1-15 days | Suspension 16-30 days | Dismissal | |
| 2.37 | Unfair discrimination because of gender, age, or religious affiliation (<i>Gender discrimination</i>) | Written Warning to Suspension 5 days | Suspension 15 days | Dismissal | |
| 2.38 | Reckless driving of corporate vehicles, which may result to possible or actual damage to life or property | Written Warning to Suspension 5 days | Suspension 10-15 days to Dismissal | Dismissal | |
| 2.39 | Failure to report an accident or injury promptly to proper officials | Written Warning to Suspension 5 days | Suspension 10 days | Dismissal | |

2.0 LIGHT OFFENSES

| Sec. | OFFENSE | SANCTION / PENALTY PER OFFENSE | | | |
|------|--|--------------------------------------|-------------------------------------|---------------------------------|-----------|
| | | First | Second | Third | Fourth |
| 3.1 | Malingering or pretending to be sick and/or giving false excuses for an absence | Written Warning to Suspension 5 days | Suspension 5 – 10 days Dismissal | Suspension 10 days to Dismissal | Dismissal |
| 3.2 | Habitual Tardiness | Written Warning | Suspension 5 days | Suspension 10 days | Dismissal |
| 3.3 | Unauthorized or unexcused undertime | Written Warning | Suspension 5 days | Suspension 10 days | Dismissal |
| 3.4 | Sleeping while on duty | Written Warning | Suspension 5 days | Suspension 10 days | Dismissal |
| 3.5 | Failure to work overtime without valid reason after being required/authorized to do so. | Written Warning | Suspension 5 days | Suspension 10 days | Dismissal |
| 3.6 | Improper office decorum including but not limited to failure to wear the prescribed uniform or office attire; Bringing unruly/rowdy children who disrupt office work, etc. | Written Warning | Suspension 5 days | Suspension 10 days | Dismissal |
| 3.7 | Smoking in strictly “NO SMOKING” areas properly identified as such. | Written Warning | Suspension 5 days | Suspension 10 days | Dismissal |
| 3.8 | Failure of equipment operator or user to report immediately any defect or | Written Warning | Suspension 3 days | Suspension 5 days | Dismissal |

| Sec. | OFFENSE | SANCTION / PENALTY PER OFFENSE | | | |
|------|--|--------------------------------|-------------------------------|--------------------------------|--------------------|
| | | First | Second | Third | Fourth |
| | damage to equipment or materials. | | | | |
| 3.9 | Failure to return items taken out or borrowed from the corporation within the specified time. | Written Warning | Suspension 1 day to 5 days | Suspension 10 days | Dismissal |
| 3.10 | Absence Without Official Leave (AWOL) for 3-10 consecutive days. | Reprimand | Suspension Maximum of 30 days | Suspension Maximum of 6 months | Dismissal |
| 3.11 | Failure to present medical certificate following three days sick leave | Written Warning | Suspension 5 days | Suspension 10 days | Suspension 30 days |
| 3.12 | Leaving work assignment, office premises or work area during work hours without permission from or approval of the immediate supervisor. | Written Warning | Suspension 5 days | Suspension 10 days | Suspension 30 days |
| 3.13 | Failure to give notice prior to an absence. (Employees are required to call within the first 2 office hours) | Written Warning | Suspension 5 days | Suspension 10 days | Suspension 30 days |
| 3.14 | Failure to log / Bundy / punch / swipe in and out of the office | Written Warning | Suspension 5 days | Suspension 10 days | Suspension 10 days |

PART III EFFECTS OF PENALTIES

Penalties imposed have adverse effects on promotion and merit ratings. Such effects are made known to all employees of the corporation to further deter them from committing such offenses.

| Sanction/Penalty | Effect on Promotion | Effect on Performance Rating | Effectivity Period |
|-----------------------------------|----------------------------|-------------------------------------|---|
| Written Warning or Reprimand | None | No rating higher than VS | Within semester when sanction was imposed |
| Suspension of 1-5 days | No promotion | No rating higher than satisfactory | Within semester when sanction was imposed |
| Suspension of 6 days And above | No promotion | No rating higher than satisfactory | For the year when sanction was imposed |

PART IV. PROOF OF ACCEPTANCE

This is to certify that I have read and accepted to follow all the provisions stated on this Employee Code of Discipline.

Employee Name & Signature