

HUMAN RESOURCE MANAGEMENT:
STARPORT ARMADA SOLUTIONS, INC.

CODE OF DISCIPLINE

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A. RATIONALE

Discipline is an important requisite for the efficient operation of any business organization. The Company believes that discipline forms part of the employee's training program, the objective is to educate employees and other individuals in the fundamental standards of behavior and performance. This can only be achieved if a uniform set of rules and regulations are administered effectively and consistently.

The Company recognizes the difference in character, interests, attitudes and culture established standards and norms of conduct and behavior for employees to conform with to preserve order as such, a Code of Discipline is essential to ensure that proper norms of conduct and behavior beneficial to the promotion and accomplishment of Company goals are observed. As discipline is vital to the success of any organization or endeavor, employees of a Company are duty-bound to comply with Company set policies as well as the requirements of law and their implementing rules and regulations.

B. SCOPE

This Code of Discipline states the basic philosophy of the Company regarding the discipline and the Company's rules and regulation, hand-in-hand with the rules of conduct set forth in the Code of Discipline are enumerations of offenses or violations as well as the prescribed sanctions or penalties imposable against violators after compliance with procedural requirements set forth by law. These are in fact, the components of the Code of Discipline.

C. OBJECTIVES

- a) To establish a uniform Code of Discipline for employees of the company.
- b) To develop and instill among employees a firm sense of responsibility in the pursuit of Company goals and objectives, the observance of company culture with emphasis on the ideal norms of conduct and moral values, obligation to and respect for his work, his co-employees, superiors and/or subordinates as well as company authority and property

- c) To clearly identify and define offenses and infractions and the specific penalties, as well as prescribe the rules and procedure for imposition of disciplinary sanctions.
- d) To institute order to correct and eliminate unsatisfactory performance or an employee for the sake of effective work operations and to improve the morale of other employees. Although disciplinary/corrective actions are expressly indicated for violation of any of the Company's rules and regulations, the intent is prevention of infraction rather than the administration of penalties.
- e) To ensure equal treatment and fairness in the imposition of corrective action, which will encourage honesty and self-discipline.
- f) To advocate positive and supportive discipline which aims to help and develop, not punish the employees

D. GENERAL POLICIES

- a) Any and all acts violating and/or constituting a violation of the comprehensive policies detailed in the foregoing section will be considered as violation and liable to disciplinary action. This will be in concurrence with the appropriate provision of this code.
- b) Ignorance of the rules and regulations declared in this Code as well as notices are memoranda that may be promulgated in the future shall not justify an employee from non-observance or from the disciplinary action to be imposed thereon.
- c) All disciplinary action shall be imposed following the process enumerated in this Code.
- d) All actions to resolve or settle grievances shall abide by the relevant provisions of any mechanisms installed for such purpose.
- e) Administration of disciplinary action on erring employees shall not hinder the Company from filing criminal and/or civil charges in accordance with the applicable laws of the State
- f) In case where the infractions or offenses committed violate more than one provision of this Code, these shall be dealt with separately

E. GUIDELINES

- a) The Company may, at any time, make reasonable substitutions or amendments to this Code or repeal the same. However, any addition, deletion or change thereto will be made expressly in writing.
- b) When an act qualifies under two or more provisions of the Code of Discipline, the Company in its sound discretion may choose which provision shall be applicable.
- c) The Code of Discipline is not all-inclusive. For acts not defined in the Code, the Company in its sound discretion may apply the provisions of the Code to any case analogous to those defined thereunder.
- d) The Company may, through the issuance of appropriate memoranda/circulars, define acts not otherwise mentioned or enumerated in these guidelines, as offensive to its operations, objectives and policies, and to impose appropriate disciplinary measures therefor. Such memoranda/circulars shall form part of these guidelines upon their issuance.
- e) The Company shall exercise its inherent right to discipline or dismiss employees for any serious offense or infraction against the Code of Discipline to maintain a productive, safe and pleasant working environment.
- f) The prescribed corrective action shall be applied to an employee who failed to meet the standards of performance set by the company and/or his behavior or conduct is found to be detrimental to his co-employees and/or to the Company.
- g) Discipline being a **line function**, is a fundamental management responsibility. The primary Administrator of this policy is the DDepartmentDepartment Head, Department Manager, or Immediate Superior of the employee to be disciplined, they are responsible for the behavior of their respective subordinates and it is their duty initiate corrective action whenever necessary.
 - (1) In all cases, and at the first instance, the Administrator will be primarily responsible for conducting the initial investigation, determining the relevant facts of the case, and evaluating if a notice of violation is warranted
- h) Employee's right to due process shall at all times be respected. No penalty may be imposed unless;

- (1) The alleged offender was informed in writing (within 48 hours upon the discovery of the offense) of the nature and cause of the infraction committed;
- (2) Employee was given a chance to be heard and defend him/herself.

- i) Unless otherwise specified, rules shall apply to all personnel of WB Advisory Group regardless of employment status and rank and shall cover all violations committed within working hours and work premises.

F. CUMULATIVE EFFECT OF OFFENSES:

The rule of progression shall always be observed on the imposition of corrective/disciplinary actions.

- a) All offenses of the same nature committed shall be treated on a cumulative basis.
- b) Succeeding offenses of the same nature shall be meted with the next higher corrective action if the succeeding offense is still within the prescriptive period of twelve (12) months from the date of **first** offense.

- (1) All recorded offenses of the same nature shall be cancelled after the employee has shown improved behavior within twelve (12) months from the time the last offense was committed.

- (2) Cancellation of offenses shall have direct bearing only on the progression of future violations for the same offense. Records pertaining to the offenses shall be retained in the employee's DA record file and shall form part of his employment history.

e.g. An employee has been disciplined due to tardiness four (4) times in June 2004 and did not incur any tardiness within a 12-month period. This employee will start from the lowest corrective/disciplinary action if he incurred tardiness after June 2005.

- c) Two or more offenses emanating from a single act shall be dealt with a more severe disciplinary/corrective action

G. CORRECTIVE/DISCIPLINARY ACTIONS:

- a) Corrective/disciplinary actions are meant to make employees aware of the consequences when their behavior run counter with the established rules and regulations of the Company.
- b) When the employee's act or offense results in damage to Company property and/or injury to persons, the employee who is in violation shall, in addition to the imposition of the corrective/disciplinary actions enumerated, be also held liable for any and all damages that the Company and/or individual/s suffered as a consequence of his violation.
- c) Corrective/disciplinary actions shall take any of the following forms:

(1) Verbal warning (VW) is given to an employee for an infraction against the company under the prerogative of the managing superior which will depend on the gravity of the offense. In such cases that it is a severe offense corrective action may begin with Written Warning.

(2) Written warning (WW) is given to an employee for an infraction specifying the same to caution the employee that repetition shall be dealt with more severely.

(3) Final Written Warning (FWW) is given to an employee who repeated an infraction for the third time. This serves as the last warning to the employee prior to the more severe sanction.

(4) Suspension (varies in # of days, depending on severity of offense) is the temporary barring of an employee from work and in the performance of his/her duties and functions for the specified period of time. Suspension is without pay.

e.g. 3DS - 3 days suspension

6DS - 6 days suspension

(5) Dismissal (DSC) or Termination of employment is the separation of an employee from the Company for cause, i.e., when an employee commits the same offense repeatedly and/or after having committed a serious offense

warranting summary Dismissal as its penalty even without prior warning or suspension issued.

Note: All cases of Dismissal shall be investigated with utmost impartiality with the erring employee being given the opportunity to present his side and the HRD to summon all witnesses to resolve the case. Members of the investigating council must always be at an odd number to come up with a majority rule decision on the dismissal of the employee under trial.

d) **Offenses / Violations** may be categorized under any of the following categories:

(1) Category I

- Offenses under this category are those punishable by **WW** or **FWW**.

(2) Category II

- Offenses under this category are those punishable by one (1) to six (6) working days **suspension**.

(3) Category III

- Offenses under this category are deemed as serious violations, and thus, punishable by prolonged **suspension** (suspension of more than six (6) working days) or **Dismissal**.

H. IMPOSITION OF CORRECTIVE/DISCIPLINARY ACTIONS:

The penalties indicated for each group of offenses in this Code of Discipline should under normal circumstances, be the penalties imposed. This is to ensure uniformity in the application of sanctions and to ensure that the disciplinary actions enforced are neither too lax nor too severe.

It is understood that any offense included in this Code of Discipline, either explicitly or by reference, shall be punishable if it is committed deliberately or through negligence and without justifiable cause or excuse. Unless explicitly stated, the presence of aggravating circumstances shall increase the severity of the penalty, and the presence of mitigating circumstances shall reduce it.

While there are guidelines on what specific actions to take for each offense, the corrective action given may be lessened or increased under certain circumstances

(i.e., mitigating, aggravating or exempting circumstances) depending on the evidence, the severity of the offense, and individual's past records.

- a) Confession or admission of an offense, and reporting of accomplices may be considered as a **mitigating circumstance** which may help lessen penalty.
- b) Repetition of the same offense can be construed as habitual and shall be considered as an **aggravating circumstance**.
- c) Superiors who condone or refuse to implement or issue the necessary penalty to erring subordinates shall also be subject to this corrective action. This is to ensure consistency in the application of this Code of Discipline

I. RECORDING OF OFFENSES:

All offenses and the corresponding actions taken, including written reprimands or reminders shall be put in the employee's 201 file. This will be accomplished by the Human Resources Department. It will be the responsibility of the immediate superior to furnish a copy of said memoranda to the HR Department for the employees' 201 file.

J. PROCEDURES

The Company provides a timetable guide for the implementation of the disciplinary procedures. This covers the time from the commission of infraction to the time the decision is rendered. However, it is understood that the period stated shall serve only as a guide. It shall be every superior's concern and duty to apply these procedures promptly.

- a) The immediate supervisor shall conduct the initial investigation when the situation or nature of infraction warrants it, and issues a notice of offense to the concerned employee (copy furnished to the HR Department) within two (2) days or forty-eight (48) hours upon the discovery of the offense.

The notice of offense shall contain the following:

- Information that an offense or infraction had been committed;
- Classification of such behavior under the Company Rules & Regulations and the equivalent penalty;
- Date, time and place of offense;
- Instruction to explain or defend his side, or due process.

(1) The supervisor shall be held liable for inaction if the forty-eight (48) hour period lapses without valid reason. He shall be subject to the corresponding corrective action for negligence or condonation.

b) The employee shall write down his explanation and submit it to his immediate supervisor within forty-eight (48) hours from receipt, excluding non-working days of the Company.

(1) The notice of offense is not a disciplinary action. It is used only to give the employee a chance to explain or defend himself in writing.

(2) Failure of the employee to give a written explanation within forty-eight (48) hours, shall be construed as a waiver of the employee's rights to explain his side, and shall not prevent the investigation from proceeding against him. Corresponding action may then be initiated by the immediate supervisor.

c) For **Category I and II offenses**, the employee's written explanation will then be reviewed by his immediate supervisor and the Department Head.

d) Supervisors may recommend the disciplinary action to be imposed based on the Code of Discipline. The recommendation should be approved by the Department Head. (Should there be a conflict between the Supervisor and the Department Head, the latter's decision shall prevail.)

e) The recommendation shall be forwarded to the HR Department for evaluation and further investigation (if necessary).

It shall be the responsibility of the Human Resources Department to assist and give advice to all supervisors and managers in the administration of the

Code of Discipline. Upon reaching a decision, implementation of disciplinary action shall be the duty of the immediate supervisor and/or the Department Head.

- f) **For Category III offenses** (acts punishable by prolonged Suspension or Dismissal), a Committee will be created in order to clarify issues, determine the facts, and evaluate circumstance of the infraction. Said Committee will be composed of representatives from each of the following departments: HR, Legal, Admin., and the Department Head where the employee under investigation is assigned.
- g) The investigating Committee will prepare a report summarizing its findings, and evaluation of the case and recommends disciplinary measure to be imposed. The evidence presented together with all the attendant circumstances shall be duly considered by the Administrator/Hearing Committee in arriving at an independent evaluation/judgment of the case.
- h) In all cases, the employee is informed in writing of the charges brought against him and is afforded ample opportunity to be heard, defend himself in person, and present evidence in support thereof or rebut the evidence presented against him.
- i) If during the disciplinary action proceedings, the continued employment of the employee under investigation, poses a serious and imminent threat to the life or property of the employer or of his co-workers, said employee may be placed under **preventive suspension** without pay for a maximum period of thirty (30) calendar days.

Preventive suspension beyond 30 calendar days shall, however, be with pay. If no disciplinary action is meted to the employee after the investigation, he shall be paid his salaries during the preventive suspension without pay.

- j) If infraction does not merit dismissal, the HR Department will immediately issue to employee the disciplinary action memo signed by the immediate supervisor and/or Department Head of said employee.

- k) If penalty to be imposed is termination, the matter shall be referred to the Legal Department or a third party lawyer who shall concur the due process made to assess the case of the employee. Once approved the HR Department shall immediately notify the employee of the decision stating clearly the reasons thereof through a Notice of Decision letter.

K. EFFECTS OF PENALTIES ON PERFORMANCE RATING AND PROMOTIONS:

Penalties imposed have adverse effects on promotion and performance ratings for a given period. The following effectivity periods are specified to protect employees from being unduly penalized beyond such periods:

PENALTY	EFFECT ON PROMOTION	EFFECT ON PERFORMANCE RATING	EFFECTIVITY PERIOD
Written Reprimand (WW/FWW)	No promotion	No rating higher than "Satisfactory"	For 6 months from date penalty was imposed
Suspension if Not More than 10 Working Days	No promotion	No rating higher than "Satisfactory"	For 18 months from date penalty was imposed
Suspension of More than 10 working days	No promotion	"Unsatisfactory" rating	For 24 months from date penalty was imposed

L. SCHEDULE OF PENALTIES:

Rule No. I. ACTS OF DISHONESTY / DISLOYALTY

DESCRIPTION OF VIOLATION		SCHEDULE OF PENALTIES				
		1ST OFFENSE	2ND OFFENSE	3RD OFFENSE	4TH OFFENSE	5th OFFENSE
Rule No. I. ACTS OF DISHONESTY / DISLOYALTY						
Sections:						
1	Attempted, frustrated or consummated robbery, or qualified or simple theft as defined by law, committed against the Company, guests or clients, or co-workers	DSC				
Note : The following are the definitions of simple theft and qualified theft as stated in the Revised Penal Code. <i>(Simple) Theft</i> is committed by any person who, with intent to gain but without violence against or intimidation of persons nor force upon things, shall take personal property of another without the latter's consent. Theft is likewise committed by: 1) Any person who, having found lost property, shall fail to deliver the same to the local authorities or to its owner make use of 2) Any person who, after having maliciously damaged the property of another shall remove or make use of the fruits or object of the damage caused by him. <i>(Qualified) Theft</i> - A theft is considered qualified when committed by a domestic servant, or with grave abuse of confidence or if the property stolen is a motor vehicle or mail matter or if property is taken on the occasion of fire, earthquake, typhoon, volcanic eruption, or any other calamity, vehicular accident or civil disturbance.						
2	Attempted, frustrated or consummated pilferage, or malversation, misappropriation of Company funds or property.	DSC				
3	Unauthorized disclosure of confidential information which includes Company records, trade secrets or any other document vital to the operation of the Company.	DSC				
4	Engaging in industrial espionage; which includes, but is not limited to the following: selling Company secrets and information to the Company's competitors or any unauthorized person; Disclosure of confidential data, trade secrets, or classified information to any unauthorized person; Photocopying and/or bringing out company records of any kind without express permission or authority.	DSC				

5	Using the Company's funds and assets, directly or indirectly, for illegal payments of any kind.	DSC				
6	Submission of fraudulent claims for reimbursements, expense reports, non-genuine receipts and other documents.	DSC				
SCHEDULE OF PENALTIES						
DESCRIPTION OF VIOLATION		1ST OFFENSE	2ND OFFENSE	3RD OFFENSE	4TH OFFENSE	5th OFFENSE
Rule No. I. ACTS OF DISHONESTY / DISLOYALTY						
Sections:						
7	Neglecting or refusing, after due demand or notice, or as provided by existing policies without justifiable reasons, to remit, pay, reimburse or liquidate any money, collection or cash advance, or return and/or deliver goods, stocks or other properties, entrusted to him by the Company, or received by him from customer or client or business associate or affiliate or their representative for his administration, or under any other obligation to make delivery of, or return the same.	FWW	6DS	15DS	DSC	
8	Fraud or willful breach of trust where continuance of employment is inimical to Company interest.	DSC				
9	Engaging in acts which constitute "conflict of interest".	DSC				
Note: A conflict of interest may arise whenever an employee actually or potentially benefits directly or indirectly from his or her position or employment with the Company, or a result of the discharge of his functions, duties and responsibilities with the Company, or where the Company is placed in a position where it may adversely be affected by an employee's activities outside the scope of the employee's duties with the Company. A conflict of interest may also arise in a situation where the interest of an officer or employee conflicts with the interest of the Company or its customers, and the officer or the employee allowed his interest to prevail. An employee who believes that he or she is in actual or potential conflict of interest situation shall notify Management immediately in writing. The notification shall fully describe the facts giving rise to the actual or potential conflict. The above notification may or may not exempt an employee from liability for a violation already committed, at the discretion of the Company.						
10	Padding expense accounts, petty cash vouchers, etc., upon which claims for reimbursements are based.	DSC				
11	Favoring or conniving with co-workers, suppliers, contractors, creditors, customers, or other functionaries for personal or monetary consideration.	DSC				

12	Receiving money OR other forms of valuable consideration from outside firm (such as suppliers or any third party) or individual for services or decision rendered in connection with a Company transaction or due to connection or influence within the Company.	DSC				
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		SCHEDULE OF PENALTIES				
DESCRIPTION OF VIOLATION		1ST OFFENSE	2ND OFFENSE	3RD OFFENSE	4TH OFFENSE	5th OFFENSE
Rule No. I. ACTS OF DISHONESTY / DISLOYALTY						
Sections:						
13	Misrepresenting him/herself to possess power or authority in dealing with third parties (clients, suppliers, and others in which the Company or the name of the Company is or may become involved).	DSC				
14	Commit abuse or authority; or usurpation of authority (assuming of authority without claim or right arising from law or contract).	DSC				
15	Having an interest in any competitor of the Company or being agents of competitive product lines.	DSC				
16	Offering or accepting anything of value in exchange for a job or favorable work assignment, company benefits, better working place, or any change in working condition.	DSC				
17	Giving false testimony, which includes presentation of falsified documents or information of any research, study of investigation being undertaken or conducted by the Company. Or committing acts of perjury, whether such statements are under oath or not.	DSC				
18	Extortion in any form, from officers, employees, business partners, clients, etc.	DSC				

19	Distributing any written or printed literature (including transmission by text or sms, email, or other forms of electronic data transmission) to co-workers, clients, business partners, and competitors of the Company, and other outside organizations, information derogatory to the Company's good name, reputation, services, products, culture, employees, and officers.	DSC				
20	Falsification of personnel or any other Company records either while applying for employment or during employment with the Company.	DSC				

		SCHEDULE OF PENALTIES				
DESCRIPTION OF VIOLATION		1ST OFFENSE	2ND OFFENSE	3RD OFFENSE	4TH OFFENSE	5th OFFENSE
Rule No. I. ACTS OF DISHONESTY / DISLOYALTY						
Sections:						
21	Using access/ID card of another employee (i.e., punching timecard of another employee) where the other employee is actually absent or is not working. The employee who ordered the use of his access/ID card, and the employee who actually used the access/ID card will be both penalized.	DSC				
22	Deliberately or willfully tampering time cards/log in sheets or any attendance documents; Altering entries in the timecards; over declaring overtime rendered.	DSC				
23	Without proper authority, selling or disposing of Company property or willfully causing through neglect, damage or destruction to Company property.	DSC				
24	Concealment of one's knowledge of the commission of fraud, deceit or other forms of dishonesty.	DSC				
25	Failure to report or to take action on the commission of offenses of subordinates.	3DS	7DS	DSC		

26	All other acts of dishonesty which cause, or tend to cause, prejudice, damage, or loss to the Company, its property, or its interests	DSC				
<i>All acts of dishonesty/disloyalty are considered as serious offenses against the Company and are thus, punishable by DISMISSAL (DSC) on the first offense. However, Management reserves the right to lower the penalty as it deems appropriate (i.e., when there are mitigating circumstances, etc.).</i>						

RULE NO. II Conduct and Behavior

		SCHEDULE OF PENALTIES				
DESCRIPTION OF VIOLATION		1ST OFFENSE	2ND OFFENSE	3RD OFFENSE	4TH OFFENSE	5th OFFENSE
Rule No. II. CONDUCT and BEHAVIOR						
Sections:						
1	Conviction in a criminal case of any crime where penalty is imprisonment under the Revised Penal Code of the Philippines.	DSC				
2	Any defiance of authority or any act of willful disobedience resulting in the disruption of Company operations or damage to property.	DSC				
3	Encouraging, coercing, inciting, bribing or inducing any employee to engage in any practice or act in violation of policy, rule or regulation.	DSC				
4	Refusal or negligence in obeying a Company order.	15DS	DSC			
5	INSUBORDINATION , willful disobedience or refusal to accept job assignment; willfully performing below par the standards required, or willfully holding back, slowing down, hindering or limiting work output, resulting in simple insubordination; Interfering or refusing to cooperate with a superior; failure or refusal to carry out lawful written or verbal word instruction of his superior.	15DS	DSC			
6	Stubborn behavior or uncooperative attitude towards superior or co-employee in the performance of assigned duties (other than those mentioned in Sections 2 to 5).	FWW	6DS	12DS	DSC	
7	Inflicting physical injury on any co-employee or person, or having in fact inflicted physical injury while within or outside Company property or premises where such incident has relation to work or Company activities.	30DS	DSC			

8	Fighting or actually engaging another co-employee or person in a fight while within or outside Company property or premises provided such outside incident has relation to work or has arisen while inside Company premises.	30DS	DSC			
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		SCHEDULE OF PENALTIES				
DESCRIPTION OF VIOLATION		1ST	2ND	3RD	4TH	5th
		OFFENSE	OFFENSE	OFFENSE	OFFENSE	OFFENSE
Rule No. II. CONDUCT and BEHAVIOR						
Sections:						
9	Serious inciting, instigating or provoking a fight with any co-employee under the circumstances described in Section 8 above, but a fight does not actually occur.	6DS	12DS	DSC		
10	Willful disrespect on the honor of another person or co-employee within the Company by uttering threats or defamatory language and/or inflicting or attempting to inflict physical injury to person and/or damage to Company property.	DSC				
11	Any immoral act/conduct or indecency; showing or displaying indecent or scandalous appearance by the employee either by him/herself or with another person committed within Company property or premises or during Company activities.	6DS	DSC			
<i>Note : "Profane or obscene language" is an expression of indecent or unprintable words and/or phrases, or signs uttered in a vulgar or malicious manner to curse, defile or debase a person, or things regarded as sacred or holy</i>						
12	Sexual harassment.	DSC				
R.A. No. 7877 (Anti-Sexual Harassment Act of 1995) In a work-related or employment environment, sexual harassment is committed when: 1) The sexual favor is made as a condition in the hiring or in the employment, re-employment or continued employment of said individual, or in granting said individual favorable compensation, terms, conditions, promotions, or privileges; or the refusal to grant the sexual favor results in limiting, segregating or classifying the employee which in any way would discriminate, deprive or diminish employment opportunities or otherwise adversely affect said employee; 2) The above acts would impair the employee's rights or privileges under existing labor laws; 3) The above acts would result in an intimidating, hostile, or offensive environment for the employee; Any employee who directs or induces another to commit any act of sexual harassment as herein defined, or who cooperates in the commission thereof by another without which it would not have been committed, shall also be held liable under this Act.						
13	Willfully holding back, slowing down, hindering or limiting work output, or otherwise "feather bedding", or giving instructions or preventing co-employees from working by influencing or threatening the employees with physical or bodily harm to hold back, slow down, hinder or limit work output.	DSC				

14	Using profane or obscene language or uttering disgusting or abusive language in addressing a superior or any Company executive, co-employee, or client.	30DS	DSC			
<i>Note : "Profane or obscene language" is an expression of indecent or unprintable words and/or phrases, or signs uttered in a vulgar or malicious manner to curse, defile or debase a person, or things regarded as sacred or holy</i>						

		SCHEDULE OF PENALTIES				
DESCRIPTION OF VIOLATION		1ST	2ND	3RD	4TH	5th
		OFFENSE	OFFENSE	OFFENSE	OFFENSE	OFFENSE
Rule No. II. CONDUCT and BEHAVIOR						
Sections:						
15	Exerting undue influence, abuse of position or power by managers and/or supervisors towards their subordinates to gain an advantage or other forms of benefit	DSC				
16	Unbecoming conduct of supervisors, managers and/or executives violating common decency and morality or proper behavior expected of a leader within the Company.	DSC				
17	Using, possessing, distributing, peddling, trading, administering, dispensing or transporting dangerous or prohibited drugs (such as, but not limited to, shabu, ecstasy, marijuana, etc.) or reporting for work under the influence of dangerous drugs.	DSC				
18	Drinking of any alcoholic beverage within the Company premises, unless during Company-authorized occasions.	15DS	30DS	DSC		
19	Drunkenness or reporting to work under the influence of liquor or drugs.	DSC				
20	Taking part in any gambling, illegal lottery or any other games of chance within Company premises.	DSC				
21	Threatening or intimidating a co-worker and/or his/her family with bodily harm or any other harmful act.	15DS	DSC			

22	Posting of any derogatory articles, print or drawings on any Company property, premises or through the Company email or internet be it against the Company or any fellow employee.	5DS	12DS	DSC		
23	Showing or exhibiting obscene materials, pictures, etc. within the Company premises or with the use of Company property not for the sake of art or in the interest of art.	FWW	3DS	10DS	DSC	

		SCHEDULE OF PENALTIES				
DESCRIPTION OF VIOLATION		1ST	2ND	3RD	4TH	5th
		OFFENSE	OFFENSE	OFFENSE	OFFENSE	OFFENSE
Rule No. II. CONDUCT and BEHAVIOR						
Sections:						
24	Rumor-mongering, unnecessary disclosure of somebody else's personal affairs to others, or deliberate distortion of facts or statements in such a way as to enhance one's status or reputation, or discredit, embarrass or endanger another employee.	10DS	15DS	DSC		
25	Making false, vicious, or malicious statements against the company, its officers and employees as well as its products or operations	5DS	DSC			
26	Engaging in disorderly conduct such as horseplay, scuffling, throwing of things, etc., while working or while within Company premises.	5DS	15DS	DSC		
27	Doing any act constituting disrespect or utter disregard of Company authorities.	5DS	DSC			
28	Discourtesy towards customers, suppliers, supervisors and co-workers at any time within the Company premises.	FWW	3DS	5DS	DSC	

**RULE NO. III Job
Performance**

		SCHEDULE OF PENALTIES				
DESCRIPTION OF VIOLATION		1ST OFFENSE	2ND OFFENSE	3RD OFFENSE	4TH OFFENSE	5th OFFENSE
Rule No. III. JOB PERFORMANCE						
Sections:						
1	Gross inefficiency or negligence in the performance of duties.	DSC				
2	Act/s of negligence while at work resulting in injury to persons and/or damage to Company property.	30DS	DSC			
3	Negligence/carelessness in the performance of duties, thereby exposing the Company to possible losses.	3DS	5DS	10DS	DSC	
4	Deliberately restricting output.	DSC				
5	Deliberately refusing or refraining from working; or inducing other employees to stop working; or preventing other employees from working or from holding operations; or refusing to obey Company order to perform assigned work.	DSC				
6	Poor work performance and/or quality of work, or failing to maintain Company standards.	WW	FWW	10DS	DSC	
7	Failing to comply with Company procedures.	WW	FWW	DSC		
8	Unauthorized use of Company vehicles: - causing damage, prejudice, loss, or injury to person/s	DSC				
	- without damage, prejudice, loss, or injury to person/s	10DS	DSC			
9	Failure of user to report immediately any damage to or defects of company operating machine/equipment or other company facilities.	15DS	30DS	DSC		
10	Sleeping while on duty or during working hours.	7DS	10DS	DSC		
11	Feigning sickness, malingering or pretending to be sick to avoid doing assigned work or reporting for work. (This includes absence due to Sick Leave but employee is neither at home or in a medical institution.)	7DS	10DS	DSC		
12	Loafing, loitering, or wasting Company time. This includes, but is not limited to:	5DS	DSC			
	a. engaging in idle conversation or being in an area where the employee has no legitimate business; b. being in his/her authorized area but not doing anything productive; c. taking more than the allowed time for coffee and meal breaks; d. leaving work area or work assignment without authority or before the end of the period; e. playing games on the computer;					

f. reading of non-work related materials during work time, OR accessing non-business related sites, such as games and pornographic sites;

g. leaving the office without any valid reason or without permission from the supervisor.

DESCRIPTION OF VIOLATION		SCHEDULE OF PENALTIES				
		1ST	2ND	3RD	4TH	5th
		OFFENSE	OFFENSE	OFFENSE	OFFENSE	OFFENSE
Rule No. III. JOB PERFORMANCE						
Sections:						
13	Failure to follow written or oral instructions made by the Company superiors and/or executives, as well as the Company memorandum and circulars, or failure to perform assigned work due to simple negligence.	FWW	5DS	12DS	DSC	
14	Operation, use or possession of machines, tools or equipment to which employee is not assigned or doing work other than the assigned task.	5DS	30DS	DSC		
15	Unauthorized vending or buying during work hours and within Company premises for any purpose whatsoever.	FWW	3DS	7DS	12DS	
16	Unauthorized soliciting or collecting of money, any form of contribution or material object during work hours and within Company premises for any purpose whatsoever.	FWW	3DS	7DS	DSC	
17	Giving away or unauthorized disclosure of Company trade secrets and/or trade practices or trade processes or any valuable information acquired within the Company premises or through his/her position to unauthorized persons, or making available such information in advance of its authorized release date and where in the process, the interest of the Company is prejudiced.	DSC				
18	No employee shall be under the employment by any other company, including self-employment, especially if such company is a competitor or supplier of the company.	DSC				

When the employee's act or offense results in damage to Company property and/or injury to persons, the employee who is in violation shall, in addition to the imposition of the corrective/disciplinary actions enumerated, be also held liable for any and all damages that the Company and/or individual/s suffered as a consequence of his violation.

RULE NO. IV Attendance

DESCRIPTION OF VIOLATION		SCHEDULE OF PENALTIES				
		1ST	2ND	3RD	4TH	5th
		OFFENSE	OFFENSE	OFFENSE	OFFENSE	OFFENSE
RULE NO. IV Attendance						
Sections:						
1	Failure to notify the immediate superior or the HRD of absence, within an hour from official start of working hours (9:00 A.M.)	FWW	3DS	5DS	DSC	
2	Absence without official leave (AWOL) for one (1) to two (2) consecutive working days.	3DS	5DS	DSC		
3	Absence without official leave (AWOL) for three (3) consecutive working days or more.	DSC				
4	Abandonment of work assignment or absenting him/her self after employees' request for leave has been refused by immediate superior.	DSC				
5	Habitual Absences – incurring three (3) or more absences in one calendar month.	3DS	5DS	DSC		
6	Habitual Tardiness – incurring four (4) or more tardiness counts in one calendar month.	WW	FWW	5DS	DSC	
7	Unauthorized removal of time cards/ log in sheets from its designated place.	5DS	DSC			
8	Failure to return to work following termination of disciplinary suspension, or after planed vacation leave, without valid reason.	FWW	3DS	DSC		
9	Failure to log in and/ or out two (2) in one calendar month.	WW	FWW	5DS	DSC	
10	Failure to report lost or forgotten password for the employee's access to the HR system, causing failure to file OTs, OBS, and/or other necessary timekeeping forms within twenty-four (24) hours.	WW	FWW	5DS	DSC	

**RULE NO. V Safety & Security,
Sanitation & Health**

		SCHEDULE OF PENALTIES				
DESCRIPTION OF VIOLATION		1ST	2ND	3RD	4TH	5th
		OFFENSE	OFFENSE	OFFENSE	OFFENSE	OFFENSE
Rule No. V. SAFETY & SECURITY, SANITATION & HEALTH						
Sections:						
1	Entering the Company premises and during office hours without wearing the issued/prescribed Company ID and Access cards.	WW	FWW	3DS	5DS	
2	Forced or unauthorized entry into the Company premises during off-hours committing act that put the Company's property and its employees at risk.	30DS	DSC			
3	Entering restricted areas without proper authorization.	5DS	12DS	DSC		
4	Lending one's Company ID or Access Card to any non-employee to gain entry within the Company premises or restricted areas resulting to breach of security with or without adverse effects in the Company's operations.	DSC				
5	Possession of explosives, firearms, knives or any other deadly weapons within Company premises	DSC				
6	Smoking in a NO SMOKING area or in fire hazard areas where Company property and/or equipment may be endangered.	DSC				
7	Bringing or attempting to bring in alcoholic beverage, inflammable materials without proper authorization from the Company management.	DSC				
8	Refusal to submit to reasonable search by the security officers or representatives of the Company.	5DS	DSC			
9	Refusal to submit or failure to meet security requirements of the Company.	3DS	5DS	DSC		
10	Littering inside the Company premises and immediate surroundings.	WW	FWW	3DS	10DS	DSC

		SCHEDULE OF PENALTIES				
DESCRIPTION OF VIOLATION		1ST	2ND	3RD	4TH	5th
		OFFENSE	OFFENSE	OFFENSE	OFFENSE	OFFENSE
Rule No. V. SAFETY & SECURITY, SANITATION & HEALTH						
Sections:						
11	Willful disregard of the Company's directive relating to sanitary conditions, cleanliness and orderliness of the office, security of office supplies and equipment or performing any act contributing to unsanitary condition or practice on Company premises.	3DS	5DS	DSC		
12	Reporting for work while having a serious contagious disease which may endanger the health of other employees, knowing about it, yet failing to report or willfully withholding information thereof to the Company authorities.	30DS	DSC			
13	Unauthorized and/or unjustified use of fire protection equipment.	5DS	12DS	DSC		
14	Commission of unsafe acts which may cause loss of life, injury or damage to the Company and its employees' property or equipment.	DSC				
15	Failure to undergo Annual Physical Examination as scheduled by the Company.	FWW	3DS	7DS	DSC	
16	Failure or refusal to comply with safety rules and practices established by the Company.	3DS	5DS	DSC		
17	Failure or refusal to comply with established corporate practices and standards not specifically mentioned in the foregoing sections.	FWW	3DS	5DS	DSC	

**RULE NO. VI Company Property
and Assets**

		SCHEDULE OF PENALTIES				
DESCRIPTION OF VIOLATION		1ST OFFENSE	2ND OFFENSE	3RD OFFENSE	4TH OFFENSE	5th OFFENSE
Rule No. VI. COMPANY PROPERTY AND ASSETS						
Sections:						
1	Engaging in sabotage or deliberate acts causing damage to Company property and products intended to disrupt operations or cause losses to the Company.	DSC				
2	Deliberate or intentional destruction, or attempt to damage property, machines or equipment belonging to the Company or co-employees' property.	DSC				
3	Substituting Company products and/or property with that of another of inferior quality or of lesser value.	DSC				
4	Poor maintenance or neglect of equipment, material, vehicles or any company property.	FWW	DSC			
5	Driving a Company vehicle without authorization from management.	DSC				
6	Speeding, careless, reckless or negligent driving and willful disregard of restrictions regarding proper use of Company vehicles.	FWW	DSC			
7	Alteration or removal of Company property without authorization from the Company resulting to irreparable damage thereto. Note: If damage is reparable, the penalty is mitigated to 15DS.	DSC				
8	Using Company time and/or materials and/or equipment to do unauthorized work within or outside the premises, for personal gain which includes using Company time and facilities in personal transactions, selling and/or other non-work related activities.	30DS	DSC			
9	Using Company property for the distribution or accessing of offensive material or information.	FWW	15DS	DSC		
10	Falling to report damage, loss or destruction of Company property, employees, or visitors' property or defects on products as soon as possible.	FWW	5DS	10DS	DSC	

		SCHEDULE OF PENALTIES				
DESCRIPTION OF VIOLATION		1ST OFFENSE	2ND OFFENSE	3RD OFFENSE	4TH OFFENSE	5th OFFENSE
Rule No. VI. COMPANY PROPERTY AND ASSETS						
11	Losing or misplacing vital Company records (confidential, proprietary), causing damage to the Company or its operations. (i.e. Manuals, Rules & Procedures, Work instructions, All Company records classified as vital and important)	FWW	3DS	12DS	DSC	
12	Unauthorized defacing of any Company property or willful defacing, tampering, smudging, printing, painting, or "dirtying" of walls or façade of any Company property or any form of vandalism committed on Company properties.	FWW	3DS	12DS	DSC	
13	Any act of vandalism or the action of destroying things and/or Company property on purpose and deliberately. (i.e. any employee caught writing, destroying or damaging Company property and other things on purpose like wall, chairs, tables or any other Company property.)	3DS	12DS	DSC		