



## COMPANY RULES OF CONDUCT

### A. POLICY STATEMENT

1. The Company believes that maintaining a peaceful and harmonious work environment will contribute to increase work productivity and employees' satisfaction. In order to achieve this, it is necessary to establish Company policies, rules, regulations and procedures.
2. Employment in the Company signifies willingness and commitment to perform according to the minimum standards set by management aside from the existing guidelines being imposed by government regulatory laws, circulars, order, rules and regulations in relation to labor standards and relations.
3. The right to impose disciplinary action upon erring employees is purely a management prerogative and the exercise of such disciplining authority within the business operations shall observe substantive and procedural due process.

### B. GENERAL PROVISIONS

1. The Department Manager shall have direct responsibility to carry out the disciplinary action. However, corporate officers are not precluded to exercise such authority for the protection of the company's interest.

2. In most cases, disciplinary action is taken as a corrective measure depending upon the severity of the case, the Management shall adopt a system of progressive discipline, as follows:

- **Verbal Warning.** A verbal reprimand is defined as a discussion between the supervisor/manager and the employee where the employee is advised and cautioned about unsatisfactory work performance or minor infractions. The verbal reprimand should be documented by disciplining authority and put it in employee's 201 File, including but not limited to date, time and place of the inappropriate behavior or performance.
  - **Written Warning.** It is given to the employee concerned, a copy of which shall be filed in the employee's 201 file.
  - **Suspension without pay benefits.** Generally, this is imposed when, after being given a verbal reprimand or written warning or warnings, the employee does not demonstrate any change in behavior. Number of days of suspension may vary depending on the seriousness of offense violated. In some instances, the management may impose preventive suspension for not more than thirty (30) days prior the commencement of or during the investigation process.
  - **Dismissal/ Termination of Employment.** This disciplinary action is normally taken when all other forms of discipline have been used or when the nature or the severity of the offense justifies action.
3. An employee has the right to appeal any disciplinary action or penalty imposed on him / her.
  4. Restitution / Forfeiture of benefits
    - Restitution may be imposed independently or along with any other penalties in case of loss or damage to Company properties, its employees, or clients. The Company may recover the amount involved thru salary deduction until

full recovery of actual damages suffered either by the company, employees or clients.

- Forfeiture of benefits or privileges may also be imposed in case the violations incurred are connected with or arisen from the availment of said benefits.
5. Generally, violations of company policies, rules and regulations are cumulative within the tenure of the employee.
  6. All offenses not specifically described herein shall be dealt with accordingly depending upon the circumstances of each case.
  7. Management reserves the right to reduce penalty than what is prescribed in the Code of Conduct depending on the attending mitigating circumstances.
  8. An administrative action shall be without prejudice to institute criminal and / or civil action by the Company against the offender.

### **C. RULES OF CONDUCT**

This set of Rules of Conduct is for the proper guidance and compliance by all employees. It also includes the core values and norms of behavior that the Company strives to uphold in all aspects of its business.

## **THE DISCIPLINARY ACTION PROCESS**

### **PROCEDURE ON DISCIPLINARY ACTIONS**

#### **A. INVESTIGATING AN OFFENSE**

1. The Department Manager or any authorized corporate officer, in coordination with the Human Resources Department (HRD), shall conduct an administrative investigation on the infraction committed not later than three (3) working days from the occurrence of the offense or the discovery or knowledge thereof.
2. He shall give reasonable notice to the employee informing him/her of the nature of the offense, date, time and place and other matters relevant to the violation and requiring him/her to explain in writing why no disciplinary action shall be imposed by the company. In case the written explanation is unsatisfactory, HRD shall initiate preliminary investigation/conference in observance of substantive and procedural due process of the parties involved. All proceedings shall be recorded in writing.
3. To ensure impartiality, the immediate supervisor and the department manager should inhibit himself except in the following instances:
  - a. If he/she is a witness to the offense charged;*
  - or*
  - b. If he/she is involved in the case*
4. The Head of Operations Support Division shall act as the investigator and can be delegated to other division to have a fair investigation and impartial judgment.

#### **B. DETERMINATION OF DISCIPLINARY ACTION**

To determine appropriate disciplinary action, the Department Manager/Supervisor, in consultation and/or in coordination with HRD or Head of Legal Department, as the case may be, shall perform the following actions:

1. Evaluate facts of the case based on gathered information to establish the severity of the circumstances as here in after indicated.

2. Recommend the appropriate disciplinary action according to the aggravating and mitigating circumstances prevailing in a particular case and make reference to the table of violations and disciplinary actions hereinafter provided. The disciplinary actions specified in the table are the maximum prescribed, unless a superseding memorandum or circular has been duly issued to the employees modifying, amending or repealing the same.

a) If the recommended disciplinary action is dismissal, refer the case to the company lawyer or legal consultant for evaluation before implementation.

b) For suspension or written warning, recommend the appropriate disciplinary action for approval by the next level superior officer as duly authorized by the President and CEO.

3. However, based on the severity of the offense committed, said circumstances may only serve as guideposts in determining the disciplinary action to be imposed upon erring employee, but need not necessarily affect the recommendation or the decision of the concerned company authorities.

**B.1. Management may take into consideration past incidents that may aggravate the offense of an employee.**

**B.1.1. AGGRAVATING CIRCUMSTANCES** are those that tend to increase the seriousness/gravity of the offense and merit increasing disciplinary actions with severity.

Example:

1. Employee was motivated by a reward or a promised of a reward in the commission of the offense;
2. Employee has benefited from the offense;
3. Employee has poor performance record;
4. Employee has premeditated the commission of the offense;
5. Employee has been guilty of habitual misconduct;
6. The company incurred significant of damage or loss by reason of employee's infraction;
7. Employee has a previous record of similar offense;
8. Employee has imposed his position upon a subordinate to commit an offense;
9. Employee occupies a position of trust and confidence such as those entrusted with safeguarding company funds and properties; and
10. Employee is under the influence of drugs or alcohol when he committed the offense.

**B.1.2. MITIGATING CIRCUMSTANCES** are those that tend to lessen/reduce the seriousness/gravity of the offense and merit decreasing disciplinary actions.

Example:

1. Employee followed a wrong order of a superior in good faith or under threat, intimidation or duress or fear of a great injury;

2. Employee has not committed a similar offense for the last two (2) years;
3. Employee has provoked to commit the offense;
4. Employee did not benefit from the offense;
5. Employee has good performance record;
6. Employee did not have the intention to defraud;
7. Employee has not caused substantial damage or loss to the company;
8. Employee has been in the service of the company for a relatively longer period of time;
9. Employee admitted his guilt spontaneously and unconditionally; and
10. Employee erred in his judgment on a judgment call situation;

**C. IMPLEMENTATION OF THE DISCIPLINARY ACTION**

In coordination with the Department Manager/ Supervisor of an employee found guilty of an offense, HRD is responsible for implementing the disciplinary action, to wit:

If the disciplinary action is reprimand and written warning, HRD shall execute and sign the notice.

If the disciplinary action is dismissal, the President and CEO shall sign the notice to the employee; and

If the disciplinary action is suspension, the HRD through the Department Manager schedule the suspension based on regular

working days; and the department head or higher management shall sign the notice.

The Department Manager/Supervisor of the employee concerned shall serve the notice in all cases as soon as possible. All decisions and/or disciplinary actions imposed on an employee shall form part of his/her the 201 File.

**BREACH OF TRUST AND CONFIDENCE: DISHONESTY**

<b>OFFENSE</b>	<b>SANCTION</b>
Manipulation or kiting of funds	<b>DISMISSAL</b>
Misappropriation or withholding of funds	<b>DISMISSAL</b>
Committing acts of forgery or fraud	<b>DISMISSAL</b>
Commission of theft or robbery	<b>DISMISSAL</b>
Stealing from co – employees	<b>DISMISSAL</b>
False or fraudulent statements in application forms/other records	<b>Suspension to DISMISSAL (depending on the gravity of offence)</b>
Submission of false, unauthorized claim or request for reimbursement	<b>SUSPENSION to DISMISSAL (depending on the gravity of offense)</b>

**VIOLATION OF OPERATING PROCEDURES**

<b>OFFENSE</b>	<b>SANCTION</b>
Non – observance of standard operating procedures (SOP) on any transaction or work assignment resulting to personal gain or profit of another person	<b>DISMISSAL</b>
Failure to observe SOP tantamount to negligence	<b>SUSPENSION TO DISMISSAL</b>

**IMPROPER CONDUCT**

OFFENSE	SANCTION			
	1 <sup>st</sup> Offense	2 <sup>nd</sup> Offense	3 <sup>rd</sup> Offense	4 <sup>th</sup> Offense
Acts of threat, intimidation, coercion, harassment, or using profane language on co-employees orally or in writing	SUSPENSION 2 DAYS	SUSPENSION 3 DAYS	SUSPENSION 5 DAYS	LONGER SUSPENSION TO DISMISSAL
Quarrelling with co-employee, exchanging of strong violent words, or challenging to Fights	SUSPENSION 2 DAYS	SUSPENSION 3 DAYS	SUSPENSION 5 DAYS	LONGER SUSPENSION TO DISMISSAL
Fighting inside Company premises	SUSPENSION 2 DAYS	LONGER SUSPENSION TO DISMISSAL		
Committing acts of threats, intimidation, coercion, harassment, etc. on the superior or officer	SUSPENSION 15 DAYS			
Disrespectful, discourteous, insulting, unbecoming, slanderous/ libelous, language		LONGER SUSPENSION TO DISMISSAL		
Committing physical force or violence or inflicting bodily harm to fellow employees	DISMISSAL			
Making or spreading malicious,	SUSPENSION 15 DAYS	SUSPENSION 15 DAYS	LONGER SUSPENSION	DISMISSAL

derogatory or false statements about any employee or officer; rumor – mongering			TO DISMISSAL	
Disrespectful, discourteous, insulting, unbecoming, language or behavior towards company's clients or customer	SUSPENSION TO DISMISSAL			

**AGAINST HIGH MORAL**

OFFENSE	SANCTION
Act of lasciviousness	SUSPENSION to DISMISSAL (depending on the gravity of offense)
Engaging in an illicit relationship	SUSPENSION to DISMISSAL (depending on the gravity of offense)

**NEGLIGENCE TOWARDS WORK RESPOSIBILITIES**

OFFENSE	SANCTION
Negligence or Inefficiency including delayed completion of work assignments, failure to meet deadlines, improper discharge of instructions, inaccurate reports, and other negligent works	SUSPENSION to DISMISSAL (depending on the gravity of offense)
Gross negligence causing damage or loss to the Company	SUSPENSION to DISMISSAL (depending on the harm / loss)

Accepting outside employment in competition with / detrimental to the Company's business	SUSPENSION to DISMISSAL (depending on the gravity of offense)
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OFFENSE	SANCTION			
	1 <sup>st</sup> Offense	2 <sup>nd</sup> Offense	3 <sup>rd</sup> Offense	4 <sup>th</sup> Offense
Peddling or soliciting orders for any merchandise within the Company premises	WRITTEN WARNING	SUSPENSION 1 DAY	SUSPENSION 3 DAYS	LONGER SUSPENSION
Officially timed-in yet cannot be found in his workplace without any proper notice to immediate superior, loitering, wandering about	WRITTEN WARNING	SUSPENSION 1 DAY	SUSPENSION 3DAYS	LONGER SUSPENSION
Excessive use of telephone for personal matters and attending to personal matter during working hours, exceeding break period, playing games, collecting debts, soliciting contribution or bets, and the like	WRITTEN WARNING	SUSPENSION 1 DAY	SUSPENSION 3 DAYS	LONGER SUSPENSION

**INSUBORDINATION / DISOBEDIENCE**

OFFENSE	SANCTION
Insubordination or disobedience to lawful orders/instructions of an officer or supervisor	SUSPENSION to DISMISSAL (depending on the gravity of offense)
Refusal to follow instructions regarding transfer or reassignment	SUSPENSION to DISMISSAL (depending on the gravity of offense)

**ACTS AGAINST COMPANY'S INTEREST**

OFFENSE	SANCTION
Soliciting or receiving fees, commissions or "kickbacks" from clients, suppliers, collectors, etc.	DISMISSAL
Revelation of confidential matters, data or other information relative to company transaction	DISMISSAL
Making or spreading malicious, derogatory or false statements regarding the good name of the Company or its service/operations.	DISMISSAL

**TARDINESS**

An employee is hereby given an allowance of thirty (30) minutes grace period per month. Signature or initial made by the immediate superior on the time card of the concerned employee purportedly accommodating the late incurred as excused shall not be honored. Accumulated number of minutes in a month in excess of excess of the grace period shall be penalized as follows:

Number of Minutes	SANCTION		
	1 <sup>st</sup> Offense	2 <sup>nd</sup> Offense	3 <sup>rd</sup> Offense



5-20 Minutes (½ DAY SALARY DEDUCTION)	VERBAL WARNING	WRITTEN WARNING	SUSPENSION 2 DAYS
21 - 30 Minutes (1 DAY SALARY DEDUCTION)	VERBAL WARNING	WRITTEN WARNING	SUSPENSION 2 DAYS
31 Minutes - 1 hour or more	VERBAL WARNING	WRITTEN WARNING	SUSPENSION 5 DAYS

An employee who has incurred **sixty (60) counts** of tardiness in a year shall be subject to dismissal from service.

**ABSENTEEISM**

OFFENSE	SANCTION				
	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
Absences without prior notice are prohibited, the employee should notify his supervisor, Department Manager or report to office on or before working hours or prior to the day he/ she will be absent. Failure to give notice and /or give acceptable excuse will subject the employee to immediate disciplinary action.	WRITTEN WARNING	SUSPENSION 3 DAYS	SUSPENSION 5 DAYS	SUSPENSION 10 DAYS	DISMISSAL
Absences without leave for reason other than sickness or emergency	WRITTEN WARNING	SUSPENSION 3 DAYS	SUSPENSION 5 DAYS	SUSPENSION 10 DAYS	DISMISSAL

occurring immediately before or after a holiday are prohibited. Likewise, it will not be paid.					
Absences for more than one day without giving notice to the department manager of the reason for such absences is prohibited and subject the employee to immediate disciplinary action.	WRITTEN WARNING	SUSPENSION 3 DAYS	SUSPENSION 5 DAYS	SUSPENSION 10 DAYS	DISMISSAL
Absences beyond authorized period of vacation leave are prohibited. If valid reason is presented, such number of days in excess of the vacation leave may be considered as leave of absence without pay or emergency leave subject to immediate disciplinary action.	WRITTEN WARNING	SUSPENSION 3 DAYS	SUSPENSION 5 DAYS	SUSPENSION 10 DAYS	SUSPENSION 1 MONTH

- Note: 1) Absence for the reason of natural calamity or acts of nature are exempted.  
2) These disciplinary sanctions are incurred annually.

**TAMPERING OF THE RECORDS/CARDS**

OFFENSE	SANCTION		
	1 <sup>st</sup> Offense	2 <sup>nd</sup> Offense	3 <sup>rd</sup> Offense
Punching time card of another or having another punch his time card or failure to use biometrics without valid reason	SUSPENSION 5 DAYS	SUSPENSION 15 DAYS	SUSPENSION 1 MONTH
Intentionally punching out another employee's timecard or filling up another employee's timesheet (on occasions when manual timekeeping is required)	SUSPENSION 5 DAYS	SUSPENSION 15 DAYS	SUSPENSION 1 MONTH TO DISMISSAL
Falsifying, tampering or altering entries on one's Daily Time Record (DTR) or that of another employee	SUSPENSION 5 DAYS	SUSPENSION 15 DAYS	SUSPENSION 1 MONTH
Falsifying, destroying, removing, concealing, altering, defacing, or mutilating a record	SUSPENSION 5 DAYS	SUSPENSION 15 DAYS	SUSPENSION 1 MONTH
Tampering with the timekeeping device or similar equipment of recording employee attendance	SUSPENSION 5 DAYS	SUSPENSION 15 DAYS	SUSPENSION 1 MONTH TO DISMISSAL

**IMPROPER ATTIRE**

OFFENSE	SANCTION		
	1 <sup>st</sup> Offense	2 <sup>nd</sup> Offense	3 <sup>rd</sup> Offense
Failure to wear ID or prescribed uniform or proper attire.	VERBAL REMINDER	WRITTEN WARNING	SUSPENSION 5 DAYS

**VIOLATION OF SECURITY AND ORDER**

OFFENSE	SANCTION		
	1 <sup>st</sup> Offense	2 <sup>nd</sup> Offense	3 <sup>rd</sup> Offense

Entering "restricted areas" without permission from authorized officers	VERBAL WARNING	WRITTEN WARNING	SUSPENSION 5 DAYS
Reporting for work while under the influence of liquor.	VERBAL WARNING	SUSPENSION 5 DAYS	SUSPENSION 15 DAYS TO DISMISSAL
Gambling or taking part in any game of chance including solicitation and /or collection of bets within the company premises.	SUSPENSION 10 DAYS	SUSPENSION 15 DAYS	SUSPENSION 30 DAYS TO DISMISSAL

**ACTS/OMISSIONS INVOLVING HYGIENE AND SAFETY**

OFFENSE	SANCTION			
	1 <sup>st</sup> Offense	2 <sup>nd</sup> Offense	3 <sup>rd</sup> Offense	4 <sup>th</sup> Offense
Failure to observe personal cleanliness both clothing or in person	VERBAL WARNING	WRITTEN WARNING	SUSPENSION 2 DAYS	SUSPENSION 5 DAYS
Poor housekeeping of work area	VERBAL WARNING	WRITTEN WARNING	SUSPENSION 2 DAYS	SUSPENSION 5 DAYS
Littering inside Company premises and other unsanitary practices like spitting	VERBAL WARNING	WRITTEN WARNING	SUSPENSION 2 DAYS	SUSPENSION 5 DAYS
Failure to undergo physical examination or disregarding orders of the Company physician.	VERBAL WARNING	WRITTEN WARNING	SUSPENSION 2 DAYS	SUSPENSION 5 DAYS
Tampering or removal from location of fire extinguisher or any firefighting equipment or	SUSPENSION 2 DAYS	SUSPENSION 5 DAYS	SUSPENSION 10 DAYS	SUSPENSION 30 DAYS



sounding a false fire alarm				
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**SEXUAL HARASSMENT**

OFFENSE	SANCTION			
	1 <sup>st</sup> Offense	2 <sup>nd</sup> Offense	3 <sup>rd</sup> Offense	4 <sup>th</sup> Offense
<p><b>LIGHT</b></p> <ul style="list-style-type: none"> <li>Persistently telling smutty jokes to a co – employee who has indicated that he/she finds them offensive</li> <li>Taunting a co – employee with constant talk about sex and sex innuendos.</li> <li>Displaying offensive pictures or publications in the work place.</li> <li>Making offensive hand or body gesture at co – employee.</li> <li>Making obscene phone calls to co – employee within and outside office hours.</li> </ul>	WRITTEN WARNING	SUSPENSION 15 DAYS	SUSPENSION 30 DAYS	DISMISSAL
<b>LESS SERIOUS</b>	SUSPENSION 15 DAYS	SUSPENSION 30 DAYS	DISMISSAL	

May include but not limited to Pinching, unnecessary brushing up against a co – employee’s body. Requesting dates or favors in exchange for a job, favorable working conditions or assignment				
<p><b>SERIOUS</b></p> <p>Touching employee’s sensitive parts of the body and/or with threat to or have actual sexual assault threats</p>	DISMISSAL			

**ILLEGAL USE OF DRUG**

In compliance with Article V of Republic Act No. 9165, otherwise known as the Comprehensive Dangerous Drugs Act of 2002, and its Implementing Rules and Regulations and DOLE Department Order No. 53 – 03, series of 2003 (Guidelines for the implantation of a Drug – free workplace Policies and Programs for the Private Sector), the COMPANY hereby adopts the following policies and programs to achieve a drug – free workplace:

OFFENSE	SANCTION
Illegal use, possession, solicitation for or sale of dangerous drugs within company premises or while attending to an official business outside the office.	DISMISSAL

Being impaired or under the influence of dangerous drugs away from the company, if such impairment or influence adversely affects the employee's work performance, the safety of the employee or of others, or puts at risk the company's reputation	DISMISSAL
Possession, use, solicitation for, or sale of dangerous drugs outside of the company premises, if such activity or involvement adversely affects the employee's work performance, the safety of the employee or of others, or puts at risk the company's reputation	DISMISSAL

Illegal drugs use includes more than just outlawed drugs such as marijuana, cocaine or heroin and other types as maybe defined by law. It also includes the misuse of otherwise legal prescription and over – the – counter drugs.

The company reserves the right to conduct body search or inspect employees, their possessions and their workspaces to enforce our policy against illegal drug and alcohol use.

Employees who violate this policy may face disciplinary action, up to and including termination/dismissal.

**MISUSE OF ALCOHOL**

This policy outlines the practice and procedure designed to correct instance of identified alcohol misuse of alcohol in the workplace:

OFFENSE	SANCTION
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Reporting for work under the influence of alcohol	SUSPENSION 15 DAYS
Conducting company business while under the influence of alcohol (whether or not the employee is actually on work premises at the time)	SUSPENSION 15 DAYS
Appearing at work under the influence of alcohol	DISMISSAL
Drinking alcohol on the worksite	DISMISSAL
Conducting Company business under the influence of alcohol (whether or not the employee is actually on work premises at the time)	DISMISSAL
Possessing, buying, selling or distributing alcohol on the worksite	DISMISSAL

**USE OF PERSONAL COMPUTER (PCs) PROVIDED BY THE COMPANY.**

OFFENSE	SANCTION
Improper use of PCs such as but not limited to the following: Pornographic message, chain letters, advertisement/buy & sell proposal; games on – line lotto, casino and the like.	DISMISSAL
Attachment of modern to any company – owned PC for the Purpose of accessing personal internet connection.	DISMISSAL

prescribed standards of performance, BETHEL GEN may, in its exclusive discretion, lay me off.

**Receipt and Acknowledgement of  
Company Rules and Regulations**

I, \_\_\_\_\_ the undersigned, acknowledge receipt of **Company Rules and Regulations** for the employees, officers, and/or directors of **Bethel General Insurance and Surety Corporation**. I understand that the policies and benefits prescribed in it are subject to change and may be done so by **BETHEL GEN** at any time for the reasons it deems fit.

I further understand that my employment with Bethel General Insurance and Surety Corporation is governed by the following agreement:

1. That I agree to diligently perform the duties and responsibilities pertaining to the job which I have been hired for and other such duties that the management may assign from time to time.
2. That I shall faithfully comply with the company rules and regulations and meet the standards of performance prescribed by BETHEL GEN, to qualify for regular employment.
3. That it is understood that in case of resignation, a thirty 30 days prior notice of intention to resign should be given to the Management.
4. That it is understood that if, at any time, I am found unqualified or unfit for employment after due process and careful evaluation of my work performance vis a vis the

**Confidential Information**

I am aware that during the course of my employment confidential information will be made available to me (i.e. services, marketing strategies, customer lists, pricing policies and other related information, etc.). I understand that this information is proprietary and critical to the success of Bethel General Insurance and Surety Corporation and must not given out or used outside of the BETHEL GEN premises or to non-BETHEL GEN employees, officers or directors. In the event of termination of employment, whether voluntary or involuntary, I hereby agree not to utilize or exploit this information with any other individual or company, or else risk litigation.

**NAME OF EMPLOYEE** \_\_\_\_\_

**POSITION** \_\_\_\_\_

DATE SIGNED AND RECEIVED: \_\_\_\_\_

TIME RECEIVED: \_\_\_\_\_

**FULL SIGNATURE OF EMPLOYEE** \_\_\_\_\_