

PERSONNEL MANUAL

FOREWORD

This Handbook of Personnel Policies has been prepared by the Corporate Services Department to serve as Masaganang Sakahan, Inc.'s (MSI or the company) guide on these matters.

The policy statements contained in this Handbook are those which are currently being observed. In a continuing effort to be responsive to the changing needs of MSI, however, future revisions to these regulations shall be implemented. Likewise, amount of benefits, allowances and bonuses are subject to periodic change by management.

The contents of this manual are grouped into basic categories for easy referencing. These categories are the following: Personnel Philosophy, General Employment and Practices, Your responsibilities, Personnel Policies and Benefits.

We suggest that you read through this handbook carefully and thoroughly. In the process, your Organization's obligation to you and your responsibilities to the organization will become clearer. Refer to it wherever you have questions regarding your conditions of employment or your relations with your Organization and its Management.

Of course, a Handbook cannot answer all your questions. The people around you, namely your co-employees and your Supervisor will help you learn more about the organization. Do not hesitate to discuss with your supervisor any work related or personal problems which might affect your work during your employment. We want your work to be fruitful and meaningful. We aim to give you an enjoyable and productive work environment.

This manual is a confidential document and should only be used by the officers and staff of MSI.

Welcome to MASAGANANG SAKAHAN, INC.!

PART ONE

PERSONNEL PHILOSOPHY

PERSONNEL PHILOSOPHY

A. BASIC COMPANY POLICY

MSI's policy on human resources is to attain the highest standard of professionalism throughout the organization by recognizing and utilizing individual capacities, productivity and contribution and developing the kind of relationship with and among officers and employees so that it may become a more profitable and a more successful enterprise. It shall provide a good climate for growth of managerial and technical talents to enhance the versatility, competence and advancement of its personnel.

B. MANAGEMENT RESPONSIBILITY

The continued success and progress of MSI depends to a great extent on your relationship with each other. The responsibility for the development of this relationship is shared by all levels of Management.

Recognizing your importance as an employee and adhering to the philosophy the employees are its most valuable asset, MSI has adopted the following personnel policies:

1. Employ the most qualified person available;
2. Give employees fair and competitive compensation;
3. Communicate to employees matters that affect them;
4. Provide benefits plan; and
5. Keep an open line of communication between Rank and File and Management.

PART TWO

GENERAL EMPLOYMENT PRACTICES

I. RECRUITMENT/REPLACEMENT/ORIENTATION

A. GENERAL RECRUITMENT POLICIES

1. All hirings must be made through the Corporate Services Department by submitting an approved memo to hire additional personnel.
2. Employees will have priority to fill up a vacancy as long as they meet the position's qualifications. They shall be required to undergo a series of interviews with designated officers of the company.
3. Applicants who have immediate relatives employed in Corporation with similar operations as MSI or who have relatives working in MSI will not be considered.
4. All candidates for vacant or newly created positions coming from outside the company shall undergo a written examination to be administered by the Personnel Unit. The examination shall measure the intellectual and psychological aptitude of the candidates.
5. Effective date of hiring shall either be on the first or the 16th day of the month unless the position has to be filled up immediately.
6. The President and Chief Executive Officer may engage the services of a manpower placement agency to source suitable candidates for positions to be filled-up.
7. The approving authority for the hiring of MSI personnel as Casual/ Contractual Employee is the Board of Directors.
8. Failure on the part of the appointee to report to the Corporate Services Department within ten (10) days from the date of receipt of notification, unless for a valid reason, shall mean loss of interest on the part of the appointee and the appointment shall then be revoked.

B. PRE-EMPLOYMENT REQUIREMENTS

As a new employee of MSI, you have successfully hurdled the company's standard screening procedures, consisting of interviews, and intelligence testing. You must now secure and submit to Personnel Unit, prior to your hiring date, the following basic employment requirements:

1. Two (2) colored ID pictures (1 x 1)
2. Original Copy of NBI Clearance
3. Photocopy Transcript of Records
4. Photocopy of Certificate of Government Passed Examinations
5. Previous Employer's Clearance (when applicable)
6. Tax Identification Number (TIN)
7. Social Security Number
8. BIR Withholding Exemption Certificate

9. Medical Certificate (Additional requirement effective September 1, 2004)

C. ORIENTATION

You as new employee of MSI will undergo orientation to be conducted by the Corporate Services Department. This program will include the following:

- Company Profile (history, projects, objectives, relationship with LBP and its clientele)
- Overall Departmental Organization
- Company Policies and Procedures
- Introduction of the New Staff Member to Fellow Employees
- Familiarization with the Company's Facilities
- Issuance of I.D. Card
- Turnover of the Newly Hired Employee to his/her Immediate Supervisor

You shall also be asked to fill up all documents and forms pertinent to your employment such as Contract of Employment, Withholding Tax Form, etc.

Upon turnover by the Corporate Services Department to your assigned department, you shall immediately report to your Supervisor for the necessary orientation regarding the position for which you are hired. You shall be briefed on your job, duties and responsibilities and your specific role within the department. Do not hesitate to raise questions clarifying certain areas of your new work assignment. Likewise, heed the instructions of your Supervisor to help you perform your job seriously and well.

The newly appointed Board of Director/s shall be briefed or oriented by the President/CEO on the company's essential information but not limited to history, programs, projects, products and services, and financial positions.

D. EMPLOYMENT OF RELATIVES

1. MSI restricts the hiring of persons related to any of its employees within the first and second degree of consanguinity of affinity. This prohibition includes husbands, wives, parents, sisters, parents-in-law, sisters-in-law and brothers-in-law.
2. Employees who get married within the organization while in the service of the company may still continue to work for MSI provided they do not work in the same Area Office or department. In case of marriage between two employees who belong to the same unit, or who holds positions which counter check each other, or positions where one is directly subordinate

to the other, MSI has the prerogative to transfer one party to another area office or department.

II. EMPLOYMENT STATUS

- 1. REGULAR** - A regular appointment shall be given to any probationary/contractual employee who has rendered at least six (6) months of continuous and satisfactory service provided that said employees performs tasks, duties which are normal and necessary in the conduct of the corporation's day to day business trade.
- 2. CONTRACTUAL** – A contractual employee is one whose duration of employment has been determined and fixed for a specific period of time but not to exceed twelve (12) months. The employee may be terminated by the company anytime during the period upon serving one (1) month notice to the employee.
- 3. SEASONAL** – shall refer to personnel engaged in work where activities is seasonal in nature and employment is for the duration of the season only. The employee maybe be re-hired for the next season upon the option of management without necessarily involving regular employment in the project.
- 4. PROJECT HIRED PERSONNEL** – An employee who is engaged to perform regular task or render service to a specified project and who is expected to continue service for the duration of the project only unless terminated or laid-off for a just cause or served sufficient advance notice of such as provided by law.
- 5. RELIEVER** – shall refer to personnel hired on temporary basis, to fill a rank and file position in the absence or lack of regular employee to perform work in a project or job of which requires manpower not provided in the existing plantilla.
- 6. SECONDED** – shall refer to either a consultant, retainer or employee of the LandBank of the Philippines or other government agencies who are rendering services to MSI.

III. SALARY ADMINISTRATION

1. Salary credits shall be reckoned from the date an employee assumed his post.
2. Hiring of employees shall be made effective on the 1st and 16th of the month. Therefore, salary credits for purposes of payroll computation shall be either for a full or half month credit.
3. In case of an immediate or urgent hiring of an employee which does not fall on the 1st or 16th of the month (interim hiring), the salary computation for the first salary shall be based on the actual number of days rendered computed as follows:

$$\begin{array}{l} \text{No. of Days} \\ \text{Worked} \end{array} \quad \times \quad \frac{\text{Gross Salary}}{\text{Actual No. of Working Days Covered by the Payroll Period}} = \text{Initial salary}$$

4. For the purpose of computing salary adjustments due to merit increases or promotions, the effectivity date of such increases shall be the basis of computation.
5. For purposes of computing length of service for bonuses, employees benefits, etc. (unless specified by Management), computation shall be based on the hiring date or the date of assumption of duty whichever comes later.
6. In case of resignations effective on days other than month-end or 16th of the month, salary computation for the last salary shall be based on the actual number of days rendered.
7. Payment of salaries shall be on the 15th and 30th of the month. In case said dates fall on a non-working holiday or a week-end, payment of salaries shall be on the working day immediately preceding it.
8. Pay slips indicating the breakdown of deductions from salary will be prepared/distributed twice a month.
9. Salaries shall be treated with utmost confidentiality. Discussing salaries with co-employees is strictly prohibited.
10. Salary ranges maybe adjusted periodically within the guidelines set by the Board of Directors. Adjustment of salary ranges does not necessarily increase the salary paid to an employee but provides for range of potential salary adjustment.

11. Salary advancement within the salary range shall be based primarily on merit. A regular employee is eligible for merit increase in accordance with the guidelines set by the Board of Directors. The increase awarded to an eligible employee is based on the performance of the employee's current position, present salary rate and availability of funds. A performance appraisal shall be one of the supporting documents for said increase.

PART THREE

YOUR RESPONSIBILITIES

OFFICE DECORUM

The office is an organization of people of which has a healthy and wholesome environment conducive to productive work. The manner the employees handle themselves project the strong dispositions and identifying image of MSI.

A. PRESCRIBED OFFICE ATTIRE

All employees are required to wear an appropriate office attire (office uniform for eligible employees, proper office attire for the rest). However, informal attire such as tube blouses, spaghetti strapped dresses, slippers and the like is strictly prohibited.

Non-observance of wearing appropriate office attire shall be penalized in accordance with the following corrective measures:

1 st Offense to	
3 rd Offense	- Oral Admonition
4 th Offense	- Written Reprimand
5 th Offense	- Suspension for 1 day
6 th Offense	- Suspension for 3 days
7 th Offense	- Suspension for 5 days
8 th Offense	- Dismissal

An employee may be excused from wearing the prescribed office attire only for justifiable reasons.

B. I.D. CARD

All employees are required to wear you I.D. Card at all times while in the company's premises.

Should you lose you I.D. card, you must notify Personnel Division within 24 hours in writing, so that a replacement can be prepared.

Non-observance of wearing an I.D. card shall be penalized in accordance with the following corrective measures:

1 st Offense	- Oral Admonition
2 nd Offense	- Written Reprimand
3 rd Offense	- Suspension for 1 day
4 th Offense	- Suspension for 3 days
5 th Offense	- Suspension for 5 days
6 th Offense	- Suspension for 7 days
7 th Offense	- Suspension for 9 days
8 th Offense	- Suspension for 10 days

9 th Offense	-	Suspension for 12 days
10 th Offense	-	Suspension for 15 days

Upon your resignation or termination of your employment with MSI, you are required to surrender your I.D. Card to Personnel Division as part of the clearance requirements.

C. PERSONAL CODE OF CONDUCT

1. Loyalty

The growth and stability of MSI depends on its employee's commitment, dedication and faithfulness to their duties. You are, therefore, expected to exert all effort to help promote the interest of MSI, attain maximum productivity and contribute to the organization's overall efficiency.

2. Trustworthiness and Integrity

Every employee in Masaganang Sakahan, Inc. holds the responsibility of the custody of confidential data. Discreet handling of information must, therefore, be exercised. Pertinent data should be kept in strictest confidence especially those pertaining to the organization's plans, strategies, and other similar information. However, other types of information may be disclosed for general reference and public information.

3. Good Moral Character

You are expected to be always conscious of your responsibilities and commitment to MSI and, hence, are enjoined to maintain high standards of morality. Thus, you are expected to limit your association with questionable characters and to avoid drug addiction and commission indecent acts.

4. Office Relationships

The relationship between a supervisor and his subordinates must be based on mutual respect and sincerity. You are then expected to show respect and courtesy towards your peers and superiors. You are expected at all times to perform your official business with proper decorum and to avoid any act that may embarrass or discredit the company.

Friendship and teamwork are encouraged, emphasizing on the importance of unity. Enough distance is also accorded to each employees' individuality, giving rightful chance of privacy and respect.

5. Courtesy

Your actions must be governed by a desire to render the best possible service to the public in the most pleasant manner. As such, MSI considers any act of discourtesy as a matter of serious concern.

6. Relations with Public

The public is the receiver of all our developmental efforts. In answering the call of service, we are expected to be sensitive towards the needs of fellow countrymen. In sharing the same feelings and aspirations, let us stand committed towards courteously serving our people.

D. PROFESSIONAL CONDUCT

In the interest of professionalism, you are asked to conduct yourself in a manner reflective of a true professional, especially with regard to the following aspects.

1. Leaving Your Work Station

During office hours, you are expected to perform your duties and responsibilities seriously. Hence, you should remain at your respective place of assignment throughout office hours. If you find it necessary to be away from your desk for some time during office hours, you should seek prior permission from your Supervising Officer.

Likewise, you are not to loiter or wander around, engaging in unnecessary conversations with your co-employees.

2. Conflict of Interest

You are discouraged from pursuing any personal or professional venture which may give rise to a conflict between your interests and those of MSI. Such conflict may spring from any of the following:

- a. Doing Business with MSI. Except for cases where approval is granted by Management, you are not permitted to engage in any business with MSI.
- b. Performing Services With Anyone Engaged in Contract or Maintenance Work With MSI. Unless a written permission is granted by Management, you may not enter into any form of service with anyone engaged in contract or maintenance work of any kind with MSI.

- c. Performing Work Outside of MSI. The services of full-time employees must be made available at all times whenever required by MSI. As a general rule, therefore, you as a full-time employee should not engage in other work outside MSI.

3. Personal Business

You are asked to refrain from conducting personal business during working hours. This includes selling or distributing merchandise, sleeping, or engaging in any activity not related to the assigned work responsibilities.

Receiving and/or entertaining personal visitors during office hours for reasons not connected with the company's business should be minimized so as not to interrupt or delay completion of assigned work tasks.

Telephones are necessary for the efficient conduct of the company's affairs. As such, you should refrain from using the telephone for personal matter, except for urgent reasons.

In the same view, you should manage your personal earnings carefully. An employee who is continually in financial need should tend to be a liability to the company.

4. Involvement in Lawsuits

Employees named respondents, accused or defendants in lawsuits involving moral turpitude (robbery, theft, etc.), may be recommended to go on a forced leave, suspension or termination.

5. Solicitation and Contribution

You are not to solicit or accept gifts from customers, potential clients, or business associate of the company which may be used to expedite transactions or influence the company's business.

Likewise, if you wish to initiate contribution for any purpose including sale of tickets for civic or charitable organizations, you should first seek the approval of the management.

E. HANDLING OF MSI'S PROPERTIES

1. Stationery and Supplies

You should make every effort to observe thrift in the use of the company's stationery and supplies. These items should not be appropriated for personal purposes.

2. Cleanliness

You are expected to keep your workplace neat and clean. You should keep records, files and other documents safe and in order.

3. Office Equipment and Other Property

You should handle the company's property with proper care, seeing to it that no damage to or loss of property occurs. At the close of the day, all typewriters, adding machines, and other equipment should be unplugged and all cabinets locked.

4. Repair of Equipment

You are discouraged from repairing/altering any company property without the permission from Management.

PART FOUR

PERSONNEL POLICIES

OFFICE ATTENDANCE

A. WORKING HOURS

All MSI employees are required to render eight (8) hours of work daily, five days weekly from Monday to Friday.

Legal public holidays and any special public holidays that may be declared shall be observed.

The following work schedule shall be observed as follows:

8:00 A.M.	-	12:00 NOON
1:00 P.M.	-	5:00 P.M.

Lunch break shall be from 12:00 noon to 1:00 p.m. Coffee breaks shall be in 15 minutes in the morning between 10:00 a.m. to 11:00 a.m. and 15 minutes in the afternoon between 3:00 p.m. to 4:00 p.m. In no case shall coffee breaks exceed 15 minutes and lunch breaks be more than one (1) hour.

B. TARDINESS, UNDERTIME AND ABSENCE

TARDINESS occurs when employee reports for work after the start of regular working shift.

ABSENCE WITHOUT OFFICIAL LEAVE occurs when an employee is absent without permission.

UNDERTIME occurs when the employees leaves the station before the end of a regular working shift.

Tardiness, under time or absence shall be correspondingly deducted from the employees' salaries or earned leaves.

Employees who fail to report for work for a fraction of one-fourth or more but less than three-fourths shall be considered as absent for one-half day and a fraction of three-fourths or more shall be counted as one full day.

Employees who fail to render the required service in a regular day from which a half-day holiday is declared shall be charged with a full one (1) day absence.

Indicated hereunder are practices discouraged/not allowed in this system, commission of which shall be subject to the following measures:

TARDINESS- When incurred more than twice within a week, the employee concerned shall be subject to the following:

1 st Offense	-	Warning
2 nd Offense	-	Warning
3 rd Offense	-	Warning
4 th Offense	-	Written Reprimand
5 th offense	-	Suspension (1 day)
6 th Offense	-	Suspension (3 days)
7 th Offense	-	Suspension (5 days)
8 th Offense	-	Dismissal

ABSENT WITHOUT OFFICIAL LEAVE – Based on the Monthly Report on Punctuality and Attendance (MRPA), the following measures shall apply:

1 st Offense	-	Warning
2 nd Offense	-	Reprimand with requirement to explain in writing why no further penalty shall be imposed
3 rd Offense	-	Suspension (1 day)
4 th Offense	-	Suspension (3 days)
5 th offense	-	Dismissal

MANIPULATING BUNDY CARD

1 st Offense	-	Warning
2 nd Offense	-	Reprimand with requirement to explain in writing why no further penalty shall be imposed
3 rd Offense	-	Suspension (1 day)
4 th Offense	-	Suspension (3 days)
5 th offense	-	Dismissal

PUNCHING SOMEBODY ELSE'S CARD

1 st Offense	-	Warning
2 nd Offense	-	Reprimand with requirement to explain in writing why no further penalty shall be imposed
3 rd Offense	-	Suspension (1 day)

4 th Offense	-	Suspension (3 days)
5 th offense	-	Dismissal

FALSIFYING BUNDY CARD/LOG SHEET ENTRIES

1 st Offense	-	Warning
2 nd Offense	-	Reprimand with requirement to explain in writing why no further penalty shall be imposed
3 rd Offense	-	Suspension (1 day)
4 th Offense	-	Suspension (3 days)
5 th offense	-	Dismissal

TAKING BUNDY CARD FOR PURPOSES OTHER THAN THOSE ALLOWED

1 st Offense	-	Suspension (3days)
2 nd Offense	-	Dismissal

C. TIME RECORD

All rank and file employees, shall have individual time cards. The cards should be punched IN before the start of work in the morning; punched OUT for lunch break; punched IN after lunch break and punched OUT before leaving the office.

All officers are required to record their attendance in the Log sheet. They shall no longer be required to time OUT and IN during the lunch break. Their respective supervisors shall verify their DTR's against the Log Sheet. Entries after 10:00 a.m. shall be considered half-day.

Consultants are not considered as regular employees. Hence, they are exempted from the use of the bundy clock. However, they are required to submit accomplishment reports in two (2) sets for the specified months approved by the President and Chief Executive Officer. One will be used as the supporting document in the voucher/check preparation while one will be filed under their 201 file.

Unit Heads shall verify the entries in the Bundy Cards and shall sign the card.

Any change, alteration or erasure in the bundy card/daily time record shall be initialed by the Corporate Services Manager or authorized representative.

In case of loss of bundy card, the employee concerned must report the same to the Administrative Assistant immediately. Nobody shall be given a new bundy card without a written report of loss.

Taking somebody else's card from the rack is strictly prohibited. Anybody caught doing this shall be subjected to disciplinary action. In the same manner, nobody is allowed to take his/her bundy card from the rack unless

otherwise authorized. Only the personnel staff is authorized to take out the cards from the rack.

Refer to Personnel Policy No. PER – 001 (A) for the detailed policies and procedures on attendance and punctuality.

D. OVERTIME

Overtime shall be authorized where the work has to be completed by a certain fixed date and the scheduled day of completion cannot be met within regular working days and hours, or where, although there is no fixed date of completion, the prolonged delay in or non-completion of the work shall:

- Cause financial loss to MSI
- Embarrass the company due to inability to meet commitments; or
- Negate the purpose for which the work or activity was conceived.

The Department Head is authorized to approve overtime requests. The Corporate Services Department must be furnished with a copy of the approved Overtime Authorization form for the purposes of computation of O.T. pay.

Overtime work shall not be used to offset tardiness.

In case a regular work day is suspended, overtime work shall be rendered as follows:

1. If the declaration is made after the start of the regular working hours (i.e. 8:00 am), overtime work shall start thirty (30) minutes after the suspension of work.
2. If the declaration is made before the start of regular work day, overtime may start at 8:00 am.

Overtime rates are based on the gross salary. The manner of rate computation for overtime work are as follows:

1. Overtime work regular days shall be paid 125%
2. Overtime work on Sunday and Special Holidays that do not fall on a Sunday shall be paid 135%
3. Overtime work on Special Holidays that fall on a Sunday shall be paid 150%
4. Overtime work on legal holidays shall be paid 200%
5. Overtime work on legal holidays falling on a Sunday shall be paid 200%

Those who shall render overtime services during working days shall punch OUT at the end of their regular work shift and punch IN at the start of the overtime work. They shall punch out upon completion of overtime.

Nobody shall be allowed to stay in the office premises on Sundays and holidays or beyond 7:00 p.m. on regular working days without the approved Overtime Authorization Form.

E. LEAVES

AMENDED POLICIES AND GUIDELINES ON LEAVES ¹

I. VACATION LEAVES

A. General Policy

It is the policy of MASAGANANG SAKAHAN INC., (MSI) to ensure the continuity of its operations by promoting the well-being of its personnel and ensuring the capability of the corporation to continue functioning effectively at all times.

Accordingly, the Corporation shall provide vacation leaves to all officers and regular employees (inclusive of probationary) to allow them to rest, and attend to personal matters and emergencies. Further, it shall require that part of the vacation leave shall be used for the Corporation's mandatory leave program.

B. Entitlement, Accrual and Commutation of Vacation Leaves

¹ *Approved Amendment as per Board Res. No. 2010-05 Amendments on Leave Policies*

1. Entitlement

All Officers and regular employees (inclusive of probationary employees) of the Company are entitled to fifteen (15) working days' vacation leave with full pay for every year of actual service. This leave benefit already includes the service incentive leave required under the Labor Code.

New hires, regular or probationary, shall earn vacation leaves from the start date of actual service. However, probationary personnel can only use or avail of vacation leaves after regularization.

2. Accrual and Crediting of Vacation Leave

Accrual of vacation leave shall be on a monthly basis. All officers and regular personnel shall be entitled to 1.25 days of vacation leave for every month of actual service. The term "actual service" refers to the period of uninterrupted service of an officer or a regular employee. An uninterrupted service shall include periods covered by authorized leave of absence resulting from the use of vacation or sick leave credits. Correspondingly, leave credits shall be prorated for leaves without pay.

Vacation leaves earned shall be credited to the employees on the next working day following the month the leaves were earned.

3. Maximum Vacation Leave Carry-Over (Accumulation of Vacation Leaves)

The maximum number of vacation leave credits that can be retained and carried forward to the succeeding calendar year shall be thirty (30) days.

4. Commutation of Leave Credits

Vacation leave credits, in excess of the maximum leave credits that can be carried over (thirty days), shall be paid its cash equivalent within thirty (30) days after the end of the year based on the current basic salary.

The Administrative Section shall be responsible for the automatic commutation of the excess leave credits.

5. Commutation of Unused Vacation Leave Credits Upon Separation

All personnel shall be entitled to the cash equivalent of their unused vacation leave credits upon their resignation or separation from the

service. The cash equivalent shall be based on the basic salary on the effective date of resignation or separation.

C. Mandatory/Programmed Leaves

All Officers and regular employees are required to undergo mandatory or programmed vacation leave of five (5) days in a year chargeable to vacation leave. The mandatory/programmed leave shall be once a year for five (5) continuous working days.

The scheduling of the mandatory /programmed leaves shall be at the discretion and prerogative of management. Management may require personnel to go on mandatory/programmed leave anytime it deems appropriate or necessary.

At the discretion of management, scheduled mandatory/programmed leaves may be disallowed due to work load or exigency of the service.

D. Application and Approval of Vacation Leaves

1. Applying for Vacation Leave

Application for vacation leave of one full day or more must be submitted to the Administrative Section on the prescribed form, at least, two (2) days prior to the date of leave.

2. Approving Officers

Vacation leave shall be duly noted and endorsed by the employee's immediate supervisor and approved by the authorized signatory under the Codified Approving and Signing Authorities (CASA).

Vacation leave for a period of at least thirty (30), shall only be approved upon presentation of clearance of all accountabilities.

3. Use of Accrued Vacation Leave for Illness or Disability

In cases when the sick leave credits have been exhausted, vacation leave may be used to cover absences due to sickness.

E. Half Day Absences and Early Departure From Work

Half-day absences and early departure from work not resulting from sickness, which is approved by the employee's immediate Section Head, shall be applied against vacation leave. Late arrival of two hours or more shall be considered as half-day absence.

Unapproved half-day absences and early departure from work shall be recorded as absence and shall be deducted from pay.

II. SICK LEAVE

A. General Policy

It is a policy of MASAGANANG SAKAHAN, INC. (MSI) to maintain a healthy and fit human resource and provide means when they are ill or sick.

Toward this end, the Corporation shall grant sick leave benefits to all officers and regular employees (inclusive of probationary) that provide for the continuation of the salary of officers and regular employees who are unable to report for work because of illness, disability, and medical appointment.

B. Entitlement, Accrual and Commutation of Sick Leaves

1. Entitlement

All officer and regular employees (inclusive of probationary employees) of the Company shall be entitled to fifteen (15) working days sick leave with full pay for every year of actual service.

New hires, regular or probationary, shall earn leaves from the start date of actual service.

2. Accrual and Crediting of Sick Leaves

Accrual and crediting of sick leaves shall be the same as that of vacation leave as provided for in Section I-B.2

3. Maximum Sick Leave Carry-Over (Accumulation of Sick Leaves)

The maximum number of sick leave credits that can be retained and carried forward to the succeeding calendar year shall be ninety (90) days.

4. Commutation of Sick Leave Credits

Sick leave credits, in excess of the maximum leave credits that can be carried over (ninety days), shall be paid its cash equivalent within thirty (30) days after the end of the year based on the current basic salary.

The Administrative Section shall be responsible for the automatic commutation of the excess leave credits.

In meritorious cases and subject to approval of management, an officer or personnel can request commutation of a certain number of sick leave credits not exceeding fifty percent (50%) of his/her available sick leave credits, provided that after such commutation he/she will still have available sick leave credits of forty-five (45) days and provided further, that this can be done only once in a calendar year.

5. Commutation of Unused Sick Leave Credits Upon Separation

All personnel shall be entitled to the cash equivalent of their respective unused sick leave credits upon their resignation or separation from the service. The cash equivalent shall be computed using the basic salary on the effective date of resignation or separation.

C. Application and Approval of Sick Leaves

1. Reporting of absences due to illness

All personnel are required to notify on the same day the Administrative Section and/or their superiors of absences due to sickness or accident.

2. Filing of Application for Sick Leave

Application for sick leave must be filed within two (2) days after the officer or employee reports back to work.

Use of sick leaves for medical appointments, scheduled medical procedures or doctor advised rest shall be filed in advance.

A medical certificate is required to be submitted to support a sick leave of absence in excess of five (5) days.

3. Approving Officers

Application for sick leave shall be duly noted and endorsed by the employee's immediate supervisor and approved by the authorized signatory under the CASA.

A home visit may be requested by the approving officer to check on an employee applying for sick leave.

4. Half Day Absences and Early Departure From Work Due to Sickness

Half-day absences and early departure from work resulting from sickness shall be applied against sick leave. However, the officer or employee should inform and seek approval of the immediate superior prior to leaving the office, otherwise, the employee shall be considered absent without leave.

III. SPECIAL LEAVE PRIVILEGES

A. General Policy

The Corporation provides special leave privileges to officers and regular employee to allow them to attend to any special occasions or emergencies that are not work-related.

B. Entitlement, Allowable Purposes, and Filing of Special Leaves

1. Entitlements and Allowable Purposes

All officers and regular employees of the Corporation shall be entitled to three (3) days special leave privilege in a year with full pay and not deducted from their earned vacation leave.

Special leave privileges can be used for any three (3) of the following listed special occasions or emergency:

- Birthdays of employee or immediate family member
- Wedding Anniversary
- Graduation Day
- Enrollment Day
- PTA Meetings
- Burial Obligation
- Domestic Emergency

2. Application for and Approval of Special Leave Privilege

Application for special leave of one (1) full day or more shall be submitted to the Administrative Section on the prescribed form five (5) days prior to the date of leave. In case of burial obligation and domestic emergencies, the officer and regular employees is required to notify on the same day the Administrative Section and file within two (2) days after the officer or employee reports back to work.

Special leaves shall be duly noted and endorsed by the immediate supervisor and approved by the authorized signatory under the CASA.²

IV. MATERNITY LEAVE

1. As provided for by law, MSI shall grant to all pregnant and regular employees maternity leave of:

Normal Delivery	-	60 calendar days
Delivery by ceasarian	-	78 calendar days

2. Where the pregnant woman employee fails to avail of two week pre-delivery leave, or any part thereof, the same shall be added to her post-delivery leave with pay.
3. Maternity leave maybe extended, with or without pay, on account of illness medically certified to arise out of pregnancy, complete abortion, or miscarriage which renders the employee unfit for work. Such extensions maybe paid out of her unused vacation and/or sick leave.
4. Maternity leave benefit shall be limited to only four (4) deliveries. For purposes of determining the entitlement of a woman employee of the maturity leave benefits, the total number of her deliveries, complete abortions/ or miscarriages after March 13, 1973 shall be considered regardless of the identity or number of employers she has had at the time of such determination, provided that she enjoyed the minimum benefits provided of by law.
5. Maternity leave pay (salary while on leave) shall be given every pay day.

² End of Amendment as per Board Res. No. 2010-05 Amendments on Leave Policies

6. An application for maternity leave using the leave form shall be filed prior to delivery or leave except for emergency cases (unexpected deliveries, complication, etc.) Medical certificate shall be attached to leave form.
7. Maternity leave is non-cashable.

V. D. PATERNITY LEAVE

1. A leave of absence of seven (7) calendar days with pay is given to a male regular employee to enable him to be with his wife upon delivery of the baby or miscarriage.
2. Upon returning to work, the employee concerned shall file a paternity leave with doctor's certificate as supporting document.
3. Paternity has no cash value and cannot be accrued.

F. OTHER LEAVES ³

F.1 RA 9710 Gynecological Leave

Under the Republic Act 9710, otherwise known as "The Magna Carta of Women", a woman employee shall be entitled to a special leave benefit of two (2) months with full pay based on her gross monthly compensation following surgery caused by gynecological disorders. As guidelines for the implementation of special leave benefits for women in the private sectors, the Department of Labor and Employment issued Department Order No. 112-11, Series of 2011. For female employees in the government service, you may refer to Civil Service Commission Guidelines on the Availment of the Special Leave Benefits for Women under RA 9710, CSC Resolution No. 1000432

- a. Special leave benefits for women refers to a female employee's leave entitlement of two months (60 calendar days) with full pay based on her gross monthly compensation following surgery caused by gynecological disorders. Provided that she has rendered continuous aggregate employment service of at least six (6) months for the last 12 months.

³ *Approved as per BOD Res. No. 2014-08 Inclusion of Mandated Leaves*

- b. Gynecological disorders refer to disorders that would require surgical procedures such as dilatation and curettage and those involving female reproductive organs such as vagina, cervix, uterus, fallopian tubes, ovaries, breast, adnexa and pelvic floor. Gynecological surgeries shall also include hysterectomy, ovariectomy, and mastectomy.
- c. The employee shall file her application for leave with her employer within a reasonable period of time from the expected date of surgery, or within such period as may be provided by company rules and regulations
- d. Prior application is not necessary in cases requiring emergency surgical procedure. However, the employee must notify the employer verbally or in writing within reasonable period of time, and after the surgery or recuperating period, she must immediately file her application
- e. Special leave benefits shall be granted after the employee has undergone surgery.
- f. A woman employee can avail of the special leave benefit for every instance of surgery due to gynecological disorder for a maximum total period of two (2) months per year. For purposes of determining the period of leave with pay that will be allowed to a woman employee, the certification of a competent physician as to the required period of recuperation shall be controlling.
- g. The employee is entitled to full pay for two months based on her gross monthly compensation. Gross monthly compensation refers to the monthly basic pay plus mandatory allowances
- h. Special leave benefit is non-cumulative and non-convertible to cash
- i. Special Leave Benefit vis-à-vis SSS Sickness Benefit – The special leave benefit is different from the SSS sickness benefit. The former is granted by the employer in accordance with RA 9710 and granted to the woman employee who has undergone surgery due to gynecological disorder. The SSS sickness benefit, on the other hand is administered and given by SSS in accordance with the SSS law or RA1161 as amended by RA 8282.
- j. Special Leave Benefit vis-à-vis existing statutory leaves – The special leave benefit cannot be taken from existing statutory leaves (i.e. Parental Leave for Solo Parents, Leave for Victims of VAWC, etc.) The grant of special leave under the law is in recognition of the fact that patients with gynecological disorder needing surgery require a longer period of recovery. The benefit is considered in addition to the leave benefits granted under existing laws and should be added on top of said statutory leave entitlements.
- k. Special leave benefit vis-à-vis maternity leave benefit – Where the woman employee had undergone surgery due to gynecological disorder during her maternity leave, she is entitled only to the difference between the SLB and maternity leave benefits.

F.2 RA 8972 Solo Parent Leave

Under Republic Act No. 8972, otherwise known as "The Solo Parents' Welfare Act of 2000", a solo parent employee who has rendered service of at least one (1) year is be entitled to a parental leave of not more than seven (7) working days every year.

- a. Solo parent is any individuals that falls under any of the following categories:
 - a.1 A woman who gives birth as a result of rape and other crimes against chastity even without a final conviction of the offender; Provided that the mother keeps and raises the child;
 - a.2 Parent left solo or alone with the responsibility of parenthood due to death of spouse;
 - a.3 Parent left solo or alone with the responsibility of parenthood while spouse is detained or is serving a sentence for criminal conviction for at least one (1) year;
 - a.4 Parent left solo or alone with the responsibility of parenthood due to physical and/or mental incapacity of spouse as certified by a public medical practitioner;
 - a.5 Parent left solo or alone with the responsibility of parenthood due to legal separation or de facto separation from spouse for at least one (1) year, as long as he/she is entrusted with the custody of the children;
 - a.6 Parent left solo or alone with the responsibility of parenthood due to declaration of nullity or annulment of marriage as decreed by a court or by a church as long as he/she is entrusted with the custody of the children;
 - a.7 Parent left solo or alone with the responsibility of parenthood due to abandonment of spouse for at least one (1) year.
 - a.8 Unmarried mother/father who has preferred to keep and rear her/his child/children instead of having others care for them or give them up to a welfare institution;
 - a.9 Any other person who solely provides care and support to a child or children;
 - a.10 Any family member who assumes the responsibility of the head of the family as a result of the death, abandonment, disappearance or prolonged absence of the parents or solo parent.

A Change in status or circumstances of the parent claiming benefit under this Act, such that he/she is no longer left alone with the responsibility of parenthood, shall terminate his/her eligibility for these benefits.

- b. Children refer to those living with and dependent upon the solo parent for support who are unmarried, unemployed and not more than eighteen (18) years of age, or even over eighteen (18) years but are incapable of self-support because of mental and/or physical defect/disability.

- c. Parental responsibility with respect to the minor children shall refer to the right and duties of the parents as defined in Article 220 of the Executive Order No. 209, as amended, otherwise known as the "Family Code of the Philippines"
- d. Parental Leave shall mean leave benefits granted to a solo parent to enable him/her to perform parental duties and responsibilities where physical presence is required. Parental leave is in addition to leave privileges under existing laws, parental leave of not more than seven (7) working days every year shall be granted to a solo parent employee who has rendered service of at least one (1) year.
- e. Flexible work schedule is the right granted to a solo parent employee to vary his/her arrival and departure time without affecting the core work hours as defined by the employer. Provided, that any employer may request exemption from DOLE on certain meritorious ground.
- f. Work discrimination – No employer shall discriminate against any solo parent employee with respect to the terms and conditions of employment on account of his/her status

F.3 RA 9262 Legal Suit Leave

Under Republic Act No. 8972, otherwise known as "The Anti-Violence Against Women and their Children Act of 2004", Section 43. **Entitled to Leave.** – Victims under this Act shall be entitled to take a paid leave of absence up to ten (10) days in addition to other paid leaves under the Labor Code and Civil Service Rules and Regulations, extendible when the necessity arises as specified in the protection order.

Any employer who shall prejudice the right of the person under this Sec. shall be penalized in accordance with the provisions of the Labor Code and Civil Service Rules and Regulations. Likewise, an employer who shall prejudice any person for assisting a co-employee who is a victim under this Act shall likewise be liable for discrimination.⁴

G. OTHER PROVISIONS

1. In cases where the employee's leave is to be extended beyond the approved duration, it shall be the responsibility of the employee to immediately notify his/her immediate supervisor and Corporate Services Department on reasons for and period of extension. Upon returning back to work, the employee shall

⁴ End of Amendment as per BOD Res. No. 2014-08 Inclusion of Mandated Leaves

- re-apply for leave to cover such an extension with a written justification or doctor's certificate attached.
2. Employees failing to report for work within five (5) days from the completion of approved leave without due notice shall be dropped automatically from the payroll.
 3. Any misrepresentation made in the application for leave shall be ground for disciplinary action.

STANDARD OPERATING PROCEDURES
NO. PER –001 (A)

EFFECTIVITY : **JANUARY 21, 1998 rev. 09242012**

SUBJECT : **ATTENDANCE AND PUNCTUALITY-
CONTRACTUAL/REGULAR EMPLOYEES**

POLICY STATEMENT : The MASAGANANG SAKAHAN, INC. aims to effectively monitor punctuality and attendance in support of the Organization's renewed drive for higher productivity.

POLICY GUIDELINES

1. All MSI personnel are required to render eight (8) hours of work daily with five (5) working days, Monday to Friday.

The period of work shall be as follows:

8:00 am to 12:00 noon
1:00 pm to 5:00 pm

A bundy clock shall be used to record the daily attendance.

Lunch break shall be from 12:00 noon to 1:00 p.m. Coffee breaks shall be 15 minutes in the morning between 10:00 a.m. to 11:00 a.m. and 15 minutes in the afternoon between 3:00 p.m. to 4:00 p.m. In no case shall coffee breaks exceed 15 minutes and lunch breaks be more than one (1) hour.

2. In recognition of their rank and the nature of their work, employees with officer rank are allowed a two (2) - hour grace period.
3. All rank and file employees shall use the bundy clock. They shall register their attendance at the following instances:
 - a. Start of Shift
 - b. 12:00 noon
 - c. on or before 1:00 p.m.
 - d. End of shift

Employees assigned in the Plant/Warehouse shall record their attendance in the Log Sheet. They shall, however, prepare and submit to the Personnel Services their Daily Time Record duly noted by their Supervisor every 5th day of the following month.

4. Rank and file Employees concerned shall sign their bundy cards at the end of each month. Department Heads shall verify the entries in the Bundy Cards and shall also sign the cards. The bundy cards shall be their Official Time Record. For Officers who are exempted from the use of the bundy clock, their DTR shall be prepared by them, verified by Personnel Services and signed by their immediate supervisors.

All signed time records shall be submitted to the Personnel Services not later than the second working day of the following month.

5. Consultants are not considered as regular employees. Hence they are exempted from the use of the bundy clock. They are, however, required to submit their accomplishment report approved by the President and Chief Executive Officer.
6. Any change, alteration or erasures in the

bundy card/daily time record shall be initialed by the Corporate Services Manager or his/her duly authorized representative.

7. Punching the bundy card of another employee is strictly prohibited. Falsification and irregularities in the accomplishment and keeping of bundy card/daily time record and O.B. forms shall subject the employee to disciplinary action.
8. Only the authorized representative of Personnel Services may remove the cards from the rack for monitoring purposes.
9. In case when an employee had to transact business outside of the office premises, said employees will be required to submit to Personnel Services a duly accomplished official Business Pass (OB) prior to his/her departure. OB Forms shall be supported by Certificate of Appearance. Travel outside Metro Manila Area shall be supported by a Travel Order and Certificate of Appearance.

Only forms properly filled up shall be accepted by Personnel Services.

10. Tardiness, Undertime and Absences:

10.1 Tardiness, undertime and absences shall be correspondingly deducted from their earned leave credits or from their salaries in cases where all leave credits have been exhausted.

A five-minute grace period is allowed by management. However, computation of tardiness shall be based on 8:00 and not on 8:05 (example: 8:06 will be considered 6 minutes late)

10.2 Personnel (Officers and Rank and File Employees) who fail to time in during the

day shall be considered absent. Likewise, employees who report for work less than four (4) hours in a regular working day shall be considered absent.

10.3 Employees who fail to render the required service in a regular day for which a half day holiday is declared shall be considered absent for one (1) whole day.

10.4 When an employee is absent without leave (AWOL) on a day prior to or after a holiday, the same shall be considered absent for two (2) days.

11. In case of lost of bundy card, the employee concerned must report the same to the Personnel Services. Nobody shall be issued a new bundy card without a written report of loss.

12. Administrative Actions:

Enumerated hereunder are practices not allowed by management commission of which shall be subjected to administrative actions.

12.01 Tardiness when incurred more than Eight (8) times a month, shall be subject to the following:

- 1st offense – warning
- 2nd offense – warning
- 3rd offense – warning
- 4th offense – written reprimand
- 5th offense – Suspension (1) day
- 6th offense – Suspension (3) days
- 7th offense – Suspension (5) days
- 8th Offense – Dismissal

12.02 AWOL

- 1st offense – warning
- 2nd offense – reprimand with requirement to explain in writing why no further penalties should be imposed
- 3rd offense – Suspension (1) day
- 4th offense – Suspension (3) days
- 5th offense – Dismissal

12.03 Manipulating Bundy Card

- 1st offense – warning
- 2nd offense – reprimand with requirement to explain in writing why no further penalties should be imposed
- 3rd offense – Suspension (1) day
- 4th offense – Suspension (3) days
- 5th offense – Dismissal

12.04 Punching somebody else's card same as 12.03

12.05 Falsifying Bundy card/log sheet Entry/ies – same as in 12.03

12.06 Falsifying OB forms – same as 12.03

12.07 Taking Card from the rack for purposes other than those allowed-

- 1st offense – suspension (3) days
- 2nd offense – dismissal

12.08 Habitual absentee (unless programmed leave, emergency cases, hospitalization or reasonable sick leaves)

-incurred two (2) times a week or five (5) times a month – same as 12.01

- emergency cases : 1. death of immediate members of the family (spouse, children, parents, parent-in-law, brothers, sisters)
- Hospitalization of immediate members of the family (same as no.1)

13. Attendance Monitoring

It shall be the primary responsibility of the Personnel Services to monitor employees attendance in the Head Office. The Warehouse Supervisor shall be responsible in monitoring the attendance of field personnel.

The Personnel Services shall maintain the attendance Record of all MSI Employees.

Personnel Services shall submit a Monthly Monitoring attendance Report to Management. Said report shall be subject to audit by the Internal Auditor.

CODE OF DISCIPLINE

MSI values its reputation for honesty, industry and integrity. This reputation is sustained by a disciplined, competent and efficient workforce whose retention, well-being and continuing development is the primary concern of the company. To this end, MSI upholds rules and regulations that are considered essential for an efficient and effective organization.

As a rule, MSI endeavors to prevent situations that may result in the administration of disciplinary action against its employees. However, should it be established that you have violated any of the rules and regulations. Management shall not hesitate to subject you to the appropriate action.

A. RESPONSIBILITIES

1. Department Heads

The Department Head is responsible for the imposition of office discipline and the enforcement of order and efficiency of his/her department. He/she shall determine the disciplinary measures appropriate for the infractions committed

within his/her department and shall impose penalties in accordance with the approved guidelines.

2. Personnel Division

The Personnel Services shall provide advice and service consistent with the concepts of disciplinary measures and in compliance with labor laws.

B. DISCIPLINARY PROCESS

1. Preliminary Investigation

Should you be suspected of breach of conduct, your Supervisor shall obtain all relevant facts surrounding the misbehavior and verify them.

If this is your first minor offense, you will be counseled and given chance to explain your reasons for the misbehavior.

2. Oral Warning

If you do not respond to the friendly talk but continue to commit the same offense, your Supervisor thru the Department Manager shall give you oral reprimand and put you on notice. You will be reminded of the penalty that shall be enforced if you commit the same offense again. Your Supervisor shall note these oral warnings for performance appraisal purposes.

3. Written Reprimand

Should there still be no positive response to the friendly admonitions, you will be issued written reprimand containing the statement offense, as well as reference to the disciplinary steps taken to no avail. A copy of this shall be filed under your 201 file.

4. Suspension Penalties

If the first three (3) disciplinary steps prove ineffective, as in case of repeated or continued offenses or continued failure to meet work standards, your supervisor recommends to the Department Manager the penalty which he deems appropriate, based on the approved Code of Discipline. These penalties may range from suspension or termination.

C. INVESTIGATION OF ADMINISTRATIVE CASE

1. In case of investigation, the following shall be designated members of the investigation team:
 - a. Concerned Department Manager
 - b. Internal Audit
 - c. Personnel Services
2. They shall conduct the investigation of the case including interviews with the concerned personnel and other related personalities. Based on their findings, they shall recommend the necessary and legal course of action to the President and Chief Executive Officer.

D. SUMMARY PROCEEDINGS

If any of the following circumstances is present, no formal investigation is necessary and the respondent employee may be removed or dismissed, subject to due process, upon the joint recommendation of Legal Personnel and Internal Audit and the approval of the Board of Directors

1. The charge is serious and the evidence of guilt is strong.
2. The employee has been penalized twice or more for the same offense stated in the code and there is reasonable ground to believe that he is guilty of the present charge.

E. PENALTIES

The penalties that may be imposed are as follows:

1. Principal Penalties

The scale of principal penalties according to their degrees of severity is as follows:

- a. **Dismissal.** This is dishonorable discharge or separation of an employee from service. A dismissed employee loses his rights to any benefits granted by management. Likewise, he shall not be issued a clearance.
- b. **Suspension.** This is the temporary separation from the service or cessation from work. The suspended employee shall not earn any salary during the period of suspension.

- c. **Preventive Suspension** is on the spot suspension of an employee prior to and/or during an investigation for a violation of this Code, where his continued service or presence in the company's premises would pose a serious or imminent threat or danger to the life of his/her fellow employees or employer or the company's property or would prejudice or obstruct the investigation to be, or being conducted against him.
- d. **Reprimand**. This is a formal notice to an employee who committed a light offense for the first time as provided in this Code, warning him/her that a repetition of the same act of omission would be dealt with more severely.
- e. **Oral Warning**. It is an informal notice or advice against the repetition of a violation given to an employee who committed a minor infraction for the first time.

2. Additional Penalties

Upon the recommendation of the Supervisor of the respondent employee or of any authorized officer, Management, may at its sole discretion and in the best interest of the company impose the penalty defined below:

Re-assignment. This is the transfer of an employee from one department, group, section or unit without reduction in rank, status, salary and benefits. It is more or less temporary in nature and may involve change in responsibilities. When not related to any disciplinary action, it shall not be considered as penalty.

TYPE OF OFFENSE	DISCIPLINARY MEASURES
Type A (Minor Offense)	
1 st Offense	Warning
2 nd Offense	Warning
3 rd Offense	Warning
4 th Offense	Written Reprimand
5 th Offense	Suspension (1 day)
6 th Offense	Suspension (3 days)
7 th Offense	Suspension (5 days)
8 th Offense	Dismissal
Type B (Less Serious Offense)	
	Warning
	Written reprimand with requirement to

1 st Offense	explain in writing why no further penalties should be imposed
2 nd offense	Suspension (1 day)
	Suspension (3 days)
3 rd Offense	Dismissal
4 th Offense	
5 th Offense	

Type C
(Serious Offense)

Suspension (3 days)
Dismissal

1st Offense
2nd offense

Dismissal/ demotion

Type D
(Dismissal Offense)

Dismissal

1st Offense

TYPE OF OFFENSE

VIOLATION DESCRIPTION

Type A

1. Non-wearing of identification card in the office or its premises during official time.
2. Violation of the rules and regulations regarding wearing of appropriate office attire.
3. Failure to comply with specific work instructions or work practices.
4. Failure to report any change of residence within three (3) days from such change.
5. Tardiness incurred more than eight (8) times within the month

Type B

6. Willful disregard of safety regulations.
7. Absence without Official Leave.
8. Manipulating Bundy card.

9. Punching somebody else's card.
10. Falsifying Bundy card/logsheets entries.
11. Wasting time or loitering on office time. Every employee is fully accountable to his/her Supervisor for his/her whereabouts during working hours.
12. Sleeping during office hours.
13. Malingering or feigning illness to avoid assigned work.
14. Failure to report immediately an employee's injury or damage to office property occurring during office hours.
15. Any discourteous act shown to visitor within office premises or job sites.
16. Failure to report to overtime work after having agreed to work without good and/or justifiable reasons.
17. Deliberate slowdown of work, limiting output hindering work output.
18. Using, operating or processing equipment or machine to which the employee has not been assigned or which has not been authorized.
19. Commission of any act which contributes to unsanitary conditions or improper housekeeping or contributing to unsafe situations.
20. Selling, soliciting or collecting contributions for any purpose in office premises or its extensions without proper authorization from management.
21. Any injury or damage caused to the office property or any injury or damage caused to the property of another within the office either

Type C

willfully or through negligence.

22. Use of any transportation or delivery facility for any purpose other than that of which it is originally intended, assigned or authorized, unless otherwise given permission, provided, however, that in no case shall a company owned vehicle be used for illegal and immoral purposes.
23. Using or lending any company owned vehicle, equipment or transportation or delivery facility without management's approval and proper travel documents.
24. Driving without a valid driver's license.
25. Refusal to submit or failure to meet SECURITY requirement of the office.
26. Reporting to work under the influence of alcohol or drinking alcoholic drinks while at work.
27. Violation of Company issued safety rules or violation of general or common sense safety practices in the performance of work which endangers the life of any person or Company property.
28. Refusal to submit to medical and/or physical examination when required by Management.
29. Commission of any indecent act.
30. Interfering or refusing to cooperate with security guards in the performance of their duties.
31. Engaging in gambling, lottery or any game of chance, betting and collecting bets in the office premises.
32. Scuffling, running or horseplaying or throwing

things inside the office premises.

33. Violation of company directives or memoranda.

34. Taking Bundy card for purposes other than those allowed.

Type D

35. Any attempt to inflict or cause bodily injury upon another or have in fact inflicted or caused bodily harm in the office or its premises or on the job sites during the official time by the use of friends and/or persons not connected with the office.

36. Any act constituting threats, intimidating or coercion against any employee or in any manner unduly interfering with any person or employee doing business with MSI or any government entity.

37. Any act constituting theft or robbery or an attempt to commit the same within the office premises or job sites.

38. Substituting office materials or equipment with another of inferior quality.

39. Obtaining supplies or materials on fraudulent orders. This implicates any other employees conniving or in collusion with the employee doing it.

40. Lending/tampering of employees identification card.

41. Offering or accepting anything of value in exchange for a job, work assignment, work location or favorable condition or employment.

42. Refusing to follow and obey orders to perform assigned work.

43. Giving false testimony or concealing withholding information which is material to any case under

investigation.

44. Revealing or divulging MSI secret, plans, operations, finances, inventories, and other classified matters of information.
45. Gross inefficiency or negligence in the performance of duties.
46. Having a communicable and intentionally not reporting to Management.
47. Accepting directly or indirectly any sum of money, present or other valuable things on any occasion in consideration for any act, contract, decision or services connected with the employee's discharge of official duties.
48. Falsification of Public Documents/Personnel record or any other record for employment.
49. Performing certain acts binding MSI or entering into transaction with any corporation involving the office or its interest with authority or in such manner as it would constitute a grave abuse of authority or discretion and contrary to office policy.
50. Reckless driving resulting to accident or injury.
51. Malversion of office funds or trust funds.
52. Any act of violence or any such act which constitutes a crime provided however that when acts are committed outside the office hours and premises, an offender shall be dismissed upon conviction by competent authorities.
53. An employee convicted of any crime involving moral turpitude.
54. Any act constitutes a threat or intimidation against a person of authority in the office with the intent of causing disgrace, harm or bodily

injury.

55. Commission of any act of insubordination or disrespect.
56. Disobedience or refusal to follow lawful orders of a superior resulting to injury for loss of life and/or limb and gross damage to government property.
57. Reporting for work under the influence of prohibited drugs without the proper prescription.
58. Buying, selling, using or possessing dangerous drugs in any form.
59. Involvement in any drug trafficking activities.
60. Tampering with or unauthorized use of any fire protection equipment intentionally rendering such inoperable.
61. Unauthorized possession or mere concealment of firearms, explosives or other deadly weapons on office premises.
62. Circulating subversive materials at any time in the office premises.
63. Violation of the provision of Anti-Graft and Corrupt practices act.
64. Unauthorized use of the MSI name, logo or its other processes for personal gain.
65. Engaging in usurious practices whether borrowing or lending.
66. Tampering with property inventory stickers.

EMPLOYEE ASSIGNMENTS AND MOVEMENTS

Management reserves the right to determine the need for the job, its duties and responsibilities. The selection for a job may involve a transfer or promotion. Hence, MSI may change your assignment or transfer you to different areas of work within the company anytime it deems necessary to do so in order to meet exigencies of the service.

A. Transfer

1. Re-assignment

A reassignment is involved when your movement is from one location or unit to another location unit, without a change in designation or compensation.

2. Lateral Transfer

A transfer is lateral when there is a change in your position or designation within the same job level, without a change in salary.

3. Temporary Detail

A temporary detail is when you are temporarily assigned to regularly discharge all functions and assume all responsibilities of another position that is temporarily vacant or whose incumbent is on leave of absence or detailed elsewhere, and where such assignment is without change of salary.

- a. You may be assigned on temporary detail only when the position is temporarily vacant and assignment is for a fixed period.
- b. The assignment shall be terminated when any of these circumstances occurs:
 - when an incumbent returns
 - when workload is reduced to manageable level
 - when the fixed period of assignment expires
- c. If the period of temporary assignment has lapsed and the assignment is still warranted by the work exigencies, the supervising officer may seek the approval for the extension of your assignment.

B. Promotion

You are promoted when you are re-classified or appointed to a position on a higher job level with the corresponding increase in your salary.

As a matter of policy, in filling up vacancies for higher positions in the company, employees are given preference over applicants from the outside, except in instances where special qualifications, experiences and training are required for the job.

If you are transferred or assigned to a new or permanently vacated position of higher job grade or classification, you will go through a six (6) month trial period in the new position. Depending on satisfactory performance during this period, your supervising officer will forward a recommendation, duly endorsed by the President and Chief Executive Officer, to the Board of Directors for your permanent appointment to the position.

SEPARATION

A. Employee Initiated Separation/Voluntary Resignation

It is our hope that you will have a fulfilling and fruitful years of service with MSI. However, should you decide to resign voluntarily, you must comply with the following requirements.

1. Procedures:

- a. Submit a formal, written notice of resignation to the President and Chief Executive Officer at least thirty (30) calendar days prior to its effectivity date. No clearance shall be issued without this thirty (30) - day notice.
- b. The resignation letter must be noted by the Division Head, accepted by the Department Manager and the President and Chief Executive Officer.
- c. Prior to the effectivity date of your resignation, you must clear all your accountabilities and responsibilities to MSI. You must surrender to the company all documents, records, I.D. Card and properties in your custody not later than five (5) working days before the effectivity of your resignation.
- d. An employee with a pending case shall not be allowed to resign.

2. Employment Clearance

Upon receiving your letter of resignation, noted by your Division Head and accepted by the Department Manager/President and CEO, and Ex-Com, Personnel Unit shall prepare and route an Employment Clearance Form to the division or department you are assigned to, as well as to Personnel, General Services, and Audit unit, and Finance Division.

You may claim your accomplished Employment Clearance after you have settled your accountabilities with MSI. Any accrued salaries/benefits which are not applied to your accountabilities shall be released to you.

B. Separation for Cause

A separation for cause/involuntarily resignation is a separation initiated by Management for reason of unsatisfactory work performance, or if found guilty of any major offenses stated in the Code of Discipline.

An employee who is terminated or separated for cause shall automatically forfeit his accrued benefits.

C. Retirement

An officer or a regular employee of the company may retire based on SSS policies.

The retiring officer or regular employee shall notify management at least thirty (30) days before the planned date of retirement. The retiree should be cleared of his/her accountabilities before his/her retirement pay can be released net of deductions, if any.

PART FIVE

BENEFITS

FRINGE BENEFITS

A. General

In addition to the benefits provided for by existing rules and regulations, the company shall, whenever feasible, extend additional fringe benefits to its officers and employees.

B. Rice Subsidy

All officers and regular employees (inclusive of probationary) shall receive one (1) sack of rice every month as rice subsidy. Probationary employees shall receive their rice subsidy starting the second month of employment.

C. Uniform Allowance

All officers and regular employees (inclusive of probationary provided he/she has been with MSI for six (6) months) shall be entitled to uniform allowance, the amount of which shall cover the cost of materials, sewing, tailoring and couturier's fees and shall not exceed the limit fixed by the MSI Board of Directors.

D. Medical Benefits

All officers and regular employees shall be entitled to medical, dental, optical and hospitalization benefits, the amount of which shall be determined by the Board of Directors.

Covered employees may use part of said benefits to pay the enrollment cost of a health maintenance program.

E. Anniversary Bonus

All officers and regular employees (inclusive of probationary), members of Board of Directors and other seconded corporate officers shall receive an anniversary bonus. The amount of the anniversary bonus shall be determined by the Board of Directors.

F. 13th Month Pay

All officers and employees except reliever shall be entitled to receive 13th month pay equivalent to one (1) month basic salary.

Resigned officers and employees with at least one (1) month of service during calendar year shall be entitled to this bonus proportionate to the length of service. The entitlement of 13th month pay is subject to pertinent provisions of the labor code.

G. Christmas Bonus and 14th Month Pay

All officers and employees whether regular or probationary directly hired by the company including Members of the Board and other seconded corporate officers shall receive Christmas Bonus and 14th Month Pay. The amount of the Christmas Bonus shall be determined by the Board of Directors.

Excluded from receiving Christmas Bonus or 14th Month Pay are the following:

1. those who were imposed penalty of suspension or fine as a result of administrative case from the period of January 1 of the current year until date of payment;
2. those with pending administrative case unless exonerated;
3. those who are absent without official leave (AWOL) as of date of payment;
4. those who are no longer in service at the time of payment due to retirement, resignation, separation or other reason.

H. Representation and Transportation Allowance (RATA)

All officers, regardless of length of service, shall be entitled to RATA. The RATA to be given to each officer, shall be determined by the Board of Directors. Officers on leave for thirty (30) days or preventive suspension shall not receive RATA.

Other employees as may be determined by the Board of Directors may be entitled to receive RATA.

I. Other Benefits

The Board of Directors may, at its discretion, provide additional benefits to all officers and regular employees (inclusive of probationary).

Officers and employees on leave without pay shall only be entitled to the percentage of the other benefits as may be given by the company equivalent to the number of

days present divided by the total working days of the month. Officers and employees on preventive suspension shall not be entitled to the benefits. Should the final decision on the case for which the subject officer or employee is suspended be in his/her favor, the withheld benefits shall accrue to him/her retroactively.

J. Review of Personnel Benefits

The Executive Committee shall conduct the review of the wages and benefits extended by the Company to its officers and regular employees as they may deem necessary. The recommendations of the committee shall be submitted to the Board of Directors for approval before implementation.

PART SIX

TRAINING AND PERSONNEL DEVELOPMENT

TRAINING and PERSONNEL DEVELOPMENT

A. STATEMENT OF POLICY

Recognizing the importance of continuing education in the attainment of its goals, MSI shall provide training and development programs to its personnel. These programs shall be designed to enhance their knowledge and skills for improved performance as well as to inculcate among them the Corporation's operating values of Social Responsibility, Excellence and Professionalism.

B. JOB ORIENTATION

All new employees, regardless of rank and nature of appointment, shall undergo job orientation. The job orientation for rank and file employees shall be conducted by the concerned Department Head who will ensure that the new employee is thoroughly informed of the expectations in his/her performance of the job. The orientation on the details of the job may be delegated by the Department Manager to the other senior personnel in the Department. The orientation shall start immediately upon the assumption to office of the new employee. In cases of newly-hired Officers who are reporting directly to the President/CEO, the orientation shall be conducted by the President/CEO who may delegate the job orientation to the Corporate Services Department (CSD) Manager. For the new appointed Board of Directors (BOD) orientation/briefing shall be conducted by the President/CEO.

C. TRAININGS/SCHOLARSHIPS

At least once a year, the Corporation shall conduct a Training Needs Analysis (TNA) to determine the staff development requirements of its personnel in accordance with skills requirements of their jobs. The TNA shall provide guidance in the packaging and/or selection of appropriate training programs that will ensure the development of employees' skills and competencies enabling them to perform their jobs more effectively.

The CSD shall undertake the TNA working in partnership with the Department Heads, the immediate supervisors and the employees concerned to determine the employee's specific work goals and training needs. Should it be found necessary, the Corporation, upon the recommendation of CSD, may outsource the services of a qualified service provider in accordance with the Corporation's policies and guidelines on the procurement of services.

1. EMPLOYEE PARTICIPATION IN LOCAL EXTERNAL AND IN-HOUSE TRAINING PROGRAMS/OFFERINGS

- a. Based on the identified training needs, the CSD shall notify all Department

Heads of local training programs available and suitable for their respective employees. In cases where it will be more appropriate considering the number of participants from the Corporation, among others, CSD may also make arrangements for the conduct of in-house trainings.

- b. The CSD shall also provide assistance in the implementation of requested training programs. A requested program is any training, outside of the programs/offerings initiated by CSD, which is proposed by a particular Department Head to be attended outside or to be conducted in-house.
- c. Requests for the attendance to local training programs shall be duly endorsed by the Department Head to the CSD two (2) weeks prior to the scheduled program run to enable the latter to secure the approval of the President/CEO and process the enrolment and other documents.
- d. A Special Order (SO) authorizing the employee's participation to any training program/offering shall be issued to the employee concerned. The CSD shall ensure the issuance of the SO.
- e. Post-training Obligations
 - i. Employees who attended local training programs shall submit to the CSD within five (5) working days after the last day of the training attended a photocopy of the certificate of training.
 - ii. The participant may also be required to share his/her learning to the other corporation officers and employees within and/or outside his/her unit, as determined by the Department Manager and/or the CSD.
 - iii. Non-compliance with any of these requirements makes the employee ineligible for any other training.
- f. Service Contract Requirement for Local External Training
 - i. Depending on the cost of the local external training, the employee may be covered by a service obligation. The cost shall refer to the cumulative training investments of the Corporation for an individual grantee during a specific calendar year. Should he leave the Corporation before the completion of the service obligation, the employee shall reimburse the Corporation for all training expenses proportionate to the length of service still to be served.
 - ii. The service obligations corresponding to the cost and/or type of the training are as follows:

Local External Training Program	
Training Investment per Course	Service Obligation
P 0 – Less than P 20,000	None
P 20,000 – less than P 50,000	6 months
P 50,000 – less than P 80,000	1 year

P 80,000 – above

2 years

Should a trainee fail to complete the training program or leave the Corporation before completion of the stipulated service period, obligation, he/she shall reimburse the Corporation for all training expenses proportionate to the length of service still to be served.

2. EMPLOYEE PARTICIPATION IN FOREIGN TRAININGS

- a. Foreign Trainings pertain to the relevant training opportunities, scholarships, invitations to business development fora, meetings and gatherings in other countries offered to the Corporation by foreign governments and institutions, including foreign private organizations.
- b. Foreign training invitations/offers of scholarship shall be evaluated by CSD vis-à-vis the Corporation's training needs only when such invitations/offers can be availed **of no cost to the Corporation or the government.** (*Malacañang Administrative Order No. 103 dated August 31, 2008*)
- c. Invitations are referred to concerned Department Manager by CSD for nomination of their officers/employees who possess the following qualifications, among others:
 - i. Hold a permanent appointment, preferably to supervisory position or higher;
 - ii. Have rendered at least one (1) year of service;
 - iii. Have no pending administrative charge against him/her;
 - iv. Have no pending application for scholarship under another program;
 - v. Have fully rendered his/her service obligation on previous local and foreign trainings on scholarships;
 - vi. Have met other qualifications as may be required by the host country/organization, partner Philippine government agency, if any, and the Corporation.
- d. Nominations shall be supported by justifications as to relevance of the course to the official duties and responsibilities of the nominated officer or employee concerned, as endorsed by Department Manager.
- e. Attendance to foreign trainings/scholarships, regardless of duration, shall be recommended by the President/CEO, thru the Executive Committee, for approval by the Board of Directors.
- f. The official travel for foreign training/scholarship shall be subject to approval in accordance with the rules on foreign travel prescribed for government officials and employees.
- g. Salaries of participants to foreign trainings/scholarships shall be provided in full

for the duration of the program/scholarship/trip. Applicable allowances shall likewise be provided to the participants subject to the guidelines on travel allowances of government employees on foreign travel/training.

h. Service Contract Requirement

- i. All foreign training/scholarship programs shall be covered by a contract between the participant and the Corporation, represented by the President/CEO, and further represented by the CSD Manager.
- ii. The service obligations corresponding to the cost or Corporation's investment and the duration of the training are as follows:

Corporation's Investment	Period of Training*			
	1-14 days	15 days to less than 1 month	1-6 months	Over 6 months
1. Less than USD500	none	6 months	1 year	2 years
2. USD501 – USD1,000	6 months	1 year	1 year	2 years
3. Over USD1,000 to USD5,000	1year	1 year	1 year	2 years
When total of Corporation's expenses exceeds USD5,000, service obligation shall be 6 months for every USD1,000 of Corporation's expense or fraction thereof				
Should a grantee fail to complete the authorized official foreign training or leave the Corporation before completion of the stipulated service period, he/she shall reimburse the Corporation for all training expenses such as registration fee, UNDP-DSA and plane fare proportionate to the length of service still to be served				

*inclusive of Saturdays, Sundays and holidays

i. Post-training Obligations

- i. The participant shall report immediately and serve the Corporation for the period required under the guidelines covering the training/scholarship program/grant;
- ii. The trainee/scholar shall submit to CSD not later than thirty (30) days after completion of the program two (2) certified photocopies of certificate of training course outline and synopsis of each topic covered, and an evaluation report on the seminar attended;
- iii. The Corporation may also require the participant to serve as a resource person on the said program/training within and/or outside his/her unit, as may be determined by the President upon the recommendation of CSD;
- iv. Reportorial requirements of the sponsoring government, institution/organization

shall likewise be complied by the participant in accordance with the terms of the grant.

- v. Non-compliance with any of these requirements makes the employee ineligible to any other training.

3. MAINTENANCE AND STORAGE OF TRAINING MATERIALS

- iii. The CSD shall maintain copies of training materials in MSI for reference of personnel and make them available in compact discs, in coordination with Employees who attended local training programs shall submit to the CSD within five (5) working days after the last day of the training attended a photocopy of the certificate of training.
- iv. The participant may also be required to share his/her learning to the other Corporation officers and employees within and/or outside his/her unit, as determined by the Department Manager and/or the CSD.

ANNEXES

[illegible][illegible]

MONTHLY ATTENDANCE REPORT

Period :	Submitted By:
Department	Certified Correct by:
Audited By:	Noted By:

[illegible]

MASAGANANG SAKAHAN, INC.

REQUEST FOR OVERTIME WORK

(Date)

This is to request authorization to work overtime for the following employee/s:

Name of Employee/s	Date	From	To	Total Hours	Purpose

Requested by:

Approved by:

ROY C. OSCILLADA
President / CEO

MASAGANANG SAKAHAN, INC.
APPLICATION FOR LEAVE

NAME _____ UNIT: _____
Home address while on leave _____ Tel./Mobile#: _____

I - REQUEST OF EMPLOYEE:

I hereby apply for _____ days
/___/VL /___/SL /___/SPL
For the period From _____
To _____
Reason for Leave _____

II - BALANCE OF LEAVE CREDITS AS OF (_____)

_____ VL _____ SL _____ SPL

(Date Filed) (Employee's Signature)

(Date Received)

ALMA E. HAPA
Admin. Asst. I

III - RECOMMENDED ACTION:

CHECK:

/___/APPROVED AS APPLIED FOR
/___/APPROVED FOR _____ DAYS ONLY
/___/ DISAPPROVED

REMARKS:

Approved by:

BLESILDA R. MACALALAD
Corp. Serv. Manager

IV - NOTATION OF PERSONNEL UNIT:

/___/ VL /___/ SL /___/SPL
_____ No. of days approved
_____ Balance of Leave

REMARKS:

ALMA E. HAPA
Admin. Asst. I

(DATE)

Name of Employee: _____

(Unit Head)

NAME OF OFFICER/EMPLOYEE: _____ DATE: _____

[illegible]



MASAGANANG SAKAHAN, INC.
A Land Bank Subsidiary

NO. _____

TRAVEL ORDER

<u>NAME OF TRAVELLER</u>	<u>DEPARTMENT</u>	<u>DESTINATION</u>	<u>DURATION</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Attachment: Travel Itinerary

PURPOSE : _____

Requested by: _____

RECOMMENDING APPROVAL: _____

Signature Over Printed Name

Immediate Supervisor

=====

TO BE FILLED UP BY AUTHORIZED SIGNATORY

☐ Above described travel is hereby approved persons authorized to travel are allowed to claim travel allowances per approved policies.

☐ Authorized to claim cash advance:

☐ Gasoline and Oil P _____

☐ Representation P _____

☐ Others P _____

APPROVED BY: _____

[illegible]

MASAGANANG SAKAHAN, INC.
11th Floor All Asia Capital Center
#105 Paseo de Roxas, Legaspi Village
Makati City

CERTIFICATE OF TRAVEL COMPLETED

Date _____

I certify that I have completed the travel authorized in Travel Order No. _____
And Travel Itinerary dated _____ under conditions indicated below:

☐ Strictly in accordance with the approved Itinerary of Travel

☐ Cut short as explained below. Excess payment in the amount of
P _____ was refunded under OR# _____ dated _____.

☐ Extended as explained below. Additional Itinerary was submitted.

☐ Other deviations as explained below:

Explanation or justification: _____

(Signature over printed name of
Traveller)

(Position/Designation)

On evidence and information of which I have knowledge, the travel was actually
undertaken.

(Immediate Supervisor)

(Position/Designation)



MASAGANANG SAKAHAN, INC.

A Land Bank Subsidiary

CLEARANCE SLIP

DATE FILED	:	REASON
NAME	:	Resignation: :
POSITION/DEPT	:	Dismissal : :
EFFECTIVITY DATE	:	Others : :

=====

SUPERVISOR:

1. Turnover of pending papers and unfinished work.
2. Turnover of files/records and unused office supplies

REMARKS:

=====

IMMEDIATE SUPERVISOR

=====

PERSONNEL/PROPERTY UNIT

1. Terminal benefits of employee.
2. Pending Admin. Case against the employee
3. Turnover of keys , desks, cabinets, vehicles
4. Turnover of office equipments, etc. assigned to employee

REMARKS:

=====

ADMIN ASSISTANT I

=====

ACCOUNTING/ADMIN. DEPT

1. Settlement of any cash advance/s
2. Settlement of accountabilities to the company (receivables from employees, ex. Tel.)

REMARKS:

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CORPORATE SERVICES MANAGER

=====

INTERNAL AUDIT UNIT:

1. Notation and comments.

=====

INTERNAL AUDITOR

=====

APPROVED BY:

PRESIDENT & CEO