



CODE OF DISCIPLINE

McFadden

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TABLE OF CONTENTS

| | |
|---------------------------------------|---|
| I. POLICY | 1 |
| II. TRUST AND CONFIDENCE | 1 |
| III. WORK PERFORMANCE..... | 2 |
| IV. CONDUCT AND BEHAVIOR..... | 2 |
| V. COMPLIANCE WITH OFFICE RULES | 3 |
| VI. ADMINISTRATIVE SANCTIONS | 4 |
| VII. PROCEDURES | 7 |
| VIII. EFFECTIVITY | 7 |
| Sample Memo A | 8 |
| Sample Memo B | 9 |

CODE OF DISCIPLINE

I. POLICY

The business of banking is built on CONFIDENCE. To inspire such confidence would require a commitment from each and every staff member to adhere to high standards of personal integrity and professional conduct. This Code of Discipline was designed to maintain, if not enhance further, these noble attributes. Application of this Code could result in administrative impositions. But this should be viewed as having been made for the paramount interest of both the Bank and its personnel. The clear objective is to improve the service and make the one concerned a better member of society.

II. TRUST AND CONFIDENCE

The Bank reposes its trust and confidence on an employee by the assignment to him of designated responsibilities. On the part of the employee, he has the corresponding obligation to preserve that trust. That obligation is breached by any of the following acts:

1. Misappropriation of funds owned, held or in the custody of the Bank;
2. Theft or unauthorized taking of property owned, used or in the custody of the Bank;
3. Forgery or falsification of Bank records and documents;
4. Commission of fraud against the Bank;
5. Commission of any act, constituting a crime or offense against the Bank, its directors and officers;
6. Deliberate destruction of property owned, held or in the custody of the Bank;

7. Unauthorized disclosure of Bank data and records;
8. Engaging, directly or indirectly and without the conformity of the Bank, in a business activity competitive with that of the Bank;
9. Soliciting or receiving money, gifts or benefits in consideration of unduly favoring a private party in the performance of one's duties;
10. Unauthorized use of the Bank's name and goodwill in personal transactions;
11. Falsely and maliciously representing oneself to be vested with, or usurping functions pertaining to an officer or another employee of the Bank; and,
12. Issuance of bouncing check or failure to honor lawful personal monetary obligations.

III. WORK PERFORMANCE

One's value as an employee depends on the dedication and efficiency he devotes to his duties. In every instance, due diligence is required from him. It therefore becomes incumbent on the part of the Bank to take appropriate administrative action whenever any of the following acts or omissions becomes present:

1. Abandonment of work;
2. Failure or refusal to discharge one's duties;
3. Incompetence or inefficiency in the performance of duties;
4. Insubordination; and,
5. Neglect or negligence in performance of duties.

IV. CONDUCT AND BEHAVIOR

The Bank strives to maintain a work environment descriptive of professionalism, yet wholesome and cordial. Personnel should do their part in projecting a positive image of

the Bank. They should avoid deviations from norms of conduct as exemplified by the following acts committed during office hours or within Bank premises:

1. Immoral, indecent or scandalous conduct;
2. Quarreling, fighting or challenging to fight another person;
3. Engaging in horseplay, or using abusive, defamatory, threatening or profane language or exhibiting an insulting or irresponsible behavior;
4. Drinking alcoholic beverages and intoxicating beverages except during Bank authorized occasions;
5. Entering the Bank premises or performing work while under the influence of narcotics or prohibited drugs;
6. Possessing, using, distributing or causing to be brought into the Bank premises narcotics, prohibited drugs, explosives and other prohibited or contraband items;
7. Gambling, betting, conducting lotteries and personal business transactions;
8. Committing acts of gross discourtesy;
9. Defacing or disfiguring properties owned, held or in the custody of the Bank;
10. Causing loss, damage or injury to another person;
11. Loafing, loitering or sleeping during working hours;
12. Frequently entertaining personal guests and visitors and excessive use of telephone facilities for personal business; and,
13. Commission of acts or crimes involving moral turpitude.

V. COMPLIANCE WITH OFFICE RULES

No organization can function effectively without rules and regulations to govern punctuality, attendance, security and deportment. These rules are meant to be complied with and the

Bank will have no alternative but to take the necessary measures for violations such as those enumerated below:

1. Failure to accomplish the Attendance and Time Records (ATRs);
2. Incurring unexcused Tardiness of six (6) times or more within a twelve-month period;
3. Except in emergency cases, taking a leave without prior permission;
4. In emergency cases, failure to give notice of the cause of absence within the first three (3) hours of his work schedule;
5. Unauthorized and unexcused absences; where these absences exceed five (5) consecutive working days, the same shall constitute abandonment of work;
6. Failure to wear the Bank ID;
7. Failure to wear the prescribed uniform or proper attire;
8. Tampering with or, committing irregularities in the keeping of time record;
9. Claiming overtime pay on the basis of falsified or tampered time records; and,
10. Refusal to submit to medical or psychiatric examination and/or treatment as required by the physician.

VI. ADMINISTRATIVE SANCTIONS

1. The actions or penalties that the Bank may impose for the commission of administrative offenses are as follows:
 - a. Written Reminder (WR)
 - b. Written Warning (WW)
 - c. Reprimand (R)
 - d. Suspension (S)
 - e. Dismissal (D)

2. The following offenses shall be subject to dismissal unless the Bank, for reasons which it considers meritorious, should decide on a lower penalty.

- a. All offenses under Item II (Trust and Confidence);
- b. All offenses under Item II (Work Performance);
- c. The following offenses under Item IV (Conduct and Behavior):

1. Entering the Bank premises or performing work while under the influence of prohibited drugs;
2. Possessing, using distributing or causing to be brought into the Bank premises prohibited drugs, explosives and contraband items;
3. Defacing or disfiguring Bank Properties;
4. Causing loss, damage or injury to another; and
5. Commission of acts or crimes involving moral turpitude.

3. The administrative actions/penalties for the other offenses (with abbreviated descriptions) shall be as follows:

| Offense | No. of times committed | | | |
|--|------------------------|------|------|---------------------|
| | 1st | 2nd | 3rd | 4th |
| | | | | Succeeding Offenses |
| a. Immoral Conduct | WW | R | S-10 | D |
| b. Quarrelling | WW | R | S-10 | D |
| c. Horseplay/ abusive language | WW | R | S-10 | D |
| d. Drunkenness | R | S-5 | S-10 | D |
| e. Gambling | R | S-5 | S-10 | D |
| f. Gross Discourtesy | R | S-10 | D | |
| g. Loafing | WR | WW | R | S-5 to D |
| h. Entertaining personal visitors | WR | WW | R | S-5 to D |
| i. Failure to accomplish ATRs | WR | WW | R | S-5 to D |
| j. Tardiness | WR | WW | R | S-5 to D |
| k. Leave without permission | WR | WW | R | S-5 to D |
| l. Failure to give notice in emergency cases | WR | WW | R | S-5 to D |

| | | | | |
|--|------|------|-----|-----------|
| m. Unauthorized absences | WW | R | S-5 | S-10 to D |
| n. Failure to wear ID | WR | WW | R | S-5 to D |
| o. Failure to wear uniform | WR | WW | R | S-5 to D |
| p. Tampering of time records | R | S-10 | D | |
| q. Claiming pay using falsified records | S-10 | D | | |
| r. Refusal to comply with health/ safety requirements | R | S-10 | D | |
| s. Refusal to submit medical treatment | R | S-10 | D | |

(Note: Number After "S" pertains to number of days)

4. Notwithstanding the above schedule, higher or more severe penalties may be imposed if aggravating circumstances are present such as, but not limited to, multiple violations, habituality and premeditation.
5. Offenses not listed above shall be penalized on a case-to-case basis.
6. The imposition by the Bank of penalties on administrative offenses shall be without prejudice to the filing of civil or criminal actions as may be warranted, seeking reimbursement or refund from the responsible employee and/or setting-off any accountability against benefits or credits due to the employee.
7. Administrative penalties may also be imposed by the Bank on those who connive, participate, consent to or tolerate the commission of administrative offenses.
8. The term "employees" as used in this Code shall include officers of the Bank.
9. The term "Bank premises" as used in this Code would include all buildings, office, work and service areas, warehouses, vehicles and all other properties owned, rented or used by the Bank including, except in the case of vehicles, areas immediately leading, adjacent or contiguous thereto.

VII. PROCEDURES

1. Administrative actions/ penalties shall be imposed by the following:

| | | |
|-------------------------------|---|--|
| Immediate Supervising Officer | - | Written Reminders and Written Warnings |
| Department Head | - | From Reprimand up to Suspension for 5 days |
| Group Head | - | Suspension from 6 to 10 days |
| Sector Head | - | From Suspension for 11 days up to Dismissal |
| Board of Directors | - | For cases involving Assistant Vice Presidents and those of higher rank. |

2. Penalties shall be imposed only after the disciplinary authority has verified the facts and after giving the employee concerned the opportunity to explain his side in writing. Due process shall be observed in the investigation. In case hearings are conducted on the charges, a representative of the employees' union shall be entitled to attend the same. All investigations and impositions of penalties shall be coordinated with the Legal Group.
3. All actions taken and penalties imposed against an employee shall be in writing. Except for cases subject to the jurisdiction of the Board, notice of such action shall be furnished by the disciplinary authority to the next higher officer and to HRMDG.

VIII. EFFECTIVITY

This Code shall become effective on January 15, 1992.

Sample A
(Notice to Explain)

MEMORANDUM

FOR : (Name of Employee)
(Designation
(Unit)

FROM :

DATE :

Please explain in writing within twenty-four (24) hours from receipt hereof why no administrative disciplinary action should be taken against you in connection with the following:

(Description of the offense or violation).

If no explanation is received from you within the given period, the same shall be considered a waiver on your part and we shall decide your case based on available facts.

cc: file

Sample B
(Notice to Explain)

MEMORANDUM

FOR : (Name of Employee)
(Designation
(Unit)

FROM :

DATE :

SUBJECT: Administrative Case under Memorandum
Dated _____

DATE :

With reference to above subject, please be advised that based on our evaluation of the facts, the following decision is hereby rendered:

1. The case is considered closed; or,
2. A Reminder is hereby issued that your act or omission constitutes and administrative offense; or,
3. A Warning is hereby issued against you that similar acts of omission in the future will warrant heavier penalties; or,
4. A Reprimand is hereby issued against you; or,
5. You are Suspended for _____ day/s effective on _____

(Note: The above decisions are samples only).

cc: HRMDG (to include copies of initial memo served and employee's reply)
BCEU