

PRUDENTIAL GUARANTEE AND ASSURANCE INC.

CODE OF CONDUCT MANUAL

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TITLE AND COVERAGE

These rules and regulations shall be known and referred to as the Code of Conduct and shall be applicable to all employees of Prudential Guarantee and Assurance, Inc. (PGAI or the Company) This code defines a standard of behavior towards the Company's clients, intermediaries, suppliers and all persons/entities while within company premises or during company-authorized functions.

GENERAL PRINCIPLES

Discipline and order are fundamental and important ingredients which ensure the welfare of the Company. They are the basic tools to achieve the efficiency and effectiveness necessary for corporate growth. Hence, all employees are expected to conduct themselves in a manner compatible with their respective positions and are bound at all times to promote and safeguard the interest of the company. To this end, it is management's primary duty to see to it that discipline and order are maintained.

This Code of Conduct also aims to ensure fairness, consistency and equity in the imposition of penalties for offenses committed against the Company, its properties, employees, stockholders, sales force, suppliers and all persons/entities doing business with the Company. Positive motivation rather than punitive control should characterize its implementation.

Sanctions should be imposed uniformly and fairly to correct and discourage unacceptable conduct and to restore the integrity of order and discipline, never as a mere reprisal or a display of power.

This Code of Conduct is not all-inclusive. There may be other acts or omissions not explicitly contained herein but which are clearly prejudicial to the welfare/interest of the Company. The Company reserves the right to consider them punishable and to impose appropriate sanctions/penalties warranted by the circumstances of each case.

TABLE OF OFFENSES AND PENALTIES

	First Offense	Second Offense	Third Offense	Fourth Offense	Fifth Offense	Sixth Offense
1. Tardiness is defined as being tardy beyond the grace period for more than five times or accumulated tardiness of one (1) hour or more in one month	Written Warning	Final Written warning	5-day suspension	10-day suspension	20-day suspension	Dismissal with forfeiture of benefits
2. Unauthorized leave is incurred if all of the circumstances are present: 2.1) The employee did not report for work 2.2) The employee fails to notify the department head on the day of his absence; 2.3) The Department Head disapproved the employee's leave application under any of the following grounds: 2.3.1 Employee was not sick or cannot present proof of illness nor medical treatment 2.3.2 Reason is not valid to qualify as emergency leave or paternity/maternity leave	Oral Warning	Written warning	5-day suspension	Dismissal		
3. Absence without official leave (AWOL) is incurred under any of the following circumstances: 3.1) Employee has notified the office promptly of his absence but failed to file the proper leave form; 3.2) Employee is on unauthorized absence continuously for ten days; 3.3) Employee is on leave without any notification; 3.4 An employee who despite disapproval of his prior application – for having no more leave credits or having no valid reason for applying for emergency leave, and having known to be disallowed – still proceeds to go on leave, irrespective of the number of days of absence	Written Warning	5-day suspension	Dismissal			
4. Unauthorized overtime is incurred when an employee leaves the workplace before the official dismissal time for less than 2 hours but not more than three hours for any work period, not for official business purpose and with no written approval of concerned Department Head	Written Warning	5-day suspension	Dismissal			

	First Offense	Second Offense	Third Offense	Fourth Offense	Fifth Offense	Sixth Offense
5. The following are timekeeping offenses that can be incurred in offices where a Bundy clock or similar manual clocking in and out are used						
5.1) Unauthorized/Incomplete timecard entry not covered by approved leave application	Please refer to penalties for AWOL					
5.2) Knowingly punching the timecard of another	10-day suspension	Dismissal				
5.3) Repeated failure to punch in and out	Oral Warning	Written Warning	3-Day Suspension	5-Day Suspension	10-Day Suspension	Dismissal
5.4) Successive punching of timecard as to render entry illegible	Written Warning	3-Day Suspension	5-Day Suspension	10-Day Suspension	Dismissal	
5.5) Tampering with or mishandling the Bundy clock mechanism as to cause it to malfunction	10-Day Suspension	Dismissal				
6. Reporting for work under the strong influence of alcohol	Written Warning	3-Day Suspension	5-Day Suspension	10-Day Suspension	Dismissal	
7. Giving, whether accorded or not, of any false narration of facts in any memorandum, report, inquiry, or investigation conducted by the company	Disciplinary action ranging from warning to dismissal, depending upon the gravity of the offense					
8. Posting, removing, mutilating or deforming any Prudential notices, signs or writings without specific authority	Disciplinary action ranging from warning to dismissal, depending upon the gravity of the offense					
9. Abuse, misuse, or deliberate destruction of Company property, tools, equipment or the property of employees	Dismissal					
10. Falsifying personnel records, invoices, receipts or other Prudential records, unless Management finds extenuating circumstances	Dismissal					
11. Stealing or attempting to steal property belonging to the Company or to other employees or other persons regardless of value.	Dismissal					
12. Possession of company property without authorization.	Dismissal					
13. Securing or obtaining Prudential materials and supplies fraudulently	Dismissal					
14. Using Company equipment, property or material to perform or create something for personal gain or purpose.	Dismissal					

	First Offense	Second Offense	Third Offense	Fourth Offense	Fifth Offense	Sixth Offense
15. Driving Company vehicles without authority	Written Warning	3-Day Suspension	5-Day Suspension	10-Day Suspension	Dismissal	
16. Unauthorized operation of machines, tools or equipment	Oral Warning	Written Warning	3-Day Suspension	5-Day Suspension	10-Day Suspension	Dismissal
17. Misuse or removal from company premises without proper authorization of Prudential records or confidential information of any nature	Dismissal					
18. Possession of master keys, pick locks or other similar tools that can open any locker, drawer, desk or any room or door under lock and key	Dismissal					
19. Disclosure of confidential data or classified information, records, reports, etc. whether for personal gain or not.	Dismissal					
20. Horseplay, scuffling, running, throwing things, or any actor demonstration causing confusion or distracting the attention of fellow workers.	Disciplinary action ranging from warning to dismissal, depending upon the gravity of the offense					
21. Insubordination, disobedience, or refusal to obey or carry out lawful order of superiors or member of the management staff.	Disciplinary action ranging from warning to dismissal, depending upon the gravity of the offense					
22. Threatening, intimidating, coercing or interfering with fellow employees or any member of the management staff	Disciplinary action ranging from warning to dismissal, depending upon the gravity of the offense					
23. Uttering vile, provocative, obscene, or abusive language to any member of management or any employee	Disciplinary action ranging from warning to dismissal, depending upon the gravity of the offense					
24. Spreading false rumors and fomenting intrigue among employees	Disciplinary action ranging from warning to dismissal, depending upon the gravity of the offense					
25. Gambling, betting, conducting lottery or other similar acts during working hours or in company premises	5-Day Suspension	10-Day Suspension	Dismissal			

	First Offense	Second Offense	Third Offense	Fourth Offense	Fifth Offense	Sixth Offense
26. Making or publishing false, vicious or malicious statements concerning any employee, supervisor, the company or its services						
27. Disorderly, immoral, indecent conduct inside the Company premises						
28. Fighting, instigating a fight, inflicting or attempting to inflict bodily injuries on another; conniving with other persons in maltreating another employee.						
29. Unauthorized possession of firearms, bladed weapons, explosives or inflammable materials in Company premises at any time.	10-Day Suspension	Dismissal				
30. Selling of goods and services for personal gain at any time within company premises	Oral Warning	Written Warning	5-Day Suspension	10-Day Suspension	Dismissal	
31. Playing of radios, television sets, tape recorders and the like, with or without earphones, within company premises, during working hours, including break times	Oral Warning	Written Warning	5-Day Suspension	10-Day Suspension	Dismissal	
32. Loitering, loafing or wasting time during office hours	Oral Warning	Written Warning	3-Day Suspension	5-Day Suspension	10-Day Suspension	Dismissal
33. Doing personal work on company time	Oral Warning	Written Warning	5-Day Suspension	10-Day Suspension	Dismissal	
34. Sleeping on the job.	10-Day Suspension	Dismissal				
35. Substituting another employee to take over his shift unless previously authorized	Oral Warning	Written Warning	3-Day Suspension	5-Day Suspension	10-Day Suspension	Dismissal
36. Exceeding break time allowance of twenty minutes	Oral Warning	Written Warning	3-Day Suspension	5-Day Suspension	10-Day Suspension	Dismissal
37. Leaving work area or company premises during office hours without permission	Oral Warning	Written Warning	5-Day Suspension	10-Day Suspension	Dismissal	