



INSURING GROWTH

Human Resources Policy and Procedure Manual

Table of Contents

Human Resources Policy and Procedure Manual	1
Welcome	2
Our Company.....	3
What We Do.....	4
Coyiuto Group of Companies	5
Our Corporate Mission	6
Your employment.....	7
Compensation and Scheme.....	10
Timekeeping Policies.....	12
Wearing of ID Cards	16
Business Environment.....	17
Employee Orientation	20
Training & Development	21
Occupational Health & Safety	23
Conflict of Interest.....	25
Company Records	27
Telephone Handling.....	28
Personal Matter.....	29
Employee Services.....	30
Management Rights	31
Prudential Guarantee and Assurance Inc. - Policies and Declaration	32

Welcome

Congratulations on your appointment and welcome to **PRUDENTIAL GUARANTEE AND ASSURANCE INC. (PGAI)**!

We are excited that you have decided to join us and look forward to a long, happy and successful partnership together. Our business is primarily about Non-Life Insurance. You have been hired because we believe you can help us to deliver these high levels of customer satisfaction. We want to ensure that your interactions with other PGAI employees and our customers will reflect the value that PGAI places on our commitment to superior customer service.

The purpose of this Manual is to introduce you to the environment of PGAI, give you some information about our history, our clients and what we do. You will also find information about the terms and conditions of your employment, our expectations around your behavior and our policies and procedures. This manual should be read in conjunction with your Contract of Employment.

This Manual is by no means an exhaustive guide to your employment with us. It has been developed to act as a resource and reference for you. The policies within this Manual are easily listed and easily accessed via the contents page. This Manual will be updated as required as our business evolves and grows. You will be notified of any changes as they occur. If you have any questions about the content please do not hesitate to contact Human Resource Management Department.

Our Company

Founded and organized by the late Robert Coyiuto, Sr., a veteran insurance man and the first Filipino to become a member of the prestigious Lloyds of London, Prudential Guarantee's gross premiums have now reached almost PHP7 billion, making it one of the largest non-life insurance companies in the Philippines.

The company's operations nationwide have also expanded with 36 offices now operating in key cities and provinces, with several more scheduled to open. Through superior technical knowledge, innovative marketing and excellent service, Prudential Guarantee handles more than 150,000 clients, many of who belong to the country's top 1,000 corporations.

We have also, over the years, grown to be quite active in the international reinsurance market, underwriting millions of dollars' worth of business with the big reinsurance houses of Europe through an elaborate network of insurance brokers.

In 1991, Prudential Guarantee has successfully entered into a joint venture with Sompo Japan Insurance Inc. (formerly Yasuda Fire and Marine Insurance Company, Ltd.), one of the first fire insurance organizations in Japan and one of the top 10 non-life insurance companies in the world, to form PGA Sompo Japan Insurance Inc. (formerly PGA Yasuda Insurance Company, Inc.) PGA Sompo Japan is now a highly successful organization, servicing the insurance needs of numerous multinational companies based in the Philippines.

Today, Prudential Guarantee led by its Chairman and Chief Executive Officer Robert Coyiuto, Jr., continues to provide its clients with cost effective protection through innovative and responsive insurance programs upheld by proactive settlement of claims.

What We Do

At Prudential Guarantee and Assurance Inc. we provide the following products and services to our clients:

- Fire Insurance and Allied Perils
- Motor Vehicle Insurance
- Engineering Insurance
 - Contractor All Risk (CAR) Insurance
 - Erection All Risk (EAR) Insurance
 - Machinery Breakdown and Boiler Insurance
 - Electronic Equipment Insurance (EEI)
 - Business Interruption Following Machinery Breakdown (BI) Insurance
- Casualty Insurance
 - Property Floater Insurance
 - Money, Securities & Payroll (MSP) Insurance
 - Comprehensive General Liability (CGL) Insurance
 - Comprehensive Dishonesty, Disappearance & Destruction (DDD) Insurance
 - Fidelity Guarantee Insurance
 - Bankers Blanket Bond
 - Professional Liability Insurance
 - Director's and Officers' Liabilities
- Aviation Insurance
 - Aviation Hull Insurance
 - Aviation Liability Insurance
 - Hangar's Liability
 - Airport Liability
- Marine Insurance
 - Marine Cargo Insurance
 - Merchandise Floater
 - Marine Hull Insurance
 - Protection & Indemnity Cover
- Suretyship/Bonds
 - Surety Bond
 - Performance Bond
 - Judicial Bond
 - Fidelity Bond
- Accident and Health Insurance
 - Personal Accident (PA) Insurance
 - Medical/Hospitalization Insurance
 - Keyman Accident Protector
 - Student's Personal Accident
 - Travel Accident Protector
- Special Insurance
 - Event Cancellation
 - Works of Art
 - Business Interruption

Coyiuto Group of Companies



PGACars

Our Corporate Mission

Prudential Guarantee and Assurance Inc. is committed to be a world-class non-life insurance organization providing its clients cost-effective protection through innovative and responsive insurance programs upheld by proactive settlement of claims; nurturing its broker, agent and reinsurer relationships; affording quality life for its employees and fostering teamwork, competence, professionalism and excellence among its service-oriented workforce as a responsible partner of the insurance industry and an exceptional corporate model actively involved in national development while pursuing its profit goals.

Your employment

Your employment with **Prudential Guarantee and Assurance Inc. (PGAI)** is essentially governed by your contract of employment, PGAI's Policies, in conjunction with this Manual. The following section provides general information regarding your pay, conditions and our expectations of you.

General Policy

Prudential Guarantee and Assurance Inc. has made it a strict policy to hire individuals solely on the basis of their qualifications. No individual shall be barred from employment in the Company because of nationality, color or religious belief, provided that this is in conformity with the policies of the Philippine government. Only where the national interest so demands will Prudential abrogate this policy.

Employment Requirements

Minimum employment requirements must include a college education and a good moral character. In addition, the individual should not be related to any officer or employee within the second degree of consanguinity or affinity.

Any potential employee of Prudential must go through some screening process to assess his mental, physical and moral fitness for the position applied for. The Company may require him to make mental aptitude and personality tests to find out whether he/she meets the basic standard of requirements of the job. Otherwise, interviews may suffice.

Physical fitness of the applicant will be determined through a thorough physical check-up by the Company's accredited provider. It is absolutely required that the applicant pass this physical examination before final approval of his application. Scheduling the details of all examinations will be provided by the Human Resource Management Department.

The Company may require prospective employees to secure police and NBI clearance and/or references from previous employers or supervisors. These are deemed necessary whenever the good moral character of the individual is of paramount importance to the job.

Probationary Period

During the first six (6) months service with the Company, an employee will be considered to be on probation. During this period, the employee's performance must be under continual evaluation by his immediate supervisor. At the end of the probation, the employee's date of employment will revert to the date on which the probation period began.

For the duration of the probationary period, an employee is subject to dismissal by his Department Head for cause and without notice at any time. However, the Human Resource Management Head must be consulted prior to implementing such dismissal in order to avoid any legal complications under existing Labor laws. Prior to any dismissal that could eventually involve complications, a final analysis of the case will be made by the Human Resource Management and Top Management.

Personnel Records

For various reasons, it is important that personnel records must contain accurate and up-to-date personal information on each employee.

Any change in the marital status and the number of children in the immediate family of the employee should be reported promptly. This information has a direct bearing on the amount of payroll deductions for withholding tax, SSS, Medicare and other fringe benefits. Any change in the telephone number or address should also be reported promptly.

If an employee has furthered his education, he is urged to have this recorded in his personnel folder. This will be helpful in determining his qualifications for promotion or transfer within PGAI.

Promotion

Promotion is defined as an advancement or elevation into higher level either in position and pay classification, or an increase in salary or both. It is a manifestation of management's recognition of the capability and potential as well as the exemplary performance of the employee.

The candidates shall be processed according to educational background, work experience, performance record, abilities and potentials.

The Human Resource Management Department and Top Management deliberates on the merits/demerits of the recommendees and shall render the final decision on the matter. An employee offered a promotion may refuse without prejudice to his position.

Resignation

All employees, except those on probationary status, are requested and expected to give thirty (30) days' notice before the effective date of resignation. All such notices are to be in writing and are to state termination dates. They will also give reasons for resigning as clearly as possible.

Failure to comply with this requirement will result in the forfeiture of all encashable and accrued benefits such as vacation leave and sick leave credits and retirement benefits for those who have served PGAI for at least five (5) years.

The resigning employee must also accomplish the request for clearance form which shall be provided by the HRMD upon the processing of the resignation. This requirement will clear the employee of all accountability – cash, forms, equipment and property. The clearance shall be processed by HRMD not earlier than the effective date of resignation/separation.

Terminal leave is not allowed prior to resignation. An employee is considered on terminal leave if he/she goes on vacation leave for five (5) consecutive working days or at intervals totaling ten (10) working days during the last month of employment. This will be considered as non-compliance with the resignation requirement and consequently result in the forfeiture of all monetary benefits due the employee.

The filing for a leave of absence to completely avail or exhaust the vacation leave credits due the employee or the application for an indefinite leave of absence do not constitute compliance with the resignation procedures set herein.

Compensation and Scheme

Position Evaluation and Pay

Prudential Guarantee and Assurance Inc. is a progressive company and it pursues a policy of paying fairly. For this reason, the Company maintains an established system of rating all jobs to insure the payment of equitable salary for the type of work performed.

Each position is rated on the degree of knowledge, skill, independent judgment, supervisory responsibility and other traits required. On the basis of this rating, each position is assigned to an established pay grade or level. Each pay level has a minimum and maximum rate through the scale of which an employee may be advanced on the basis of merit.

The pay of each individual is reviewed periodically in line with the Prudential Guarantee internal salary structure and with similar jobs and pay rates prevailing in the industry.

Payday and Pay Period

Employees of PGAI receive their pay every middle and end of the month. This is the standard practice. The pay slip is distributed to the employees in a sealed envelope every 15th and 30th of the month. The net take-home pay is indicated therein and the salary is withdrawn from the bank specially arranged for the employee's convenience.

Overtime and Overtime Pay

Overtime shall be understood to mean authorized work rendered in excess of eight (8) hours on regular work days, as well as authorized work performed on rest days and holidays.

Only employees below the supervisory level who are authorized to render overtime work may claim for overtime pay. Employees who are exempt from the time card requirement cannot claim for overtime, but are entitled to meal allowance.

An employee shall be paid for overtime work rendered without prejudice to taking disciplinary action for his/her tardiness. However, an employee who reported late for work will not be allowed to render overtime work, except as provided by the Department Head.

As defined above, overtime work rendered without proper authorization shall not be considered compensated.

Payroll Deductions

Philippine law requires that deduction from employee's earnings be made regularly from their paychecks and that the Company as the employer, be taxed equal amounts. These payments are used to provide retirement and disability income to employees and/or their immediate families. Included in this category are the SSS deductions.

Withholding tax deductions will also be made on an employee's paycheck. As the amount changes with the income scale, number of dependents, etc., it is important for all employees to inform the Company of any changes which will affect the deductions. Employees requiring clarifications may consult the HRMD.

Aside from these deductions which are authorized by law, any other payroll deductions shall be covered by written authorization of the employee and approval of the Top Management.

Timekeeping Policies

Hours of Work

Office/Business hours are generally between 8:30am to 5:30pm Monday to Friday. Your hours of work will depend on business needs and the requirements of the work you are assigned.

Your Department/Branch Heads will work with you to establish your standard hours of work and break times as per Top Management's approval.

Registering Working Time

An accurate record of hours worked shall be maintained as a basis for computing salary and monitoring attendance.

Guidelines:

1. All employees are required to register their working time upon arrival in the morning, before and after lunch, when they depart in the evening, including overtime rendered.
 - 1.1 Employees below the rank of officers use the existing timekeeping system to clock time in and time out
 - 1.2 Actual time of arrival and departure of Officers shall be recorded in the logbook provided for this purpose by the Security Officer on duty.
2. Failure to clock time worked will result to non-payment of salary to date
3. Certain circumstances though considered excused will still require manual recording of time worked, subject to counter signature by department head concerned:
 - 3.1 During official business (O.B.) assignment. Time and place of O.B. shall be manually indicated.
 - 3.2 During power failure or machine malfunction.
4. To certify to the accuracy of the entries, employees shall sign their time cards every 15th and 30th of the month.

Overtime and Additional Hours

As a matter of policy, PGAI expects employees to finish work assignments within the regular working hours, Overtime is discouraged and allowed only when business exigencies require.

To be compensable, an overtime has to conform to the following:

1. Authorization – It has to be covered by an Overtime Authorization Form (OTF) duly endorsed by the Department/Branch Head and approved by Top Management, stating the work to be done and estimated duration of overtime. The same shall be submitted to HRMD at least one (1) day ahead of the scheduled overtime.
2. Duration – Overtime should be rendered for a minimum of one (1) hour and a maximum of two and a half (2 ½) hours during regular working days. This is based on proven effective working hours of employees. On Holidays and rest days, overtime hours should not be more than eight (8) hours, but preferably until 12noon only. This is on account of working conditions conducive to quality performance which is up to the said time. Authorization beyond allowable number of hours shall be indicated by the department/branch head and duly approved by the Top Management on the OTF's TIME OUT column.
3. Starting Time – Overtime during regular days shall commence 15 minutes after the normal regular hours or at 5:45PM. On the other hand, overtime during restdays and holidays shall commenced no later than 8:30AM and a leeway of up to 9:00AM is allowed.
4. Timekeeping. Concerned employees shall continue to CLOCK IN and CLOCK OUT time worked.
5. Upon approval by Top Management, overtime authorization form copies shall be distributed as follows:
 - a. Guard-on-duty
 - b. HRM Department
 - c. Accounting Department
6. Management Responsibility – It shall be the department head's responsibility to ensure the overtime work serves the purposes for which it is intended. Therefore the following should be insured:
 - 6.1. That overtime work is necessary
 - 6.2. Work build up is not a result of deliberate slowing down or unnecessary work accumulation in order to have an excuse to render overtime
 - 6.3. That overtime objective is accomplished
 - 6.4. That a supervisor who can oversee work performance is present during overtime

Tardiness

Prudential Guarantee and Assurance Inc. requires that every employee must render an honest day's work of 8 hours starting 8:30AM to 5:30PM with one-hour breaktime for lunch.

1. Grace period: 10 minutes
2. Time in beyond the grace period will be included in computing payroll deduction and/or disciplinary action due to tardiness
3. Grounds for disciplinary action:
 - a. Late reporting for work in excess if five (5) times in any given month; and/or
 - b. Accumulated tardiness of one (1) hour or more in any given month
4. One violation equates to one (1) offense
5. An employee may apply for consideration for the tardiness incurred by submitting a formal written explanation to the Treasurer, seeking exemptions from disciplinary action on the following grounds:

- a. Employee was involved in an accident
 - b. Great difficulty in traveling to work due to forces of nature such as heavy rains, floods and other forms of calamity or natural disaster
6. Civil disturbance or general strike seriously affecting the employee's means of transportation in going to work

Official Business

For employees performing official business outside office premises, the employee concerned shall ensure the following:

1. Prior to departure, the employee concerned should see to it that Official Business Form is duly accomplished and approved by the Department/Branch Head stating the date, company to visit, purpose, and duration of official business.
2. Employee concerned to submit approve Official Business Form to the guard on duty for record purposes and the other copy to HRMD for attendance purposes.

Leaves

Guidelines on filing of leaves:

1. Vacation Leave - Vacation leave should be scheduled and secure approval of appropriate authority at least two (2) days before utilization
2. Sick Leave – Leave form shall be filed immediately upon return to work subject to submission of medical certificate if the employee is sick for four (4) days.
3. Emergency Leave – Leave form shall be filed immediately upon return to work and subject to approval of Department Head
4. Other leaves such as paternity, maternity, government exam leave, etc. shall be files ahead of schedule.
5. In case of unforeseen cases and unanticipated absence, such as emergency leave and sick leave, employee or his/her representative must notify within two (2) hours either by phone or email the concerned Department/Branch Head of his absence. Failure to do so, may be considered Absence Without Official Leave and/or leave without pay.

Undertime

PGAI expects employees to complete the prescribed 8 hours work. Leaving the workplace earlier than the appointed dismissal time disrupts the general efficiency and overall productivity at work.

Guidelines:

1. An employee shall have incurred under time when he/she punched out before the appointed hours for lunch break and for leaving the office (official time-off).
2. As a matter of definition, under time is leaving the workplace before the official dismissal time for less than 2 hours not for more than 3 hours of any work period, not for official business purpose.
3. Under time requires the written approval of concerned Department/Branch Head on the prescribed form.

4. Under time on any particular day shall not be offset by overtime work or overstaying on any day.
5. All under times are subject to salary deduction for Rank and File employees.

Dress Code Policy

Wearing of uniform shall be required of all regular personnel. Management hopes the same shall contribute to the enhancement of professional image which PGAI wishes to project.

Guidelines:

1. Uniforms are issued upon an employee's regularization and replenished yearly.
2. Both male and female employees are provided with 4 sets of uniform. Male employees are issued four (4) polo "barong" while female employees are given 4 sets of skirts/pants and blouses and 1 set blazer.
3. The uniform shall be worn strictly as work clothing by bonafide employees of PGAI. Lending the same to friends, relatives and other parties are prohibited. The uniforms are not meant for wearing other than to work.
4. Female employees issued the uniform shall wear the designated colors/type Mondays through Thursdays.
5. Friday is designated wash day when employees may wear civilian clothing.
6. Appropriate, acceptable and decent dressing on Fridays exclude the following: denim, shorts, halters, tight fitting, see through and other similar outfit which decimate the professional image of PGAI and/or wardrobe distracting in the work environment.
7. Appropriate footwear is part of the Company's dress code. Excluded from these are: open shoes, rubber shoes, sandals, slippers and other similar footwear.
8. A fine of Ps.50.00 shall be imposed on anyone who fails to wear the required uniform. Collected funds are meant to benefit those who consistently comply with this policy.

Wearing of ID Cards

All employees are expected to wear their company ID upon entering the building at all times when within the company premises for proper identification.

Guidelines:

1. The Company shall provide all employees with ID cards.
2. ID cards are issued at the expense of the Company
 - 2.1 Such card shall be surrendered in cases of resignation, termination, retirement or any form of separation. Failure to do so shall result to deduction of final pay.
 - 2.2 Replacement cost of lost ID card shall be for the employees account.
3. ID cards shall be displayed upon entering and at all times while in the company premises.
4. The guards on duty, department heads and supervisors shall see to it that the above rules and observed by all employees.

Business Environment

Work Areas

Positive impressions of the Company are conveyed to customers and visitors through visible conditions and appearance of the workplace. Therefore, special effort should be made to keep surroundings clean and orderly. An appropriate storage and disposal system should be adopted to avoid unnecessary litter.

It is also the duty of every employee to keep his/her workplace and its immediate surroundings neat and clean. Important papers and records should not be left unattended, since these might get lost and cause great damage to the Company.

Guidelines:

1. Good housekeeping means not only clean and tidy workplace. It is also the orderly stacking of working papers, folders, materials and proper placement of furniture.
2. Copies of letters, forms or any other printed matter, no longer useful should be torn up or otherwise destroyed.
 - 2.1 Envelopes should be opened first before being placed in the wastebasket.
 - 2.2 Envelopes that are re-usable should not be thrown in the wastebasket.
3. All books, records and documents should be properly stacked.
 - 3.1 Whenever practicable all filed folders/keepers must be returned to the filing cabinets after each use at the end of the day.
 - 3.2 Working papers should not be left on desktop overnight.
4. Desk and other office furniture should be kept and place in an orderly appearance.
 - 4.1 Desk should be cleared of all clutter at the end of the day.
 - 4.2 Drawers and cabinets should be locked.
5. Waste papers and other forms of trash should not be thrown on the floor, but must be placed in the wastebasket.
6. Any items that require storage should be put away, hard copy paper files should be kept to a minimum, with soft copies of files stored on the relevant shared drive electronically.
7. Eating should be done in the designated area for pantry. Apart from its obvious purpose, it also hopes to control the proliferation of pests.
8. Comfort facilities must be kept clean and sanitary.
9. Every employee shall be responsible for the conditions of office furniture and equipment assigned to him/her.
10. Laptops, if any, should not be left on desks overnight unless you have your own lockable

office.

11. All lights should be switched off at the end of the day and electrically operated office equipment, turned off when not in use, likewise unplugged at the end of the day.

Security

Prudential Guarantee and Assurance Inc. has contracted the services of a Security Agency to maintain the security of Company, its officers and employees.

Guidelines:

1. The Security Officer on duty shall maintain a logbook to record movements into and from the company, both human and materials resources.
2. Corresponding reports shall be filed with the Administration department on all security-related incidents.
3. Functionally, the Security Officer on duty reports to the Administration Head who issues transactions on out of the ordinary or non-routine security matters. In the absence of the latter, the former is expected to know how emergency cases shall be addressed or to use his discretion if the implementation of critical action needs the Security head office's instruction.
4. Any personal property brought into the office and which the Company similarly owns shall be registered in the Security logbook. This permits ease of carrying the same out.
5. Company property or supplies to be taken out for official use shall be appropriately covered with gate pass duly signed by the department and concurred by the designated officer. The said document shall be presented to the Security Officer on duty.
6. The Security Officer on duty shall have the office inspected at closing time. He should look out for security and safety risk. Means to address the same shall be exhausted prior to closing of the premises.
7. Unless overtime has been scheduled, the Company shall be closed after office hours. No one may re-enter the premises, nor overstay in the Company after working time, without written authorization from Top Management.

Printing

Save costs on printing wherever possible by printing on both sides of paper. Please pick up all printed matter off the printer and ensure that the printer is stocked with paper at all times. Color printing should be kept to a minimum.

Security Disposal/Shredders

Paperwork with any sensitive or confidential PGAI information needs to be disposed of by being

shredded. Documents to be shredded include but are not limited to:

- Company Information
- Client information
- Forms
- Terms and conditions
- Policies

The noise factor

Try to avoid shouting at each other across the office or on site at a client and respect people's busy periods or meeting times. Try to talk quietly when you are on the telephone and respect others around you.

Employee Orientation

Policy

Prudential Guarantee and Assurance Inc. (PGA) will make sure all new employees feel welcome and are ready to start work safely and competently through the use of a proper formal Induction process which this manual forms part of.

Procedure

Complete an induction plan for each new starter with details of:

- Introduction
- Virtual workplace tour
- Occupational Health & Safety procedures and evacuation
- Business overview
- Policy and procedural requirements

Training & Development

The guidelines contained herein covers all external seminars, local and foreign, attended by employees for which they oblige themselves to continue working for the Company for a certain period of time.

General Guidelines

1. All employees regardless of rank and status are eligible to avail of external seminars provided the same is related to their function that the knowledge to be acquired from attending such seminar will likewise redound to the benefit of the Company and not only the individual concerned.
2. It is a must for one to undergo first a Basic Non-Life Seminar conducted by the Company before one may be allowed to attend external seminars. However, this is without prejudice to the exercise of Management prerogative to declare exemptions on the ground it is urgent need on the part of the Department concerned to have the employee attend a particular seminar.
3. For monitoring purposes and to see to it these guidelines are enforced, all applications for seminars are to be coursed through the Human Resource Management Department. (HRMD)
4. It shall be the duty and responsibility of the duty HRMD to disseminate to all departments invitations for seminars.
5. In the event the employee fails to complete the seminar for reasons attributable to him or her or fails in the examination because of the inability to meet the standards set by the seminar, employee shall reimburse PGAI the seminar fee paid by the Company.
6. All seminar materials provided to the employee are company properties belonging to PGAI and therefore should be surrendered to the employee's Department Head within reasonable time.
7. Depending upon the costs of the seminar expended by the Company, employee shall be subject to Service Retention Agreement based on the following schedule:

Less than 4,000	-----	6 months
4,000 to 5,000	-----	1 year
5,001 to 10,000	-----	2 years
10,001 to 15,000	-----	3 years
15,001 to 25,000	-----	4 years
25,001 to 35,000	-----	5 years
more than 35,000	-----	Management discretion
8. Violation of the Service Retention Agreement shall entitle the Company to liquidated damages equivalent to the sum total of the following:

- a. Seminar Fee

b. Employee's Daily Rate which includes all allowances and bonuses times the number of days of seminar

9. If the employee resigns within the service retention period, computation of the liquidated damage to be paid by the employee shall be pro rated.

Procedure

1. Department Head shall submit his recommendation for the seminar together with all the pertinent supporting documents thereof and justification to the Office of the President through Human Resource Management Department. (HRMD)
2. The HRMD shall be entrusted with the task of determining the eligibility of the applicants.
3. Top Management shall approve or disapprove the recommendation and inform HRMD of its decision.
4. HRMD to inform the Department Head and employees concerned of Management's decision.
5. If approved, HRMD shall be responsible for the following:
 - a. Preparation of the check for payment.
 - b. Preparation of the Service Retention Agreement, if necessary,
 - c. Making the necessary entries in the 201 File of the employee
6. HRMD to monitor the attendance and performance of the employee.

Occupational Health & Safety

Policy

Prudential Guarantee and Assurance Inc. (PGAI) will, as far as practicable, provide a safe work environment for the health, safety and welfare of our employees, contractors, visitors and members of the public who may be affected by our work.

To do this, PGAI will:

- develop and maintain safe systems of work, and a safe working environment
- consult with employees and health and safety reps on safety
- provide information and training for employees
- assess all risks before work starts on new areas of operation, for example, buying new equipment and setting up new work methods, and regularly review these risks
- remove unacceptable risks to safety
- provide employees and contractors with adequate facilities (such as clean toilets, cool and clean drinking water)

Ultimately, everyone at the workplace is responsible for ensuring health and safety at that workplace.

All persons responsible for the work activities of other employees are accountable for:

- identifying practices and conditions that could injure employees, clients, members of the public or the environment
- controlling such situations or removing the risk to safety. If unable to control such practices and conditions, report these to the Administration Department

PGAI demands a positive, proactive attitude and performance with respect to protecting health, safety and the environment by all employees, irrespective of their position.

Workers' compensation policy

All employees may be eligible for workers' compensation benefits if injured while at work.

Injury procedure

If there is an injury:

1. The first priority is medical attention. The injured worker or nearest colleague should contact one of PGAI's first aiders. For a serious injury also call an ambulance.
2. Any employee who is injured on the job, experiences a safety incident or a near miss, must report the incident to their Department/Branch Head.
3. The Department/Branch Head must write a report to HRMD, incidents and near misses. This standard report must include:
 - employee's name and job details
 - time and date of injury
 - exact location the injury/incident occurred
 - how the injury/incident happened
 - details of the injury/illness and the part/s of the body injured
 - names of any witnesses
4. PGAI will let the injured employee know in writing that we have received notification of

any injury or illness reported in the Register. The Department/Branch Head must report serious injuries to HRMD immediately.

Smoking policy

Prudential Guarantee and Assurance Inc. has a non-smoking policy. Smoking is not permitted on PGAI property or in offices at any time.

Smokers who need to take breaks should do so in their allotted breaks. These breaks must not be taken at the entrance to PGAI offices. Excessive smoking breaks will be regarded as absenteeism and performance improvement action may be taken.

Alcohol & drugs policy

Prudential Guarantee and Assurance Inc. is concerned by factors affecting an employee's ability to safely and effectively do their work to a satisfactory standard. The business recognises alcohol or other drug abuse can impair short-term or long-term work performance and is an occupational health and safety risk.

PGAI will do its utmost to create and maintain a safe, healthy and productive workplace for all employees. PGAI has a zero tolerance policy in regards to the use of illicit drugs on their premises or the attending of other business related premises (e.g. clients) while under the influence of illicit drugs. Contravening either of these points may lead to instant dismissal.

PGAI does not tolerate attending work under the influence of alcohol.

PGAI, at times, authorizes alcohol consumption on office events. Limiting the consumption of any alcohol made available is the responsibility of the employee. Driving over the legal limit or under the influence of illicit drugs is illegal.

Conflict of Interest

It has long been the policy of Prudential Guarantee and Assurance Inc. (PGAI) that no officer, director or employee should use his position or information gained therefrom in such manner that a conflict may arise between the Company's interests and his personal interest.

A conflict of interest may be considered to exist whenever the activities of an individual in behalf of the Company results in or provide opportunity for him as third party to obtain an improper gain or advantage that is adverse to the interest of the Company.

PGAI has been fortunate over the years to have the type of people associated with it who have, on numerous occasions, demonstrated their integrity, loyalty and high ethical standards. However, since both the fact and the appearance of conflicting interests should be avoided, it is deemed advisable to state here the Company's position on this subject in order to afford a guide to desirable conduct.

It is the policy of the Company that if any officer, director, or employee finds that his activities involve, or likely to involve, a conflict of interests, or that he is in doubt as to the existence of such conflict and as to the proper course to follow, it shall be his duty to make a full disclosure thereof to the Chief Executive Officer of PGAI.

The foregoing is intended as a statement of basic policy anchored on broad ethical principles. It is not intended to set forth detailed rules and regulations to all situations that may arise. However, the following examples of activities which violate the Company's policy may serve as a guide:

1. Other Employment

No officer or employee shall hold a position as a director, officer, employee, partner, or serve in any other capacity in a business or professional enterprise which materially interferes with the proper performance of his duties or obligations to the Company.

The foregoing is not intended to rule out participation in activities in the insurance industry or religious, charitable, educational, cultural, recreational or similar affairs so long as the time so devoted does not unduly interfere with the full and faithful performance of Company duties, or reflect unfavorably on the Company.

Officers and employees should obtain approval from the Board of Directors and the President of the Company before accepting to undertake any outside activities which infringe upon the time and attention required in the performance of their duties to the Company.

2. Acceptance of Gifts

It is the duty of all Directors, Officers and employees to avoid accepting gifts, gratuities, discounts, entertainment or other benefits to himself or other members of his family which are given in order to, or which might improperly, influence his opinion or judgment in the performance of his official duties.

This is not intended to preclude acceptance of items of minor value tendered as tokens of respect or friendship but rather to preclude receipt of any benefits or

favors which go beyond accepted business courtesies or hospitality and which might be regarded as establishing an obligation to third parties dealing or desiring to deal with the Company.

3. Business Dealings

Each Director, Officer or employee should refrain from having any financial interest in any transaction between the Company and any third parties which could affect or might be regarded as affecting his official judgment to the detriment of the Company's interest.

If a director, officer or employee, or a member of his immediate family is in any way affiliated with or has financial interest in the affairs of any third party with whom the Company is conducting any business transaction, he should promptly make his position known to both the Company and the third party and thereafter refrain from participating in any negotiations or decisions related to the transaction.

4. Solicitations

Unrestricted contribution solicitations are apt become frequent, a financial burden, and in some instances. A nuisance. Some employees have greater financial obligations than others, and subject everyone to collections can be an embarrassment to those unable to contribute, or cause antagonism among the individuals soliciting or being solicited.

This policy is intended to prohibit rebates, special favors or compensation in any form from a third party who is dealing or seeking to deal with the Company.

It is not intended to prohibit the sale of insurance by a director or Officer who is also a duly appointed and licensed agent of the Company nor the payment to him of the regular commissions or profit-sharing agency contract on profit-sharing in effect with such Director or Officer.

Violation of this policy will subject an employee to DISMISSAL when it is proven that he has made personal gains or favor to the disadvantage of PGAI and his co-workers.

Company Records

For purposes of staying the business needs of PGAI, all official documents, records and communications shall be kept and updated according to the prescribed record management system. This likewise necessary to preserve the integrity of official documents.

Guidelines:

1. Recording and updating of records shall be done within the company premises.
2. Documents to be brought out of the company for official use shall appropriately be covered by a written authorization from the department head concerned. The security officer on duty is authorized to check compliance with this requirement.
3. Request for information of outside parties shall be referred to authorized company officers.
4. Request and subsequent release of inter-department documents shall be made only upon proper authorization of the department heads concerned.

Telephone Handling

The telephone is a convenient tool that links PGAI with all parties it is interested in and those interested to transact business with it. A busy signal or telephone left unattended cause frustration and fail to promote an image of prompt and efficient service.

Guidelines:

1. Office telephones have been installed to facilitate business matters, so as not to tie the line with private calls.
 - 1.1 Personal calls shall be limited only to urgent matters, so as not to tie the line with private calls.
 - 1.2 Lengthy telephone calls cause great inconvenience and loss of time for parties who may have official business with the Company. Thus, the courtesy of avoiding long conversations on personal matters shall be observed.
2. All calls are to be treated as urgent. Telephones shall therefore be picked up no later than the third ring.
3. In case of incoming calls, the employee answering shall announce either the department or company name.
4. Callers name, telephone numbers and messages shall be taken and promptly communicated to the party concerned, in case the object of the call is not around at the time the call was received.
5. Calls incorrectly placed shall be handled courteously and whenever possible, callers shall be directed or transferred to the right party.
6. Department heads concerned shall internally arranged a staggered break to facilitate manning of telephones during break periods.
7. Any problems with the telephone system shall be directed either to switchboard operator or the Administration department.
8. Company officers shall ensure their subordinate s's compliance with this policy.

Personal Matter

In the interest of maintaining a proper business environment and prevent interference with work and inconvenience to others, PGAI expects employees to dedicate their time and full attention to official functions during office hours. Management discourages them from engaging in activities not directly related to official functions or assigned job.

Guidelines:

1. Receiving personal visitors during office hours is discouraged. Emergency nature of visits may be allowed though, if the same cannot be postponed until after office hours.
2. Personal calls, either incoming or outgoing may be allowed only on matters of urgent concern and should be in minimal duration.
3. Reading printed matters with no bearing on job assignment should be done during off or break periods.
4. Employees are not allowed to sell merchandise, solicit financial contribution or distribute printed materials during office hours, unless the same are officially sanctioned causes.
5. Bringing children to the office will not be allowed during regular, as well as overtime hours. The presence of children brings out parental concerns which may get in a way during working hours.

Employee Services

Bulletin Board

A specifically designated bulletin board is provided to enable employees to get important information about their work and about Prudential Guarantee and Assurance Inc. Employees are expected to read the notices posted for the information necessary for their employment and welfare. Changes in policy and procedures may be disseminated through the bulletin board. Employees will then be held responsible for knowledge of such information once it is posted.

The Head of Human Resource Management Department will be responsible for controlling all information which appears on the bulletin board and will screen all materials before they are posted. No employee may post notices without permission from the Head of Personnel.

Lost-and-found

A lost-and-found service will be provided by the Human Resource Management Department, Employees having lost-and-found items within the premises are requested to advise the Head of Human Resource Management Department thereof so that notices can be placed on the bulletin board to inform everybody.

Personal Mail

Because the Company gets so much mail each day, Prudential requests that employees have their own personal mails sent to their homes. Personal mails may be opened by mistake or delayed in reaching the intended parties if it passes through the Company.

Management Rights

The Company has the exclusive right to hire, direct and schedule the working force; to plan, direct and control operations; to discontinue, reorganize or combine any department or branches of operations resulting in reduction or other changes in the working force; and in all respects to carry out the ordinary and customary functions of management.

None of these rights shall be exercised in a capricious or arbitrary manner, and all laws, rules and regulations of the Philippine government shall be adhered to in the exercise of said rights.

Prudential Guarantee and Assurance Inc. - Policies and Declaration

I, the undersigned, acknowledge receipt of the Policy Manual for the employees of Prudential Guarantee And Assurance Inc. I understand that the policies and benefits described in it are subject to change and may be done so by Prudential Guarantee and Assurance Inc. at any time for reasons it deems fit.

I further understand that my employment with Prudential Guarantee and Assurance Inc. is governed by the following agreement:

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

Confidential Information

I am aware that during the course of my employment confidential information will be made available to me (i.e. product designs, marketing strategies, customer lists, pricing policies and other related information, etc.). I understand that this information is proprietary and critical to the success of Prudential Guarantee And Assurance Inc. and must not be given out or used outside of Prudential's premises or with non – Prudential employees. In the event of termination of employment, whether voluntary or involuntary, I hereby agree not to utilize or exploit this information with any other individual or company, or else risk litigation.

Employee's Printed Name & Signature