



AFPMBAI

**Armed Forces and Police
Mutual Benefit Association, Inc.**

Col. Bonny Serrano Road, cor EDSA, Quezon City
www.afpmbai.com.ph



AFPMBAI

CODE OF CONDUCT
Promoting our Values and Philosophy



CODE OF CONDUCT



Published by:

Human Resource Division

Armed Forces and Police Mutual Benefit Association, Inc.

Bonny Serrano Road corner EDSA, Quezon City

A Message from the President



Action speaks louder than words. Our degree of professionalism is gauged by the Board of Trustees and the management team that lead this Association, our fellow employees and members we serve, the industry we are part of, the government that regulates the country, and the general public that observes us not only by how well we grow our business in the Philippines but also by how ethical we are in doing our jobs.

The Armed Forces and Police Mutual Benefit Association, Inc. (AFPMBAI) Code of Conduct is founded on our corporate philosophy that reflects our mission and vision statements. It is meant to promote professionalism among us through legal and ethical practices in our industry.

This publication serves as a guide in conforming with our corporate values and philosophy of service. It helps explain and resolve issues that might arise in dealing with co-employees and in performing our work.

I encourage you to know by heart our Code of Conduct and to discuss with your immediate supervisor, manager or the Human Resource Division any question or concern regarding its provisions.

Let us work together to promote professionalism through our Code of Conduct.

Thank you!

A handwritten signature in black ink, appearing to read 'Edgardo Samonte'.

MGEN EDGARDO RENE C SAMONTE AFP (RET)
President and CEO

CONTENTS

1-6 The AFPMBAI Code of Conduct

Philosophy of Service
Vision
Mission
Definition of Terms
Major Areas of Coverage
Our Basic Responsibilities
Rational and Progressive Approach to Offenses
Classification of Offenses
Level of Offenses
Approving Authority for Corrective Actions

7-17 Offenses and Corrective Actions

Offenses Against Person
Offenses Against Honor
Offenses Against Property
Offenses Against Public Morals
Offenses Against Honesty
Offenses Against Official Working Time
and Attendance Policy
Offenses Against Proper Decorum
Offenses Against Security
Offenses Against Misuse of Info Systems
Other Misdemeanors

18-21 Basic Principles

Benefits Deferred During the Period of Suspension
Benefits Withdrawn
Pro-rated Benefits
Maintained Benefits

21 Composition of the Investigation Board

22-27 Investigation Rules and Procedures

Complaint/Irregularity/Incident Report or
any Analogous Document
Light Offenses
Serious Offenses
Investigation Proper
Report of the Investigation Board
Management Decision

28-29 Notes

Protection of Women and their Children
Equal Opportunity for Disabled Persons
Bribery
Corruption
Usurpation of Authority

The AFPMBAI Code of Conduct

A code of conduct is a set of rules that outlines the proper practices for an individual or organization. It sets ethical standards the individual or organization must follow in support of the values it has adopted. It guides the decisions, procedures and systems of the organization that protects the welfare of its members and employees, and respects the rights of people affected by the organization's operations.

The AFPMBAI Code of Conduct outlines specific behaviors that are required or prohibited as a condition of on-going employment. Common provisions of this Code forbid sexual and other types of harassment, corruption and dishonesty, among others. Its strict enforcement benefits both the individual employees and the Association.

As one of the leading mutual benefit associations in the country, AFPMBAI's Code of Conduct embraces the following corporate philosophy:

Philosophy of Service

At the AFPMBAI, the needs of the member and his family come first. We pledge our expertise, time and effort to the service of these needs. Toward this end, we shall endeavor to serve to the utmost of our ability in the spirit of professionalism, dedication and compassion.

This philosophy is expressed in its vision and mission statements, as follows:

Vision

By 2025, a customer-centered organization operating in accordance with global standards, preferred and trusted by its members in providing full financial security and protection.

Mission

To provide our members the most responsive insurance protection and investments, affordable housing/financial products, and meaningful social services.

Founded on order and discipline, the AFPMBAI Code of Conduct aims to promote good corporate citizenship that enable us to continue operating effectively in a highly-competitive industry and environment. It is the Association's policy to require its employees to religiously observe prescribed office procedures and proper employee conduct not only as called for in a civilized society but more so to enhance and maintain harmonious interpersonal relations among employees thereby improving the quality and efficiency of service to the members and the other clientele.

In its mandate to adhere to best practices in corporate governance, the AFPMBAI has adopted the ASEAN Corporate Governance Standards and supports the core principles as follows:

- Recognizing the rights and equitable treatment of its members;
- Acknowledging the role of its stakeholder;
- Putting great emphasis on disclosure and transparency in its business transactions and operations; and
- Strengthening the responsibilities of the Board of Trustees in steering the Association toward raising the bar of corporate governance in the mutual benefit industry.

In keeping with our core values of customer-centered, integrity, prudence, professionalism and social responsibility, we have adopted more of positive motivation and less of punitive measures in implementing our Code of Conduct. The AFPMBAI will impose sanctions and corrective actions to correct unacceptable behavior of employees. It aims to restore self-discipline, help affected employees rebuild their reputation and for erring employee regain people's trust in them.

The Code of Conduct applies to all of us. It is our guide in developing the right attitudes and behaviors in dealing with employees, members, service providers, business partners, industry players, the government, and the public in general.

Conformity with our Code of Conduct is the responsibility of all executives, managers, supervisors and rank and file employees. It must be emphasized that line managers have the responsibility of managing discipline and compliance with our Code of Conduct within their office.

Definition of Terms

- A. **Association.** It refers to the Armed Forces and Police Mutual Benefit Association, Inc. (AFPMBAI)
- B. **Employee.** It refers to any person under the employ and in active payroll of the Association whether probationary or regular.
- C. **Light Offenses.** Those that call for corrective action of either written warning or reprimand categorized as Misdemeanor (Level 1) and Light Offenses (Level 2).
- D. **Serious Offenses.** Those that call for corrective action of either suspension or dismissal categorized as Less Grave Offenses (Level 3) and Grave Offenses (Level 4).
- E. **Information Systems.** These are application software and programs, computer hardware, networks, servers and other similar devices that are administered by the Association and used in day-to-day activities.
- F. **Electronic Communication.** This is the use of information systems in communicating or posting of information or material by the way of electronic mail, bulletin boards, World Wide Web (internet), or other such electronic tools.
- G. **Networks.** These are video, voice and data networks, routers and storage devices.

Major Areas of Coverage

The Association expects us to:

- Comply with its policies and regulations;
- Avoid possible conflicts of interest and refuse gifts, invitations and similar favors that would cause damage, in any form, to the Association;
- Support and respect human rights and not tolerate any form of harassment and discrimination;
- Treat everybody in the Association with respect, honesty and propriety at all times; and
- Report irregularities and violation against office policies.

Our Basic Responsibilities

We are expected not only to do our jobs well but also to develop personal and professional discipline by keeping ourselves informed and compliant with the Association's policies, rules and regulations.

Rational and Progressive Approach to Offenses

The Association has adopted a rational and progressive approach in dealing with violations among its employees to encourage compliance with the Code of Conduct. Minor corrective actions are given to light offenses while serious offenses are meted out to employees who repeatedly or seriously violate the Code of Conduct. The corrective actions in dealing with different violations are as follows:

1. **Warning.** It is a written notice given to an employee for an infraction of a rule with the exhortation that a repetition of the offense will be dealt with severely.
2. **Reprimand.** It is a stern warning for repeated or serious violation of the Code of Conduct.
3. **Suspension.** It is where an employee is sent on leave without pay for a specified number of calendar days, depending on the gravity or frequency of the offense. Some benefits are also suspended.
4. **Dismissal.** It is where the employee is dismissed from employment based on just or authorized cause.
5. **Preventive Suspension.** It is the temporary removal of an employee charged for violation of the Association's rules from his / her present status or position. It is usually imposed against subject employee while the Association is conducting an investigation for his/her alleged violation in order to prevent him/her from causing further harm or damage to the Association or his/her co-employees. In preventive suspension, the following conditions must be met: (a) if the employee's continued employment poses a serious and imminent threat to the life or property of the employer or of his/her co-workers; and (b) the preventive suspension shall not last longer than thirty (30) days. Preventive suspension is not a punishment or penalty for misconduct but is considered to be a preventive measure.
6. **Restitution.** It is the relinquishment of a benefit or the return of money or other property obtained through improper means to a person from whom the property was taken.

Classification of Offenses

1. Offenses against Person
2. Offenses against Honor
3. Offenses against Property
4. Offenses against Public Morals
5. Offenses against Honesty
6. Offenses against Official Working Time and Attendance Policy
7. Offenses against Decorum
8. Offenses against Security
9. Offenses against Misuse of Information Systems
10. Other Misdemeanors

Level of Offenses

Level 1 – Misdemeanors

- a. No impact on the business and security of the Association
- b. Corrective Action – Warning on the first offense; Reprimand on the second offense; Suspension on the third offense

Level 2 – Light Offenses

- a. Minimal impact on the business and security of the Association and its client/s and employees
- b. No significant impact on the effectiveness of the department/office
- c. No financial loss to the Association
- d. No physical injuries but contribute to disorderliness in the workplace
- e. Corrective Action – Warning on the first offense; Reprimand on the second offense; Suspension on the third offense

Level 3 – Less Grave Offenses*

- a. May result to financial losses, delayed operation and low productivity
- b. May lead to dissatisfaction of the client/s
- c. Poses security risk to employees, customers, and/or clients
- d. Creates an unsafe working environment
- e. Corrective Action – Reprimand on the first offense; Suspension to Dismissal on the second offense

Level 4 – Grave Offenses*

- a. Creates disruption in operations
- b. Includes all acts that could result to extreme dissatisfaction of clients leading to filing a formal complaint
- c. Exposes the Association to reputational damage, legal suits and financial losses
- d. Causes physical harm to employees or any person within company premises
- e. Covers all unauthorized disclosures of confidential information
- f. Involves all forms of fraud
- g. Casts gross violation of person's integrity
- h. Corrective Action – Suspension to termination for the first offense

* may include Preventive Suspension and/or Restitution if Management deems necessary

Approving Authority for Corrective Actions

1. President and CEO - where penalty calls for suspension or dismissal
2. Head, Human Resource Division - where penalty is written warning and written reprimand
3. Division, Department, Office and Section heads – counselling (verbal or written admonition)

Offenses and Corrective Actions

LEGEND:

3, 5, 10, 15, 30 - Number of days of Suspension

W - Warning

R - Reprimand

D - Dismissal

Offenses are recorded within a 12-month period commencing on the date of memorandum issued for warning, reprimand or suspension meted out to an employee.

A. Offenses Against Person	1st	2nd	3rd	4th	5th	6th
1. Inflicting bodily injury to any person at any time within the Association's premises or property.	Suspension to dismissal depending upon the gravity of offense					
2. Inflicting bodily injury to any person anywhere at any time, in any dispute involving one's employment and/or service-connected matters.	Suspension to dismissal depending upon the gravity of offense					
3. Fighting or instigating a fight within the Association's premises whether or not during office hours.	10	30	D			
4. Harassing, threatening, intimidating, coercing or inducing a fellow employee to violate the Association's rules and regulations.	10	30	D			
5. Being discourteous, insulting or willfully disrespectful to fellow employees, customers, suppliers or any other person who deals with the Association in the conduct of its business.	10	15	D			
6. Perceived inappropriate comments directed against any person related to gender, sexual orientation, family background, religion or physical ability. (Back Notes 1)	R	5	10	15	D	
7. Harassment such as intimidation, violence or threats of violence; visual harassment, such as offensive messages, gestures or pictures; sexual harassment, such as unwelcome sexual advances, request for sexual favors, or other verbal or physical conduct of a sexual nature. (Back Notes 1)	Suspension to dismissal depending upon the gravity of offense					

B. Offenses Against Honor	1st	2nd	3rd	4th	5th	6th
1. Sowing intrigue against another employee to cast dishonor, discredit or contempt upon the latter.	R	5	10	15	D	
2. Spreading false information or rumor against the Association.	R	5	10	15	D	
3. Committing libelous acts or using foul, abusive or defamatory language.	10	30	D			

C. Offenses Against Property	1st	2nd	3rd	4th	5th	6th
1. Destroying, damaging, and tampering either with malicious intent or gross negligence any of the Association's property.	10	15	30	D		
	Plus restitution/payment of damage					
2. Stealing any property, misappropriating or converting for personal gain, money, financial papers, goods or other valuables belonging to the Association, or to somebody else, committed at any time or place and/or hiring an accessory to the theft.	Dismissal plus restitution/payment of damaged or stolen goods					
3. Removing from the Association's premises or using or lending any property of the Association without proper authority.	Corrective action for offenses without damage:					
	5	10	15	D		
	Corrective action plus restitution/payment of damage for offenses with damage less than P1,000:					
	10	15	30	D		
	Corrective action plus restitution/payment of damage for offense with P1,000 or more in damage: Suspension to dismissal depending upon the gravity of the offense					
4. Substituting the Association's materials or equipment with another of inferior quality or lesser value.	Dismissal					

5. Obtaining materials with the use of fraudulent purchase of falsified letters, propaganda or other authorization.	Dismissal					
6. Neglect or mishandling of the Association's equipment or machinery.	5	10	15	D		
7. Obtaining personal financial benefit in any loan or sale of the Association's property.	Dismissal plus restitution/payment of damage					

D. Offenses Against Public Morals	1st	2nd	3rd	4th	5th	6th
1. Reporting for work or working while under the influence of alcoholic beverage	10	30	D			
2. Willfully failing to pay just debt with the Association and its subsidiaries.	R	5	10	15	D	
3. Gambling, betting and conducting lotteries or other similar acts within the Association's premises.	5	10	15	D		
4. Bringing and/or drinking any intoxicating liquor inside the Association's premises at any time, or other venue during Association-sponsored activities except when allowed.	10	30	D			
5. Creating unnecessary disturbance or noise at any time within the Association's premises or other venue during Association-sponsored activities.	W	R	3	5	7	10
6. Possessing or using prohibited drugs except when such drugs take the form of medication prescribed by a doctor.	Dismissal					
7. Committing act of lasciviousness or sexual assault within the Association's premises.	Dismissal					
8. Engaging in consensual sexual, lascivious, orgy, heterosexual and homosexual activities within the Association's premises at any time regardless of the civil status and gender of the employee.	Dismissal					
9. Maintaining illicit relationship or extra-marital affair under vulgar or scandalous circumstances provided that any of the following is present: (a) a complaint by the offended legal spouse or by one of the parents if the other party is a	Dismissal					

minor (below 18 years of age) shall constitute a prima facie case against the employee's concerned; (b) where the immoral conduct interfered with the performance of duties or casts dishonor to the position of the employee; (c) where such a misconduct causes actual harm to the employer's business, or has a reasonable tendency to cause such harm; and (d) conviction by a competent court of law for adultery, concubinage, sexual assault or acts of lasciviousness, even if committed outside the Association's premises.	Dismissal					
10. Sexual harassment where the sexual favor is made as a condition in the hiring or employment, reemployment or continued employment of an individual, or in granting the individual favorable compensation, terms of conditions, promotions or privileges, or if the refusal to grant the sexual favor results in limiting, segregating or classifying the employee to discriminate, deprive or diminish employment opportunities or otherwise adversely affect the employee. (Back Notes 1)	Dismissal					
11. Displaying or exposing in public with clear intent to defame the morals of the persons who would see the pornographic literature suggesting lewd thoughts and eliciting sexual desires, whether the person involved in the pornographic material is the one who displayed it, or someone who has no knowledge of the posted pornographic material.	R	3	5	10	D	

E. Offenses Against Honesty	1st	2nd	3rd	4th	5th	6th
1. Falsification of the Association's records, documents or forging signature of authorized signatories and the Association's officials.	Dismissal					
2. Submitting falsified receipts/documents relative to cash advance liquidation, leaves, etc.	Dismissal					
3. Non-adherence to the cash advance guidelines/policy.	Suspension to dismissal depending upon the gravity of the offense					

4. Unjustified failure to turn over to the Association within the prescribed period after receipt of any money, in whatever currency or amount, intended for the Association.	Suspension to dismissal depending upon the gravity of the offense
5. Offering or accepting bribes and/or favors in any form in exchange for favorable consideration or approval. (Back Notes 3)	Dismissal
6. Connivance with co-employees, superiors, clients or any person with the intention of defrauding the Association.	Dismissal
7. Soliciting, extorting, demanding money or other material consideration from co-employees, clients (members and/or member's dependents) or any person doing business or about to secure business with the Association.	Dismissal
8. Rediscounting and encashing the Association's checks.	Dismissal
9. Knowingly issuing a check against insufficient funds paid to the Association.	Suspension to dismissal depending upon the gravity of the offense
10. Knowingly giving untruthful statements or concealing material facts in an investigation conducted by authorized representatives of the Association.	Dismissal
11. Knowingly issues falsified checks drawn against the bank account of another person for payment of loan obligation.	Dismissal
12. Usurpation of authority. (Back Notes 5)	Suspension to dismissal depending upon the gravity of the offense

F. Offenses Against Official Working Time and Attendance Policy	1st	2nd	3rd	4th	5th	6th
1. Leaving the place of work during office/work hours without permission from immediate superior or higher level manager concerned except during prescribed break periods or dismissal time.	W	R	5	10	15	D
2. Loafing, loitering, sleeping or playing games using personal devices during working hours.	W	R	5	10	15	D
3. Playing games using the Association's computers during or after office hours.	W	R	10	20	30	
4. Taking breaks (snacks or lunch) which are prolonged and/or not during prescribed time.	W	R	5	10	15	D
5. Frequently entertaining visitors for personal business during working hours.	W	R	5	10	15	D
6. Conducting personal business such as selling of food/merchandise and solicitation including charity, lottery or raffle tickets during working hours.	W	R	5	10	15	D
7. Receiving or making excessive personal telephone calls during working hours.	W	R	5	10	15	D
8. For branch employees without finger scanning machine, punching somebody else's ID/time card or having somebody punch his/her ID/time card.	Suspension to dismissal depending upon the gravity of the offense					
9. Failure to time "in" or "out."	W	R	Deduction from vacation leave credits or salary on succeeding offenses			
10. Late filing of vacation/sick/emergency leave applications.	W	R	5	10	15	D
11. Failure to notify supervisor or manager about absence (sick or emergency).	W	R	5	10	15	D
12. Failure to secure permission in advance from superior for the intended date of leave.	W	R	5	10	15	D

13. Absence without official leave (AWOL).	Corrective action for one-day AWOL:					
	W	R	5	10	15	D
	Corrective action for 2-3 days AWOL:					
	R	5	10	15	D	
	Corrective action for 4-5 days AWOL:					
	5	10	15	D		
	Corrective action for 6-10 days AWOL:					
	10	15	D			
14. Reporting for work twenty (20) minutes late or more beyond regular office hours for more than three (3) times, or tardiness of more than 120 minutes in a month.	W	R	5	10	15	D
15. Misrepresenting or concealing material facts relative to application for leave.	15	30	D			

G. Offenses Against Decorum	1st	2nd	3rd	4th	5th	6th
1. Inefficiency in the performance of duties	5	10	15	30	D	
2. Deliberate or gross inefficiency in the performance of duties.	10	15	30	D		
3. Simple negligence in the performance of official functions/duties and responsibilities.	5	10	15	30	D	
4. Gross negligence in the performance of official functions/duties and responsibilities.	10	15	30	D		
	Corrective action plus restitution/ payment of damage for violation with material loss/damage of less than P100,000:					
	15	30	D			

	Corrective action plus restitution/ payment of damage for violation with material loss/damage of P100,000 to P1M:					
	30	D				
	Corrective action plus restitution/ payment of damage for violation with material loss/damage of more than P1M: Dismissal					
5. Loss of company funds due to negligence or failure to exercise reasonable care.	Corrective action plus restitution/ payment or damage for violation with material loss/damage of less the P100,000:					
6. Failure to comply with procedural requirements/guidelines for investments resulting to damage or loss to the Association.	15	30	D			
	Corrective action plus restitution/ payment of damage for amount more than P100,000: Dismissal					
	Suspension to dismissal depending on the gravity of the offense or losses suffered by the Association					
7. Reporting for work without the proper uniform and/or wearing unprescribed civilian attire during washdays.	W	R	3	5	10	D
8. Knowingly and falsely representing oneself to be an officer or a representative of the Association or who, under pretense of official position shall perform any act pertaining to any person in authority of the Association without being officially entitled to do so.	15	30	D			

9. Insubordination or willful defiance of lawful orders issued by superiors, the orders of which are within the capability, competence and/or duties of the employee to perform.	10	30	D			
	Corrective action for insubordination that causes damage: Dismissal					

H. Offenses Against Security	1st	2nd	3rd	4th	5th	6th
1. Unauthorized possession and carrying of firearms, explosives or other deadly weapons within the Association's premises.	30	D				
2. Refusal to submit to or comply with security requirements such as wearing of ID, inspection of bags, etc.	W	R	5	7	10	15
3. Failure to secure important documents and papers which causes their loss or destruction.	Suspension to dismissal depending upon the gravity of the offense					
4. Disclosing or misusing corporate documents not made available to the public without authority.	Reprimand to suspension depending on the document released					
5. Disclosing or misusing confidential or classified information, known to an employee by reason of his/her office and not made available to the public, to further his/her private interests or give undue advantage to anyone or to the prejudice of the interests of the Association.	Dismissal					

I. Offenses Against Misuse of Info Systems	1st	2nd	3rd	4th	5th	6th
1. Attempting to modify or remove computer equipment, software or peripherals without proper authorization.	W	R	5	10		
2. Accessing without proper authorization computers, software, information or networks.	5	10	15	D		
3. Taking actions, without authorization, which interfere with the access of others to information systems.	5	10	15	D		
4. Circumventing log on or other security measures.	5	10	15	D		

5. Using information systems and/or computerized records for any illegal or unauthorized purpose.	5	10	15	D		
6. Personal use of information systems or electronic communications for business, employment, playing games or similar purpose.	W	R	5	10	15	D
7. Sending any fraudulent electronic communication.	5	10	15	D		
8. Violating any software license or copyright, including copying or redistributing copyrighted software, without the written authorization of the software owner.	5	10	15	D		
9. Copying and selling or distributing application programs developed in-house without written authority from management.	D					
10. Using electronic communications to violate the property rights of authors and copyright owners.	5	10	15	D		
11. Using electronic communication to harass or threaten users in such a way as to create an atmosphere that unreasonably interferes with the smooth functioning in a working environment.	5	10	15	D		
12. Using electronic communications to disclose proprietary information, application programs and corporate data without the explicit permission of management.	W	R	5	10	D	
13. Reading or accessing other users' information or files without permission.	5	10	15	D		
14. Forging, fraudulently altering or falsifying or otherwise misusing the Association's records (including computerized records of member accounts, identification cards, or other documents or property).	D					
15. Using electronic communications to hoard, damage or otherwise interfere with data resources available electronically.	5	10	15	D		

16. Using electronic communications to steal another individual's works or otherwise misrepresent one's own work.	W	R	5	10	D	
17. Launching a computer worm, computer virus or other rogue program.	D					
18. Downloading or posting illegal, proprietary or damaging material to a computer of the Association.	5	10	15	D		
19. Transporting illegal, proprietary or damaging material across the Association's network or the internet.	5	10	15	D		
20. Personal use of the Association's information system to access, download, print, store, forward, transmit or distribute obscene material.	W	R	10	20	30	D
21. Sabotage or unauthorized destruction of the Association's computer system, files or databases.	D					

J. Other Misdemeanors	1st	2nd	3rd	4th	5th	6th
1. Non-attendance in Association-sponsored or Association-directed activities where attendance is mandatory.	W	R	5	10	15	30
2. Smoking in non-designated smoking premises of the Association.	W	R	3	5	7	10
3. Unsafe driving or use of the Association's vehicle.	10	30	D			

Offenses which are not specifically included in the foregoing but related to the above provisions shall be considered on a case-to-case basis. The corrective action of which shall depend on the gravity of the offense provided that offenses which are specifically covered by existing or future memorandum circulars shall be the subject of an investigation. Commensurate corrective action meted out shall depend on the damage to the Association and to the discretion of the approving authority/ies based upon the recommendation of the Investigation Board if the offense is serious

Basic Principles

- A. The Investigation shall be conducted for the purpose of ascertaining the truth without necessarily adhering to technical rules applicable in judicial/criminal proceedings. The concerned parties may avail of the services of a counsel at his/her own expense and may require the attendance of witness/es and the production of documentary evidence in his/her favor.
- B. The search for truth is the primary consideration of the investigation. The complainant, subject employee or respondent, resource persons and witnesses shall be protected from any intimidation during the conduct of the investigation.
- C. In administrative or quasi-judicial proceedings, proof beyond reasonable doubt is not required in determining the legality of an employer's dismissal of an employee, and not even a preponderance of evidence is necessary as substantial evidence is considered sufficient. Administrative chargers must be supported at least by substantial evidence or such relevant evidence as a reasonable mind might accept as adequate to support a conclusion.
- D. Each member of the Investigation Board is expected to be circumspect in the appreciation of facts and pieces of evidence bearing in mind the intent of the Association to enforce prescribed office policies and proper employee conduct, correct behavioral deviations, instill discipline among employees to prevent violations of company policies, enhance and maintain harmonious interpersonal relations among employees, and protect the interests and properties of the Association.
- E. The rights of all persons appearing before the Investigation Board, whether complainant, subject employee or respondent, resource person/s or witness/es, shall be respected at all times. Due process shall always be observed prior to the imposition of any penalty in accordance with the AFPMBAI Code of Conduct.
- F. Due process in administrative case is defined as the measure to be adopted by the management to ensure that the subject

employee or respondent is accorded with the reasonable opportunity to be heard. However, the right to be heard shall be deemed waived if there is refusal or failure on the part of the subject employee or respondent to participate in the administrative proceedings by not submitting the required explanation within five (5) calendar days from receipt of Memorandum/Notice to Explain.

- G. The subject employee or respondent shall then be considered under investigation from the time he/she received the copy of the Memorandum or Notice to Explain.
- H. The Investigation Board is tasked to strictly implement the procedural requirements of the administrative investigation in order to protect the rights of the concerned parties as well as ensure the speedy disposition of all administrative cases at hand.
- I. The Head, HRD is mandated to submit a quarterly status report on all administrative cases at hand, including all pending and resolved cases and newly filed complaint, irregularity report, incident report and other analogous document within said period to the President, copy furnished the Head, CSG for appropriate evaluation on the matter.
- J. Strict confidentiality shall be maintained in the handling and custody of the records, testimonies and deliberations obtained in the course of the investigation. Any member of the Investigation Board who discloses any information regarding the proceeding or the result concurred by the Investigation Board shall be dealt with accordingly.
- K. Pending the investigation of a serious offense, the subject employee or respondent may be placed under preventive suspension of not more than thirty (30) calendar days if his/her continued employment poses a serious and imminent threat to the life or property of the Association or his/her co-employee.
- L. The corrective action for a particular offense is prescribed at its maximum level. However, the Investigation Board may recommend, or the President, may at his discretion, impose lower corrective action when there is a mitigating circumstance.

- M. An erring employee who has been meted out a suspension for five (5) calendar days or more shall not be entitled to wage increase for the following year as provided under the CBA.
- N. Anonymous complaint, irregularity report, incident report will not be entertained. However, if the same affects the operations of the company, the complaint may be the subject of inquiry.
- O. Promotion of the erring employee, if any, shall be deferred for a period of one (1) year for suspension of at least one (1) day. The period of deferment shall be until the date of suspension commences.
- P. The employee benefits of the suspended employee shall be withdrawn, deferred, pro-rated or maintained as follows:

Benefits Deferred During the Period of Suspension

1. Salary Loan
2. Retirement Loan
3. Educational Assistance Loan
4. Medical Reimbursement
5. Car Loan

Benefits Withdrawn

1. Productivity Bonus
2. Rice Benefit for the month (suspension of more than four calendar days in a month)

Pro-rated Benefits

1. 13th Month Pay
2. Anniversary Bonus
3. Christmas Bonus
4. Uniform Allowance
5. Other Bonuses

Maintained Benefits

1. Bereavement Assistance
2. HMO
3. Executive Check-up

- Q. The period of suspension, regardless of the number of days, shall be considered as a break in service.
- R. Pending the resolution of an administrative case against the subject employee or respondent, the approval of any application for loan as an employee of the Association or for other loans which need the endorsement of the authorized personnel of the Association shall be held in abeyance.
- S. An employee who has a pending administrative case with the Association or when he/she is serving suspension shall not be allowed to avail of vacation leave.

Composition of the Investigation Board

- A. The Investigation Board, recommended by HRD and appointed by the President, shall be composed of the following:

Chairman – Division Head

Members – Head, HRD

Head, Legal Office

Supervisors Club' representative
(if the subject employee or respondent is a supervisor), or

Two (2) Employees' Union representatives
(if the subject employee or respondent is a rank and file)

Secretary/ Recorder – HRD Representative (non-voting)

The Head, HRD and Head, Legal are permanent members of the Board. In case of tie votes, the Chairman's decision shall prevail.

- B. All members including the Chairman shall inhibit him/herself in the investigation process in the event that he/she and/or any employee under his/her immediate supervision is the subject of a complaint, has relation by affinity or consanguinity to the subject employee or respondent, or for any justifiable reason that will affect his/her partiality in the conduct of investigation. He/she shall be replaced by another manager/personnel of

the same or next higher in rank as determined by the President.

- C. The management may initiate company investigations and/or the Board of Trustees may create a Special Investigation Committee to investigate cases involving the Association and its business operations that are brought before it by the management or any of the Board Committees.

Investigation Rules and Procedures

A. Complaint/Irregularity/Incident Report or any Analogous Document

1. The complainant or any employee who observes violation of Association's policy or commission of any offense penalized by this Code of Conduct should immediately file a Complaint/Irregularity/Incident Report which should include the following:
 - a. Date and time the alleged offense was committed;
 - b. Name of the offending employee/s;
 - c. Description of the offense/s;
 - d. Name of other witness/es, if any; and
 - e. Name and signature of the complainant/employee making the report.
2. The Complaint/Irregularity/Incident Report or other analogous document including all supporting pieces of evidence shall be submitted to Head, HRD who shall indicate the particular date the report was received. Within five (5) calendar days from the date of receipt of the Complaint/Irregularity/Incident Report or other analogous document, the Head, HRD shall evaluate and then ascertain the offense/s to be charged, if any, based on the Complaint/Irregularity/Incident Report or other analogous document filed, including all supporting pieces of evidence submitted.
3. Within three (3) calendar days from the determination of appropriate charges against subject employee or respondent, regardless of the imposable penalty for the alleged offense, the Head, HRD shall prepare the Notice/Memorandum to Explain for the subject employee or respondent and submit

it to the Head, CSG for recommendation to the President, specifically stating the following:

- a. Complaint/Irregularity/Incident Report or other analogous document;
 - b. The offense/s charged against the subject employee or respondent;
 - c. The need to submit an Answer/Explanation within five (5) calendar days from receipt of the Notice/Memorandum to Explain;
 - d. The consequence of failure to submit the Answer/Explanation within the required period as mandated by the Labor Code which shall be deemed a waiver on the employee's right to be heard/participate in administrative proceedings.
4. Within five (5) calendar days from receipt of the Answer/Explanation submitted by the subject employee or respondent, the Head, HRD shall report the case at hand and recommend to the President the creation and convening of the members of an Investigation Board.
 5. Upon the President's approval, the Investigation Board shall convene within three (3) calendar days to investigate the alleged offense/s of the subject employee or respondent. The members of the Investigation Board shall set the schedule of investigation conferences to ensure that the case is resolved within thirty (30) calendar days period.
 6. The Investigation Board is automatically dissolved upon submission of its investigation report and recommendation to the President. A new composition of Investigation Board shall be created for every case recommended for investigation.

B. Light Offenses (Misdemeanor and Light Offenses)

1. If the imposable penalty for the alleged violation is either warning or reprimand, Head, HRD shall issue the Notice/Memorandum to Explain to the subject employee or respondent within three (3) calendar days.

2. The subject employee or respondent shall submit his/her explanation to Head, HRD within five (5) calendar days upon receipt of the said notice.
3. Within ten (10) calendar days from receipt of the Explanation, Head, HRD shall resolve whether the subject employee or respondent is liable or not on the offense/s charged and issue a corresponding Memorandum indicating the corrective action to be imposed against the erring employee. If the employee is not liable, Head, HRD shall also issue a Memorandum absolving the said employee.

C. Serious Offenses (Less Grave and Grave Offenses)

1. If the offense committed is serious and the imposable corrective action is either suspension or dismissal, Head HRD shall prepare a Notice/Memorandum to Explain to be signed by the President and will be issued to the subject employee or respondent. He/she shall give his/her response within five (5) calendar days from receipt of the said notice.
2. Head, HRD shall determine if there is probable cause that warrants investigation and afterwards recommend to the President approval of the convening of an Investigation Board to investigate the offense/s.

D. Investigation Proper

1. Within three (3) calendar days from receipt of the directive from the President, the Chairman shall immediately convene the Investigation Board to initiate an investigation to determine whether the subject employee or respondent may or may not be held liable for the charge/s against him/her. The Investigation Board may come up with additional rules and procedures in the proper conduct of the investigation, if necessary.
2. The Investigation Board shall conduct an administrative hearing where its members may ask questions to further elicit facts or information. The complainant, subject employee or respondent, witnesses and resource persons may be required to attend the administrative hearing for this purpose. The attendance of the parties and their counsel shall be allowed

only when they are the actual subject of the questioning by the Investigation Board. The Investigation Board may also require the presentation of documentary evidence or records from any party or witness.

3. In cases where the subject employee or respondent is represented by a Counsel, the latter should be informed of Management's procedure in the conduct of administrative investigations. The Counsel's participation during the investigation is limited to ensuring that due process is observed by the Investigation Board. The Counsel is not allowed to directly answer/address the Investigation Board. Questions and clarifications of the Investigation Board shall be directed to the subject employee or respondent only.
4. The testimony of the parties shall be taken under oath and duly recorded, lest they be sanctioned for giving untruthful statements during an administrative hearing. The oath shall be administered by the Chairman or a lawyer-member of the Investigation Board. The parties may review the transcripts of their depositions to determine if everything is in accordance with their own testimony. The parties may give additional statements, also under oath. The parties shall be informed at least one (1) day in advance of the scheduled administrative hearing.
5. The conduct of the administrative hearing shall proceed in the following order:
 - a. The complainant shall be called to prove the charge/s against the subject employee or respondent. Should there be no individual complaint such as in Association-initiated investigations, the Investigation Board may call witness/es who may prove or substantiate the subject employee or respondent's commission of the alleged offense/s;
 - b. Witnesses and/or resource persons may be called after the testimony of the complainant to answer questions from the Investigation Board.
 - c. The subject employee or respondent shall be called to defend himself/herself of the charges against him/her;

- d. Witnesses and/or resource persons may be called after the testimony of the subject employee or respondent to answer questions from the Investigation Board; and
- e. The complainant, subject employee or respondent, witnesses and/or resource persons may be recalled to the hearing by the Investigation Board for further questioning as the Board may deem necessary.

E. Report of the Investigation Board

1. After the administrative hearing, the Investigation Board shall evaluate all pertinent data and testimonies of the parties to establish the facts and make its findings and conclusions of the case. The Investigation Board shall then determine whether or not the subject employee or respondent is liable of the charge/s against him/her and recommend the appropriate corrective action therefor. If the subject employee or respondent is not liable, the Investigation Board shall also recommend his/her absolution. Other related recommendations may be forwarded by the Investigation Board for approval of the President.
2. The President may, at his discretion, impose lower or higher corrective actions from the recommended corrective action. This, however, should not exceed the maximum corrective action for particular offense/s, depending on whether there exists mitigating or aggravating circumstances.
3. The majority decision of the members of the Investigation Board shall prevail. Secret voting is not allowed. Open votes of the members for or against the decision shall be duly recorded. Members of the Investigation Board should be able to explain their individual votes when called upon to do so. Division of the house in case of voting shall be open where each member shall state the reason/s for his/her vote. A member who participated in all stages of the investigation shall not refuse to cast his/her vote. Any member may submit his/her written dissenting, concurring or separate opinion which shall be considered part of the records of the case and included in the Report of the Investigation Board.
4. The investigation shall be concluded within a period of thirty (30) calendar days from the President's approval of the

convening of the Investigation Board. The Investigation Board may request for an extension of ten (10) calendar days before the expiration of the investigation period. Any extension shall be subject to the approval of the President, taking into consideration relevant factors such as the complexity of the nature of the offense and the voluminous records and testimonies to be obtained to complete the investigation.

5. The findings, conclusions and recommendations of the Investigation Board shall be stated in the Report which shall be submitted for approval of the President within ten (10) calendar days after the conclusion of the investigation.

F. Management Decision

1. The President shall decide on the case within fifteen (15) calendar days from the submission of the Report by the Investigation Board. The President, however, shall have the prerogative to refer the Report back to the Investigation Board or constitute a Review Committee, or refer it to the Legal Consultant, to further review and/or reinvestigate the case.
2. As approving authority, the President may amend the recommendations but not the findings of the Investigation Board.
3. An erring employee may file a Motion for Reconsideration for the Notice of Suspension or Dismissal within five (5) calendar days from receipt of the said notice. The President shall resolve the Motion for Reconsideration within three (3) calendar days. Only one (1) Motion for Reconsideration is allowed.
4. In case of serious offenses, the corrective action of suspension shall take effect only after the lapse of five (5) calendar days, the period for the filing of Motion for Reconsideration or upon receipt of the Resolution of the Motion for Reconsideration, as the case may be. With respect to corrective action of dismissal, its effectivity shall be upon receipt of the Notice of Dismissal.
5. The Resolution of the President on the Motion for Reconsideration is deemed final and immediately executory. No appeal shall be allowed

NOTES

1 – Protection of Women

RA 7192 “The Women in Development and Nation Building Act (1992)”. The main purpose of this Act is to provide guidance and measures that will substantially enhance the participation of women in the development process in ways equal to that of men.

RA 7877 Section 3 “Anti-sexual Harassment Act of 1995”. Sexual harassment in workplace is committed by an employer, employee, manager, supervisor, agent of the employer, or any other person who, having authority, influence or moral ascendancy over another in a work environment, demands, requests or otherwise requires any sexual favor from the other, regardless of whether the demand, requests or requirement for submission is accepted by the other party.

RA 9262 “Anti-Violence Against Women and their Children (VAWC) Act of 2004”. It declares that the State values the dignity of women and children and guarantees full respect for human rights. The State also recognizes the need to protect the family and its members particularly women and children, from violence and threats to their personal safety and security.

RA9710 “Magna Carta of Women of 2009”. The comprehensive women’s human rights law seeks to eliminate discrimination against women by recognizing, protecting, fulfilling and promoting the rights of Filipino women.

2 – Equal Opportunity for Disabled Persons

RA 7277 Sec 5 “Magna Carta for Disabled Persons” No person with disability shall be denied access to opportunities for suitable employment. A qualified employee with disability shall be subject to the same terms and conditions of employment and the same compensation, privileges, benefits, fringe benefits, incentives or allowances as a qualified able bodied person.

3 – Bribery

Any private sector person involved in public sector bribery is punished in the same way as public officers and employees either as co-conspirators or for the separate felony of Corruption of Public Officials (RPC, section 212; Anti-Corrupt Practices Act, sections 3 and 9).

4 – Corruption

In the Philippines, the primary anti-corruption statutes that prescribe corruption as a substantive offense are:

- Act No. 3815 or the Revised Penal Code; and
- Republic Act No. 3019, as amended, or the Anti-Graft and Corrupt Practices Act

5 – Usurpation of Authority or Official Functions

Art 177 of RA 3815 or the Revised Penal Code, Usurpation of authority or official functions. Any person who shall knowingly and falsely represent himself/herself to be an officer, agent or representative of any department or agency of the Philippine Government or of any foreign government, or who, under pretense of official position, shall perform any act pertaining to any person in authority or public officer of the Philippine Government or any foreign government, or any agency thereof, without being lawfully entitled to do so, shall suffer the penalty of prision correccional in its minimum and medium periods.

CERTIFICATION

This is to certify that I have read, understood and will continue to abide by the provisions of the AFPMBAI Employees Code of Conduct.

Likewise, I acknowledge that any information herein will be reported to the Insurance Commission as required by IC Circulars. t

Quezon City, _____

(Name & Signature)

(Position)

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Approved on
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