

TOYOTA MOTOR PHILIPPINES CORPORATION

June 25, 2010

TO : **URGEL, WENECITO**

FROM : HUMAN RESOURCES DEPARTMENT/ PRODUCTION DEPARTMENT

SUBJECT : SHOW-CAUSE NOTICE WITH NOTICE OF PREVENTIVE SUSPENSION

We refer to the incident which occurred last June 5, 2010, on or about 9:12pm, at the TMP Final Assembly Line.

Based on the preliminary investigation jointly conducted by the Human Resources and Production Departments regarding the above-mentioned incident, it appears that you, together with TM Ronald Belen, TM Ricky Bindol, TM Gilbert Cruzado, TM Ariel Lalap, TM Reynan Magdaong, TM Dante Pantino, TM Alberto Tanael Jr., and TM Roderick Vidal, were involved in an incident at the Final Assembly Line which disrupted the production operations. You allegedly incited TM Pablo Sario to abandon his work station at Kaizen Office and to work in the line instead, in defiance of his superior's instruction despite repeated directives from the Final Assembly Line supervisors and your line supervisors, you reportedly refused to desist from your acts and to resume your duties at your respective work stations.

The disruption led to a critical line stop at the Final Assembly Line occurred from 9:16pm - 9:34pm (18 mins.). Similar disruptions likewise ensued in other areas of production as a direct result of your reported acts. Consequently, the Company's production line failed to meet the targeted output for that particular shift by two vehicle units.

Your acts, if proven, constitute serious misconduct or willful disobedience of a lawful order under Article 282 (a) of the Labor Code, as amended. The same likewise constitutes a violation of the following provision in the TMP Code of Conduct, to wit:

C. Against TMP Interest and Policy

5. Insubordination or disobedience or neglect to follow company policies/orders or to perform assigned work: 1st Offense – Written Warning

D. Against Security and Public

6. Inciting or participating in riots, disorders, illegal strikes or concerted actions detrimental to TMP's interest: 1st Offense – Dismissal

Considering the foregoing, you are hereby required to explain in writing, using the attached Due Process Form, within five (5) days from receipt of this notice why no disciplinary action should be taken against you, including dismissal from employment, for committing the aforementioned acts.

Further, considering the nature and gravity of the charges against you and the reported line stops or production stoppages that severely affected company operations, and after carefully reviewing all the incident reports, production records and pictures presented before the Human Resources and Production Departments, you are hereby placed under preventive

