

**GUIDELINES ON AUCTION TRANSACTIONS AND DISCIPLINARY ACTION ON POLICY VIOLATIONS**

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Date Approved	APRIL 2022

<b>TO:</b>	<b>AUCTION KIOSKS 1 &amp; 2, BHF MAYOMBO KIOSK AND AUCTION BRANCHES</b> CBE ESTRADA PAWNSHOP, INC.	<b>DATE:</b>	<b>APRIL 19, 2022</b>
<b>FROM:</b>	<b>OFFICE OF THE CHIEF OPERATIONS OFFICER</b> CBE ESTRADA PAWNSHOP, INC.	<b>REF#:</b>	<b>COO-042022-04</b>
<b>SUBJECT:</b>	<b>GUIDELINES ON AUCTION TRANSACTIONS AND DISCIPLINARY ACTION ON POLICY VIOLATIONS</b>	<b>CC:</b>	<b>COO, OPS, FINANCE, HRD, FILE</b>

**I. OBJECTIVE**

- This policy aims to prevent findings and to have an accurate reports from Auction Kiosk 1 & 2, BHF Mayombo Kiosk and Auction Branches.


**II. GUIDELINES AND PROCEDURES**


**A. Processing of Cash Sales**

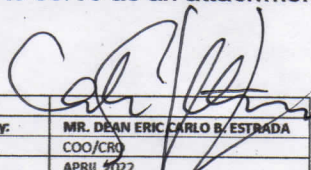
1. The kiosk/branch personnel shall inform the customer about the defect(s) of the item, if there is any, before processing the transaction.
2. Confirmation of the item's weight shall be attested by the customer and Auction Sales Assistant (ASA), Branch Head (BH), Vault Custodian (VC) or Cashier. In the absence of the personnel stated, the Security Guard in-charge shall do the attestation. The customer and personnel shall affix their signature over printed name in the designated portion in the Item Order Slip (IOS).
3. The kiosk/branch personnel shall print the IOS. Should there be any printer error, he shall inform the Information Technology Support Services (ITSS) Department thru Service Request Form (SRF) and thru Slack or call for immediate assistance.
4. Should there be instances where handwritten IOS is inevitable, the branch/kiosk personnel shall ask the approval of Central Support Service Officer (CSSO) and file SRF for documentation.
5. The customer shall affix his signature in the IOS to serve as an acknowledgement that the condition of the item was discussed to him.

**B. Processing of Layaway items**

1. The kiosk/branch personnel shall inform the customer about the defect(s) of the item, if there is any, before processing the transaction.
2. The customer shall be asked to fill out the Information Slip to serve as an attachment of the item for layaway.

Signature	
Prepared by:	BABY SALOME N. BISCO
Position	AO/MI
Date	APRIL 2022

Signature	
Approved by:	MR. EDWARD B. ESTRADA
Position	COO
Date	APRIL 2022

Signature	
Approved by:	MR. DEAN ERIC CARLO B. ESTRADA
Position	COO/CRO
Date	APRIL 2022



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
3. The customer shall also fill out all the necessary information required in the Layaway Agreement Form and the Layaway Ledger. The ASA must explain the Terms and Condition on the Layaway Agreement. Both the customer and ASA are required to sign in the form to certify the agreement has been established.
4. Confirmation of the item's weight shall be attested by the customer and Auction ASA, BH, VC or Cashier. In the absence of the personnel stated, the Security Guard in-charge shall do the attestation. The customer and personnel shall affix their signature over printed name in the designated portion in the Layaway Agreement Form.
5. Layaway Ledger should be properly aligned with the duplicate copy to avoid misalignment of the details. The ASA shall fill out all the required information in the Layaway Ledger. The number in the Layaway Agreement Form will be manually written on the Ledger for the sequence of the filling.


**Note: Should there be error in the forms, the ASA shall ask the customer to countersign as acknowledgment that the erasure was done in his presence.**

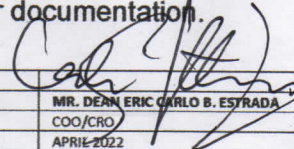
6. On the last installment payment of the layaway item, the kiosk/branch personnel shall print the IOS. Should there be instances where handwritten IOS is inevitable, the branch/kiosk personnel shall ask the approval of CSSO and file SRF for documentation.
7. The customer shall affix his signature in the IOS to serve as acknowledgement that he received the item in good condition.

**C. Processing of Reservation Transactions**

1. The kiosk/branch personnel shall inform the customer about the defect(s) of the item, if there is any, before processing the transaction.
2. The customer shall be asked to fill out the Reservation Slip to serve as an attachment of the item for reservation.
3. Confirmation of the item's weight shall be attested by the customer and ASA, BH, VC or Cashier. In the absence of the personnel stated, the Security Guard in-charge shall do the attestation. The customer and personnel shall affix their signature over printed name in the designated portion in the Reservation Form.
4. On the payment of the reserved item, the kiosk/branch personnel shall print the IOS. Should there be instances where handwritten IOS is inevitable, the branch/kiosk personnel shall ask the approval of CSSO and file SRF for documentation.

Signature	
Prepared by:	BABY SALOME N. BISCO
Position	AOM
Date	APRIL 2022

Signature	
Approved by:	MR. EDWARD F. ESTRADA
Position	COO
Date	APRIL 2022

Signature	
Approved by:	MR. DEAN ERIC CARLO B. ESTRADA
Position	COO/CRO
Date	APRIL 2022



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5. The customer shall affix his signature in the IOS to serve as an acknowledgement that he received the item in good condition.

**D. Disciplinary Actions on Policy Violations**

Any of the following committed violations will be counted as one (1) frequency and have a corresponding corrective action. The CSSA shall prepare a monthly summary report of the findings noted, reviewed by the Central Support Services Office (CSSO), noted by the Assistant Manager for Central Support Services and shall be forwarded to the Human Resource (HR) Department every 15<sup>th</sup> of the following month.

**1. Findings on Auction Forms**

- Alterations without countersign;
- Incomplete signatories on forms and attachments
- Did not confirm the weight of the item before giving it to the customer;
- No attestation from ASA/BH/VC/Cashier (Security Guard in the absence of the latter) and customer;
- Overlapping of information;
- Incomplete information in the Layaway Agreement Form; and
- Incomplete information in the Layaway Ledger.

Note: Multiple findings per transaction will be counted as one.

Frequency	Corrective Action
3 – 4 counts	Written Warning
5 – 6 counts	Stern Warning with 1 – 6 days suspension
7 counts and above	Final Warning with 7 – 30 days suspension


**2. Findings on Auction Reports and Attachments**

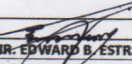
- Incorrect input of amount on Daily Auction Sales Reports; and
- Handwritten of Item Order Slip without prior approval.

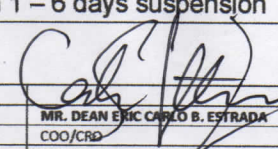
Count	Corrective Action
3 – 4 counts	Written Warning
5 – 6 counts	Stern Warning with 1 – 6 days suspension
7 counts and above	Final Warning with 7 – 30 days suspension

**3. Late submission of Auction Reports**

Branch Category	Count	Corrective Action
Auction Branches and BHF Mayombo	1 week late	Written Warning
	8-days and above	Stern Warning with 1 – 6 days suspension
Auction Kiosk 1 & 2	1 day late	Written Warning
	2 – 3 days late	Stern Warning with 1 – 6 days suspension

Signature	
Prepared by:	BABY SALOME N. BISCO
Position	AOM
Date	APRIL 2022

Signature	
Approved by:	MR. EDWARD B. ESTRADA
Position	COO
Date	APRIL 2022

Signature	
Approved by:	MR. DEAN ERIC CARLO B. ESTRADA
Position	COO/CRD
Date	APRIL 2022



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Note: Should there be multiple late reports, the basis of the count shall be the earliest report date.

4. Other violations on the Company's Auction Standard Operating Procedures, including, but not limited, to the following:
  - No logs on the opening and closing of the vault;
  - No inventory count on the scheduled date; and
  - Late/Non-display of cancelled layaway and reserve items.

Count	Corrective Action
3 – 4 counts	Written Warning
5 – 6 counts	Stern Warning with 1 – 6 days suspension
7 counts and above	Final Warning with 7 – 30 days suspension

Cleansing period shall be monthly.

Should there be non-reported findings noted during investigations, it shall be included as a count of the reviewers and shall be endorsed to the HR Department for proper handling.

**III. EFFECTIVITY**


This memorandum will take effect May 1, 2022.


**IV. MODIFICATION**

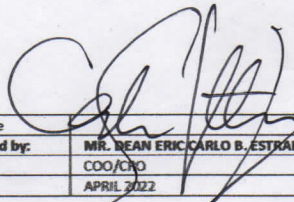
The Company reserves the right to suspend, cancel or amend this program at any time as appropriate and necessary. Separate notice will be provided should there any be amendments to the procedures stated herein.

Please be guided accordingly.

Thank you.

Signature	
Prepared by:	BABY SALOME N. BISCO
Position	ACM
Date	APRIL 2022

Signature	
Approved by:	MR. EDWARD B. ESTRADA
Position	COO
Date	APRIL 2022

Signature	
Approved by:	MR. DEAN ERIC CARLO B. ESTRADA
Position	COO/CEO
Date	APRIL 2022