

TO Mr. Tong Yong Tseng – President/CEO
 SUBJECT Product Merchandiser Incentive Scheme and Guideline
 REFERENCE AIS-AUD-24-02-014
 DATE January 31, 2024
 CC Mr. Christian Keith Sarmiento – National Sales Manager
 Ms. Mamerta Tagle – Human Resource Supervisor
 Ms. Rowena Pausal – Sales PM Management Asst. Supervisor
 Account Officer
 DCO

The Audit Department would like to update the current PM Incentive Scheme Adjustment Proposal (**AIS-AUD-22-03-010**).

Here is the existing incentive rate per unit.

PRODUCT CATEGORY	CURRENT
	60-99%
WAC Below 1HP	40
WAC Above 1HP	80
WAC INVERTER	100
SAC	300
PAC	330
AIR PURIFIER	60
DEHUMIDIFIER	
AIR CURTAIN	40
PERSONAL REF	
AIR COOLER	100
	100-129%
WAC Below 1HP	70
WAC Above 1HP	100
WAC INVERTER	160
SAC	500
PAC	420
AIR PURIFIER	90
DEHUMIDIFIER	
AIR CURTAIN	70
PERSONAL REF	
AIR COOLER	130
	130% ABOVE
WAC Below 1HP	100
WAC Above 1HP	120
WAC INVERTER	180
SAC	700
PAC	550
AIR PURIFIER	120
DEHUMIDIFIER	
AIR CURTAIN	100
PERSONAL REF	
AIR COOLER	150



Furthermore, Special SMI rate per unit specifically for Water Dispenser and Air Circulator units (**(SAL-SUP-22-A-300)** and **(SAL-SUP-23-02-014)** respectively.

MODEL NAME	CURRENT
	60-99%
KWD – BL59BSS	50
KWD – TL28SB	50
KCF – 10SRD	50
KCF – 10TRD	50
100% ABOVE	
KWD – BL59BSS	75
KWD – TL28SB	75
KCF – 10SRD	75
KCF – 10TRD	75

In addition, model KWD-BLC2088B will fall under the Special SMI scheme.

Procedure:

1. Product Merchandisers Incentive Scheme is on per unit basis.
2. Product Merchandisers must hit at least 60% sales efficiency (**NET SELL-OUT of Water Dispenser and Air Circulator units**) to qualify for the Special SMI scheme.
3. The total amount will depend on their audited sales efficiency. Refer to the table/s above.
4. Product Merchandisers who reached the sales efficiency of 200% and above will get an additional P1,000.00
5. This proposal will be effective starting **February 2024 Incentive Claim**

Guidelines:

1. Claims need to be supported with the following documents:
 - **Monthly Sales Report** duly approved by the **National Sales Manager**
 - **Accomplished Customer Information Sheet** and must be verified by the **Account Officer**
 - Copy of Sales Invoice or Delivery Receipt to validate such claim/s
2. The **sales target figures** reflected in the monthly sales report has to be reconciled with the PM sales target reports which is approved by the **National Sales Manager**



3. The Sales target for the month shall be given to audit department every 25th of the previous month (e.g. **February 2024 target** has to be given on the **25th of January 2024**), any revision made must be coordinated with the Product Merchandiser/s, Account Officer, National Sales Manager, and Audit Department.
4. Product Merchandisers targets shall be based on our **SRP rates**.
5. Product Merchandisers has to ensure that the data reflected in the Customer Information Sheet are **factual and accurate**. Serial numbers have to be completely indicated including those for split type units (both for indoor and outdoor).
6. Incentive Claims has to be submitted to the Audit department **every 15th of the month** after the sale transaction for metro manila PM. (e.g. **January 2024** sales reports has to be given until **15th of February 2024** only). For Provincial PM, Incentive claims must be submitted to the Audit department **every 20th of the month** after the sale transaction (e.g. **January 2024** sales reports has to be given until **20th of February 2024** only) late submission will result to forfeiture of claims.
7. Claims that are submitted will be processed within 30 days after receipt. Release of incentive claim will be subject to payroll cut off schedule.
8. ***Incentive claim for every sale transaction is only allowed once.***

Listed below are the instances that are subject to the forfeiture of claims.

See Annex 1 for details

A handwritten signature in blue ink, appearing to be a stylized 'J' or 'S'.

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Situation	<i>1st</i>	<i>2nd</i>	<i>3rd</i>	<i>Final</i>
	<i>Action</i>	<i>Action</i>	<i>Action</i>	<i>Action</i>
<i>Case #1 Recorded Twice on Customer Information Sheet</i>				
Recorded twice on CIS by the same PM within the same month. <i>-Subject for verification (Audit – PMMM – PM)</i>	<p>-Audit department to issue a Memo to the PM stating “FINAL WARNING”</p>	<p>-Audit department to issue an Incident Report (IR) to the PM with the assistance of HR</p>	<p>-Audit department to issue an Incident Report (IR) to the PM with the assistance of HR</p>	<p>-Audit department to issue an Incident Report (IR) to the PM with the assistance of HR</p>
	<p>-NTE -30 days suspension</p>	<p>-NTE -Covenant</p>	<p>-NTE -Dismissal</p>	
	<p><i>-IF INVALID</i>, no Incentive Claims on the said unit</p>	<p><i>-IF INVALID</i>, no Incentive Claims on the said unit</p> <p><i>-10% deduction on Total audited incentive</i></p>	<p><i>-IF INVALID</i>, no Incentive Claims on the said unit</p> <p><i>-15% deduction on Total audited incentive</i></p>	
	<p><i>-If VALID</i>, with claims on the said unit</p>	<p><i>-If VALID</i>, with claims on the said unit</p>	<p><i>If VALID</i>, with claims on the said unit</p> <p><i>-5% deduction on Total audited incentive</i></p>	



Situation	1st	2nd	3rd	Final
	Action	Action	Action	Action
Case #2 Already Claimed Serial Number (diff PM)				
Already Claimed Serial Number but Different PM regardless of month claimed. -Subject for verification (Audit – PMM – PM)	-Audit department to issue a Memo to the PM stating "FINAL WARNING"	-Audit department to issue an Incident Report (IR) to the PM with the assistance of HR -NTE -30 days suspension	-Audit department to issue an Incident Report (IR) to the PM with the assistance of HR -NTE -Covenant	-Audit department to issue an Incident Report (IR) to the PM with the assistance of HR -NTE -Dismissal
	-IF INVALID , no Incentive Claims on the said unit	-IF INVALID , no Incentive Claims on the said unit -10% deduction on Total audited incentive	-IF INVALID , no Incentive Claims on the said unit -15% deduction on Total audited incentive	If VALID , with claims on the said unit -5% deduction on Total audited incentive
	-If VALID , with claims on the said unit	-If VALID , with claims on the said unit	If VALID , with claims on the said unit	



<i>Situation</i>	<i>1st</i>	<i>2nd</i>	<i>3rd</i>	<i>Final</i>
	<i>Action</i>	<i>Action</i>	<i>Action</i>	<i>Action</i>
<i>Case #3 Already Claimed Serial Number (same PM)</i>				
Already Claimed Serial Number by the same PM regardless of month claimed -Subject for verification (Audit – PMMM – PM)	-Audit department to issue a Memo to the PM stating “FINAL WARNING”	-Audit department to issue an Incident Report (IR) to the PM with the assistance of HR -NTE -30 days suspension	-Audit department to issue an Incident Report (IR) to the PM with the assistance of HR -NTE -Covenant	-Audit department to issue an Incident Report (IR) to the PM with the assistance of HR -NTE -Dismissal
	<i>-IF INVALID</i> , no Incentive Claims on the said unit	<i>-IF INVALID</i> , no Incentive Claims on the said unit -10% deduction on Total audited incentive	<i>-IF INVALID</i> , no Incentive Claims on the said unit -15% deduction on Total audited incentive	
	<i>-If VALID</i> , with claims on the said unit	<i>-If VALID</i> , with claims on the said unit	<i>If VALID</i> , with claims on the said unit -5% deduction on Total audited incentive	



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Situation	1st	2nd	3rd	Final
	Action	Action	Action	Action
Case #4 Same Serial Number				
Claimed by Different PM within the same month and same Serial number both with attachments, the incentive will be credited to the PM assigned branch/outlet.	-Audit department to issue a Memo to the PM stating "FINAL WARNING"	-Audit department to issue an Incident Report (IR) to the PM with the assistance of HR -NTE -30 days suspension	-Audit department to issue an Incident Report (IR) to the PM with the assistance of HR -NTE -Covenant	-Audit department to issue an Incident Report (IR) to the PM with the assistance of HR -NTE
-Subject for verification (Audit – PMMM – PM)	-IF INVALID , no Incentive Claims on the said unit	-IF INVALID , no Incentive Claims on the said unit -5% deduction on Total audited incentive	-IF INVALID , no Incentive Claims on the said unit -10% deduction on Total audited incentive	Dismissal
	-If valid , with claims on the said unit	-If valid , with claims on the said unit -5% deduction on Total audited incentive	If valid , with claims on the said unit -5% deduction on Total audited incentive	



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Situation	1st	2nd	3rd	Final
	Action	Action	Action	Action
Case #5 Details on Customer Information Sheet				
PM submits CIS report with an invalid or incomplete Serial number -Subject for verification (Audit – PMMM – PM)	-Audit department to issue a Memo to the PM stating “FINAL WARNING”	-Audit department to issue an Incident Report to the PM with the assistance of HR	-Audit department to issue an Incident Report to the PM with the assistance of HR	-Audit department to issue an Incident Report to the PM with the assistance of HR
		-NTE -30 days suspension	-NTE -Covenant	-NTE -Dismissal
	- IF INVALID , no Incentive Claims on the said unit	- IF INVALID , no Incentive Claims on the said unit -10% deduction on Total audited incentive	- IF INVALID , no Incentive Claims on the said unit -15% deduction on Total audited incentive	
	- If VALID , with claims on the said unit	- If VALID , with claims on the said unit -5% deduction on Total audited incentive	If VALID , with claims on the said unit -5% deduction on Total audited incentive	



Non compliance on the abovementioned requirements will result to invalidated incentive claim.

These may still be subject to changes under certain circumstances.

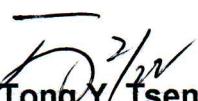
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