

STANDARD OPERATING PROCEDURE	CODE: IV - 010		PAGE: 1 of 2
	EFFECTIVE:		UPDATE NO.: 0
	INITIATED BY: PRIMA CONSULTANT CO., LTD.		DEPT./SECTION:
	REVIEWED BY:		
	APPROVED BY:		
	SUBJECT:		SAMPLE GIFT ITEMS POLICY

OBJECTIVE:

To establish proper procedures to handle promotional goods (samples) provided by vendors for sales promotion or introduction of new product, and gifts received

POLICY:

1. Samples that are provided by vendors for sales promotion or introduction of new products should be delivered to the purchasing department, and should not be directly delivered to storeroom staff, the Executive Chef or other departments.
2. Samples provided should be tested by appropriate departments to determine whether to use them in hotel operations.
3. Purchasing staff are not to accept any gifts from suppliers; accepting sample goods for personal use is strictly prohibited.

PROCEDURE:

1. The volume of samples that are provided by vendors for sales promotion or introduction of new products is normally very large. All these samples should be delivered to the purchasing department, and should not be directly delivered to storeroom staff, the Executive Chef or other departments.
2. The Purchasing Manager should determine whether these samples fit in to the hotel's operations. When such samples have little or no relation to the hotel's operations, or when the quality does not meet the hotel's standards, samples should not be accepted
3. A record should be prepared for received samples and the purchasing department should contact departments that may use the goods to request testing. Tests should be conducted by the concerned departments, the

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Purchasing Manager and the hotel management to decide whether the goods can be accepted.

4. Information such as supporting documents provided by the manufacturers, market reputation, use by other hotels, etc... should also be reviewed when use of new products is proposed. Special attention should be paid to cases where the initial price is estimated at an unreasonably low level to receive orders or the quality of the samples is better than what will actually be delivered in the future. When the hotel decides to use a new product, it should be ascertained whether the goods can be provided on a stable basis, the quality of the goods meets the hotel's standards, and the prices will not change for certain period of time.
5. Gifts received by the Purchaser that are the same or similar to saleable stock should be placed in stores and accounted for. Gifts that will not be saleable should be delivered to an approved person, such as the General Manager's secretary, for donation to charity or used for hotel celebrations, etc...

Chief Accountant

Date

Financial Controller

Date

Director of Finance

Date