

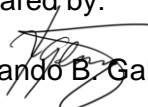
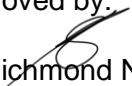
MITSUKOSHI MOTORS PHILIPPINES, INC.		
POLICY AND PROCEDURE		
POLICY TITLE:	CREDIT INVESTIGATION REPORT	Ref. No.
DEPARTMENT :	OPERATIONS SUPPORT DEPARTMENT	OPS 15-11-032
TO :	BRANCH MANAGER, CREDIT SUPERVISOR, ACCOUNT COUNSELOR, MARKETING ASSISTANT	November 04, 2015

OBJECTIVE

1. To guide the Account Counselor or any field personnel in sorting out gathered data and information of the prospective customer in the Credit Investigation Report (CIR).
2. To ensure that all pertinent data and information needed in the Credit Investigation Report (CIR) are duly filled out and information therein is correct and duly validated.

POLICY

1. It is the responsibility of the Account Counselor or any field personnel who had conducted the credit investigation proceeding to accomplish and submit Credit Investigation Report (CIR).
 - 1.1. The Credit Investigation Report must be;
 - 1.1.1. Complete and properly filled out required information.
 - 1.1.2. Clear and legible entries.
 - 1.1.3. All necessary details as required in the CIR are properly and completely indicated. In a certain cases wherein a space provided is not applicable, write "N/A" to clearly satisfy the issue.
2. It is the responsibility of the Branch Manager to establish the authenticity and veracity of the CIR ensuring that the decision to be rendered will be based on a sound basis.
3. Failure to comply with the established credit standards that has affected the company's interest is tantamount to GROSS negligence both in the part of BM and concerned field personnel and will be subjected to disciplinary action under Company's Code of Discipline.
4. The credit investigation process must be done in an objective manner and all data gathers should be accurate, factual, complete and properly supported in establishing the credit worthiness of an applicant.
5. The scope of this policy is applicant or prospective customer buying motorcycle unit on installment whether brand new or repossessed; and application for assumption of account.
6. It is the responsibility of the field personnel who conducted the credit investigation process to draw the correct sketch of the address of the applicant.
7. It is the responsibility of the Marketing Assistant to follow-up pending applications with assigned field personnel and records in the control register for reason/s for delays.

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PROCEDURES

1. Account Counselor

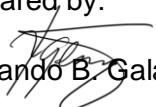

- 1.1. Gather data and information about the applicant or prospective customer following the Stages of Credit Investigation Process.
- 1.2. Compute for the customer's Net Disposable Income (NDI) determining whether the income of the applicant or prospective customer is enough to pay for the monthly amortization of the financing contract.
- 1.3. Draw sketch of the applicant's address in the space provided in the lower back portion of the CIR.
- 1.4. Sort gathered data and information in the Credit Investigation Report.
 - 1.4.1. Whether approved or disapproved, the field personnel must prepare and submit duly accomplished CIR.
- 1.5. Affix signature in the "Recommendation" portion and check box of appropriate decision. The recommended decision shall be based on the company's credit standards.
- 1.6. Forwarded duly accomplished CIR with corresponding supporting documents to BM for review.

2. Branch Manager

- 2.1. Receive CIR and supporting documents from field personnel.
- 2.2. Check the completeness of the submitted CIR and ensure that all needed and required information have been filled out.
- 2.3. Check veracity and authenticity of data and information establishing whether the application of the prospective customer will be accommodated or not.
- 2.4. Render final decision on the application of the prospective customer based on the submitted and reviewed CIR.
 - 2.4.1. If the recommendation of the field personnel in the CIR is for disapproval; and the BM wants to reconsider and approve the application, the recommended decision should not be erased. Indicate the final decision of the BM in the appropriate portion in the lower back portion of the CIR.
 - 2.4.1. In reconsidering disapproved application made by the field personnel, the BM must ensure that it should be properly substantiated.
- 2.5. Forward CIR with decision to Marketing Assistant for communication of the decision to the prospective customer.

3. Marketing Assistant

- 3.1. Receive CIR and supporting documents from BM and record decision in the Inquiry and CAF Control Register.
 - 3.1.1. Record date of decision in the appropriate column provided in the Inquiry and CAF Control Register.
- 3.2. Whether approved or disapproved, inform applicant regarding branch decision on their application.
 - 3.2.1. If approved, request the applicant to visit the branch to pay the necessary down payment or initial cash outlay for assumed account.

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3.2.1.1. File CAF and supporting documents in a temporary file.

3.2.2. If disapproved, file CAF and supporting documents in a permanent file.

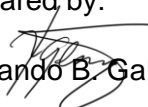
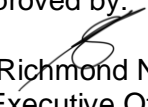
4. Form Explanation- Credit Investigation Report

Legend:

CA : Confirmation with Applicant.
 CN : Confirmation with Neighbors.
 CE : Confirmation with Employer.
 CM : Check mathematical Accuracy.
 VD : Verification of Documents.
 AV : Actual Verification.
 OI : Ocular Inspection

The procedure columns are the required credit investigation procedures to be done by the field personnel in order to obtain the necessary data and information to qualify the applicant;

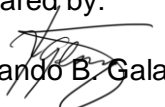

			PROCEDURES						
Particular		Explanation	CA	CN	CE	CM	VD	AV	OI
A. MOTORCYCLE/SCOOTER INFORMATION							x		
Please Check One	1.	Check appropriate box to whom the CIR the is being prepared; Principal Borrower or Co-Maker.							
Model of Motorcycle Unit	2.	Motorcycle brand and model of the unit to be financed.	x				x		
Dealer	3.	Name of dealer concerned.					x		
LCP	4.	This represents the List Cash Price or selling price of the unit.	x			x	x		
Amount Financed	5.	Amount of loan by the applicant which can be determined by deducting the net Down Payment from the LCP.	x			x	x		
Down Payment	6.	Initial amount to be paid by the applicant, which includes registration fees and other expenses.	x			x	x		
Terms	7.	Length of term of contract being applied for by the applicant.	x				x		
Monthly Amortization	8.	Monthly installment of the unit.	x			x	x		
Purpose	9.	The intention of usage the applicant for the unit e.g. for private, public, business or purpose which must be specified..	x						
User	10.	Name of person who will use the unit other than the applicant.	x						
Place of use	11.	Specific location where the unit will be used if other than applicant's place or address.	x						
PART 1 APPLICANT'S INFORMATION									
Name	1.	Complete name of applicant, Last Name, First Name and Middle Name.	x	x	x		x		
Nickname	2.	Nickname or Alias the applicant is	x	x	x		x		

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		known.							
Present Address	3.	Complete present address of the applicant.	x	x	x		x	x	
Length of Stay	4.	Length of stay in the current address.	x	x	x			x	
Tel. No	5.	Residence telephone number of the applicant, if any.	x				x	x	
Cell phone No.	6.	Applicant's cell phone number.	x				x	x	
Owned	7.	Check appropriate space if the house is owned by the applicant.	x	x			x	x	
Rented	8.	Check appropriate space if the applicant is only renting.	x	x			x	x	
Amount of Rent	9.	Amount of the monthly rental of the applicant.	x				x		
Provincial address	10.	Complete provincial address of the applicant.	x				x		
Length of Stay	11.	Length of stay in the provincial address.	x						
Owned	12.	Check appropriate space if the given address in the province is owned by the applicant.	x				x		
Rented	13.	Check appropriate space if the given address in the province is being rented by the applicant.	x				x		
Amount of Rent	14.	Amount of the monthly rental of the applicant.	x				x		
Gender	15.	Sexual status of the applicant, male or female.					x		x
Civil Status	16.	Check appropriate civil status of the applicant.	x	x	x		x		
		Single							
		Married							
		Widow/Widower							
		Married but separated							
Age	17.	Age of the applicant.	x				x		
Birth Date	18.	Date of birth of applicant; month, day and year.	x				x		
Place of Birth	19.	Place of birth of the applicant.	x				x		
Nationality	20.	Indicate citizenship of the applicant.	x				x		

Part II-A APPLICANT'S FAMILY BACKGROUND

			PROCEDURES						
Particular		Explanation	CA	CN	CE	CM	VD	AV	OI
Relationship		Relation of the applicant to the family members.	x						
Spouse	1.	Complete name of spouse, Last Name, First Name and MI.	x	x			x		
Father	2.	Complete name of applicant's father.	x	x			x		
Mother	3.	Complete name of spouse's mother.	x	x			x		

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Siblings	4.	Complete names of brothers and sisters.	x	x			x		
Age	5.	Age of the members of the family members the applicant.	x				x		
Address	6.	Complete address of the family members of the applicant.	x				x		
Occupation	7.	Occupation of the family members of the applicant, if any.	x	x	x		x	x	
Contact No.	8.	Telephone or cell phone number of the family members of the applicant in his given address.	x	x			x		

II-B DEPENDENT'S INFORMATION

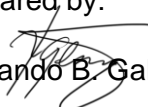
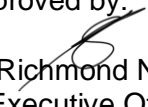
			PROCEDURES						
Particular		Explanation	CA	CN	CE	CM	VD	AV	OI
Name of Children	9.	Complete name of the three (3) youngest children going to school	x				x		
Age	10.	Age of the children of the applicant.	x				x		
Complete Name of School	11.	Complete name of the schools where the children of the applicant are enrolled.	x				x		
School Address	12.	Complete addresses of the school where the children of the applicant are enrolled.	x				x		
Course/Education Level	13.	Courses or level of the children of the applicant.	x				x		

PART III. PERSONAL AND CREDIT REFERENCES

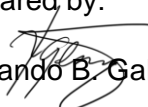
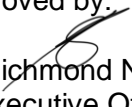
Relationship									
Parents-In-Law	1.	Complete name of applicant's father-in-law or mother-in-law.	x				x		
Relative	2.	Complete name of the relative used as reference.	x				x		
Friend	3.	Complete name of the friends used as reference.	x				x		
Nickname	4.	Nickname of the persons used as reference.	x				x		
Address	5.	Complete addresses of the persons used as reference.	x				x		
Telephone/Mobile Phone No.	6.	Contact number of the persons used as reference.	x				x		

PART IV. CREDIT CRITERIA

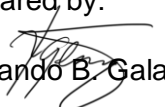
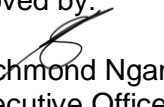
I. Character	1.	Check appropriate box; ok or not ok.		x	x				
A. Personal Character/Reputation	2.	Check appropriate reputation based on neighborhood checking; ok or not ok.		x					
Remarks	3.	Information given by the neighbors on the character of the applicant		x					
B. Paying Character	4.	Paying habit of the applicant base on the information given by neighbors,		x	x				

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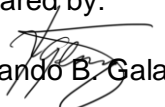
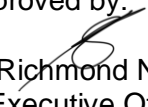
		store, creditor, landlord, others. Check appropriate box; ok or not ok.							
Remarks	5.	Information given by the neighbors, store, creditor, landlord, others; on the paying habits of the applicant		x	x				
C. As per CI Observation	6.	Check appropriate box whether the applicant's character is ok or not ok.							x
Remarks	7.	Pertinent observation of the field personnel conducting credit investigation.							x
II. Capacity	1.	Check appropriate box; ok or not ok.				x	x		
A. Employed			x				x		
Current Employer Name	2.	Complete name of the current employer of the applicant.	x	x	x		x		
Job Title	3.	Position of the applicant in his/her current job.	x	x	x		x		
Monthly Income	4.	Monthly Income of the applicant.	x		x		x		
Length of Service	5.	Length of service of the applicant on his/her current employer.	x		x		x		
Address	6.	Address of the current employer of the applicant.	x		x		x		
Employment Status	7.	Check appropriate box of the current employment status of the applicant.	x		x		x		
Tel. No.	8.	Telephone number of the current employer of the applicant.	x		x		x		
Name of immediate Supervisor	9.	Complete of the immediate supervisor of the applicant in his/her current work.	x		x		x		
Phone Confirmation	10.	Employment confirmation through phone call on current job.			x				
Employment Status	11.	Employment status of the applicant obtained thru phone call to the current employer.			x				
Monthly Income	12.	Monthly income of the applicant in his/her current job confirmed thru phone call			x				
Length of service	13.	Length of service of the applicant on his/her current employer confirmed thru phone call.			x				
Informant	14.	Complete name of the person the personnel had talked to in the phone.			x				
Confirmed by/Date	15.	Printed name and signature of informant.			x				
Previous Employer Name		Complete name of the previous employer of the applicant.	x		x		x		
Job Title	16.	Position of the applicant in his/her previous job.	x		x		x		
Contact No.	17.	Landline or cell phone number of the previous employer of the applicant.	x				x		

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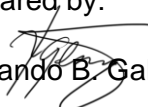
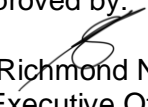
Address	18.	Address of the previous employer of the applicant.	x				x		
Reason for Leaving	19.	Reason of the applicant for leaving his/her previous job.	x		x		x		
B. Self-Employed	20.	To be filled out in case the applicant is self-employed or engaged in business.	x	x			x		x
Business Name	21.	Complete business name of the applicant.	x	x			x		x
Nature of Business	22.	Nature of business the applicant is engaged into.	x	x			x		x
Length of Existence	23.	The length in months and years the applicant's business exist.	X				x		
Present Business Address	24.	Address of the current business of the applicant. In case of ambulant vendor; indicate "Ambulant".	x				x		
Length of Stay at Present Business Address	25.	The length in months and years the applicant's is in his/her current business address.	x				x		
Gross Monthly Income	26.	Current gross monthly income of the applicant on his/her business.	x			x	x		
Verified Existence/ Operating	27.	Check appropriated box if existing; yes or no. Also check appropriate box if the business is profitable or not profitable.				x	x		x
Remarks	28.	Any pertinent information to establish the capacity of the applicant.				x	x		x
C. Other Sources of Income	29.	Other source (s) of income of the applicant	x				x		x
Type of Income	30.	Nature or type of income of the applicant, e.g. shoe repair, remittance, provided by relatives.	x				x		x
Monthly Income	31.	Monthly income of the applicant in his/her other income.	x				x		x
Length of Service	32.	The length in months and years the applicant's is engaged or getting his/her other income.	X				x		
D. Spouse's Employment Information	33.	Employment information of the spouse of the applicant.	x	x	x		x		
Employer Name	34.	Complete name of the employer of the spouse of the applicant.	x	x	x		x		
Address	35.	Address of the employer of the spouse of applicant.	x	x	x		x		
Contact No.	36.	Landline or cell phone number of the employer of the spouse of the applicant.	x				x		
Self-Employed	37.	To be filled out in case the spouse of the applicant is self-employed or engaged in business.	x	x			x		x
Business Name	38.	Complete business name of the	x	x			x		x

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		spouse of the applicant.							
Address	39.	Complete business address of the spouse of applicant.	x	x			x		
Nature of Business	40.	Nature of business the spouse's of the applicant is engaged into.	x	x			x		x
			PROCEDURES						
Particular		Explanation	CA	CN	CE	CM	VD	AV	OI
E. Monthly Income Computation	1.	Computed monthly income of the applicant and his/her spouse				x			
Source of Fund	2.	Check appropriate source of fund of the applicant; Employment, Business and other source which must be specified.	x			x		x	
Disposable Income	3.	The Disposable Income is the available monthly fund or income of the applicant for his/her monthly expenses.				x			
Net Income of Applicant	4.	Net take home pay of the applicant.				x	x		
Add: Net Income of Spouse	5.	Net take home pay of the spouse of the applicant.				x	x		
Total Net Income	6.	The summation of the net income of the applicant and his/her spouse.				x			
Less: Monthly Expenses	7.	Consolidated total expenses of the applicant and spouse.				x			
Food	8.	Estimated monthly expenses for sustenance or for food.				x			
Grocery	9.	Estimated monthly grocery expenses.				x			
Rental	10.	Monthly rental, if renting.					x		
Electric & Water	9.	Monthly electric and water bill.					x		
Cable & Telephone	10.	Monthly cable, landline and cell phone bill or expenses.					x		
Education	11.	Estimated monthly educational expenses for children and other dependent.				x	x		
Transportation	12.	Estimated monthly transportation expenses.					x		
Monthly Installment	13.	All types of amortization being paid by the applicant monthly, quarterly, semi-annually or annually to private and government institution.				x	x		
Others	14.	Other monthly expenses not included in the above.				x	x		
GROSS DISPOSABLE INCOME	15.	Determine by deducting all the monthly expenses from the customer's total monthly				x			

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		income or net take home pay.								
Less: Allowance (10% of GDI)	16.	Allowance for periodical expenses, such as, expenses for recreations, house maintenance and medicines which is pegged at 10%.				x				
NET DISPOSABLE INCOME	17.	Determine by deducting the allowance of 10% to GDI.				x				
Less: Monthly Installment	18.	Monthly Installment of the MC unit being applied by the applicant.				x				
Excess/(Deficiency)	19.	The excess of Net Disposable Income over the monthly amortization should not be less than P 500.00 in order for a loan to be approved.				x				
PROCEDURES										
Particular		Explanation	CA	CN	CE	CM	VD	AV	OI	
III. Collateral (Other Real Properties)	1.	Check appropriate space if the applicant has real properties; ok or not ok.					x			x
Description of Residence	2.	Check appropriate type or description of house or residence of applicant.						x		x
Made of	3.	Check appropriate space to describe what material the house is made of and its description.								x
Remarks	4.	Additional pertinent information that will be useful in establishing credit worthiness of the applicant.					x	x		x
Accessibility of Residence	5.	Check appropriate space mode of transportation to reach the residence of the applicant;						x		x
Real Properties Owned	6.	Location of the property/ies owned by the applicant.	x				x			
Remarks	7.	Description of real properties and other pertinent information that will be useful in establishing the credit worthiness of the applicant; e.g. commercial, agriculture or residential lot.					x			x
Personal Properties Owned	8.	Check appropriate space type of personal properties owned by the applicant.	x				x			x
Remarks	9.	Description of personal properties and other pertinent information that will be useful in establishing the credit worthiness of the applicant.	x				x			x
IV. Condition	1.	Check appropriate box if the condition of the residence of the applicant is ok								x

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		or not ok.							
A. Residence	2.	Condition of the place of abode of the applicant.							x
Rented	3.	Check box if house being rented by applicant.		x				x	
Owned	4.	Check specific box if the house and lot is owned or the house is only owned by the applicant.	x					x	
Amortized	5.	Check specific box if the house or house and lot being amortized.	x					x	
Monthly Amortization	6.	Monthly amortization due to the applicant.	x					x	
Financial/Banking Institution	7.	Name of the bank or financing institution the applicant has loan.	x					x	
Term Balance	8.	The remaining unpaid balance of the applicant.	x					x	
Used Free	9.	If the house was being provided, indicate the reason for its free used.	x	x					
Owned by	10.	Complete name of the owner of the house.	x					x	
Relationship	11.	Relationship of the applicant to the owner of the house.	x	x				X	
B. Area		Check appropriate condition of the area where the applicant lives; such as but not limited to inaccessible, blacklisted, squatter, fire hazard, flood prone.							x
			PROCEDURES						
Particular		Explanation	CA	CN	CE	CM	VD	AV	OI
PART V. INFORMATION VERIFICATION									
Proof of Identification	1.	Check appropriate boxes examined and submitted by the applicants as proof of identification.						X	
	1.1	Driver's License						X	
	1.2	Company's ID						X	
	1.3	PRC License/SSS/GSIS						X	
	1.4	Voter's ID						X	
	1.5	Passport						X	
	1.6	Postal ID						X	
	1.7	ACR/ICR						X	
	1.8	NBI/Police Clearance						X	
	1.9	Barangay Certificate						X	
	1.10	Marriage Certificate						X	
	1.11	Others (specify)						X	
Yes/No	1.12	Check appropriate box; yes or no, If all documented presented tally as to name and address of the applicant.						X	

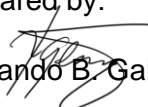
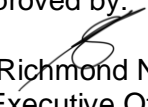
Remarks	1.13	Pertinent information establishing the identity of the applicant.					x		
Proof of Income	2.	Check appropriate boxes examined and submitted by the applicants as proof of income.					x		
	2.1	Latest Pay Slip					x		
	2.2	Certificate of Employment					x		
	2.3	Latest Proof of Remittance					x		
	2.4	Bank Book Expense Receipts					x		
	2.5	Latest Business/Mayor's Permit					x		
	2.6	Latest Company/Business ITR					x		
	2.7	Written Affidavit/Statement					x		
	2.8	Barangay Certification					x		
	2.9	Self-Declaration with picture							
Yes/No	2.10	Check appropriate box; yes or no, If all documented presented tally as to source of income of the applicant.					x		
Remarks	2.11	Pertinent information establishing the source of income of the applicant.					x		
Proof of Residency	3.	Check appropriate boxes examined and submitted by the applicants as proof of billing.					x		
Yes/No	3.1	Check appropriate box; yes or no, if all documented presented tally as to name and address of the applicant.					x		
Remarks	3.2	Pertinent information establishing the name and address of the applicant.					x		

PART VI NEIGHBORHOOD CONFIRMATION

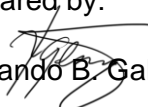
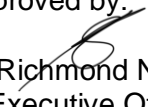
		PROCEDURES							
Particular		Explanation	CA	CN	CE	CM	VD	AV	OI
Pre-Confirmation	1.	Pre-confirmation done.		x	x		x		
Final Confirmation	2.	Final confirmation done.		x	x		x		
Name of Informant	2.	Complete name of the informant.		x	x		x		
Informant's Address	3.	Complete address of the informant		x	x		x		
Confirmation on the Applicant Details	4.	Details of confirmation done on the applicant.		x	x		x		
Resident Ownership	5.	Check appropriate box; Rented or owned.		x			x		
Length of Stay	6.	Number of years the applicant is the current address.		x			x		
Capacity	7.	Check appropriate box; ok or not ok, if the applicant has capacity to pay.		x		x	x		
Character	8.	Check appropriate box; ok or not ok, if the applicant has good character.		x					x

PART VII FINAL REMARKS

Attestation	1.	Name and signature of the field personnel who conducted the					x	x	
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		investigation and date the CIR was prepared.								
Recommendation	2.	Recommendation of the field personnel; whether approved or disapproved.	x	x	x	x	x	x	x	x
Approved	2.1	Check box if approved.	x	x	x	x	x	x	x	x
Disapproved	2.2	Check box if disapproved.	x	x	x	x	x	x		
Final Decision (Remarks)	3.	Final decision on the CIR and reason/s for disapproval or additional requirement/s to be submitted by the applicant in order for the CIR to be approved.					x	x		
Final Evaluation	4.	Decision made by the BM; approved or disapproved					x	x		
Printed Name & Signature	5.	Name and Signature of the BM who made the decision.					x	x		
PART VIII SKETCH										
Sketch	1.	The field personnel who conducted the credit investigation must sketch accurately the customer's resident.						x	x	
	2.	The sketch should be associated to the following: 4.1. Main road or highway; 4.2. Nearest landmark, permanent in nature; 4.3. Public building; and 4.4. Other buildings or structures that will facilitate location of the applicant's address.								X

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