

**Date:** [Insert Date]

**To:** [Employee Name]

**Department:** [Insert Department]

**Employee ID:** [Insert ID Number]

**Subject: FORMAL WARNING: Unauthorized Discretionary Pricing Markup**

Dear [Employee Name],

This letter serves as a formal warning regarding your recent use of discretionary pricing markups. It has come to the attention of management that on [Date/Date Range], you applied pricing adjustments to [Product/Service/Client Name] that exceed the authorized limits set by company policy.

Specifically, the following discrepancies were identified:

- **Transaction Reference:** [Insert Order Number]
- **Authorized Markup/Price:** [Insert Amount]
- **Applied Markup/Price:** [Insert Amount]
- **Policy Violated:** [Insert Policy Name/Number]

Our company policy regarding discretionary pricing is designed to ensure market competitiveness, fair consumer treatment, and regulatory compliance. Unauthorized markups can lead to loss of business, legal liabilities, and damage to the company's reputation.

**Required Actions:**

1. Immediately cease applying any pricing markups that fall outside of your assigned discretionary tier.
2. Review the current Pricing Policy and Guidelines manual by [Deadline Date].
3. Attend a mandatory review meeting with [Manager Name] on [Date/Time] to discuss pricing protocols.

Failure to comply with company pricing standards in the future may result in further disciplinary action, up to and including termination of employment.

Please sign below to acknowledge receipt of this warning. Your signature does not necessarily indicate agreement with the contents, only that you have received the document.

Sincerely,

[Your Name]

[Your Title]

[Company Name]

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**Employee Acknowledgment:**

Signature: \_\_\_\_\_ Date: \_\_\_\_\_