Employee Loan Policy

The Company believes in supporting its employees in times of dire need of funds and support for their personal emergencies. For this purpose, an Employee Loan policy is established to enable staff members to avail a loan. This also defines the payment terms, eligibility, etc.

1. **Eligibility of Loan**

   i. All confirmed employee who have been working with the Company for at least 1 year will be eligible to apply for an interest-fee loan subjected to availability of funds.
   ii. Employee loans are limited to;
       - Medical emergencies
       - Marriage
       - Purchase of house / renovation
       - Death of family members
       - or any other emergencies not related to gambling, drags or against the law.
   iii. Any kind of tax liability applicable on the loan amount will be borne by the employee.
   iv. The basic criterion for eligibility is a genuine verifiable purpose for which the employee has applied for a loan.
   v. The Company reserves the right to approve / reject a loan application with or without assigning any reason whatsoever.
   vi. No precedence of loan sanctions from the Company to other employees will give a right to the applicant to demand a loan from the Company.

2. **Eligibility Amount and Repayment**

   i. The maximum amount to be sanctioned as a loan will be equivalent to 2 months gross salary of the employee or SGD5,000 whichever is lower.
   ii. Loan amount will be credited to the employee's salary account. Under no circumstances will the amount be paid to any third party.
   iii. The loan repay will be between 12-18 months in equal monthly deductions from salary.
   iv. The deduction of instalments from salary will start from the month subsequent to which the loan has been sanctioned.
   v. If an employee desires to repay the balance loan amount either in full or in additional installment(s), the employee must inform HR, who will facilitate the repayment.
   vi. No penalty will be charged for prepayments or extension of repayment(s).
   vii. Employee can neither apply for multiple loans at the same time nor for a fresh loan while repayment of an earlier loan is in progress.
   viii. Employees can apply for another loan only after completion of one year from the complete repayment of an earlier loan.
   ix. Loans sanctioned for a specific purpose cannot be utilised by the employee for any other purpose without the written approval of the Company.

3. **Procedure**

   i. The applicant has to fill out a loan application form.
   ii. The duly filled form is forwarded to the HR Department with the respective Department Hand's comments.
   iii. The HR Department verifies the eligibility amount and forwards the application to the Management for approval.
   iv. The sanction / rejection of loan is at the discretion of the Management and is conveyed to the employee by the HR Department.
   v. In the event the loan is sanctioned, a Loan Agreement has to be signed by the employee prior to disbursement of the loan.
   vi. Finance Department will then process the loan payment.

4. **While Employee Leaves The Company**

   i. If an Employee leaves the Company before repayment of the full loan amount, the employee is liable to pay the balance amount **7 working days** before being relieved.
   ii. The Employee is required to fully pay the loan balance 7 days prior to their final day of work.
   iii. In case the balance amount is not paid by the employee before being relieved, the amount will be recovered from the final settlement amount.
   iv. The Company reserves the right to approach a Court of law in the event a full refund of any dues is not received from the employee
   v. The Company also reserves the right to withhold any testimonials, documents and certificates owed or belonging to the employee in the event of any non-recovery of dues.

5. Special Circumstance and Exception

Any Deviation from this policy has to be approved by the Management. Any change to the policy has to be approved by the Finance Team.

6. Non-compliance and Consequence

Violation of this policy is subject to disciplinary action, up to and including termination.