

# **Genuity Systems Ltd.**

## **Car Loan Policy**

**Amendment on 8th August, 2012**

**1. Introduction:** Genuity Systems Ltd is involved in technology intensive cross national service business. It provides the community with the most innovative, state-of-the-art, and comprehensive communications, information technology, and software system solutions through a highly motivated, creative, experienced, and talented team of professionals contributing to the success and satisfaction of the industries and customers it serves. So as a measure of providing incentives and as recognition of loyalty of its eligible employees towards the company it provides different incentive packages to its employees.

**2. Purpose & Benefit:** Car loan is part of incentive and welfare policy of Genuity. More specifically it is a long-term incentive program for efficient employees to help boost their social status and living standard. Genuity believes car loan will also help maintain loyalty of the eligible employees towards the company.

**3. Effective Date:** This policy is effective from the date of 8th August, 2012 and shall remain valid until further amendment.

**4. Eligibility:** Genuity employees who fulfill all of the following conditions will be eligible for a car loan:

- a. Permanent employees of Genuity or whose appointment terms include car loan facility.
- b. Monthly base salary equal to or over Tk. 1, 00,000/= (Taka one lac only).
- c. Employee has not taken car loan during the past 5 (five) years from the date of application.
- d. It is important to note that eligibility for car loan is a precondition but not sufficient condition to guarantee a car loan. The management of Genuity will consider the business situation and company's financial health before approving a car loan application.

### **5. Car Loan Application and Approval Process**

- a. Eligible employees who are interested to receive car loan will apply to Genuity management using the Car Loan Application Form as shown in Annex A.

- b. Car loan is a privilege and not a right. It is important to note that eligibility for car loan is a precondition but not sufficient condition as guarantee for a car loan. The management of Genuity at its discretion will consider the business situation, its financial health, level of contribution and loyalty of the employee towards Genuity before approving or deferring or denying a car loan application.

**6. Model of Car:** Employees may choose any new or reconditioned car that is not registered in Bangladesh yet. However, the purchase has to be made from a reputed car dealer in Dhaka.

**7. Loan Limit:** Maximum limit of the loan amount is Tk.20, 00,000/= (Taka Twenty lac only). Eligible employees may apply for any amount within the limit that complies with the following conditions:

- a. Loan amount must be less than or equal to the actual price of the car plus registration cost plus CNG conversion cost (if required).
- b. CNG conversion (optional) has to be done by either “NAVANA” or “RAHIM AFROZE” CNG conversion centers in Dhaka.
- c. Monthly installment should remain within 50% of net drawing per month after adjustments of all other deductions.

**8. Interest rate:** Interest rate for this loan is 0% (no interest) during the active employment period with Genuity.

**9. Mode of repayment:** Payback period for this loan is 5 (five) years and will be adjusted by 60 equal monthly installments.

**10. Maintenance Cost:** The employee will bear all maintenance and operational costs e.g. servicing, fuel, driver etc. for the car. However, Genuity will provide an allowance amounting to Tk. 10,000/= (Ten thousand) per month as car maintenance allowance. If the car is used for official purpose, employees may claim reimbursement for those trips as per Genuity transport policy.

**11. Renewal of Legal/Registration Documents:** All necessary papers required by BRTA authority will be kept up-to-date by Genuity at employee's expense. Expenses will be adjusted in full at a time as and when occurs from his/her salary account.

**12. Insurance:** First party insurance is mandatory for this loan. Insurance is to be duly renewed until complete payback of the loan. Insurance policy is to be taken from Genuity authorized Insurance Companies. Expenses will be adjusted in full at a time as and when occurs from his/her salary account. If the provident fund of loan holder is equal to the figure of loan amount then he/she can keep it as security money against his/her loan and may avoid the first party insurance.

**13. Ownership:** The car will be registered under dual ownership with only Genuity having the authority to change the ownership. After disbursement of the loan and all dues related to the car in fully paid off Genuity will transfer 100% ownership of the car to the employee. Transfer cost will be covered by the employee.

**14. Miscellaneous Accidents:** In case of any loss like accident or theft, if the insurance doesn't cover the total balance of the loan amount, employee will bear the uncovered loss.

**15. Voluntary Resignation or Termination of the Employee:** If the employee leaves the company voluntarily or terminated from the job he/she will have to pay the balance amount of the loan at a time before leaving Genuity. If the staff is unable to settle the loan before leaving, company will take sole ownership of the car and adjust the loan by selling the car. Employee will be liable for the residual balance (if any).

**16. Meal for Driver at Genuity:** Driver of the car may have his lunch at office dinning. Genuity will bear the cost of lunch and evening refreshment.

**17. Conclusion:** This policy consist welfare acceleration program of the company. However, it may change or stop anytime by the management board.

**Approved by:**

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**Mohammed Anis Rahman**  
CEO  
Genuity Systems Ltd.