

Loans / Salary Advance

Executive Summary

This policy is intended to let you know of the Loans/Salary Advance policy we have in place. This document/policy is governed by the framework outlined in [Appendix A](#).

Loans/ Salary Advance

Conrad Labs offers its employees interest-free Loans and Advance Salaries in accordance with the following loan program. All Loan and Salary Advance requests will be considered on a case-by-case basis. Approval and disbursement are subject to management approval and the availability of funds.

Loans

- All full-time employees who have completed two years of continuous employment can apply for a loan for up to 3 salaries or PKR 500,000, whichever is less.
- Interest-free loans are subject to income tax and may impact monthly tax deductions. Employees are encouraged to consult the accounts department before submitting a loan request.
- The maximum repayment period for any loan is 12 months. Loans extending beyond the financial year boundary are subject to interest at KIBOR rates per state policy.
- The loaned amount shall be repaid through monthly deductions from the employee's salary.
- In no case will a new loan be issued to repay an existing loan and/or to create a larger new loan.
- The loan, if approved, will be given through a cross-check drawn in favor of the employee.
- In case of resignation or dismissal of an employee, any remaining amount will be due in full on the date of resignation or dismissal. Said amount will be adjusted from the final settlement if not paid upfront by the employee.

Salary Advance

- Regular full-time and part-time employees with more than one year of continuous employment can request up to 1 salary advance.
- Salary Advance will be given only once in a fiscal year.
- For repayment, the disbursed amount will be adjusted from the employee's salary.
- In case of resignation or dismissal of an employee, any remaining amount will be due in full on the date of resignation or dismissal. Said amount will be adjusted from the final settlement if not paid upfront by the employee.