

# Loan Application

The purpose of this policy is to provide a guideline on application of loan from Emumba. Loans will be given to employees who have an immediate need for funds as the result of an emergency and have no other source of money available at the time. The loan is intended as a personal benefit to the individual employee involved and is designed to help those who have exhibited good work practices and who are having financial hardships.

## Eligibility

- The policy applies to all full-time employees who have completed **1 year of employment** at Emumba.
- The employee must be in good standing with the company.
- Loan requests can be made in the event of a personal or unexpected financial hardship.

## Financial Hardship

An unexpected financial hardship is defined as an unplanned expense such as, but not limited to;

- A medical emergency not covered by medical insurance
- Unexpected transportation repairs
- University fee
- Rent and mortgage payments

## Key Points

- Loan requests for the Housing Finance (purchasing of land/property, construction or renovation of house) will not be entertained.
- Requests for an interest-free loan can be made up to a maximum of thrice the base monthly salary of the employee.
- The loan must be paid back through monthly payroll deduction of PKR 10,000 or monthly deduction of 10% from the base salary, whichever is greater.
- An employee may not apply for an additional loan until there is a zero balance on prior loans.
- Emumba reserves the right to deny approval of a loan for any legitimate reason.

## Application Process

1. To apply, send an email to [hr@emumba.com](mailto:hr@emumba.com) with the following information
  - Purpose of the loan

- Amount of loan
  - Preferred Payback Model: A monthly deduction of PKR 10,000 from the monthly payroll or monthly deduction of 10% from the base salary, whichever is greater.
2. Upon receiving the request, the submitted application will be forwarded to the loan approval committee. The committee will review the application and may ask for additional information if needed. The committee will share the approval/rejection decision through the HR.
  3. Once approved, the amount will be transferred within 1-2 working days.