

Memo

To : ALL EMPLOYEES
From : ADMINISTRATION DEPARTMENT
Date : March 16th, 2020
Re : **25th Anniversary Benefit Part II 「Lump Sum Benefit」**

Management decided to introduce the “Lump Sum Benefit” that is believed to extend assistance for the personal expenses and family needs.

1. Outline

“Lump Sum Benefit” is to be paid in advance of “Length of service Allowance” and “Performance Allowance” as a lump sum.

In connection with this benefit, starting 2020 the “Performance Allowance” will be given on every April instead of August. On the other hand, the “Annual increase” will still be given every August same as last year.

2. Detail

1) Who are entitled

Regular employees as of April 6th

and

Active employees as of April 30th

and

The employee has amount of “Length of service Allowance” or “Performance Allowance”

(1) April 6th is the effectivity of the “Performance Allowance”

(2) April 30th is the payday

2) Computation of the benefit

(Length of service Allowance + Performance Allowance) x 12 months

*1. Performance Allowance, if there is any, will be given cumulatively starting 2019 on every year.

*2. This benefit is taxable, so actual paid amount (Net amount) is after tax deduction.

3. Sample case

Assuming Performance allowance is varied as below

Year	Performance Allowance		
	Amount	Cumulative per month	Cumulative per year
2019	100	100	1,200
2020	100	200	2,400
2021	0	200	2,400
2022	150	350	4,200
...

Original (Allowance will be given every month)

	1	2	3	4	5	6	7	8	9	10	11	12	
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Length of service Allowance	300	300	300	300	300	300	300	300	300	300	300	300	3600
Performance Allowance (2020)	200	200	200	200	200	200	200	200	200	200	200	200	2400
Total	500	500	500	500	500	500	500	500	500	500	500	500	6,000

Lump sum pay in 2020 (Allowance will be given in advance as lump sum)

	2020									2021			
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Length of service Allowance	3,600	←											3600
Performance Allowance (2020)	2,400	←											2400
Total	6,000												6,000

Lump sum pay in 2021 (Even no additional performance allowance in 2021, still qualified to receive)

	2021									2022			
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Length of service Allowance	3,600	←											3600
Performance Allowance (2021)	2,400	←											2400
Total	6,000												6,000

Lump sum pay in 2022

	2022									2023			
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Length of service Allowance	3,600	←											3600
Performance Allowance (2022)	4,200	←											4200
Total	7,800												7,800

4. Resignation after May

If the employee resign after May such as on September, the employee needs to return a certain amount received in advance.

	1	2	3	4	5	6	7	8	9	10	11	12	
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Length of service allowance	300	300	300	300	300	300	300	300	300	300	300	300	3600
Performance Allowance (2020)	200	200	200	200	200	200	200	200	200	200	200	200	2400
Total	500	500	500	500	500	500	500	500	500	500	500	500	6,000

↑

500 x 6 month = 3,000 pesos

If resign on September, need to return 3,000 pesos upon resignation. (Can be deducted from last payroll and final pay)

5. In case the employee does not want to receive this benefit on April, the employee may choose to include in the regular payroll by informing Administration department until 8th of April.

(If no information, it will be automatically Lump sum benefit.)

6. Schedule

April 1st : Issuance of NPA where the gross amount is indicated.

April 8th : Deadline of informing Admin for choosing regular payroll.

April 24th : Issuance of Payslip (Net amount (deducted from income tax) is indicated in the payslip)

April 30th : Payday

Best regards