



KPY-POPS-022

LOAN POLICY

Purpose: Kora believes in supporting its employees in times of dire need of funds and support for their personal emergencies.

Scope This policy applies to all full-time employees who have been confirmed and have spent not less than 6 months at Kora.

Policy Elements: The Employee Loan Policy is established to enable staff members to avail themselves of a loan. This also defines the payment terms, eligibility, etc.

Eligibility of Loan

- All employees who have been confirmed and have completed six months in Kora are eligible for a low-interest loan, subject to the availability of funds.
- Any kind of tax liability applicable to the loan amount will be borne by the employee.
- Kora reserves the right to approve/reject a loan application, with or without assigning any reason whatsoever.
- No precedence of loan approval for other employees will give a right to loan approval for another employee. Loan approvals are fully based on satisfaction of the requirements and, in some cases, on Management discretion.

Eligibility Amount and Repayment

- The maximum amount to be requested as a loan cannot exceed 20% of the employee's annual net salary and is capped at 5 million naira.
- Applications for a higher amount should be discussed with the People Team, and Management may decide to make exceptions on a case-by-case basis.
- The loan amount will be credited to the employee's salary account. Under no circumstances will the amount be paid to any third party.
- The loan will be repayable within 12 months or less through equal monthly deductions from salary.
- The deduction of installments from salary will start from the month after which the loan has been paid.
- If an employee desires to repay the balance loan amount either in full or in additional instalments, the employee must inform the People Team, which will facilitate the repayment.
- No penalty will be charged for prepayments.
- Employees can neither apply for multiple loans at the same time nor apply for a fresh loan while repayment of an earlier loan is in progress.

- Employees can apply for another loan only after six months have passed since the complete repayment of an earlier loan.

Procedure

Employees who want to request a loan should ask the People Operations team for an official form.

- The applicant has to fill out the [loan application form](#).
- The People Team verifies the eligibility amount and forwards the application to the Finance Team for approval.
- The approval/rejection of a loan is at the discretion of management and is conveyed to the employee by the People Team.
- In the event the loan is approved, the Finance team will then process the loan into the employee's salary account.
- The loan application process can take up to a month for approval.

Loan Repayment during Exit

- If an employee leaves Kora before repayment of the full loan amount, the employee is liable to pay the balance before being relieved.
- In the event that the balance amount is not paid by the employee before being relieved, the amount will be recovered from the final settlement amount.
- Kora reserves the right to approach a court of law in the event a full refund of any dues is not received from the employee
- Kora 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.

These conditions apply to all eligible employees without discrimination against protected characteristics, rank, or position.