



ASIAN LAND STRATEGIES CORPORATION

Company	Asian Land Strategies Corporation	Effective /Revision Date	July 1, 2016
Policy	Employee Loans Policy	Doc. Rev. No.	ALSC-HRD-013-001

PURPOSE

Employee loans will only be granted where there is a serious need or where emergency relief is required due to circumstances, defined as unforeseen and unplanned that requires an employee to secure funds.

SCOPE AND LIMITATIONS

This policy applies to all regular employees of Asian Land Group.

This policy is in compliance with and governed by Bureau of Internal Revenue regulations on dispensation of employee benefits, interests and taxation.

POLICY STATEMENTS

I. Loan Eligibility

Eligible Employees	<ul style="list-style-type: none"> Regular employees with at least 1 year of service in the company, in good standing, and no derogatory records Employee should have no existing company loans. Employee should have no unliquidated cash advances. 				
Loan Amount	1 month salary (Basic + Cola)				
Interest	12% per annum				
Sample Computation	Principal	Term	Interest	Total Loan	Amort. Per Installment
	₱ 8,000.00	12 months (24 installments)	12%	₱8,960.00	₱ 373.33
Loan Frequency	One loan per 12-month period with no previous loan unpaid				
Term	Not to exceed 12-month period				
Repayment	Bi-monthly deduction from employee's salary, every 15 th and 30 th .				
Loan Approval	VP – HR & Admin; EVP – Finance, President				
Disbursement Authority	Finance Department, Disbursement Section				
Termination	The outstanding balance due will be due and payable in the final paycheck if an employee terminates his/or her employment for any reason before the entire loan is repaid.				



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II. Definition of "Serious Need" and "Emergency Relief". Situations putting employee in **unusual** and **unexpected** financial crisis such as:

- a. Medical emergencies such as sudden grave illness, accidents, and hospitalization not covered by health insurance;
- b. Unanticipated family and domestic emergencies such as death of an immediate family member and severe natural or man-made calamities affecting the employee's household.

III. PROCEDURE:

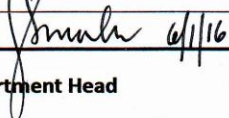
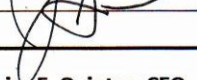
- a. **Request:** Employees must submit a letter request stating the reason for said loan application together with a Loan Application Form (available at HR – Compensation & Benefits Section) signed by the Supervisor/Line Manager and Department Head. It is the responsibility of the employee to provide proof/supporting documentation to substantiate the loan application.
- b. **Approval Documentation:** Loan requests will be processed by HR – Compensation & Benefits Section. All loan requests are subject for approval.
- c. **Disbursement:** Upon approval, HR will inform the employee and will initiate a check request. The check request shall be supported by Loan Request and Payroll Deduction form. Payroll Services will ensure that payroll deductions are taken and documentation is maintained.
- d. **Repayment of Loans:** Loans are repaid through payroll deduction. A copy of the Payroll Deduction form is forwarded to HR – Compensation & Benefits Section to establish the deduction. Approved loans shall be deducted immediately on the following payroll period.
- e. **Loans Receivable Records:** The Finance Department will maintain the loans receivable records and prepare a monthly reconciliation of available cash and outstanding loans.

IV. Effectivity

This policy version takes effect on July 1, 2016, and supersedes any other loan policies, versions or related memos issued prior to it. Management reserves the right to amend, revise and change any provision in this policy.

Recommending Approval:

Approval:

By:  6/1/16	By: 
Department Head	Javier E. Quintos, CEO