	<b>Standard Operating Procedures</b>  <b>GHCD</b>	DOC NO: 4.3.1	ISSUE: 2
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## 1.0 Car Allowance Entitlement

1.1 The main objective for the Car Allowance is to assist the eligible staff's transportation needs in carrying out their official functions as well as being part of their benefits under the terms and condition of their employment contract.

1.2 Eligible staff will be provided with a fixed monthly Car Allowance and petrol cards with pre-determined limits based on their entitlement.


1.3 Eligible staff are:

a) The Managerial staff who were employed or staff promoted to the position of Manager **prior to 1 January 2019** are eligible for the car allowance as below:

Position	Job Grade	Car Allowance Per Month
Top Management & Senior General Manager	TM2 & SM1	<b>RM5,400</b> (Car price min: <b>RM200,000.00</b> or <b>2400cc</b> )
General Manager	SM2 & SM3	<b>RM3,500</b> (Car price min: <b>RM150,000.00</b> or <b>2000cc</b> )
Assistant General Manager & Senior Manager	SM4, MM1 & MM2	<b>RM2,400</b> (Car price min: <b>RM105,000.00</b> or <b>1800cc</b> )
Manager	MM3 & MM4	<b>RM1,600</b> (Car price min: <b>RM65,000.00</b> or <b>1600cc</b> )
Note : The car price is for a brand new car and not inclusive of insurance and road tax.		

b) The Managerial staff who were employed or staff promoted to the position of Manager **from 1 January 2019** are eligible for the car allowance as below:

Position	Job Grade	Car Allowance Per Month
Top Management & Senior General Manager	TM2 & SM1	<b>RM5,000</b> (Car price min: <b>RM200,000.00</b> or <b>2400cc</b> )
General Manager	SM2 & SM3	<b>RM3,200</b> (Car price min: <b>RM150,000.00</b> or <b>2000cc</b> )
Assistant General Manager & Senior Manager	SM4, MM1 & MM2	<b>RM2,200</b> (Car price min: <b>RM105,000.00</b> or <b>1800cc</b> )
Manager	MM3 & MM4	<b>RM1,400</b> (Car price min: <b>RM65,000.00</b> or <b>1600cc</b> )
Note : The car price is for a brand new car and not inclusive of insurance and road tax.		

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- (c) For Assistant Manager and below, eligibility would be based on functional basis and would be at the discretion of the Company.

Job Grade	Position	Entitlement Per Month (RM)*
MM5, EX1 – EX5*	Assistant Manager/ Executive	RM900.00 Car price : min RM30,000.00

\*selected MM5 and Executive

The monthly Car Allowance, for the eligible staff, was derived after taking into consideration the following factors:


- Monthly hire purchase instalments payable by staff based on the value of a benchmark vehicle appropriate to the staff's grade.
- Additional tax payable by staff due to the cash allowance and additional EPF contribution payable by the Company.
- The Car Allowance will be paid out on a monthly basis together with the monthly salary of the staff.
- The monthly Car Allowance will be taxable at source under the Scheduler Tax Deduction.
- It will also be subjected to EPF, SOCSO, EIS deductions based on prevailing statutory rates.
- The Car Allowance will not be considered in determining the bonus or increment payable to staff.

## 2.0 Benchmark Vehicle

- Staff provided with Car Allowance benefit are allowed to purchase and use a car of their own choice but the vehicle selected should reflect their position or level so as to maintain the Company's image.

## 3.0 Governing Policy

- 3.1 The staff will only be given the Car Allowance after producing proof that the car has been purchased under the staff's name and is of the recommended model, or other approved models but having value more than the minimum car price indicated for the respective job grades.

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3.2 Any staff who intends to purchase a car for this purpose but the car does not fall under the recommended car(s) category, will have to obtain the Management's approval to avoid unnecessary rejection. Generally, the types of car allowable under this scheme are cars that would project an "Executive" status and quality. However, Multi-Purpose Vehicles (MPVs) are not allowed and will not be considered under this scheme.

3.3 The benefit will be automatically ceased upon the effective date of resignation or termination of employment or due to any other reasons for which the Management feels that the staff does not deserve the entitlement.

3.4 The car that is allowed under the entitlement benefit, will be registered with the GHCD. GHCD will monitor accordingly, so as to ensure that the car is being used daily by the staff to the office. This is to avoid the car being used/driven by persons other than the staff, as it will defeat the purpose of this benefit.

3.5 The Car Allowance entitlement is as follows:

No	Age of Car	Entitlement
1	Up to <b>7 years</b>	Full
2	More than <b>7 years</b> up to <b>10 years</b>	50%
3	More than <b>10 years</b>	Nil


**Promotion of Eligible Staff**

Eligible staff promoted to next higher grade with higher entitlement.

Shall continue the existing car allowance entitlement until he/she registered a new car which fulfills the requirements for the car entitlement of the new grade.

For avoidance of doubt, the car's age starts from the registration date of the car with Road Transport Department, Malaysia (*Jabatan Pengangkutan Jalan, Malaysia*).

3.6 In instances where the staff, provided with the Car Allowance benefits, does not use the provision to pay for the hire purchase instalments, thus resulting in the car being repossessed by the Hirer, the Car Allowance entitlement would be revoked immediately until the staff can prove that all outstanding amounts have been regularized with the Hirer. Hence, monitoring the appearance of the car to office, on twice a week basis, is important to sense any irregularities of this sort.

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	<p>3.7 Alternatively, the GHCD could request that the staff to show proof that the hire-purchase instalments have been paid accordingly. Failing to do so would result in the allowance for the consecutive month(s) to be put on hold until the Company is satisfied that the instalment issue has been resolved.</p> <p>3.8 This basis should also be adopted in cases where the staff wishes to register his current car for the allowance. Staff has to ensure that the payment of instalments are duly updated.</p> <p>3.9 In situations where the staff's name is black listed under CTOS or FIS, due to financial history and as such, is unable to purchase a car, the Company does not allow for the staff to use another person's name (including the spouse's), for the purchase and registration.</p> <p>3.10 The Management also reserves the right to make any amendment or adjustment to this policy as and when the Management thinks fit to do so without providing prior notice.</p> <p>3.11 In the case of staff, who is already on the Car Allowance scheme, is later promoted to a higher grade with higher entitlement, staff shall continue to be eligible to maintain the existing Car Allowance, for a period of six (6) months, whilst sourcing for a car in accordance to the set criteria for the new grade. Should the staff be unable to source for another car after the stipulated period, the Car Allowance shall be maintained based on the old/previous job grade.</p> <p>3.12 Staff on the Car Allowance scheme shall use their designated cars for all official trips and shall not be eligible for any claims whatsoever, except toll and parking charges.</p> <p>3.13 The provision of the said allowance, for eligible staff, will be indicated in the Letter of Appointment/Employment Contract and/or the Benefits Package.</p>
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