
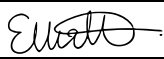




EMPLOYEE LOAN POLICY

Policy Owner:	Bottle Buhle Brands (Pty) Ltd		
Effective Date:			
Version:	Version 1		
Authorised by:	CEO		06/03/2024
		Signature	Date
	HR Manager		06/03/2024
		Signature	Date
Note:	Bottle Buhle Brands (Pty) Ltd (herein after referred to as Bottle Buhle Brands) reserves the right to amend the contents of this policy as and when required. The policy currently in effect will apply to all employees regardless of the policy that applied at the time of employment.		

1. OBJECTIVE OF THE POLICY

- 1.1 The company believes in supporting its employees in times of dire need of funds and support for personal emergencies. For this purpose, an employee loan policy is established to enable staff members to apply for and obtain a company loan.
- 1.2 This policy outlines the terms and conditions applicable to the application and approval of employee loans.



2. APPLICATION

- 2.1 This policy applies to all permanently employed employees of Bottle Buhle Brands.
- 2.2 This policy does not apply to employees who are fulfilling a probationary period, are on a fixed-term contract, or are under a notice of dismissal.
- 2.3 Should an employee fail to adhere to one or more clauses of this policy, the employee will disqualify him/herself from the benefit for a minimum of twelve (12) months, depending on the nature of the breach.

3. DEFINITIONS

- 3.1 **“Emergency”** – refers to an unforeseen circumstance that calls for immediate action and is unlikely to recur.
- 3.2 **“Employee”** – refers to anyone, other than an independent contractor, who works for Bottle Buhle Brands.
- 3.3 **“The Company”** – refers to Bottle Buhle Brands (Pty) Ltd.

4. ELIGIBILITY

An employee’s eligibility for a financial loan shall be subject to meeting the following conditions:

- 4.1 The employee is permanently employed by the Company.
- 4.2 The employee has been employed full-time and on a permanent basis for at least six (6) months prior to the loan application being submitted.
- 4.3 The employee has no unsettled debt with the Company.
- 4.4 The employee does not have a valid final written warning, and/or is not under

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disciplinary investigation in the form of a disciplinary enquiry.

5. PRINCIPLES THAT APPLY TO THE POLICY

- 5.1 The Company reserves the right to cease or pause the allocation of company loans for a period of time, or indefinitely.
- 5.2 The maximum loan amount an employee may apply for shall be no greater than twice the value of their gross monthly salary.
- 5.3 Monthly repayments should never exceed 20% of the employee's monthly salary.
- 5.4 After full settlement of a loan, the employee is required to observe at least a six (6) month period before applying for another loan. In exceptional circumstances, an employee may apply for a loan whilst there is an existing loan, provided that the employee only owes one (1) final payment.
- 5.5 An employee may apply for a company loan if it is related to one or more of the following:
 - a. Medical or family emergency.
 - i. Hospitalization of employee, spouse, or child(ren).
 - ii. High medical expenditure incurred by employee in relation to self, spouse, or child(ren).
 - iii. Funeral costs relating to the passing of a spouse, parent, or child.
 - b. Building materials or repairs required to the Employee's primary residence.
 - c. Repairs of a vehicle.
 - d. Education costs of self or child(ren).

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- e. Under exceptional circumstances, the Company, after considering all the facts, may provide a loan to provide financial relief to an employee. However, in these cases, the Employee will be required to submit at least two (2) months' bank statements to prove that insufficient funds are available to cover their unforeseen expenses. The Employee must also submit a motivational letter outlining the following:
 - i. How the need for financial relief arose (in detail).
 - ii. How the Employee's finances will be impacted by the situation.
 - iii. The period (in months and/or years) for which the Employee is expecting to be negatively impacted by the situation.

5.6 Loans will **not** be granted for the following reasons:

- a. An employee's inability to pay routine expenses and recurring bills.
- b. An employee's inability to pay holiday or vacation expenses.
- c. An employee's inability to pay vehicle registration.
- d. Medical bills or funeral costs for family members not mentioned in 5.5 above.
- e. Settlement of a staff account.
- f. Any other reason that's not included in 5.5 above.

5.7 Should it be found that an employee has misrepresented their reason for financial assistance to secure funding, such act will be viewed as a form of gross dishonesty and will be handled in accordance with the Company's disciplinary policy.

5.8 Employees may choose the duration of the repayment period, up to a maximum of ten (10) months. Under no circumstances will loans be paid over more than ten (10)

months.

- 5.9 Where an Employee has worked for the Company for less than eighteen (18) months, and is expecting a child, the Employee will be required to settle the outstanding loan value prior to starting maternity leave.
- 5.10 In the event of a death of an employee prior to the loan repayment period being fulfilled, the accumulative leave benefits and/or a portion of the final pay to the employee will be used to redeem the debt.
- 5.11 Employees may only request to freeze their loan repayments once in a twelve (12) month cycle, and for which substantial motivation has been provided.
- 5.12 Employees will not be eligible for a loan repayment freeze until at least 65% of the loaned amount has been recovered by the Company in monthly instalments.
- 5.13 Where loan freezes are approved, the repayment period may only be frozen for a maximum of two (2) months.
- 5.14 The approval of an employee loan application will be determined by the following conditions:
- 5.14.1 The Employee has correctly completed the loan application form.
 - 5.14.2 The Employee has attached appropriate supporting documentation to the application.
 - 5.14.3 The Employee has satisfactorily justified/motivated their need for financial assistance.
 - 5.14.4 The Employee's need for financial assistance falls within the list of justifiable reasons for a loan, as outlined in 5.5 above.

- 5.14.5 The Employee does not have a current loan with the Company, or only has one (1) final payment to make on an existing loan.
- 5.14.6 The Employee's borrowing habits, and repayment history of previous loans have been reviewed and considered.
- 5.14.7 The Employee's performance, punctuality, attendance and conduct over the past twelve (12) months has been considered.
- 5.14.8 The Company's financial position has been considered.
- 5.15 Approved loans that were applied for within the first three (3) weeks of the month will start their monthly repayments in that same month.
- 5.16 Loan applications can only be approved by the Chief Executive Officer in order for the Finance department to process the loan payment. In exceptional circumstances where the Chief Executive Officer is not in a position to sign/return the approved loan form for processing, the Chief Executive Officer will inform the People Manager of the next authorised signatory to approve the loan application.
- 5.17 The approval of any loan application is subject to the Chief Executive Officer's discretion.
- 5.18 Where employees have taken out loans for vehicle, medical, education or housing purposes, proof of payment to service providers is required. Should the employee fail to prove that payment was made for the intended purpose for which the application was submitted, the employee will forfeit his/her right to further loans for a twenty-four (24) month period.
- 5.19 The Company reserves the right to deduct any outstanding amounts on employee loans from the final pay made to the Employee.

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5.20 Should the Employee's final pay be insufficient to cover the full amount outstanding, the Company will withhold the final pay to recover part of the debt, and the employee will be required to make a settlement payment of the remaining amount within eight (8) weeks of leaving the Company.

6. PROCEDURE

6.1 The Employee will be required to follow a standard procedure, laid out below, to be considered for a loan:

6.1.1 The Employee must complete the Loan Application Form and attach supporting documentation detailing the expenses for which they require financial assistance.

6.1.2 Supporting documentation must be in the form of Invoices, Statements of Account or Quotations in order to be considered.

6.1.3 When completing the loan form, the Employee is required to substantially motivate their need for financial assistance.

6.1.4 The Employee submits the Loan Application Form and supporting documentation to the head of their department for review.

6.1.5 The head of the department is responsible for reviewing the application, and confirming the following:

- a. The request for financial assistance is reasonable.
- b. The request for financial assistance falls within the Company's justified scenarios for financial assistance.
- c. The loan amount applied for is not greater than twice the value of the Employee's monthly salary.
- d. If the Employee's request for financial assistance does not fall within the

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Company's current list of justifiable loan reasons, the head of the department is required to inform the Employee that the loan cannot be applied for.

- e. Where the need for financial assistance is warranted, the head of the department must sign off the form, indicate the approved amount of the loan, and submit the loan application to the People Manager, for final review and sign off with the Chief Executive Officer.

6.1.6 Where Employee's loan application is approved, the Employee must complete an Acknowledgement of Debt form, which will be signed between the Employee and the People Manager (on behalf of the Company).

7. RELATED DOCUMENTS

- 7.1 Employee loan application form.
- 7.2 Acknowledgement of debt form.

8. RELATED POLICIES AND PROCEDURES

- 8.1 Disciplinary policy.