
Memorandum

From: Sanjivan K. Murthi
ACEO

To: ALL STAFF

Date: 10/10/2014

Cc:

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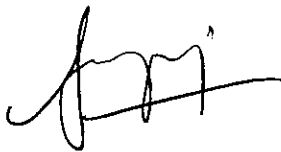
EMPLOYEE TRAINING NOMINATION, BOND AND SURETY GUIDELINES

Kindly be informed that the Board of Directors has approved the implementation of the Employee Training Bond with immediate effect.

This is in consideration where an Employee is required to undergo specialized technical training to meet Anika's business requirements and in order to provide the highest level of professionalism. The training would also enrich his / her experience and, further enhance his / her skills and knowledge in their related job scope.

Additionally, the planned and proposed training will add value to the Employee's career prospects and self-development. In regards of the training provided, and the money spent by the Company in imparting such training, the Employee is expected to remain in the services of the Company for a particular period.

We attached herewith the Employee Training Nomination, Bond and Surety Guidelines for your guidance.



EMPLOYEE TRAINING NOMINATION, BOND AND SURETY GUIDELINES

1. Training nomination procedure and approval criteria

A department head may make a nomination to the Human Resource Department for their subordinates/employees to attend training. In granting approval for the ad-hoc training request, it is advisable to ensure that:

- 1.1. The training is relevant to the employee's work
- 1.2. The training will enhance the commitment of the employee to his/her work.
- 1.3. The training will prepare the employee for future assignments.

2. Training Bond

Imposing a training bond on employees is a measure taken to ensure the trained employees do not leave Anika too soon after receiving a training sponsorship.

Generally there are three ways of implementing training bonds:

- 2.1. For all courses, conference including short courses and seminars
- 2.2. For certified academic courses which is likely to enhance his/her professional status.

3. Training Bond Period

The bond period is determined by the value/cost of the course as follows:

<u>Total Training Cost (RM)</u>	<u>Bond Period</u>
Below RM500.00	No Bond
RM501.00 - RM2,000.00	One year
RM2,001.00 - RM5,000.00	Two years
Above RM5,001.00	Three years

4. Commencement date of bond

The commencement date of the bond may be taken upon the date the employee reports to work after his return from training.

5. Sureties

A surety is a guarantor for the employee's promise to remain in Anika's employment for the bond duration. Human Resource Department shall verify the eligibility of the surety. To qualify as a surety, the person must satisfy the following conditions:

- 5.1. Full time employee of Anika; and
- 5.2. At least two (2) years of continued employment with Anika

6. Calculation of liquidated damage upon termination of employment

- 6.1. An employee who leaves Anika before the bond period expires shall be liable to compensate Anika in one lump sum.
- 6.2. At the discretion of the Management, compensation may comprise the whole amount of sponsorship or reduce in proportion to the length of bond period already served by the employee. Any incomplete months are calculated to the nearest month.

6.2.1. Example: Full sponsorship amount is RM5,000, bond period 24 months with effect from 1 January 2012.

Where employee tender his resignation and serve his last day on 17 July 2012, he shall be deemed to have served seven months of his bond period. The balance compensation shall be:

24 months – 7 months = 17 months balance of the bond period not served

RM5,000 / 24 months = RM208 per month

RM208 x 17 months = RM3,542 in compensation