

Company X

TIER 1;

Buyer Value Option



Provision	Description
Eligibility	Regular, full-time current or newly hired Company Y Associates
Effective Date	
Revision Date(s)	
Approved by	
Documents Included	<ol style="list-style-type: none">1. Relocation Policy2. Exhibit A - Relocation Payback Agreement
Exception Approval	<ul style="list-style-type: none">• All exceptions must be approved by:

INTRODUCTION

Congratulations on your decision to relocate! We hope that your relocation will help advance your personal and professional growth. While it is an exciting time, it can also be a very stressful time. Company X realizes that your decision affects your entire family. That's why we're going to assist you throughout the process.

While we're committed to helping you in any way possible, we're asking that you share the responsibility by making every effort to effectively manage expenses encountered during the process. This simply means that you strictly adhere to the relocation policy and communicate and cooperate with those who are helping you throughout this process.

We've contracted with ARC Relocation (ARC) to assist you throughout your relocation. ARC is a global relocation management and consulting company that has helped thousands of relocating families. You will be assigned an experienced Relocation Counselor to provide guidance and to act as your advocate throughout your relocation.

***Please remember to contact ARC before you do anything on your relocation. ARC can be reached toll free at 866-697-3561 Monday - Friday 9am - 5pm EST ***

ELIGIBILITY

To be eligible for this relocation policy you must meet the following criteria:

- You must be a regular, full-time current or newly hired Associate of Company X.
- You have received a request from the Company to relocate. Associate-initiated relocations are NOT eligible for relocation benefits.
- Per IRS requirements, the distance between your former residence and your new job site must be at least 50 miles greater than the distance between your former residence and your former job site.
- You must be a full-time Associate in the new location for at least 39 weeks in the 12-month period immediately following the date of relocation.
- You must move within a reasonable distance of your new job site
- You must meet with a member of Company X's People Team to review the relocation policy and program before accepting the move. At that time you will need to sign your acceptance of the relocation..

Relocation assistance is provided to you and your family members who permanently reside with you and are relocating with you and who will reside with you in the new location. If your spouse or domestic partner is also a Company X Associate being transferred, only one set of relocation benefits will be provided.

REPAYMENT AGREEMENT

The costs that Company X will incur as a result of this move are extensive. For this reason and to be sure we have your commitment to the new position, we require that you sign a Repayment Agreement, which stipulates that you will repay all or a pro-rated portion of the costs should you voluntarily terminate employment with Company X within a 2 (two) year period. The Repayment Agreement (attached as

Appendix A) must be signed and returned to the Relocation Department prior to implementing any relocation services.

POLICY ADMINISTRATION

ARC Relocation will administer your relocation benefits. A qualified Relocation Counselor will contact you to review all aspects of the benefits and help to get the relocation started in a positive direction. Your ARC Relocation Counselor will serve as your advocate and “go to” person throughout the process.

It’s important to note that you are required to speak to your ARC Counselor PRIOR TO making any plans or talking to real estate agents, either in the old or new location. This will ensure that your best interests, as well as those of Company X are met. ARC will issue all reimbursements and payments, and coordinate the services Company X has authorized.

YOUR RESPONSIBILITIES

Your cooperation throughout the process will help ensure that your move is handled with the least inconvenience as possible. Specifically, we ask that you:

- Refrain from contacting a real estate broker or listing your home with an agent. ARC will recommend pre-qualified brokers who are trained and experienced in corporate relocation transactions. They will recommend brokers for both selling your current home and purchasing a home in the destination location.
- Sign and return the Relocation Payback Agreement.
- You should retain receipts and other documentation to verify relocation expenses and to support payments made to you by the Company.
- Should you receive an offer on the sale of your home, DO NOT sign anything or accept any monies as this may affect the taxability of our reimbursements to you. Simply contact your ARC Relocation Counselor and he or she will instruct you on how to proceed. ARC ensures that you will have after-hours access to your Relocation Counselor or a designated representative at all times.
- Please comply with all timelines spelled out in this policy and in the instructions you receive from your ARC Relocation Counselor.
- Please prepare and submit expense reports within 30 days of incurred expense.

EXPENSE REIMBURSEMENT

Most ordinary expenses involved in relocation are covered under this policy either by a direct payment to a supplier or through the reimbursement of relocation expense reports that you submit. Because of potential tax implications, you must submit your expenses on a Relocation Expense Report form and it is very important that the expenses on this report are strictly related to the relocation vs. other business expenses. Your ARC Relocation Counselor will provide you with detailed instructions for completing the Relocation Expense Report. It is also important that you retain records and submit original (not copies) receipts to:

ARC Relocation
11350 Random Hills Rd, Suite 130, Fairfax, VA 22030

Relocation Benefits at-a-Glance

Eligibility	Regular, full-time current or newly hired Company X Associates
Home Marketing Assistance	Home Marketing Assistance Program will facilitate the timely sale of the existing home
Home Sale Program	Buyer Value Option Home Sale Program (through ARC), which covers all reasonable and customary home selling costs
Loss On Sale of Home	Provide for reimbursement of 85% of loss and capped at \$35,000. Company X is not responsible for any negative equity or capital improvements in the sale of the associate’s home
Home Finding Trips	Associate and spouse/domestic partner allowed 2 trips to the new location not to exceed 8 days total, coach class airfare or mileage, lodging, and meals (\$40 per day per person).
Home Search Assistance	Home Search Assistance Program provides an efficient, coordinated process to locate a home to purchase or rent in the new location
New Home Closing Costs	Covered costs for reasonable, non-recurring closing purchase costs (current homeowners only)
Temporary Living/Duplicate Housing	Up to 180 days of temporary lodging or duplicate housing The benefits may not be used at the same time
Return Trips in Temporary Living	2 trips home per month during period of temporary living
Movement & Storage of Household Goods	Covered costs include packing and moving household goods through van line, 2 automobiles, storage up to 90 days
Final Move Costs	Covered costs include transportation, meals and lodging for the Associate and household members (subject to daily maximums)
Miscellaneous Relocation Allowance	Homeowners receive a one-time payment of \$7,500 to cover moving related costs not covered in policy.
Tax Gross-up Assistance	Unless otherwise noted, tax gross-up will be provided to assist with the tax burden associated with taxable relocation payments

DEPARTURE SERVICES

Home Marketing Assistance Program

In order to be eligible to receive certain benefits, and to ensure the highest level of service in the most cost effective manner, you must not enter into any binding agreements with brokers before contacting your ARC Relocation Counselor. Contact ARC at 866-697-3561

Company X will provide you with professional assistance on how to market your home to ensure optimum success. **Do not contact a Realtor before talking to your ARC Relocation Counselor.** Your ARC Counselor will recommend a broker that is experienced in working on corporate relocation transactions and the specific requirements of these transactions. They recommend only those brokers who have a proven track record of market knowledge and sales success. Your ARC Relocation Counselor will recommend brokers who are familiar with the nuances of a corporate relocation transaction and who have been trained in ARC's service delivery expectations. In addition to ensuring top-of-the-line service delivery to you, ARC Relocation collects referral fees from these brokers, which offsets relocation costs for Company X.

If you do not list with a company-approved real estate broker, your relocation benefits may be reduced to cover the additional cost to Company X.

ARC requires its brokers to meet the following standards:

- Brokerage must have a Relocation Department or proven relocation-related experience.
- Real Estate firm must have no interest (actual or contemplated) in the Company, departure property, or home to be purchased, including any business or family relationship with the owners of the properties.
- Broker must have a proven track record in the selling community. ARC tracks list price to sales price ratio, number of current listings and number of recent sales.
- Broker will be required to provide a relocation industry high level of marketing for your home (internet, print and grass roots).Your counselor at ARC will provide more details.

Your Counselor will contact two qualified brokers in your area and ask them to complete a Broker's Market Analysis (BMA) on your home, which will include suggested marketing tips, competing listing information and recent sales in the neighborhood. Based on the data they gather and their knowledge of the marketplace, they will provide a most probable sales price range. Your ARC Counselor will review and analyze the market data contained in the BMA's to help you formulate a competitive list price and marketing strategy to achieve the highest possible sales price within a reasonable timeframe. If the recommended list price indicated by the BMA's are not within 5% of each other, a third one will be ordered and the two closest will be used to formulate listing and marketing strategies. You and your ARC Counselor will work with the agent you select to list and market your home and identify potential buyers. You will receive continuous feedback and updates on marketing activity throughout the process. To assist with a successful sale, Company X requires that you:

- Use an agent or broker who has been qualified by ARC. If you have a preferred agent, please submit the name of that agent for qualification and consideration, realizing that you cannot list the house with a relative or friend as this may cause a conflict of interest.
- List the home for sale at a price that does not exceed 3% of the most probable sales price based on the average of the 2 Broker Market Analyses (BMA).

- Allow reasonable showings and allow open houses as suggested and maintain the home in marketing condition

DISCLOSURE

Real estate transactions are governed by laws and regulations designed to protect the interests of both sellers and buyers. Every home seller has certain duties and obligations to a buyer, including full disclosure of all pertinent information about the condition of the home and its surroundings. In this regard, you can protect both yourself and Company X from potential litigation by the timely and thorough completion of all forms and documents pertaining to the condition of the property. It is not the intent of Company X to relieve you of your duties and obligations including completing all necessary repairs and full disclosure. You will be asked to complete property disclosure forms for the real estate agent and for ARC. You must complete and return these forms at the beginning of the listing period.

Listing Your Home

An Exclusion Clause must be included in the listing agreement. Failure to include the clause in the listing agreement will jeopardize your participation in the Buyer Value Option Program. The following language must be in your listing agreement with the real estate broker:

This listing agreement is subject to the following provisions:

It is understood and agreed that regardless of whether or not an offer is presented by a ready, willing and able buyer:

- 1. No commission or compensation shall be earned by, or due and payable to, broker until the sale of the property has been consummated between seller and buyer, the deed delivered to the buyer and the purchase price delivered to the seller, and**
- 2. The seller reserves the right to sell this property to ARC Relocation, LLC (“ARC”), or its nominee, or any company or Partner at any other time. Upon the execution by ARC and me (us) of a contract of sale with respect to the property, this listing agreement shall immediately terminate without obligation on my (our) part or on the part of ARC to either pay a commission or to continue this listing.**
- 3. A referral fee is due and payable at closing from the listing real estate brokerage to ARC Relocation, LLC.**

Buyer Value Option (BVO) Home Sale Program Overview

The sale of your home at the best possible price and within the shortest amount of time is probably one of your main concerns. Company X wants to help accomplish this goal since it benefits us as well as you because it expedites your relocation and keeps costs to a minimum.

If you are a homeowner, Company X offers a comprehensive program through ARC to assist in marketing and coordinating the sale of your residence to a qualified outside buyer. Company X will pay all reasonable and customary expenses associated with selling and closing your home.

Homes Eligible for the BVO Program

To qualify for the Home sale Program, the home must be:

- Your primary residence and the title must be in your name (or held jointly with your spouse/partner) when the relocation is authorized
- Zoned residential
- A one or two family residence
- Structurally sound and not have excessive levels of radon, asbestos, lead paint, mold or other toxic substances, including urea formaldehyde, polybutylene piping, synthetic stucco (External Insulated Finish Systems – or EIFS)
- Able to qualify for mortgage financing

The following are examples of homes that are excluded from the BVO Home Sale Program. Please speak to the Relocation Counselor immediately if your home falls into the category of an excludable property.

- Cooperative apartment units
- Some condominiums having restrictive by-laws which prevent a sale to Company X
- Mobile homes located on leased ground
- Homes with defects which may affect the marketability, insurability, or ability to secure a mortgage (defects include, but are not limited to, synthetic stucco, LP siding and septic system defects)
- Zoned for non-residential purposes
- Built with hazardous materials or on a hazardous site/location (e.g., radon gas, asbestos, urea formaldehyde, underground oil tanks that have not been properly contained)
- Properties with excessive acreage for the area
- Properties valued in excess of \$750,000 without Company X approval
- Any home in which all, or a portion of, is incomplete or in need of excessive repairs (excessive repairs are estimated at 5% or more of the home's total value)
- Any home which could be rendered as unmarketable as a result of the Associate misrepresenting information about defects
- Income-producing properties
- Multi-family residences/homes with more than two residences
- Vacant land, farms or ranches
- Houseboat or watercraft
- House with mold or conducive conditions
- Homes with cesspools or unconventional waste systems
- Homes where clear and marketable title cannot be obtained
- Homes that are uninsurable or the cost to insure would be prohibitive to a buyer
- Homes where traditional financing cannot be obtained

Home sale eligibility is subject to various inspections, including, but not limited to: moisture, septic tank and drain field inspection, water availability, water quality test, radon and other toxic substance inspection, structural and pest inspections. Should Company X, in its sole discretion, determine through professional consultation that a problem exists in any of the aforementioned areas, or any other areas, Company X reserves

Company X, Inc. reserves sole authority to interpret and change this policy, including determining eligibility for benefits and assistance. This policy is not intended to create any promises or contractual rights of employment. Employment with Company X is "at will". This policy is proprietary and confidential.

the right to exclude the property from the Home Sale Program. Excluded primary homes are eligible for direct reimbursement of reasonable and actual home sale costs. These reimbursements apply only to your principal residence at the time you were asked to relocate. The direct reimbursement to the Associate of home selling expenses is taxable and will be grossed up.

Home Selling Bonus

Selling your home is an important financial decision for both you and Company X. It is in your best interest to actively market your residence, get the best possible price and sell it as quickly as possible so you can begin the process of buying a new home. It is also better for Company X to encourage you to find a buyer for your home to avoid the excess costs involved in extended temporary living, return trips and other related costs – not to mention lost productivity.

Because we want to encourage you to make every effort to obtain an outside buyer for your home in a reasonable timeframe, Company X offers a bonus to you if you sell your home within the first 30 days it is on the market. If you are successful in selling your home within the first 30 days, Company X will pay you a home selling bonus equal to 1% of the sale price (with a maximum of \$5,000). In order to be eligible for the bonus, you must list your home with the ARC recommended broker and you must list within 103% of the recommended list price. Statistics consistently show that when a home is properly priced, it sells more quickly. If a home is overpriced, it will sit on the market and become “shopworn,” making a sale more challenging. The Homesale Bonus will be paid following the closing of the sale to the outside buyer. It is taxable and not grossed up.

CONTACT YOUR ARC RELOCATION COUNSELOR TO DISCUSS ALL OFFERS. DO NOT ACCEPT ANY OFFERS, ANY DEPOSIT MONIES, OR SIGN ANYTHING WITHOUT FIRST CONTACTING YOUR ARC RELOCATION COUNSELOR.

Your ARC Relocation Counselor will review all offers to ensure they are bona fide and in the best interest of you and Company X.

BVO Home Sale Program

REMEMBER: DO NOT SIGN ANY CONTRACT OR ACCEPT ANY DEPOSIT MONIES. CONTACT YOUR ARC RELOCATION COUNSELOR TO DISCUSS ALL OFFERS.

The agent must immediately contact and fax or scan a copy of the offer to your Relocation Counselor for review. Your Counselor will review the offer and make appropriate suggestions to the terms that will be to your advantage.

After your Counselor has reviewed the buyer’s offer, ARC will prepare a separate contract with you to purchase the home at the same negotiated price and terms. You will need to sign and return all necessary paperwork to your Counselor and the title company. ARC will sign the contract with the buyers. ARC will execute its contract with you after the offer has been determined to be bona fide. Your Counselor will review the criteria with you that is used to establish when an offer is considered bona fide.

You will be asked to complete property disclosure forms for the real estate agent and for ARC. You will be responsible for any negotiated repairs or repairs required due to code, safety or health issues. Proper disclosure and code/safety repairs help protect Company X, ARC and you from unwarranted claims from buyers. All recent inspections done on the property must be fully disclosed to prospective purchasers of the home.

Acquisition of the Home

Once ARC has executed its contract with you, ARC assumes responsibility for the sale of the home. You will remain responsible for maintaining the home if your vacate date is after the date ARC purchases the home from you. Repairs must be completed before the ARC contract can be fully executed.

You will be relieved of the necessity of attending the closing, as all documents will be pre-signed. ARC's representative will attend the closing and finalize the sale documents with the buyers. The usual and customary one-time closing costs for the sale of the home to the buyer will be paid by ARC and subsequently billed to Company X. These costs are not taxable or reportable for you.

Upon receipt of the documents, ARC will compute your net equity based on the date ARC executed its contract with you or the actual vacate date, whichever is later. The equity will be disbursed and an equity statement and copy of the ARC contract will be mailed to you. You will not need reimbursement, as all eligible costs are billed to ARC.

Closing Costs

In the BVO process, Company X will pay for all normal and customary seller closing costs on the sale of your home. These typically include:

- Attorney fees
- Title search and title insurance (in areas it is normal and customary that the seller pay)
- Government Recording fees and transfer charges
- Survey and inspection costs
- State transfer and escrow fees
- Document preparation fees

Company X does not cover:

- Mortgage interest
- Hazard insurance premiums
- Flood insurance premiums
- Real estate taxes
- Mortgage Insurance premiums
- Conventional, FHA or VA points
- Escrow accruals
- Assessments
- Closing costs/concessions paid on behalf of the buyer
- School taxes
- Personal Property Taxes

Loss on Sale

Company X provides loss on sale assistance to offset a loss you may face as a result of selling the home. You must fully participate in the Home Marketing Assistance Program to be eligible for the loss on sale assistance.

Company X is not responsible for any negative equity associated with the sale of the home. Negative equity means that you owe more for your house than its market value to a buyer.

Reimbursement will be made for 85% of the difference between your original purchase price and the sales price up to a maximum of \$35,000. Only the straight loss will be considered; improvements/additions to the home will not be taken into consideration. You will need to complete a relocation expense report and submit a copy of the original HUD-1 Settlement Statement to document the loss on sale following acquisition of your home by ARC. Reimbursement of loss on sale is subject to withholding and will be grossed up for tax purposes.

Capital improvements include but are not limited to any major improvements made to the home within three (3) years of the relocation date, i.e. docks, decks, pools, pool houses, hardwood floors, all luxury items, Jacuzzis, additions to the house or garage, fireplaces, exterior stone work, appliances, siding, roofing, driveways, boat lifts, tennis courts, putting greens, workshops, new or upgraded baths and kitchens, plumbing, HVAC, sewer systems, porches, interior and exterior lighting, solar panels, geothermal systems, fencing, shrubbery, plantings, trees, awnings, etc.

DESTINATION SERVICES

Home Finding Trips

Reminder: You are required to contact your ARC Relocation Counselor prior to beginning the new home search with any real estate agent.

Finding a home in the new location that will meet the needs of you and your family members is an important step to making the relocation a successful experience. Your ARC Relocation Counselor will first conduct a needs assessment and develop a preference profile including type of housing, commuting requirements, schools, amenities, lifestyle, etc. Once the profile is developed, the Counselor will have a Company-approved broker contact you to begin the home search. This representative will accompany you to preview specific homes and assist you in preparing an offer once you have found a home.

Company X will reimburse expenses for you and your spouse/partner for two home finding trips for a total of eight (8) days. Covered expenses include:

- Round trip economy airfare for you and your spouse/partner (if the distance between your old and new locations is greater than 200 miles).
- If the distance between your old and new locations is less than 200 miles, mileage will be paid based on the Company's current mileage reimbursement rate, plus tolls using the most direct route.
- Lodging and meals for eight (8) days and seven (7) nights. Meals are reimbursed for up to \$40 per person per day.
- Local transportation (including mid-sized car rental, tolls, parking, etc.)

Miscellaneous Allowance

If you are a homeowner, Company X will provide you with a Miscellaneous Relocation Allowance equal to \$7,500. This allowance is provided to help offset those expenses that are not specifically reimbursed under this policy. These expenses may include costs like driver's license and car registration fees, pet kennel costs, installation of new appliances, which are not covered under this policy. No receipts are required. The Miscellaneous Allowance will be paid when you have signed a purchase agreement in the new location. The Miscellaneous Allowance is not tax assisted.

Home Purchase Assistance

To help you find a home in the new location that is suitable for your family's needs, Company X provides you with assistance from ARC Relocation. If you currently own a home, Company X will assist with reasonable, non-recurring purchase closing costs. You must purchase a home within one year of your effective start date in your new position in order to be eligible.

Closing costs that are not reimbursed may include, but are not limited to, the following:

- Escrow pro-rations (tax and insurance pre-pays)
- Private mortgage insurance
- Origination Fees and Loan discount points
- Home warranties
- Mortgage broker fees
- Any other fees deemed as "junk fees" and special assessments

The new home closing costs are taxable and will be grossed up.

If you select a lender who does not have a direct bill contract with ARC (see Mortgage Assistance), you will need to complete a relocation expense report immediately after closing and submit a copy of the HUD-1 Settlement Statement for reimbursement.

Building a new home versus buying an existing property can be a frustrating and expensive proposition. It's a personal decision, but you are encouraged to purchase an existing home to avoid the added costs (**which are your responsibility**) and risks involved in purchasing new construction. Some of the added costs you may incur include:

- Extensions in temporary living due to construction delays.
- Reimbursement of purchase closing costs related to the builder or construction loan
- Duplicate housing costs
- Household Goods storage costs

Mortgage Assistance

ARC has agreements with several national lenders, which will allow reimbursable closing costs to be billed directly to the company. This eliminates the need to obtain an advance to pay closing costs and/or submit a relocation expense report for these costs. While you are under no obligation to use any of these companies, you may find their rates competitive and their processes and products conducive to corporate relocation situations.

The following are the purchase closing costs that are eligible for payment:

- Title Insurance or fees for examination of title, as required by lender
- Normal and customary escrow or closing fees charged by the Title Company and/or lender to close the sale. (Excluding items like taxes and insurance that must be paid in advance into escrow accounts.)
- Normal and customary attorney's fees
- Normal and customary recording fees
- Mortgage Application fees
- Appraisal and/or survey of the new home, if required by the lender.
- Credit report charges.

Temporary Living/Duplicate Housing

Company X realizes that the current real estate market may present its challenges. That is why the company offers up to 180 days of housing assistance for either temporary living or duplicate housing payments. You can use the 180 days in any way you like. For example, you may need 100 days of temporary living before you purchase a home in the destination location. Once you purchase the home, you can still use the remaining 80 days for duplicate housing if your departure home is still unsold. You cannot, however, use the temporary housing and the duplicate housing benefit at the same time. The duplicate housing payments are paid only in lieu of temporary housing and vice versa. The following is an explanation of each benefit:

Temporary Living - If you must move to the new location before your home in the departure location is sold, Company X will provide assistance for temporary accommodations for the Company X Associate only. Expenses covered during temporary living include:

- Lodging in corporate housing with kitchen facilities (arranged through ARC Relocation).
- Mid-size car rental for 15 days while waiting for your own car to be delivered.
- Two return trips home per month to visit family who are still in the old location. If the distance between the old and new locations is more than 200 miles, economy airfare based on a 7-day advance purchase will be covered.
- If the distance between the old and new locations is less than 200 miles, personal auto mileage will be reimbursed.

Temporary living assistance is taxable and will be grossed up for taxes.

Duplicate Housing - If you incur duplicate housing costs, Company X will cover the lesser of the two housing expenses. You must complete an expense form and provide copies of all expenses related to **both** properties (mortgage statements, utility bills, tax bills, insurance, etc.) Duplicate housing costs are not payable if you are also incurring Temporary Living costs.

Duplicate housing is taxable and will be grossed up for taxes.

Transportation of Your Household Goods

Your ARC Relocation Counselor will help you with the arrangements for moving your household goods to the new location. The Counselor will explain the process and put you in touch with a professional mover. It is important that you or an adult family member arrange to be present to supervise the move and that you provide a telephone number where the moving company can reach you prior to your move date.

Authorized Charges

Company X will pay the following charges in connection with your professional move by an approved van line:

- Charges for normal containers and standard packing of your household items. (Note: The van line agent will not accept responsibility for breakage of articles that the Associate has packed. Therefore, it is recommended that the van line personnel be allowed to pack all goods, and the Associate must indicate any items which should receive special attention or care)
- Charges for transporting the household goods to the new location.
- Normal appliance services, including wiring and plumbing modifications required within the house for disconnection and reconnection of appliances.
- Storage (if necessary) for up to 90 days at the new location site.
- Warehouse handling
- Delivery to the new home. Weekend or holiday delivery will not be covered.
- Normal unpacking and removal of packing materials.

Items of value such as deeds, coin collections, jewelry and precious stones should not be shipped with the carrier. The Associate should make special arrangements for these items to be shipped by private means during the move.

The driver will prepare a complete inventory list of the household goods describing the condition of each item (nicks, scratches, dents, etc.) Review the inventory list carefully to make sure you agree with the driver's description before signing the inventory. The inventory list is an important document in the settlement of claims for loss and damage.

The Company will not pay for the following:

- Exclusive use of the van, expedited service or extra drop off/pick up stops.
- Housecleaning, maid, or debris removal service at either the old or new home.
- Removal or installation of wall-to-wall carpeting, draperies and/or rods, electrical fixtures, water softeners, or similar items.
- Packing or transportation of car collections, boats over 16 feet, RVs, quads, motorcycles, trailers over 10 feet, airplanes, household pets, plants, building materials, wood, or any perishable item.
- Disassembly or reassembly of playhouses or swing sets, portable swimming pools, waterbeds, utility sheds, fencing, or items of similar nature.
- Gratuities for the movers

Insuring Your Household Goods

Company X protects the full value of your shipment based on its weight for up to \$75,000. High value items must be listed on a separate inventory form and are not covered by the Company. The Company cannot replace (nor will shippers agree to handle) high value items like securities, cash, art, heirlooms or precious jewelry. We recommend you pack and transport these items yourself.

Automobile Shipping

Your automobile will be handled by the same carrier who handles your household goods or, in some cases, a dedicated automobile carrier. Company X will pay the cost of moving two (2) automobiles, provided the

distance of your move is greater than 500 miles.

If the distance of your move is less than 500 miles, your mileage (at the current mileage reimbursement rate) for two vehicles will be reimbursed. Travel will be based on the most direct route.

Moving Day

Company X will reimburse you for actual travel and lodging expenses incurred for you, your spouse/partner, and family members for your final move to the new location. Expenses include:

- Mileage based on the current reimbursement rate and using the most direct route will be paid for up to two vehicles and lodging while en route.
- If you are shipping your automobiles, you will be reimbursed for airfare for all family members at the coach class rate for one-way tickets purchased seven days in advance.
- Meals are reimbursed at \$40 per day per adult and \$20 per day per child under 12.
- Lodging in the new location until the van arrives.

TAXES

The current tax law and Internal Revenue Service (IRS) regulations require that we report as income all relocation expense reimbursements made to you, or paid on your behalf. Therefore, the tax effects of relocation transactions can only be determined on an individual basis. It is important that you talk to a tax professional to find out how certain kinds of assistance may affect your own tax situation. Keep in mind that Company X will not reimburse tax preparation or tax counseling expenses.

All non-deductible relocation expenses that Company X pays on your behalf or directly to you are reported to the IRS as compensation, which will be included in your gross annual income.

These costs are considered “excludable from income” and will not be shown on your W-2 form.

NOTE: This includes expenses for the day you arrive. You can include any lodging expenses you had in the area of your former home within one day after you could not live in your former home because your furniture had been moved.

Based on IRS and state requirements, Company X will include reimbursed relocation expenses on your W-2 form in the year in which they are paid.

When you receive your W-2 form, you will also receive a statement detailing the relocation expenses related to your move, including money paid to you to help offset tax liability from this additional income. This money paid to help offset the tax liability is called a tax gross-up. Appropriate withholding for Federal, State, local, Social Security and/or Medicare taxes will be made and deposited with your regular withholdings. The gross up of certain payments is not intended to cover all taxes due to governmental agencies but is being made to reduce the negative tax impact associated with receiving the payment. Transferees' should consider these consequences and consult with their person tax advisor prior to accepting a relocation offer.

The tax gross-up calculation will be based on the following factors:

- How many dependents you claim and your tax filing status
- Company compensation is only defined to include the annualized base salary and relocation expenses. Any commission, bonus and stock options, etc. are excluded. We will not include any spousal income, even if you are filing jointly.
- The higher of the standard deduction or estimated itemized deduction of the respective taxing authorities.
- Your destination state.

You will be responsible for all local taxes applicable in either the departure or destination location. Nothing in this policy should be construed as providing, directly or indirectly, Income Tax Advice. For more information about moving expenses, we suggest that you obtain IRS Publication 521 "Moving Expenses" and that you retain the services of a professional tax advisor/preparer.

The Company's tax provision for the various "relocation expense" items is outlined below. The actual gross up decision is based on the deductibility of the item according to current IRS tax laws.

Relocation Expense	Gross-Up	Tax Calculation
House Hunting & Temporary Living	Yes	At individual's tax rate
Return travel during temp living	Yes	At individual's tax rate
Final Move Meals	Yes	At individual's tax rate
Mileage Reimbursement	Yes	At individual's tax rate
Miscellaneous Allowance	No	Associate responsible for tax liability
Final Move Lodging/Transportation	Yes	At individual's tax rate
Transportation of Household goods	Yes	At individual's tax rate
Storage of Household goods up to 30 days	Yes	At individual's tax rate
Storage of Household goods over 30 days	Yes	At individual's tax rate
New Home Closing Costs	Yes	At individual's tax rate
Lease breaking assistance	Yes	At individual's tax rate
Temporary Living	Yes	At individual's tax rate
Duplicate Housing	Yes	At individual's tax rate
Home Sale Bonus	No	Associate responsible for tax liability
Home sale through relocation company	No	None - Not included in Associate income
Home sale - direct reimbursement of closing costs	No	Associate responsible for tax liability
Loss on Sale	Yes	At individual's tax rate

RELOCATION PAYBACK AGREEMENT

I attest that I have read and fully understand the Company Y Relocation Policy as set forth in this guide. Company Y's relocation compensation and benefits programs have been fully explained to me by both Company Y's People Team and my ARC Relocation Counselor. I understand that should I elect to voluntarily resign or terminate my employment with Company Y within twenty-four (24) months of my job start date, I will be expected to reimburse Company Y, on a pro-rated basis as set forth in the pay schedule listed below, for any relocation reimbursements made to me. The reimbursement must be repaid within thirty (30) days of termination.

Because of the great amount of time and money Company Y has spent or will spend in connection with my relocation, I hereby expressly authorize Company Y to withhold to the maximum extent allowed by law any money that might be owed by me to Company Y if I should voluntarily resign or otherwise voluntarily terminate my employment with Company Y within twenty-four (24) months of my job start date. Should the amount withheld not cover the entire amount to fully recompense the amount owed, I also agree to authorize Company Y to calculate a repayment schedule that I will adhere to in order to fulfill my monetary obligation toward Company Y.

Therefore, I agree to abide by all the terms and conditions of the relocation package.

0 months to 12 months	100% of relocation expenses reimbursed to Associate or paid by Company
12 months to 18 months	75% of relocation expenses reimbursed to Associate or paid by Company
18 months to 21 months	50% of relocation expenses reimbursed to Associate or paid by Company
21 months to 24 months	25% of relocation expenses reimbursed to Associate or paid by Company

Associate's Full Name: _____

Associate Signature Date

People Team Signature Date