



5.1 Educational Assistance

The Company encourages employees to further their development through external educational opportunities. To assist in that development, the Company offers educational assistance as defined in this program.

1. Eligibility

Regular Full-Time employees who are actively at work are eligible to participate in the program. Coursework must be approved prior to the start date of the course. An employee should also discuss with his/her supervisor in a timely manner any interest in pursuing educational assistance so that budget considerations may be made.

2. Qualifying Expenses

The employee will be reimbursed 100% for tuition, books (including software) and registration fees up to a maximum of \$5,250 per calendar year. In accordance with existing tax law, reimbursements made under this program are considered tax-exempt. Coursework must meet the following requirements to be considered for reimbursement:

- a. Coursework must be post high school level education;
- b. Coursework must be taken through an accredited educational institution. For purposes of this policy, such institutions include colleges, universities, trade schools, vocational schools, and professional associations and societies. If an educational institution is not readily recognized as accredited, the employee may be required to provide information regarding the institution. The Company reserves the right, at its sole discretion, to make the final determination of whether an institution meets the policy's accreditation requirement;
- c. Coursework must (i) add to the employees' effectiveness on their current job assignment, (ii) contribute to their overall development such that it will benefit both the employee and the Company, or (iii) be part of a degree program that meets either (i) or (ii);
- d. Funds must not be duplicated through a federal or state program, through the G.I. Bill of Rights, or through a scholarship, grant, fellowship, or any other type of funding arrangement that does not require repayment; Licensing and certification testing—if the employee is successful in obtaining the license or certificate—may also be considered reimbursable under this policy;
- e. Coursework must be completed with a minimum grade of "C" for graded coursework and a "Pass" for Pass/Fail courses; and
- f. Coursework must be approved by your manager.

3. Non-Reimbursable Expenses

Expenses for which reimbursement will not be made include meals, transportation, charges for deferred payment of tuition, computers and other equipment, student fees, parking fees, transcripts, and fees associated with credit given for work experience.

4. Reimbursement Process

The requirements and process to receive reimbursement are as follows:

- a. Employee discusses the request with their manager.
- b. Employee completes Educational Assistance Application Form and submits it to their manager for approval.
- c. Manager approves the application with their signature and submits to Human Resources for verification that all requirements are met.
- d. Within 60 days of completion of the course, employee submits a Reimbursement request form along with copy of expense receipts and final grade to the manager and Human Resources. Reimbursements will be included in the next regular paycheck that is administratively possible.

5. Requirement to maintain employment

It is expected that employee will maintain employment with a Heritage company for 2 years after being reimbursed. After receiving reimbursement under this policy, if employee voluntarily terminates employment or employment is terminated for cause, employee must return to the Company:

- a. 100% of reimbursements received within the 12 months prior to voluntary termination, and
- b. 50% of the amount received 13-24 months prior to voluntary termination.

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