International to Local Relocation Policy

August 2012
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PepsiCo regularly benchmarks its relocation policies against its peers and reserves the right at any time to substitute, modify, revoke, suspend, terminate or change any or all terms of this policy or any plans, policies, or procedures, in whole or in part, without having to consult or reach agreement with anyone, at any time, with and without notice. This policy supersedes all prior versions of the PepsiCo International Policy whether oral or written, and may only be amended in writing by PepsiCo. Oral statements to the contrary by any associate, representative, or officer of PepsiCo shall have no force and effect. In the event the provisions of the relocation policy ever conflict with specific written plan or policy documents, such as associate benefit plans, the language of the specific plan or policy document will prevail. PepsiCo has full power and authority to administer and interpret this policy and its plans and policies, and all interpretations, actions and determinations made by PepsiCo under this policy and its plans and policies shall be conclusive and binding for all purposes on all parties. The basis of employment with PepsiCo is at will and PepsiCo has the absolute right to terminate the relationship at any time, with or without good cause or notice. This policy is being provided to you for informational purposes only. While PepsiCo expects to abide by the policies and procedures described in this policy, the policy does not imply, and should not be construed to constitute, a contract or contain a contractual commitment, nor does this policy contain any enforceable promises of any kind or a promise of continued employment for any duration.
## Summary of Benefits for International to Local

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Eligibility</strong></td>
<td>◦ Current internal, full-time salaried employee who are moving on a permanent or indefinite and local basis</td>
</tr>
<tr>
<td></td>
<td>◦ Includes spouse/domestic partner (who qualifies under the company’s home country benefit plan or tax laws and whom you have entered into a legally binding domestic partner agreement) and dependent children (who are 18 years old or younger or who are 22 years old or younger and in full-time education) who relocate with you on assignment</td>
</tr>
<tr>
<td></td>
<td>◦ Benefits must be used within one year from your effective date of transfer</td>
</tr>
<tr>
<td><strong>Travel</strong></td>
<td>◦ Trips less than four (4) hours in duration are approved for Economy Class travel</td>
</tr>
<tr>
<td></td>
<td>◦ Trips in excess of four (4) hours in duration are approved for Business Class travel</td>
</tr>
<tr>
<td><strong>Home Finding Trip</strong></td>
<td>◦ One home finding trip to new location for up to seven (7) days for you and your spouse/partner</td>
</tr>
<tr>
<td></td>
<td>◦ On-the-ground support from Destination Services Provider</td>
</tr>
<tr>
<td></td>
<td>◦ Reimbursement for reasonable cost of travel, lodging, meals, laundry, telephone charges and car rental, if needed</td>
</tr>
<tr>
<td></td>
<td>◦ Child care fees not to exceed $100 USD per day</td>
</tr>
<tr>
<td><strong>Final Travel</strong></td>
<td>◦ One way travel for you, spouse/partner and children</td>
</tr>
<tr>
<td><strong>Temporary Living</strong></td>
<td>◦ Up to thirty (30) days of temporary living at Company-approved facility</td>
</tr>
<tr>
<td></td>
<td>◦ Includes lodging, meals, laundry and rental car, if needed</td>
</tr>
<tr>
<td>Benefit</td>
<td>Description</td>
</tr>
<tr>
<td>------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
| **Furniture Allowance**            | In lieu of shipping your goods to the new location, you may qualify for a furniture allowance based upon the cost savings from not shipping your goods  
  - Calculated as fifty percent (50%) of estimated Cost to Ship  
  - Storage at origin is not provided |
| **Household Goods Shipment**       |  
  - Packing/unpacking, shipment and delivery of allowable personal and household effects from home to host countries via surface shipment  
  - Air shipment of personal effects  
  - Subject to limits based upon family size  
  - Repair or replacement value insurance when claim is made within ninety (90) days of delivery |
Introduction

International relocations create a valuable, career-enhancing opportunity for employees to grow professionally in different working environments. An international relocation will provide you with a one-of-a-kind forum to apply your knowledge, skills, and experience in areas that will enrich your professional career. PepsiCo wants your international relocation experience to be a rewarding professional and personal achievement. At the same time, you will be helping to achieve PepsiCo’s mission to be the world’s premier consumer products company focused on convenient foods and beverages.

Statement of Policy

The purpose of this document is to set forth and explain the relocation policy of PepsiCo, Inc. its divisions, subsidiaries and affiliates (“the Company”) to eligible internal, full-time salaried employees of the Company who are moving on a permanent or indefinite basis from his/her origin country to a new country location on a local package. The intent is to treat transferees fairly and equitably by providing financial assistance for many of the expenses associated with relocating.

Policy Objectives

This policy describes the assistance the Company will provide to help you with your relocation to the new country location. This policy has been specifically designed to attract and support transferees in global service and to ease the transition into a new cultural environment. The Company’s objective is to ensure, to the extent possible, that the overall experience of working and living in a different culture is rewarding for you and for your family.

The policy is also intended to:

- Minimize obstacles of relocation through support services and by reasonably reimbursing assignees with respect to move relocation-related expenses
- Establish impartial guidelines to support the consistent administration of the program to all Company international transferees
- Ensure that the Company and its employees uphold the highest standards of business conduct by ensuring compliance with legal, work permit/visa obligations and tax requirements in the origin and destination locations
Section 1 General Information

Relocation Eligibility

This program applies to existing full-time salaried employees of the Company, who have either been requested by the Company or have self-selected for a relocation from their home (or origin) country to work in another country on an indefinite or permanent basis.

This policy does not apply to international assignment relocations-home/host, international to permanent moves, international unaccompanied assignments or relocation within one country.

Your eligible dependents consist of your legal spouse, domestic partner (who qualifies under the Company’s origin country benefit plan or tax laws and with whom you have entered into a legally binding domestic partner agreement) and dependent children who relocate with you. Dependent children consist of your children, including stepchildren, who are 18 years old or younger or who are 22 years old or younger and in full-time education.

In the event an additional member of your family/household is asked to accept an international relocation to the same location, only one set of relocation provisions will apply under this policy.

In order for the Company to initiate and cover your relocation expenses, you must have a fully executed Letter of Understanding indicating that you are eligible for relocation assistance.

Policy Interpretations/Changes

The Company maintains overall responsibility for the international relocation policies and procedures. The policies are under constant review to ensure that changes in existing policies are responsive to:

- Our objective for making the relocation and settling in experience comfortable for you and your family
- Competitive practice
- The Company business conditions

Although these policies have been designed to be as comprehensive as possible, the Company may change the policy to better meet the needs of assignees or to permit the Company to address diverse business and social environments and competitive practices.


**Policy Administration**

PepsiCo Inc.’s Global Relocation Department is responsible for the administration, interpretation and approval of this program and any interpretations and determinations made by the Global Relocation Department are final and binding on all relevant parties.

As there are numerous essential activities that must take place in the selection and preparation of international transferees and their families, the Company has developed a process to ensure that both company and personal needs are addressed in as timely and complete a manner as possible. The Company has selected and partnered with Cartus, an international relocation management company, to provide assistance to you.

You will be assigned a dedicated International Assignment Consultant (IAC) who will be your central point of coordination during the relocation process. All questions relating to the interpretation, application, or administration of any of the provisions under this policy should be directed to your designated IAC.

The Company does not normally permit exceptions to policy, however, if a unique or exceptional circumstance arises, there is a formal process in place that must be followed in all instances. Any exception request must be submitted in writing and directed to your Cartus IAC. Your IAC will submit your request to Global Relocation. Any policy exceptions will require written approval by the Vice President of Human Resources and the Global Relocation Director. Verbal approvals will not be honored.

**Reimbursement of Expenses**

You will be reimbursed for reasonable, necessary and properly authorized expenses covered by this policy. You are expected to maintain expenses at a conservative level. The Company may, at its discretion, choose not to reimburse, in full or in part, an expense that is deemed unreasonable or excessive. Only expenses that are incurred as a direct result of the move are eligible for reimbursement. All requests for reimbursement must be submitted to Cartus as soon as possible. For those expenses that will be directly reimbursed to you, Cartus will process your expense reimbursements when your completed relocation expense report and original receipts are received. You should expect reimbursement within seven (7) to ten (10) business days.

All dollar amounts stated in this policy are in U.S. dollars. Expenses not addressed in this policy and business-related expenses are not eligible for reimbursement under this policy. **Use of your corporate credit card is not permitted for relocation expenses.**
General Information

Reimbursement of air travel will be limited to the actual cost of Economy Class fare for trips with durations less than four (4) hours. Trips with durations of four (4) hours or greater will be eligible for reimbursement at the actual cost of Business Class fare. Note: this policy will supersede any local/regional T & E policies.

Cartus is capable of wiring funds in multiple currencies. To receive a wire, you must provide the Cartus Financial Control Team with your bank account information, including: bank name, address, telephone number, account number, routing number and IBAN number in Europe. The Company will cover the fees, if any, associated with wiring funds to your bank. For security purposes, you will need to send your banking information to: customerbankinginformation@cartus.com.

The use of your corporate credit card for relocation expenses is strictly prohibited.

Important: Reimbursement Notes

- You are required to submit all items eligible for reimbursement as soon as possible. Submissions via the online expense report must be made within your one (1) year eligibility period and in no event, later than February 15th of the year following the year in which you incurred the expense.

- Unless specifically stated otherwise, all reimbursement payments will be made to you as soon as administratively practicable following your submission of the online expense report. In no event will payments be made later than March 15th of the year following the year in which you incurred the expense being reimbursed.

- If your employment terminates for any reason, all relocation benefits will immediately cease, including, but not limited to, recurring benefits, tax assistance recalculations and allowances.
In certain circumstances you may be able to obtain a cash advance for certain relocation expenses through Cartus IAC. Each advance must be cleared with your next request for reimbursement or by repayment in full within thirty (30) days, whichever is earlier.

**Steps to Follow for Reimbursement**

Use the following steps for **online submission of expenses:**

- Submit your relocation expense report online at [https://online.cartus.com](https://online.cartus.com)
- Upon completion of your submission, use the “View Report & Upload Receipts/Documentation” link to upload your receipts directly to CartusOnline
- Alternately, receipts can be emailed or faxed to Cartus if you do not have access to image and upload receipts to CartusOnline
- The bar-coded cover sheet you print out must accompany the faxed receipts so that they can become automatically attached to your file, expediting the reimbursement process
- The fax number is listed on the bar-coded cover sheet
- You will be notified of disbursements via email

Use the following steps for **filing a paper copy of your relocation expense report:**

- Complete your expense report
- Reference your file number on either the fax cover page or the expense report
- Complete and sign the expense form, attaching all original receipts
- Create a cover page and fax the entire document to 1-913-322-6359

**Important to Remember: Expenses**

- Relocation expenses must be separate and distinct from business expenses
- Credit card statements cannot be used in lieu of original receipts
- In order to determine the federal and state tax liability for reimbursed expenses, all relocation expenses must be reported accurately
Exchange Rates

The Company will not be responsible for any loss incurred as a result of changes in the value of currency. In terms of your expense reimbursements, Cartus will purchase funds from reputable financial institutions. You will be reimbursed the same amount as the currency you paid. Reimbursement in an alternative currency carries with it the risk of devaluation during the exchange.

Repayment Agreement

Moving an employee is a substantial investment by the Company. Therefore, if you voluntarily leave the Company within one (1) year after your date of transfer or during your relocation, all payments by the Company under this policy will cease. Additionally, you will be required to repay all of the expenses incurred by the Company with respect to your relocation.

Benefit Period

You will be allowed one (1) year from your date of transfer to complete and submit relocation expenses for reimbursement, unless specifically stated otherwise in the body of this agreement. If your employment terminates for any reason, all relocation benefits will immediately cease, including but not limited to recurring programs, tax assistance recalculations, bonuses and allowances.

Tax Assistance

Tax treatment of relocation expenses and the tax impact of the activities addressed in this policy vary from country to country. Prior to your relocation with the Company you are entitled to receive tax advice by the Company-designated tax provider. Please contact your PepsiCo Global Talent Relationship Manager for direction.

Time Off for Relocating

At the discretion of your manager, you may be granted up to three (3) days off in the origin and destination locations in order to address relocation-related issues. Please consult with your manager for approval.
General Terms

**Company**—PepsiCo, Inc. together with its divisions, subsidiaries and affiliates.

**Eligible Dependents**—Eligible dependents consist of your legal spouse, domestic partner (who qualifies under the Company’s origin country benefit plan or tax laws and with whom you have entered into a legally binding domestic partner agreement) and dependent children who relocate with you. Dependent children consist of your children, including stepchildren, who are 18 years old or younger or who are 22 years old or younger and in full-time education.

**Origin Location or Origin Country**—The city and country you were permanently residing in at the time of your international relocation. The designation of the origin location is important as it will determine the application of this policy for benefits such as shipment of household goods, travel to and from the new location, and terminations.

**Destination Location or Destination Country (new location)**—The new city and country to which the transferee will live and be employed in.

**International Assignment Consultant (“IAC”)**—The consultant assigned by Cartus, PepsiCo’s designated international relocation management company, to work with the transferee and family from initiation of the relocation until the family is settled in the new location. The consultant provides relocation policy counseling and interpretation and makes arrangements for necessary briefings and interacts with all necessary service providers during the term of the relocation.

**Transferee**—An employee of the Company who has requested to live and work outside of his or her “country of origin” for a permanent or indefinite period of time.
Pre-Departure Preparation

Early Considerations
As you begin the pre-departure process, there are a number of items that you should consider and initiate as early as possible. Some of these items include the following:

**Online Resources**—The Company encourages you to familiarize yourself with the relocation information available on [www.mypepsico.com](http://www.mypepsico.com) under the Pay, Benefits & Career, under Relocation, International or use the following link: [https://www.mypepsico.com/eportal/site/eportalcom/paybenefitsandcareer/intlrelocation](https://www.mypepsico.com/eportal/site/eportalcom/paybenefitsandcareer/intlrelocation). Many helpful websites and links as well as policies and contacts are accessible on the site to support you throughout your transition.

Your consultant will provide you with information pertaining to the Cartus website, CartusOnline®. This website can be utilized to find valuable information regarding your destination location, your home sale guidelines, up-to-date move statuses and several checklists to help you prepare for your relocation. There are also activities and games for children to get them involved in the move. CartusOnline® is accessed through [https://online.cartus.com](https://online.cartus.com).

**Items that should be excluded from shipping**—There are specific items that the moving company will not ship. There are also items that the Company will not pay to ship and those that we recommend you carry in your possession. Lastly, there are some countries that do not allow some items to be shipped. Your Cartus IAC will review the guidelines and parameters surrounding your household goods shipment, which is also further detailed later in this policy.

**Insurance**—The Company suggests that you re-evaluate your personal insurance coverage prior to your relocation. Any additional insurance premiums as a result of your relocation, or required changes in coverage, will be at your own expense.
Passports, Visas, Work and Residency Permits

Depending on the origin and destination locations, a work permit/visa and residence permit may be necessary before a non-citizen can live and work in the destination country for an indefinite period of time. As a result, application of the work permit/visa must be initiated upon acceptance of the relocation. It is critical that you provide all the required documentation as soon as possible. The work permit process may take six (6) weeks to six (6) months, or longer, depending on the destination location regulations and requirements.

The work permit/visa is an endorsement added to a passport by a foreign embassy official denoting that the required credentials have been issued and the bearer is authorized to enter, live, and work in the country for a specified period of time. You are also responsible for ensuring that passports and travel documents for all family members are valid while living in the destination location.

The Company will pay and/or reimburse for the cost of obtaining work permits and visas for you and your eligible dependents. Reimbursement of reasonable expenses associated with obtaining proper visa documentation includes: immunizations, insurance above and beyond normal coverage, transcript(s), certified copies of birth certificates, marriage licenses, divorce decrees, and visas. The Company will not cover expenses associated with obtaining passports for you or your accompanying family members.

Assistance in securing passports, visas, work and residence permits may be coordinated by the Company or your Cartus IAC. Your IAC will work with you and the immigration provider to assist in obtaining all proper work-related documentation and monitor expiry dates as appropriate. The Company does not assist or cover the expenses associated in obtaining work authorization documents for family members.

It is important to note that in many countries importation of household goods is not permitted until the proper visa/work permit has been granted. You should register with the Embassy as soon as arriving in the destination location.
Depending upon the destination country, there may be many documentation requirements for passports, visas and work permits. Some materials that might be required are:

- Certified copy of birth certificate*  
- Certified copy of marriage certificate*  
- Original college degree(s) with official stamp/seal  
- Police clearance from your current and/or previous places of residence  
- Divorce papers  
- Adoption papers  
- Brief resume of education, job experience, etc.  
- Letter of guarantee from the Company  
- Passport photos (obtain a minimum of twelve (12) photos per family member that will be expatriating for future use with registrations, permits, licenses, etc.)  
- Job description and/or a list of the types of services to be performed

It is also recommended that you prepare two (2) duplicate sets of this information, one which can reside with a trusted colleague or family member, and another to carry with you to the new location.

* Certified copies are issued by the official authorities of the appropriate city, county, state, province, etc. and include a raised and/or multicolor seal or stamp of the official custodian of such records. Duplicated copies are not acceptable. Since these documents are not returned, it is a good idea when initially obtaining certified copies to request more than one (1) copy. Additional certified copies might also be required after you relocate for visa renewal purposes.
Travel Arrangements

You are responsible for making your own travel arrangements, either through your own travel company or you may schedule travel through one of the Company’s primary travel agencies. If you are interested in having your airfare directly billed to the Company, this can only be accomplished through certain travel agencies. To pursue this option, contact your Cartus IAC who will need to authorize your move with the applicable travel agency.

You may schedule your travel through your local business travel agency or handle it personally. All travel expenses should be charged to your personal credit card. The Company will reimburse all relocation-related travel expenses through Cartus. **Do not charge these expenses to your corporate credit card.**

Trips that are less than four (4) hours duration are approved for Economy Class travel. Trips in excess of four (4) hours duration are approved for Business Class travel. A trip is considered the complete time from origin to destination, regardless of interim stops or plane changes.

If car rental is applicable, cars should be rented through one of the Company’s preferred rental car providers in order for vehicle insurance to be included. If a Company-preferred rental car provider is unavailable, you are required to purchase the damage insurance. The Company will reimburse the insurance coverage.

Pre-Move/Home Finding Trip

Upon acceptance of the relocation, you and your spouse/domestic partner will be eligible to take one (1) home finding trip to your new location for a maximum of seven (7) days. Reimbursement will include the reasonable cost of travel, lodging, meals, laundry, telephone charges and car rental, if needed. Children and other travelers will not be eligible for expense reimbursement. The Company will reimburse reasonable and documented childcare fees, not to exceed $100 USD (or local currency equivalent) per day. The Company will reimburse airfare expenses up to $700 USD (or local currency equivalent) if you wish to have a family member stay with young children in lieu of the babysitting expense.

Travel Accident Insurance is provided by the Company while you are traveling to locate a residence.

Your Cartus IAC will arrange for a professional Destination Services Provider to support you on the ground in the new location. This support will consist of area orientation, accompanying you and your spouse/domestic partner while house hunting, settling in support, providing you with a school overview, and the location of medical facilities and shopping.
Fees associated with leasing suitable accommodations in the destination country, including the cost of the agent’s fees, are covered by the Company. Additionally, an advance may be made to cover any deposit, key money or other required prepayments. These funds must be repaid, in full, upon termination of the lease.

**Final Trip Travel Guidelines**

One way travel, using the most direct route to the destination location, is authorized for you and all eligible dependents during relocation. If any part of your trip lasts more than eight (8) hours, the Company will pay for a one-night stopover. Reimbursable stopover expenses include local hotel and meals for you and eligible dependents. Side trips to other locations are prohibited from reimbursement.

Expenses should be submitted using Cartus’ online web expense reimbursement process.

Travel Accident Insurance is provided by the Company while you are in transit from your old location to your new location.
Relocation Assistance

Disposition of Origin Country Rental Housing

Renter—Lease Cancellation
If you rent your primary residence in your origin location, the Company will reimburse up to three (3) month’s rent to cancel your lease, if required by the lease agreement. The Company will not reimburse penalty or expenses incurred as a result of failure to provide the landlord with appropriate written notice of intent to vacate, damage to the property, or vacating condition requirements. Receipts (i.e., cashed check, letter from landlord) for eligible expenses must be submitted to Cartus for reimbursement.

If you are departing an international assignment location, you will be provided with Departure Services to assist you with meeting all of the requirements for breaking the lease in your destination country. You or your spouse/domestic partner is required to participate in the final walk through with the landlord. Failure to attend will deem you responsible for the landlord’s findings in the case of a dispute.

Temporary Living Expenses
The Company will cover reasonable expenses associated with up to thirty (30) days of temporary living between the origin and destination location, at a Company-approved facility. Temporary living may be required as you vacate your residence in the origin location and while awaiting the arrival of your household goods in the destination location. This includes the cost of lodging, meals, and rental car (if no company car or car allowance is provided) and bi-weekly housekeeping and laundry while in temporary living. You may choose to rent furniture and stay in your new home in lieu of temporary living coverage. Non-move-related expenses will be the employee’s responsibility and business expenses should be handled through the Company T & E process. Your Cartus IAC can help clarify questions regarding eligible expenses.

Furniture Allowance
The Company may provide an allowance for the purchase of furniture in your assignment location in lieu of shipping your household goods from your home country. The allowance is based on a portion of the savings realized from not shipping your belongings.

Your IAC will determine the amount of the allowance by taking fifty percent of the estimated cost of relocating your household goods according to the existing policy weight limits.
Relocation Support Services

Example of Furniture Allowance:

- Family size = 4
- Weight of shipment allowed = 14,000 lbs
- Cost to ship = $15,000 USD
- 50% = $7,500
- Furniture allowance = $7,500 USD

If you qualify for a furniture allowance, you will be responsible for purchasing furniture and other items needed for your household. Keep in mind the restrictions on items that the Company will not pay to ship should you relocate in the future.

Household Goods Shipment

The Company will provide for the packing/unpacking, shipment, and delivery of allowable personal and household effects from the origin to the destination location. At the destination location, the moving company will assemble any goods that were disassembled for shipping purposes. The Company will not cover fees for the assembly of furniture purchased at the destination location.

Move requests within the same destination location and assignment term are not authorized. Any expense associated with household transport after relocation into the destination country will be your responsibility.

Please note that the work permit/visa must be approved before the transportation of household goods can be authorized.

Surface Shipment Limitations

Maximum shipping limits may vary based on family size. Supplemental shipments are not permitted.

You must ship the majority of your household goods by surface transportation, unless shipping by air can reduce your handling charges or temporary living expenses. Your Cartus IAC must review requests to ship by air. Alternatively, you and your family may take necessary items as excess baggage when you fly to your new location. Reasonable excess baggage charges up to 100kg per person will be reimbursed by the Company.
Based upon your family size, you may ship goods up to the following volume and weight limits:

<table>
<thead>
<tr>
<th>Maximum Surface Shipment Guideline</th>
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<tbody>
<tr>
<td><strong>Family Size</strong></td>
</tr>
<tr>
<td>2 or less</td>
</tr>
<tr>
<td>3–4</td>
</tr>
<tr>
<td>5 +</td>
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</tbody>
</table>

Unless mandated by local customs and duties, the shipment is handled door-to-door.

**Air Shipment**
When eligible, and as necessary, the Company will pay for a small, separate, shipment of personal effects to be air-shipped to the destination location for immediate usage while the transferee is waiting for the arrival of household goods. Maximum shipment per assignment type is listed below:

<table>
<thead>
<tr>
<th>Maximum Air Shipment Guideline</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Family Size</strong></td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>2–3</td>
</tr>
<tr>
<td>4 +</td>
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</tbody>
</table>

Questions regarding container size should be directed to your Moving Coordinator.

**Crating**
If deemed necessary by the movers, the following items may be approved for crating:
## Relocation Support Services

### Eligible for Crating

- Flat screen TVs
- Glass tops
- Oil paintings
- Pictures with glass/gilded frames
- Marble tops
- Cabinet doors with glass
- Large mirrors
- Any item valued at over $25,000 USD

### Restricted Items

You must abide by the shipping company’s restrictions and regulations. The Company will not cover the expenses related to the items listed below and will **not** be responsible for the expense, potential damage and/or loss either during shipment or temporary storage.

### Restricted Shipment Items

- Perishable foods, alcohol and wine collections
- Recreational motor vehicles such as motorcycles, airplanes, gliders, campers and boats
- Hobby or building materials such as lumber, cement, sand and slate
- Hazardous or flammable materials such as propane tanks and aerosol cans
- Jewelry, furs, antiques, works of art, china, crystal, coin or stamp collections, and other items of unusual value
- Live plants, shrubbery, fertilizer
- Portable swimming pools, hot tubs, pool tables
- Other items the shipping company or host country deems inappropriate

### Storage

Storage of goods, if required, will be provided for a maximum of thirty (30) days. Arrangements must be made for storage through the household goods mover. Although storage is provided, the Company recommends that you try to coordinate the shipment directly from the old home to the new home to avoid excessive handling of the goods. The Company does not store automobiles and does not provide access to stored items.
Relocation Support Services

Important: Storage Extensions

The Company will not provide extensions to storage. It is your responsibility to pay the household goods mover directly for any storage beyond the period provided for under this policy. Payment will be required by the mover prior to delivery.

The cost of storage through the moving company is typically much more expensive than a self storage facility. If you are going to require extra storage, you should obtain an estimate from the van line. Be aware that this is only an estimate and may change. Should you opt to go into a self storage facility, the goods will be uninsured by the Company and you will be responsible for the delivery out of storage.

Import/Customs Duties

In cases where import duties are assessed, the Company will pay any expenses levied on normal personal effects and household goods. Any duty on items included on the restricted items list will be the transferee’s responsibility.

Insurance

The Company will provide insurance, at replacement value, for all normal household goods while in transit and/or in storage. If an item is damaged, the insurance company will determine if the item can be repaired. If the item cannot be repaired, a replacement will be made with material of like kind and quality. You are required to complete a valued inventory list prior to the move for items you consider to be of high value. You should be provided a specific form for these items.

All insurance claims must be submitted within ninety (90) days from the date you accept delivery. If you do not submit a claim within the ninety-day timeframe, your claim will not be paid.
Items that are not covered by the Company-provided insurance include the items listed below:

<table>
<thead>
<tr>
<th>Non-Insurable Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Works of art</td>
</tr>
<tr>
<td>- Antiques</td>
</tr>
<tr>
<td>- Jewelry</td>
</tr>
<tr>
<td>- Important documents (e.g., birth certificates, school records, health records, passports)</td>
</tr>
<tr>
<td>- Currency and securities</td>
</tr>
<tr>
<td>- Collectibles (e.g., books, coins, cards, stamps)</td>
</tr>
<tr>
<td>- Sentimental objects (e.g., photo albums, family heirlooms)</td>
</tr>
</tbody>
</table>
Appendix A

Compliance with Code Section 409A

It is the intention of the Company that any benefits or reimbursements provided under the Policy are exempt from section 409A of the U.S. Internal Revenue Code because (i) such benefits are not taxable to the employee, (ii) the Policy does not represent a legally binding right, or (iii) the benefit or reimbursement will be provided within 2 ½ months following the end of the year in which the expense was incurred.

However, with regard to any payment relating to tax preparation and assistance that would fit within the definition of the term “gross-up payment,” such payment shall comply with the requirements of Treas. Regulation § 1.409A-3(i)(1)(v) (or any successor provision) and shall be paid to or on behalf of the employee no later than the end of the taxable year following the employee’s taxable year in which the taxes were paid to the taxing authority. With respect to any other payment of tax costs, this Policy shall comply with Code section 409A and Treas. Reg. § 1.409A-3(i)(1)(iv) with regard to the requirements for reimbursements, as described below, to the extent applicable, for the period that an employee’s tax-equalization rights under this Policy exist.

To the extent any other reimbursements or in-kind benefits provided under the Policy are subject to Code section 409A, such reimbursements, payments, or in-kind benefits, will be provided by the Company in accordance with Code section 409A and Treas. Reg. § 1.409A-3(i)(1)(iv). Accordingly, the Company shall reimburse the employee for any such fees and expenses promptly upon delivery of reasonable documentation, provided, however, all invoices for reimbursement of fees and expenses must be submitted to the Company and paid by the end of the calendar year following the calendar year in which the fee or expense was incurred. The reimbursements made or benefits provided during one calendar year shall in no way affect the reimbursements made or benefits to be provided in any other year and the right to the reimbursements or benefits shall not be subject to liquidation or exchange for any other benefit.