

# Domestic Relocation

Homeowner Policy: Guaranteed Buyout (GBO)



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## SUMMARY OF BENEFITS: HOMEOWNER GUARANTEED BUYOUT POLICY

Benefit	Description																		
<b>Miscellaneous Expense Allowance (MEA)</b>	<p>Upon acceptance of the offer and agreement of the repayment terms, associate will receive a Miscellaneous Expense Allowance based on job level. This allowance is intended to cover miscellaneous expenses that may not be covered within the policy. This allowance is considered taxable and appropriate tax gross-up will be applied.</p> <table border="1" data-bbox="732 512 1170 663"> <thead> <tr> <th data-bbox="732 512 946 569">Job Level</th> <th data-bbox="946 512 1170 569">MEA Amount</th> </tr> </thead> <tbody> <tr> <td data-bbox="732 569 946 615">VP &amp; MVP</td> <td data-bbox="946 569 1170 615">\$5,000</td> </tr> <tr> <td data-bbox="732 615 946 663">SVP+</td> <td data-bbox="946 615 1170 663">\$6,000</td> </tr> </tbody> </table>	Job Level	MEA Amount	VP & MVP	\$5,000	SVP+	\$6,000												
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<b>Travel Allowance</b>	<p>A lump sum travel allowance intended to cover the cost of two (2) home finding trips and final move expenses will be provided to the associate. Capital One uses a third-party data provider to calculate the travel allowance, which is based on the policy benefits below, incorporating family size and departure/destination locations. This allowance is considered taxable income and will be grossed-up for taxes. The allowance is calculated based on the following:</p> <p><b>HOME FINDING</b></p> <table border="1" data-bbox="456 968 1411 1341"> <thead> <tr> <th data-bbox="456 968 638 1020">Benefit</th> <th data-bbox="638 968 1411 1020">Included in Travel Allowance</th> </tr> </thead> <tbody> <tr> <td data-bbox="456 1020 638 1163">Travel</td> <td data-bbox="638 1020 1411 1163">Airfare for associate, spouse/domestic partner and dependent children for one (1) home finding trip. Airfare for associate and spouse/domestic partner <b>only</b> for the second home finding trip. Distance from origin to destination must be 350 miles or more. Mileage is covered if 350 miles or less.</td> </tr> <tr> <td data-bbox="456 1163 638 1215">Lodging</td> <td data-bbox="638 1163 1411 1215">Three (3) nights standard lodging covered for each home finding trip</td> </tr> <tr> <td data-bbox="456 1215 638 1289">Meals</td> <td data-bbox="638 1215 1411 1289">\$65/day meal per diem for adults \$25/day meal per diem for children</td> </tr> <tr> <td data-bbox="456 1289 638 1341">Rental Car</td> <td data-bbox="638 1289 1411 1341">Cost for intermediate size rental car is covered</td> </tr> </tbody> </table> <p><b>FINAL MOVE</b></p> <table border="1" data-bbox="456 1419 1411 1696"> <thead> <tr> <th data-bbox="456 1419 638 1472">Benefit</th> <th data-bbox="638 1419 1411 1472">Included in Travel Allowance</th> </tr> </thead> <tbody> <tr> <td data-bbox="456 1472 638 1577">Travel</td> <td data-bbox="638 1472 1411 1577">Air travel covered for associate, spouse/domestic partner and dependent children to travel to the final destination, if distance from origin to destination is 350 miles or more. Mileage is covered if 350 miles or less.</td> </tr> <tr> <td data-bbox="456 1577 638 1629">Lodging</td> <td data-bbox="638 1577 1411 1629">One-night standard lodging in both origin and destination locations</td> </tr> <tr> <td data-bbox="456 1629 638 1696">Meals</td> <td data-bbox="638 1629 1411 1696">\$65/day meal per diem for adults \$25/day meal per diem for children</td> </tr> </tbody> </table>	Benefit	Included in Travel Allowance	Travel	Airfare for associate, spouse/domestic partner and dependent children for one (1) home finding trip. Airfare for associate and spouse/domestic partner <b>only</b> for the second home finding trip. Distance from origin to destination must be 350 miles or more. Mileage is covered if 350 miles or less.	Lodging	Three (3) nights standard lodging covered for each home finding trip	Meals	\$65/day meal per diem for adults \$25/day meal per diem for children	Rental Car	Cost for intermediate size rental car is covered	Benefit	Included in Travel Allowance	Travel	Air travel covered for associate, spouse/domestic partner and dependent children to travel to the final destination, if distance from origin to destination is 350 miles or more. Mileage is covered if 350 miles or less.	Lodging	One-night standard lodging in both origin and destination locations	Meals	\$65/day meal per diem for adults \$25/day meal per diem for children
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<b>Temporary Living</b>	<p>Temporary living expenses for up to 90 days will be covered, to include:</p> <ul style="list-style-type: none"> <li>• Standard, furnished lodging (with kitchen facilities)</li> <li>• Rental car for up to 14 days</li> </ul>																		

Benefit	Description
<b>Home Sale Assistance</b>	Home Sale Assistance for disposition of primary residence at origin is covered to include: <ul style="list-style-type: none"> <li>▪ Marketing Assistance – Plus will provide an agent to assist with the marketing of the associate’s home. This agent must be in the Plus agent network.</li> <li>▪ Guaranteed Buyout Offer – Once an outside buyer is found, all reasonable and customary closing costs, including broker’s commission will be paid by Capital One. Capital One will also guarantee the sale of the home if an outside buyer is not found after 120 days of being marketed. The guaranteed offer is based on the average of two appraisals conducted on the home, which must be within a 5% variance.</li> </ul>
<b>Home Marketing Allowance</b>	Up to \$5,000 will be provided to assist with the preparation & marketing of the home: <ul style="list-style-type: none"> <li>▪ To cover inspection-related repair issues from inspection report</li> <li>▪ To assist with cosmetic improvements, including painting &amp; carpet replacement</li> <li>▪ Buyer’s concessions offered on the sale of the home</li> <li>▪ Bonus to buyer’s agent</li> </ul>
<b>Shipment of Household Goods</b>	The cost of packing, loading, and shipping household goods, including insurance valuation up to \$100,000 provided by a preferred van line will be paid by Capital One. Full unpacking service will be provided in addition to an Onsite Manager present on the day of pack/load and unpacking. Temporary storage with the van line for up to 90 days as well as the option to participate in a ‘discard and donate’ program offered by Home Sweet Home will be covered.
<b>Shipment of Autos</b>	Shipment of up to two automobiles is covered if the distance from origin to destination is 350 miles or more. For distances less than 350 miles, shipment of one (1) auto is covered and mileage is reimbursed for the second auto. The associate may choose to ship one (1) motorcycle in lieu of a second car.
<b>Rental Assistance</b>	If renting at destination, up to a full day rental tour will be provided to you and your family.
<b>Home Purchase Assistance and Mortgage Loan Services</b>	Usual and customary closing costs on the purchase of a new home in the destination location will be covered.  Plus Relocation Mortgage is the preferred mortgage provider. Plus also offers a network of mortgage providers that you may choose to work with. You will need to inform your Plus Counselor if interested in being contacted by these lenders.
<b>Spouse/Partner Employment Assistance Program</b>	Capital One partners with Lee Hecht Harrison consulting services, who will work with your spouse and/or domestic partner to help identify job opportunities and assist with job search activities, including resume writing and interviewing skills.
<b>Tax Assistance</b>	Unless otherwise indicated in this policy, Capital One will pay the estimated federal, state, local and FICA tax liability (gross-up) that arises from taxable Company-reimbursed expenses.

Congratulations on your upcoming relocation with Capital One! This is an exciting time for you and your family. It's also a challenging time as you prepare for the change. The objective of Capital One's relocation program is to provide associates and their families with the services and assistance necessary to help them relocate in a timely, cost-effective manner. Capital One is committed to minimizing the many stressful events and financial strains that relocation can cause. Moving can be a challenge and we're committed to ensuring our service partners meet or exceed our own high standards for efficient, customer-oriented service to ensure a smooth relocation experience.

## **RELOCATION GUIDE**

Capital One wants your transition to be as smooth as possible. Therefore, we've prepared this relocation guide to assist you and your family through the relocation process. This program reimburses you, or pays on your behalf, the majority of the reasonable expenses associated with your relocation.

## **PLUS RELOCATION: OUR SERVICE PARTNER**

We recognize relocating may produce some unexpected expenses and challenges. To assist in meeting these challenges, we provide professional assistance to guide you, and financial assistance to help with your move. To that end, Capital One is proud to partner with a global leader in relocation, Plus Relocation Services (Plus). Plus assists thousands of relocating employees around the world every year.

A Counselor from Plus will be assigned to you and will serve as your main point of contact in coordinating all aspects of your move. You will also be assigned a Home Sale Counselor at Plus who will guide you through the Guaranteed Buyout (GBO) program and assist in the sale of your home. Don't hesitate to call your Plus Counselor or Home Sale Counselor at any time with questions or concerns. In fact, we urge you to read this guide thoroughly and solicit answers to your questions before beginning your relocation and before incurring any expenses.

## **RESPONSIBILITIES**

Throughout your relocation, there are numerous personal, legal and tax issues to be considered. Making well-informed decisions requires an understanding of Capital One's relocation policy and your role in the process. Please take the time to read this guide carefully and discuss any questions with your Plus Counselor.

Your active participation in the relocation process is critical, and may include:

- Providing accurate and timely information and documentation
- Completing expense reports and submitting travel itineraries
- Making necessary home repairs
- Keeping your home available for showings to potential buyers
- Finding cost effective solutions and staying within policy parameters
- Working with your Plus Counselor and Home Sale Counselor and asking for policy clarification at any time
- Being mindful of Capital One values

## PROGRAM ADMINISTRATION

This guide details the relocation policy and procedures for associates relocating at Capital One's request. Plus and participating subsidiaries may apply some, all or none of the benefits described in this guide at the sole discretion of company management. Capital One also reserves the right to modify, revise, delete or amend any portion of this guide without prior written notice.

### The specific categories of assistance provided to transferees are as follows:

- Miscellaneous Expense Allowance
- Travel Allowance for Home Finding and Final Move Expenses
- Home Marketing Assistance
- Home Sale Assistance: Guaranteed Buyout
- Temporary Living Accommodations
- Home Purchase Assistance
- Spouse/Domestic Partner Employment Assistance Program
- Shipment of Household Goods
- Shipment of Automobiles
- Tax Information and Assistance

Coverage within this guide requires the approval of the business unit VP+ and Human Resources. Capital One's Human Resources Department must authorize the relocation by submitting a Relocation authorization to Plus. Upon receipt of the authorization, a Plus Counselor will contact you within 48 hours to discuss the Relocation Program and benefits.

All requests for information or services other than questions about the relocation services should be directed to the Domestic Relocation Team by contacting [RelocationUSDomestic@capitalone.com](mailto:RelocationUSDomestic@capitalone.com).

## ELIGIBILITY - ASSOCIATE

Relocation benefits identified in this guide are applicable only to associates who are homeowners in the present location. You are eligible for relocation assistance described herein if:

- You are a current, full-time associate or newly hired associate at the VP+ level, authorized by Capital One to receive relocation benefits
- You are requested to relocate by Capital One and designated to receive these benefits
- All reimbursable relocation expenses should be incurred within 12 months of the official transfer date
- The distance between the former home and the new work location should be 50 miles greater than the distance between the former home and the old work location

Capital One will have the absolute right at any time to revise and, if necessary, to amend, suspend or terminate all or parts of this guide. This guide shall not be considered or construed as an employment contract and does not confer upon you any right to continued employment, nor does it supersede any other employment administration practice.

The guide DOES NOT apply to employee-initiated relocations or temporary employees.

## ELIGIBILITY - FAMILY

Financial assistance under the provisions of the guide is limited to you, your spouse and/or domestic partner and dependent children who reside with you at the time of acceptance of your offer of employment or transfer and who will reside with you at the new location.

The assistance provided applies to a "household unit". Therefore, if two or more Capital One associates share a household, they are considered a single household unit and are eligible for one set of relocation benefits.

## TIME FRAME TO COMPLETE YOUR RELOCATION

The relocation process and all requests for reimbursements should be completed no later than one (1) year after the associate's effective date in the new location unless otherwise stated in this guide.

***Effective date is the date the associate starts the new position as posted in Workday, Capital One's HR system of record.***

## PLUS'S ONLINE COMMUNITY & RELOCATION RESOURCE

Elo for Employees, Plus's online transferee portal, places you at the center of the relocation experience and provides a single place for both you and your spouse/partner to access all of the communication and information about your relocation in one centralized location. Through Elo for Employees, you can:

- Connect with key members of your move team, including your Plus Counselor, Home Sale Counselor, and suppliers
- Access a calendar detailing every task and event related to your move
- Submit expenses for reimbursement and view payment status
- Review a robust library of move-related articles, checklists, websites, and other resources
- Save and access all relocation documents

At the time your move is initiated with Plus, you'll receive a username and password. You can then visit [elo.plusrelocation.com](http://elo.plusrelocation.com) to log in with secure access.

## RECORD KEEPING

The tax ramifications involved with relocation require very careful record keeping by you and Capital One. You are encouraged to keep records and receipts of all your expenses.

Most often, home sale closing costs, home purchase closing costs, temporary living accommodations and transportation of household goods expenses will be paid directly by Capital One on your behalf. Invoices for these services will be processed by Plus and paid by Capital One.

## EXPENSE REIMBURSEMENT

You may request expense reimbursement for out-of-pocket expenses by submitting your expenses online at [elo.plusrelocation.com](http://elo.plusrelocation.com).

Plus can make reimbursements by check, wire transfer (international), or by electronic funds transfer (EFT). To ensure accurate reimbursement, you should indicate exactly how and where you want your reimbursements made online. This is important, since your address or account information may change during your relocation.

**To ensure full reimbursement, it is important to consult with your Plus Counselor prior to incurring any expenses not addressed within this document.**

It's important to remember:

- Relocation expenses are separate and distinct from business expenses
- A receipt is required for any item over \$75
- Expenses must be submitted within 30 days of occurrence
- Expenses outside of the relocation policy not previously approved, will be denied
- **Do not submit relocation expenses on the Business Expense Form**
- **Do not submit relocation expenses through a Capital One Travel & Expense Report**

All records and receipts should be accurately kept to comply with tax regulations and to ensure timely payment of relocation expenses.



## REPAYMENT AGREEMENT

Because Capital One incurs significant costs to relocate associates, you will be required to sign the Associate Repayment Agreement before receiving your relocation benefits. By executing this agreement, you agree to repay Capital One the prorated costs of your relocation if you voluntarily resign or are terminated for cause within 24 months of the effective date of your new work assignment. You will be liable to repay all relocation benefits paid by Capital One based on the repayment schedule. Furthermore, all reimbursements under this guide, including any submitted but not yet reimbursed pending tax gross-ups, cease as of the date of termination.

## EXCEPTIONS

Capital One's relocation program provides for the fair and uniform treatment of all associates. Consequently, exceptions to the provisions of this relocation guide are limited. Questions or concerns regarding items not specifically addressed within the guide should be directed to your Plus Counselor.

All requests for exceptions must be submitted to your Plus Counselor via the Exception Request Form. You will be required to complete this form and include a detailed explanation of your request. Your Plus Counselor will forward the request to Capital One's Relocation Program Manager for review and consideration by your business unit's Vice President. **Managers and Supervisor personnel do not have authority to approve exceptions to this policy.** Written approval in advance is required.

## CASH IN LIEU OF BENEFITS

Relocation is a significant cost to the company. The benefits, allowances and reimbursements described throughout this policy guide are intended to address specific needs an associate has when relocating.

Associates are expected to work with the company to minimize the relocation costs as much as possible (within legal limits and within the parameters of this structured policy). Therefore, should actual costs be lower than estimated costs, no cash allowance, in any case, will be provided in lieu of the actual reimbursement or benefit. For example, an associate who chooses not to utilize the shipment of household goods which he/she is entitled to, will not be provided the cash equivalent in lieu of the benefit.

This policy also applies in terms of entire benefit swaps for cash. No cash will be issued in lieu of a benefit (e.g., cash to purchase furniture in the new location vs. company-paid shipment of goods).

## MISCELLANEOUS EXPENSE ALLOWANCE

Capital One will provide a Miscellaneous Expense Allowance (MEA) to assist in covering expenses not specifically provided in this policy. This allowance is considered taxable and will be grossed-up to cover any local, state and federal tax. The allowance is based on the associate's job level as indicated below:

Job Level	MEA Amount
VP & MVP	\$5,000
SVP+	\$6,000

The Miscellaneous Expense Allowance is yours to use as desired. Below are examples of expenses this allowance could be used for:

- Automobile registrations and driver's license
- Transportation and boarding of pets
- Cable and antenna hook-ups
- Trash removal
- Shipping cost of items not covered under policy
- Additional insurance coverage for moving of household goods

- Overtime charges for packing, loading, unloading or unpacking of household goods
- Non-refundable annual tuition, club dues, memberships or subscriptions
- Telephone installations
- Cleaning or maid service for old or new residence
- Structural modification to accommodate furniture and appliances
- Installation/reinstallation of exercise and/or electronic equipment such as, but not limited to, computers, audiovisual equipment, home entertainment centers, outdoor play equipment etc.
- Special utility hook ups, and
- Other miscellaneous items

This list is not meant to be all-inclusive, but an example of the various items the allowance is typically used for.

## HOME SALE OVERVIEW

Capital One offers a comprehensive program through Plus to assist in the sale of your residence to a qualified outside buyer. Capital One will pay all reasonable and customary seller expenses associated with selling and closing your home.

Selling your home is an important financial decision for both you and Capital One. It is in your best interest to actively market your residence, get the best possible price and sell it as quickly as possible to begin the process of buying your new home. It is also in Capital One's best interest to encourage you to find a buyer for your residence and avoid the excess costs involved in buying your home at the Guaranteed Buyout Offer and then reselling. This program consists of:

- Real Estate Agent Selection
- Marketing Assistance
- Guaranteed Buyout Option or Amended Value Option for eligible properties
- Direct Reimbursement of Home Sale closing costs for ineligible properties

## HOME SALE ELIGIBILITY

To be eligible for Capital One's Home Sale Program, your home must be a single-family residence which is used as your principal residence. Eligibility of properties located within a Home Owners Association may require an initial questionnaire to be completed by the Home Owners Association management company to determine any eligibility concerns within the relocation home sale process. Please contact your Home Sale Counselor for more information.

Properties may be deemed ineligible if Capital One determines a property has severe marketability or repair conditions as a result of the agent and/or inspector reports. Other examples of ineligible properties include but are not limited to the following:

- A cooperative apartment
- A mobile home or a manufactured housing unit
- Homes listed on local Historical registries
- Homes atypical in style, design and price for the geographic area in which the home is located
- Acreage in excess of a normal lot size typical for the geographic area in which the home is located but in no event in excess of five (5) acres
- Ranches, vacant lots and farmland
- Any home involved with bankruptcy or a short sale
- Any home which cannot be financed by a lending institution
- Any home which all or a portion of is incomplete
- Any home in which a part is used for non-residential purposes

- Any home built on or in close proximity to a hazardous site/location or with hazardous or potentially hazardous or toxic substances, mold, materials, chemicals or gases including but not limited to radon gas, urea formaldehyde foam insulation (UFFI), asbestos, lead-based paint and chlordane (in excess of the legal limit established by the EPA or other pertinent regulatory agency)
- Any home built with materials included in an adjudicated or pending class action lawsuit
- Any home with an exterior finish commonly known as “synthetic stucco”, also referred to as Exterior Insulation and Finish Systems (EIFS), or hybrid stucco
- Any home in which the associate cannot provide clear title
- Income property, including but not limited to farms, businesses, investment properties, etc.
- Any home currently in possession of a tenant, where vacancy cannot be achieved within 30 days of offer date by the third-party home sale company
- Any home in which insurance is not available at standard rates for normal hazards of flood or fire and extended coverage
- A houseboat or other watercraft

In the event your home is not eligible for Home Sale Assistance, you may be reimbursed for normal and reasonable selling costs associated with the sale of your property. Please refer to “Reimbursement of Home Sale Closing Costs for ineligible properties”. Under these circumstances, you will not be eligible to receive an equity advance.

## REAL ESTATE AGENT SELECTION

Home Marketing Assistance is designed to assist you in finding a buyer for your home. You are required to use Plus’s Home Marketing Assistance to be eligible for the Home Sale Program. Please keep in mind Capital One is using Plus’s preferred broker partner network. Your utilization of a Plus-approved real estate agent in both the sale and purchase components of your relocation is required. ***Your failure to do so will result in increased costs to Capital One and therefore you may receive reduced relocation benefits.***

Plus will select two (2) local reputable real estate companies from the approved network of real estate companies. If you have a real estate agent that you would like to utilize, who is relocation trained and certified, experienced, knowledgeable of the local market, familiar with relocation procedures, and is willing to agree to the terms and conditions of the Plus broker management agreement, please ask your Plus Counselor to consider and qualify this agent. Relatives or part-time agents are not permitted.

It is our policy not to reimburse an associate, immediate family member or other relative for the fees associated with the listing or sale of an associate’s property. In addition, family members or relatives should not make home purchase referrals to realtors/agents in the new location. Realtors must either be referred by or pre-qualified by Plus. All relocating homeowners who plan to sell their former home and/or purchase a new home are required to speak with their Home Sale Counselor at Plus before listing their home for sale or initiating contact with any realtors in the new location.

## HOME MARKETING ASSISTANCE

The two selected agents will meet with you to inspect your home and talk with you about their qualifications and present their marketing plans. After viewing your home, they will research comparable sales, competing listings, current market conditions, and other data. Plus will assist you in partnering with the real estate agent in developing a marketing strategy that will attract the greatest number of prospective buyers in the time available and to encourage the best offer with the least cost to you.

The real estate agents will send the completed Broker Market Analysis (BMA) to the Home Sale Counselor who will review the results for thoroughness, accuracy, and logic of conclusions and will then review the results with you. The most likely sale prices listed on the BMAs are averaged together and the

home will be listed no more than 105% of this average. If the most likely sales prices are not within 5%, a third analysis will be ordered. The two closest most likely sales prices will be averaged together and the home will be listed no more than 105% of this average. Plus will monitor the marketing process, providing information to Capital One as appropriate. ***The home must be listed within 30 business days from the date the Home Sale Counselor releases the BMA information to you.***

#### LIST PRICE EXAMPLE:

Broker Market Analysis (BMA)  
Most Likely Sale Price (MLSP)

- BMA #1 MLSP: **\$275,000**
- BMA #2 MLSP: **\$285,000**

Average:  $\$280,000 \times 105\%$  (list price cap) =  $\$294,000$

Your initial list price can be no higher than **\$294,000**

Prior to listing the property and the initiation of the home sale assistance, you must complete and return Plus's Homeowner Disclosure statement to your Home Sale Counselor.

Plus will conduct ongoing follow up reviews with the chosen real estate agent to ensure that the property continues to receive the attention it needs to be aggressively marketed. In addition, Plus will make recommendations to you on how to effectively market your home and deal with new developments or changes in the market that affect the marketing of the home.

### GUARANTEED BUYOUT OFFER

The Guaranteed Buyout Offer program applies to a one-family house or condominium owned and occupied by you, as the permanent principle residence at the time of the relocation referral. The Guaranteed Buyout Offer is offered as a safety net if you are unable to obtain an acceptable outside offer during the marketing assistance period.

### APPRAISAL PROCESS

The appraisal process will begin after you have actively marketed your home for 30 days. You will be provided with two qualified relocation appraisers in your area. The appraisers used by Plus are independent professionals and not employees of Plus. The appraisers suggested are chosen because of their reputation and knowledge of your particular market area.

- Plus will contact the selected appraisers and place the orders
- The appraisers will contact you (or the person you designate) to schedule the appraisal appointments
- Once each appointment is complete, the appraisal report will be sent to Plus within 7-10 days
- A review and summary will be completed by the Home Sale Counselor and results will be shared with you within 2 days of both appraisals being received

Generally, the Guaranteed Buyout Offer will be available approximately 3-4 weeks after the last appraiser has inspected the home. This is assuming there are no special property-related problems.

### DETERMINING THE GUARANTEED BUYOUT OFFER

A relocation appraisal seeks to determine the anticipated sale price of your home. It is a prediction of the price a qualified buyer will pay for the home considering a marketing time of 90-120 days. All appraisals are completed on a standardized form created for the relocation industry by the Employee Relocation Council "ERC", which is an independent national organization.

If the two appraisals are within 5% of each other, the average of these two appraisals will determine the

Guaranteed Buyout Offer. If the two appraisals are more than 5% apart, a third appraisal will be obtained. In third appraisal situations, the Guaranteed Buyout Offer will be based on the average of the two closest appraisals.

You should not confuse the Guaranteed Buyout Offer with a buyer's offer price, a mortgage loan appraisal, or a real estate broker's market analysis. The Guaranteed Buyout Offer is an informed opinion of the value of your home determined by independent relocation certified appraisers, based on facts regarding location, market conditions, the property and the surrounding area. ***You may not counter this offer as you would an offer from an outside buyer your real estate agent may bring in.***

**Guaranteed Buyout Offer Calculation Examples:**

**Appraisals within 5%:**  
 Appraisal 1: **\$415,000**  
 Appraisal 2: **\$405,000**  
 Average of 2 closest appraisals:  $\$415,000 + \$405,000 \div 2 =$  **Guaranteed Buyout Offer of \$410,000**

**Appraisals outside 5% variance:**  
 Appraisal 1: **\$415,000**  
 Appraisal 2: **\$390,000**  
 Variance between appraisals is 6.4%, therefore a 3<sup>rd</sup> appraisal is required  
 Appraisal 3: **\$398,000**  
 Average of 2 closest appraisals:  $\$398,000 + \$390,000 \div 2 =$  **Guaranteed Buyout Offer of \$394,000**

## OFFER PERIOD

The Guaranteed Buyout Offer is guaranteed for a period of 60 days from the date the Home Sale Counselor verbally releases the offer. Once the offer is released, you must reduce the list price to 105% of the Guaranteed Buyout Offer. This must be done within 7 business days. You must continue to market your home for a period of sixty (60) days before you can accept the Guaranteed Buyout Offer. ***Capital One requires you to market your home for a total of 120 days before accepting the Guaranteed Buyout Offer.*** During this period, you must make every reasonable effort to sell your home at a price higher than the Guaranteed Buyout Offer or within 95% of the Guaranteed Buyout Offer.

The following chart demonstrates a timeline for the Guaranteed Buyout Offer Process:

DAY 1-30	DAY 31-60	DAY 61-120	DAY 121+
<ul style="list-style-type: none"> <li>▪ Executive completes and returns Plus's Homeowner Disclosure Statement</li> <li>▪ Two (2) Broker Market Analyses (BMA) ordered, completed and reviewed                             <ul style="list-style-type: none"> <li>• BMA process: 1–2 weeks</li> </ul> </li> <li>▪ Home is listed at no more than 105% of the average of most likely sales price (MLSP)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Two (2) ERC Relocation Appraisals ordered                             <ul style="list-style-type: none"> <li>• Appraisal process: 3-4 weeks</li> </ul> </li> <li>▪ If appraisals are more than 5% apart, a third is obtained and the buyout offer will be based on the average of the two closest appraisals</li> <li>▪ Guaranteed Buyout Offer is extended to</li> </ul>	<ul style="list-style-type: none"> <li>▪ Executive continues to actively market home for a total of 60 days after the Guaranteed Buyout Offer is extended</li> </ul>	<ul style="list-style-type: none"> <li>▪ Guaranteed Buyout Offer becomes null and void</li> <li>▪ If executive rejects the Guaranteed Buyout Offer, the relocation benefit will convert to the Buyer Value Option                             <ul style="list-style-type: none"> <li>• Buyer Value Option benefit expires one year after start date</li> </ul> </li> </ul>

within 15 business days of BMAs being reviewed ▪ Upfront inspections ordered	executive and will be good for 60 days ▪ Executive to reduce list price to within 105% of buyout offer within 7 days ▪ Home inspections completed and reviewed; Repairs done		▪ Executive no longer eligible for equity advance
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## NON-ACCEPTANCE OF GUARANTEED BUYOUT OFFER

Capital One encourages you to use the Home Sale Assistance Program. However, should you decide not to accept the Guaranteed Buyout Offer at the end of the sixty (60) day offer period, your home sale benefit will revert to the Buyer Value Option program. This benefit must be used within one year from the effective date of your transfer to the new location. ***You will not be eligible to receive an equity advance.***

## AMENDED VALUE SALE OPTION

An Amended Value Sale is when an outside offer is received after the appraisal process has begun. The Guaranteed Buyout Offer will be "amended" to match the higher outside offer. If during the marketing period you receive an offer from a prospective purchaser, you should immediately notify your Home Sale Counselor. Your Home Sale Counselor will assist you in determining whether the offer is in your best interest and whether the terms are acceptable. In addition, any items that are not reimbursable under Capital One's Relocation Program will be identified. Some examples of non-reimbursable expenses are buyer's closing costs, buyer's inspections, repair allowances, and other items typically paid for by the buyer (sometimes called "negotiable items").

An amended value sale is the preferred home sale option, which provides the maximum benefit to you and Capital One. The benefits to you are:

- You may receive a greater cash return than the Guaranteed Buyout Offer
- You may accept an offer within 95% of the Guaranteed Buyout Offer and still receive the full value of the offer
- Covered home sale closing cost benefits are NOT taxable income to you or Capital One
- You will be relieved of the necessity of attending the closing with the buyer
- You will be assured of receiving the net proceeds based upon the amended value price, even if the original sale falls through once Plus acquires the home

### **Capital One expects you to accept a reasonable offer during the marketing period.**

For an Amended Value Offer Sale to take place, the purchase agreement must not include any contingencies other than reasonable financing and/or inspection contingencies.

- The offer cannot be contingent on the sale of the purchaser's home
- The purchaser must provide a pre-approval letter
- The purchaser is required to obtain his or her own financing
- The closing date of the sale must be no later than 60 days from contract execution
- Repairs required by the outside buyer must be completed and issues resolved prior to Plus accepting the outside buyer's offer
- The repairs required by the Plus inspections, must be addressed before the contract between Plus and buyer is considered bona fide and final

**You must not sign any sale agreements with the prospective buyer or accept any deposit or down payment during this period.**

## LISTING EXCLUSION CLAUSE

The Exclusion Clause Provision must be included in the listing agreement as instructed by Plus to facilitate the Home Sale transaction. Plus will provide an Exclusion Clause to the broker/agent. You should not list your property with the real estate agent without Plus's assistance.

- Plus will register the agent, review the listing agreement, and verify the agent's requested commission percentage does not exceed the local norm.
- If you agree to an administrative fee in the listing agreement, it will not be reimbursed.
- The Broker Exclusion Clause protects you from having to pay a broker's commission.
- The listing agreement should be signed for an initial listing period of no more than 90 days.

## INSPECTIONS

Plus will order inspections concurrently with the Marketing Assistance process. Your Home Sale Counselor will advise you during the initiation call as to the requirements for your home. Inspections may include, but are not limited to:

- Major Component Home Inspection (MCI)
- Roof
- Mechanical
- Structural
- Pool, spa (if applicable)
- Well and septic (if applicable)
- Termite
- Underground storage tank
- Testing for toxic substances (radon, mold)
- Any other inspections pertinent or customary for the area

The inspectors will call you or whomever you designate, to schedule appointments. Please be sure to schedule these inspections within 15 business days of your initial call with your Plus Home Sale Counselor.

The Home Sale Counselor will review the results with you and identify any repairs you must complete prior to contracting with Plus for the sale of your home. ***Any repairs necessary will be your responsibility and expense.***

In most cases, a re-inspection will need to be performed to verify the repair item has been adequately resolved. Therefore, it's critical the repairs and subsequent inspections be completed as soon as possible. Inspection results must be disclosed to all prospective purchasers.

## DISCLOSURE

As a home seller, you have an obligation to disclose to prospective buyers, Capital One and Plus directly or through your real estate agent, any condition or fact affecting the home which may be considered by the prospective buyer in making a decision to make an offer or how much to offer. Plus will also ensure your listing agent receives copies of all property inspections to disclose to buyers.

Capital One recommends you disclose any fact or condition which you, acting as a reasonable person, would consider when making the offer or price decision. Failure to disclose material facts or conditions may subject you to liability under state law, regardless of whether you sell the home directly to an individual or to Plus.

If Plus inadvertently, or without proper disclosure information, purchases an ineligible home and Capital One incurs a loss which is the result of your omission of information, you shall, on demand, repay Capital



One current and future out-of-pocket expenses, and/or fines paid or to be paid by Capital One with regard to the home.

Disclosure Statements will be included in the initial package you receive from Plus. You must complete these forms and return them to your Home Sale Counselor along with any other requested documents as soon as possible. ***Receipt of signed disclosures is required prior to disbursement of funds and listing your home.***

## TITLE AND DEEDS

In order to facilitate the closing of the property, Plus will order a title examination of your home. Title must be in your name only or that of your name and spouse and/or domestic partner. If the title investigation discovers a defect in the title, Capital One may, at its option, terminate the home sale process or require that the title be cleared. The cost to clear up title issues is the responsibility of the homeowner.

You will be receiving a deed package from Plus's designated title company. These documents must be signed and notarized by all property owners. ***Please return these legal documents to the title company as soon as possible.***

## REIMBURSEMENT OF HOME SALE CLOSING COSTS FOR INELIGIBLE PROPERTIES

If your property is ineligible for home sale assistance, you may market and sell the home for up to one year from your effective date of transfer to the new location. If you achieve sale, Plus will reimburse real estate agent's commission (not to exceed local custom) and normal seller's closing costs (revenue stamps, document preparation fees, reasonable legal fees and title insurance) up to 9% of the sale price.

You must submit a copy of the fully executed Closing Disclosure statement to your Home Sale Counselor upon the successful closing of your property. Reimbursement will be processed by Plus. Payment for home sale closing costs are considered taxable income and will be tax assisted.

An equity advance is not available on ineligible properties.

## HOME MARKETING ALLOWANCE

You are eligible to receive up to \$5,000 in the form of a home marketing allowance. This allowance is intended to assist in getting your home in marketable condition or with costs associated with selling your home. You are expected to use your own funds upfront and will be reimbursed for expenses up to \$5,000 once receipts are reviewed and approved. The reimbursement will be taxable and will be grossed up for taxes. Examples of how this allowance be used:

- To cover inspection-related repair issues which come up on home inspections ordered by Plus
- To assist with cosmetic improvements, such as painting, carpet replacement or landscaping
- For buyer's concessions, which may be offered on the sale of your home
- As a bonus to the buyer's agent

Capital One will not reimburse for retroactive home improvement expenses. All home updates must be started after the initiation of your relocation benefits. Work with your Home Sale Counselor to determine the best usage of these funds for your individual situation.

## EQUITY ADVANCE

It is Capital One's intent that you diligently attempt to market and sell your home through the Plus Home Sale Program. Therefore, should you need access to your equity to purchase a home in the destination location during the marketing and/or offer periods you may be eligible for an interest-free equity advance.



Equity Advances are only available to associates who list within the broker network and fully cooperative with the Marketing and Home Sale Assistance programs. Executive officers of Capital One are not eligible for equity advances.

Equity is defined as the appraised value minus all outstanding liens and encumbrances. Your net equity will be determined once you and Plus have executed the contract of sale, the title search and inspections are satisfactorily completed. The maximum advance will be equal to the lesser of actual funds required or 90% of the equity in the property based on the Guaranteed Buyout Offer. The advance may not exceed the minimum amount required to hold a new residence until the sale of the old home.

You must demonstrate need by virtue of home purchase documentation to include:

- Contract of Sale executed with outside buyer
- Clear Title Report
- Copy of the fully executed Purchase Contract provided to Plus

## FINAL EQUITY RECONCILIATION

After formal acceptance of the Guaranteed Buyout Offer or Amended Value Sale, Plus will assume responsibility for all mortgage payments, utilities, and maintenance as of the date of possession.

Possession is defined as the contract date with Plus or the vacate date, whichever is later. All expenses will remain your responsibility *prior* to the possession date.

You will receive your final equity within 10 business days after the Home Sale Counselor has processed the Plus Contract of Sale. Equity is based on the Amended Value Sale price or Guaranteed Buyout Offer (whichever is higher) less all outstanding mortgages, non-reimbursable items and applicable pro-rations for taxes, interest, association dues, and negotiated buyer's closings costs or repairs, home warranty etc.

## NEXT STEPS AFTER BUYOUT ACCEPTANCE

If an outside offer is not received on the home during the self-marketing period and you accept the guaranteed buyout offer, the home will go into Capital One's corporate inventory. The home will continue to be listed and will be marketed by a real estate agent represented by Plus. The real estate agent will aggressively market the home to get the home sold as quickly as possible. While the home is in corporate inventory, the mortgage will remain in your name and the monthly mortgage payments will be paid on your behalf and sent directly to your financial institution. All utilities, such as electric, gas and water, will be transitioned to Plus and will be paid directly. Maintenance of the property will also be handled by Plus while in corporate inventory. Vacant Home Insurance coverage on the home will be secured by Plus after you vacate. You will be informed by your Home Sale Counselor when it's appropriate to end your own homeowner's insurance policy.

## TRAVEL ALLOWANCE

The lump sum travel allowance is a one-time payment made to you at the start of the relocation process to cover travel, lodging and meal expenses associated with home finding and the final move for you and your family. Capital One uses a third-party data provider to calculate the travel allowance, which is based on the policy benefits, your family size and departure/destination locations. You are NOT required to submit receipts to receive the travel allowance. If your actual travel expenses are less than the travel allowance, you may retain the unused portion. However, if actual travel expenses exceed the travel allowance, you will be responsible for the additional costs. This allowance is considered taxable income and will be grossed-up to cover any local, state and federal tax. Your allowance will be calculated using the following policy benefits:

**HOME FINDING:** Two (2) 4 day/3 night trips

Benefit	Included in Travel Allowance
Travel	Coach class airfare for associate, spouse/domestic partner and dependent children for one (1) home finding trip. Coach class airfare for associate and spouse/domestic partner <b>only</b> for a second home finding trip. Distance from origin to destination must be 350 miles or more. Mileage provided in lieu of airfare, if distance is 350 miles or less.
Lodging	Three (3) nights standard lodging for each home finding trip (two trips)
Meals	\$65/day meal per diem for adults \$25/day meal per diem for children
Rental Car	Cost for intermediate size rental car

### FINAL MOVE

Benefit	Included in Travel Allowance
Travel	Coach class airfare for associate, spouse/domestic partner and dependent children to travel to the final destination, if distance from origin to destination is 350 miles or more. Mileage provided in lieu of airfare if distance is 350 miles or less.
Lodging	One-night standard lodging in both origin and destination location
Meals	\$65/day meal per diem for adults \$25/day meal per diem for children

### HOME FINDING ASSISTANCE

Capital One's relocation program offers you professional home finding counseling through Plus. Please keep in mind Capital One is using Plus's broker partner network. Your utilization of a Plus-approved broker in both the sale and purchase components of your relocation is required. ***Your failure to do so will result in increased costs to Capital One and therefore you may receive reduced relocation benefits.***

Relocation certified and qualified real estate brokers in the destination area will be referred to assist you with selecting a community and home in the new work location. Plus will help you by evaluating your housing, community needs, relocation benefits interpretation, and financial/mortgage pre-qualification. Our Home Finding Assistance Program includes the following:

- Identifying your needs concerning housing
- Providing interpretation of Capital One's Associate Relocation Program
- Referrals to national mortgage lenders that offer competitive-rate products
- Recommending a qualified real estate broker in the new area
- Placing a broker referral with a relocation certified realtor
- On-going support and follow-up

If you are not comfortable working with the agent that was selected to assist you, your Home Sale Counselor can make real estate agent changes for you. You should not contact a real estate agent on your own. You, your spouse and/or domestic partner or any other person/entity connected to you through a formal business or legal relationship may not benefit or otherwise receive monies from a real estate firm/agent for referral of the home finding transaction.

The recommended real estate broker in the new area will:

- Answer questions about area communities, tax and school comparisons, public transportation, medical, cultural, shopping, banking and recreational facilities, and other data
- Provide relocation packets that contain state and local information of interest, maps, updated mortgage information and any other material you may specifically request
- Provide a guided tour of area homes and communities, and
- Coordinate the search for a suitable home based on your needs and preferences, with information on homes in the appropriate price range in selected areas

## **RENTAL ASSISTANCE**

If you elect to rent in the destination location, you will be provided with Plus Rental Assistance, which is designed specifically for relocating employees and includes access to a national network of rental agencies and resources. Your Plus Counselor will assist you in selecting a dedicated rental counselor who is knowledgeable of your destination location and is concerned about meeting your specific lifestyle needs and rental price requirements. Under this benefit, you are eligible for:

- A one-day professional rental tour, including appointments to view select rental housing, and an area orientation of the community, schools, and other areas of interest

## **HOME PURCHASE ASSISTANCE**

Capital One will provide Home Purchase benefits to an associate who is a current homeowner and chooses to purchase his/her principal residence at the new location or within close proximity to the new work location.

## **PRE-QUALIFICATION**

This program enables you to get an early start on the mortgage process so you will have an idea of the maximum mortgage amount for which you can qualify. A preliminary Mortgage Certificate is a powerful tool for negotiating the purchase price of a new home. Home sellers are often willing to make concessions to buyers if they know financing will not be a problem.

## **HOME PURCHASE CLOSING COSTS & MORTGAGE LOAN SERVICES**

Capital One will cover most of the normal and customary buyers' expenses on your new home purchase in the destination location. Your home purchase must legally close within twelve (12) months of your effective date of transfer to the new location.

You have the option of working with Plus Relocation's lender network, which consists of three (3) national mortgage lenders, including Plus Relocation Mortgage. Please consult with your Plus Counselor regarding your interest in working with these lenders.

All preferred lenders will direct bill Capital One for the associated reimbursable closing costs. Below is a list of the fees and lender charges typically covered by Capital One, including but not limited to:

- Appraisal/re-certification fees
- Credit report
- Lender's inspection fee
- Mortgage insurance application fee
- Assumption fee
- Assignment fee
- Tax service fee
- Underwriting fee
- Processing fee

- Commitment fee
- Document preparation fee
- Express mail & wire fees
- Flood certification fee

For any other mortgage companies, you must submit a fully executed copy of the Closing Disclosure statement to your Home Sale Counselor for reimbursement of approved closing costs. After review, Plus will process your reimbursement. Closing costs will not be advanced prior to closing.

Items not covered include, but are not limited to:

- Commissions or originating fees charged by builders on new home construction
- Pre-paid items required by the lender
- Property tax, homeowner's insurance, association dues, and mortgage interest
- Owner's title insurance
- Expenses normally charged to the seller
- Buyer broker or agency fees
- Home Owner Warranty (HOW)
- Second mortgage fees
- Any duplicate new construction costs or fees
- Staked surveys
- Soil reports (geological surveys)
- Private mortgage insurance. Such as MGIC, PMI, etc.
- Improvement assessments by state, city, county taxing authorities

## BUYING RIGHT

In moving to a new area where home styles and landscaping may be different from what you are accustomed to, it's easy to make a mistake that can impact you financially if you move again and need to sell your home. Real estate markets can fluctuate dramatically. The value of a real estate agent is immeasurable, especially if you are a first-time buyer or new to the community. Before you make an offer to purchase, you should have a good idea what the market value is to ensure you don't overpay for a home. The real estate agent can prepare a Brokers Market Analysis (BMA) showing what similar homes have recently sold for, and the difference between the asking and selling prices. The BMA will assist you in determining the offer amount you should make on a new home.

**It's important to note you should review Capital One's Ineligible Home Sale section to ensure you do not purchase a home in the new location that would not be eligible for future home sale benefits if Capital One were to relocate you again.**

Capital One recommends that you wait to make an offer to purchase a home in the new location after receiving a bona fide acceptable offer on your origin home. However, it's understandable there are times when this may not be possible. The following are suggested special stipulations to insert into the purchase agreement:

- Home must appraise at the sales price noted in the offer to purchase
- Offer subject to acceptable Guaranteed Buyout Offer from employer

### General Home and Other Inspections:

Hiring a professional home inspector can be one of the most important things you can do to make sure the home you'll be purchasing is in good condition.

Capital One will pay for the following home purchase inspections for one home only:

- General Home Inspection

- Pest
- Toxic Substance Inspection (Radon)
- Septic
- Well

## **BUILDING A NEW HOME**

Building a new home is a personal decision. Therefore, it's important to recognize the risks and policy limitations associated with new construction. If you decide to build a home, you will be responsible for additional costs directly resulting from this decision. The following points detail such costs:

- Extensions on temporary living and storage of household goods due to construction delays
- Reimbursement of eligible purchase closing costs does not include builder's costs relative to construction loans; therefore, only one set of eligible purchase closing costs will be considered for reimbursement
- Secondary move of household goods other than delivery out of storage

In addition, newly constructed homes require more capital improvements and are more likely to experience a "loss on resale" if you have to sell within a short period of time after purchase.

## **TEMPORARY LIVING ASSISTANCE**

If you're unable to move directly into your new permanent residence, but need to report to work in the new location, Capital One will provide temporary living accommodations for up to ninety (90) days. Your Plus Counselor will assist in obtaining temporary accommodations. Covered expenses include:

- Standard, furnished lodging with kitchen facilities; either corporate housing or extended stay hotel
- Reimbursement of car rental for up to 14 days while waiting for car to be shipped

The temporary living benefit is of limited duration and requires you to focus your efforts in obtaining a new residence quickly. You will bear any additional costs if you cannot obtain and occupy adequate housing in the time frame described above.

If you elect to rent as destination instead of purchasing a home and are able to move directly to your rental home, temporary living assistance does not apply. A rental residence is considered permanent housing and rent will not be reimbursed.

## **SPOUSE/DOMESTIC PARTNER EMPLOYMENT ASSISTANCE PROGRAM**

If your family has two incomes, moving your home likely means your spouse or domestic partner must find a new job. To assist with this process, Capital One utilizes Lee Hecht Harrison consulting services who will work with your spouse or domestic partner to help identify job opportunities and assist with job search activities. Capital One will provide employment assistance services for up to 3 months.

Arrangements for this assistance must be coordinated through your Plus Counselor. Typical services include:

- Résumé preparation
- Planning job search
- Interviewing techniques
- Identifying prospective employers, etc.

## **SHIPMENT OF HOUSEHOLD GOODS**

Plus will coordinate moving your personal household goods to the new location. All usual and reasonable costs for packing, loading, valuation, transporting and delivery of the furniture and household goods will be direct-billed to Capital One. Capital One will provide for taking large items out of crates and for a one-time debris pickup of boxes and other packing materials.

You should *not* make initial contact or make a commitment to any carrier. When the moving time is known (at least thirty (30) days prior to the relocation date) you should immediately notify Plus. Plus will coordinate moving services and authorize a moving company in Capital One's preferred network to contact you. The moving company will make an appointment to survey the household goods to determine approximate space requirements and determine pack, load and delivery dates. The move coordinator will provide you with a range of delivery dates within which you can expect delivery of your goods, called the delivery spread. ***You must be available to accept delivery from the first scheduled delivery date, while the carrier is obligated to deliver by the last date.*** All moves will be scheduled during weekday dates and normal business hours for packing, loading, and delivery. Shipment of household goods should be completed within twelve (12) months of the effective date of transfer to the new location. This benefit is considered taxable income and will be grossed-up for taxes.

## HOUSEHOLD GOODS AUTHORIZED FOR SHIPMENT

Capital One will provide packing, loading, transporting and delivery as well as up to \$100,000 worth of valuation coverage for all normal household goods for moves coordinated by Plus. You are expected to use discretion concerning the moving of possessions which are of little value in relation to the cost of moving. Household good weights that far exceed the average shipment of comparable households will require SVP approval.

### The following expenses and services are covered:

- Normal packing and necessary materials
- Transportation of household goods from a single departure point to your new residence
- Normal appliance services, including disconnection and reconnection of appliances
- Delivery only to temporary living accommodations in destination location not to exceed \$250
- Delivery from storage to permanent residence
- Boxes are delivered to the appropriate rooms and beds are assembled
- One-time debris removal
- Crating of fragile items and collectibles
- Discard and Donate program
- Up to 90 days of temporary storage, if necessary

### The following expenses and services are not covered:

- Weekend, holiday or overtime loading/delivery
- Exclusive use of van or expedited service
- Shipment or handling from a second home or alternate location
- Shipment from temporary housing to permanent residence
- Additional or unnecessary charges (delays caused by the associate, etc.)
- Removal or installation of wall-to-wall carpeting, draperies and/or rods, electrical fixtures, water softeners, sound systems or similar systems

### ***Various items not shipped at Capital One's expense include, but are not limited to the following:***

- Jewelry and precious stones
- Coin and stamp collections
- Perishable or combustible items, or items which may cause contamination or damage to other goods
- Potentially hazardous items, corrosive liquids & flammable items (i.e. cleaners, antifreeze, disinfectants, etc.)
- Handguns and ammunition cannot be moved in compliance with federal laws
- Patio slate, bricks, cement, sand, firewood, lumber or building materials
- Boats exceeding 14 feet or other watercraft
- Recreational vehicles
- Airplanes

- Indoor/outdoor plants, fertilizer
- Large machinery/workshop equipment, outbuildings, storage sheds, greenhouses or farm equipment
- Satellite dishes in excess of 18"
- Wine collections that require special climate control environments for shipping or storage
- Disassembled vehicles and motors
- Swimming pools
- Live or exotic animals of any kind
- Draining of waterbeds
- Disassembly or re-assembly of children's playhouses or swing sets, portable swimming pools, hot tubs, satellite dishes, utility sheds, fencing, or similar items
- Cash, financial documents, deeds
- Special equipment or additional manpower required by the van line to move heavy personal items

If you contract for services or shipment of items not authorized by Capital One, fees for such services will be your responsibility. You should make payment arrangements with the moving company prior to shipment. Most often the moving company will require cash payment upon delivery.

These expenses are considered miscellaneous and are covered under the Miscellaneous Expense Allowance.

Special crating for unusual or fragile items may be authorized only with prior review by Capital One in conjunction with notice given to the moving company.

You, your spouse and/or domestic partner or other adult designee must be present during the packing, loading, unloading, and delivery of household goods and you must carefully review the inventory list and indicate any missing and/or damaged items prior to signing carrier-provided forms.

## **COMPUTERS, COPIERS, PRINTERS AND FAX MACHINES**

The associate is responsible to prepare for transit all computers, copiers, printers and fax machines. This includes back-up of hard drives and removal of toner.

## **EMPLOYEE PACKING OF HOUSEHOLD GOODS**

Plus, Capital One, nor the moving company will accept responsibility for breakage of articles packed by you. Therefore, it is recommended that moving company personnel be allowed to pack all goods, with you indicating any items which should receive special attention or care. Crates can be used if the moving company does the packing and accepts the crates as safe for transportation. If outside assistance is needed or any other special packing is necessary, prior review is required by Capital One. Capital One will not pay labor costs for the unpacking of owner-packed items. Capital One will provide for a one-time debris pickup of boxes and other packing materials.

**Note:** *Items of value such as cash, financial documents, deeds, coin and stamp collections, family heirlooms, jewelry and precious stones should not be shipped with the carrier. It is your responsibility to transport these items. You are responsible for disposal of combustible items prior to the move or must seek other means of transporting any of the items listed noted above as "excluded" from shipment of household goods and other unauthorized items.*

## **SHIPMENT OF AUTOMOBILES**

You are encouraged to drive your personal car(s) to the new location, if possible, based on the mileage. Reimbursement is made at Capital One's current mileage rate. If the distance to the new location is less than 350 miles, you may ship one automobile and receive mileage reimbursement for a second. If the distance to the new location exceeds 350 miles, you may ship two automobiles. You may choose to ship



one (1) motorcycle in lieu of a second car. The automobile(s) must be in working order and its value must exceed the cost of shipping. Capital One will not assume any liability for classic or vintage automobiles, which must be moved or stored solely at the owner's expense.

### VALUATION COVERAGE OF HOUSEHOLD GOODS

Full valuation coverage is provided for loss and/or damage of authorized household goods and personal effects up to \$100,000. The actual amount of coverage is based upon the total weight of the shipment. The expense for any additional coverage, available through the carrier, must be identified and will be your responsibility. Antiques, fine arts and unique items may require specific itemization and pre-move appraisal, arranged by you and at your expense, to determine whether they will qualify for valuation coverage or be excluded.

Additional expenses not covered by Capital One are your responsibility and are due and payable to the carrier prior to or upon delivery of the shipment. You are required to make payment arrangements with the moving company prior to scheduled pack, load and shipment date.

### LOSS AND/OR DAMAGED CLAIMS

It is your responsibility to file a claim with the moving company due to loss or damages related to transported goods within 30 days or as soon as possible. Upon completion of the delivery, you should inspect all belongings and note any damages to shipped items or the boxes they were transported in on the inventory list. ***When you sign the delivery receipt, the goods are accepted in "as is" condition except as noted on the receipt.*** Any noticeable damage at the time of delivery should be brought to the attention of the driver and followed up by you with a claim in writing to the carrier. The best proof of claim is a notation on the bill of lading, inventory listing or delivery report provided by the carrier at the time of delivery. The moving company may restore any damaged articles to its preloading condition or replace them at their full value, whichever is less. For missing items and those that cannot be repaired, the moving company will pay you an amount equal to the cost of a similar item of the same kind of quality e.g. like, make, and model. In all cases, in order to submit a claim, you must sign the inventory list acknowledging articles that are being loaded and the condition of those articles at the time of loading in the van.

### STORAGE OF HOUSEHOLD GOODS

In the event it is impossible for you to move into your home in the new location, Plus will make arrangements for up to ninety (90) days storage of household goods with the moving company. You will be responsible for storage charges in excess of ninety (90) days.

Only items on the original bill of lading are eligible for storage at company expense. The storage includes warehouse handling, valuation coverage, storage fees and final delivery to the new residence.

You should be certain that items placed in storage would not be needed prior to move-in at the new location, as Capital One will not reimburse for access charges in the event you need to retrieve items from the storage facility.

### GRATUITIES

Movers will be fully compensated by Capital One. Gratuities are at your discretion and will not be reimbursed.



## TAX ASSISTANCE

Capital One will pay the estimated federal, state, local and FICA tax liability (gross-up) to the appropriate taxing authorities, that arises from the taxable Company paid and reimbursed relocation expenses.

The tax gross-up Capital One provides will be based solely on your company earnings from base salary and commissions (if applicable). If other income (spousal, investment, etc.) increases your overall relocation tax liability, you are responsible for the increased liability. Therefore, you may want to make adjustments to your payroll withholdings on Form W-4 in order to properly plan for any tax liability.

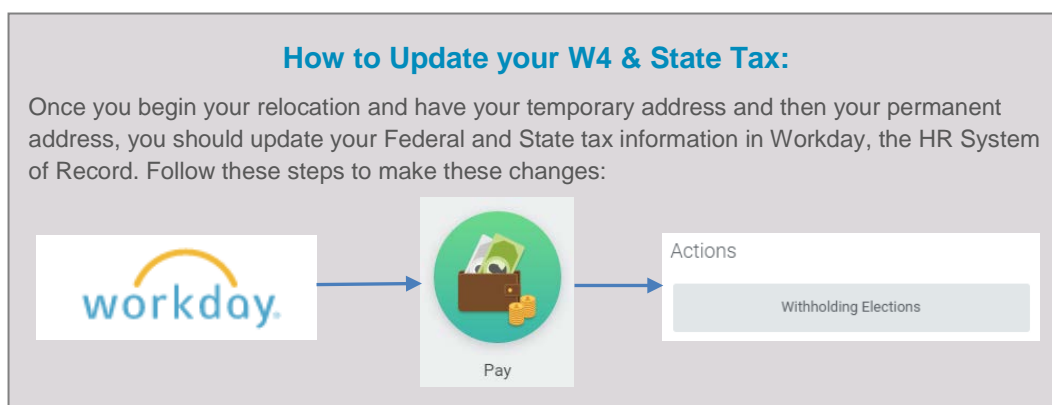
## TAX CONSIDERATION

### Federal Income Tax

The Federal Income Tax Laws require that relocation expenses paid by an employer to or on behalf of an associate to be reported as income on the associate's W-2 (Wage and Tax Statement) for the year in which the expenses occur. You must report such reimbursements as gross income on your federal, state, and local tax returns.

### State Income Tax

State tax obligation begins **when you start to work in the new location**. You must submit a new W-4 upon receiving your temporary living address, as well as your new permanent home address.



## SAMPLE REPAYMENT AGREEMENT

Below is the repayment agreement new hires and internal transfers are required to sign prior to any relocation benefits being provided. No relocation benefits will be ordered, nor monies paid until the repayment agreement is signed and returned to Plus.

### RELOCATION EXPENSE REPAYMENT AGREEMENT

I, \_\_\_\_\_ (“Associate”), hereby acknowledge that my employer, Capital One, has been/will be reimbursing and/or advancing certain expenses to me and/or to any third parties on my behalf pursuant to Capital One’s relocation policy “Relocation Expenses”. In consideration of Capital One’s payment of such relocation expenses, if I voluntarily terminate my employment from Capital One, or if my employment is involuntarily terminated by Capital One for “Cause”, within two years of the effective date of my employment, I will be required and I agree to reimburse Capital One within 90 days of my termination for all expenses related to my relocation. If I receive any relocation benefits prior to my actual start date in the new role, but cease to commence employment with Capital One, I will be required to repay these expenses within 90 days of (1) the date I inform Capital One that I do not wish to accept the role, or (2) my scheduled start date, if later. I hereby agree to repay Capital One those Relocation Expenses hereinafter set forth:

1. If employment termination occurs within the first 6 months after the effective date of my employment at my new work location, then I shall repay to Capital One 100% of such Relocation Expenses; or,
2. If employment termination occurs within 7 to 12 months after the effective date of my employment at my new work location, then I shall repay to Capital One 75% of such Relocation Expenses; or,
3. If employment termination occurs within 13 to 18 months after the effective date of my employment at my new work location, then I shall repay to Capital One 50% of such Relocation Expenses; or,
4. If employment termination occurs within 19 to 24 months after the effective date of my employment at my new work location, then I shall repay to Capital One 25% of such Relocation Expenses.

As to any Relocation Expenses that I become obligated to repay to Capital One hereunder, I agree to repay such Relocation Expenses within 90 days following the effective date of Employment Termination, and I also accept responsibility for any tax liabilities that I may incur as a result of this Agreement. I understand that this agreement will in no way modify my status as an “at will” employee.

My signature below evidences that I have read this Agreement and agree to its terms and conditions.

\_\_\_\_\_  
Associate Name (Please Print)

\_\_\_\_\_  
Associate Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Witness Name (Please Print)

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Date

“Cause” means (i) willful and serious misconduct in the performance of your duties including, without limitation, theft, falsification of documents, mistreatment of other employees, violence, drug or alcohol abuse in the workplace, conduct that violates Capital One’s policies against discrimination and/or harassment, and serious acts of insubordination; (ii) a material or repeated violation of any code of conduct, business, compliance, or risk policy or standard of ethics generally applicable to all associates or to associates of your level at Capital One; or (iii) conviction of a felony, or other serious crime involving moral turpitude or breaches of the duties of honesty, fiduciary duty, and/or good faith.