



**POWERING** TRANSFORMATION™

# **Domestic Relocation Policy Employee Guidelines**

## **Plan B Homeowner with Buyer Value Option**

## TABLE OF CONTENTS

	<b>Page</b>
Introduction.....	2
Eligibility.....	2
Roles and Responsibilities .....	3
Employees of BWX Technologies .....	3
Human Resources .....	3
Relocation Service Company .....	3
Company-Approved Real Estate Firms / Brokers / Providers .....	4
Repayment Agreement.....	6
Relocation Expenses .....	7
Reimbursement Process.....	7
Miscellaneous Allowance .....	7
Home Marketing Plan .....	8
Broker Selection Process.....	8
Disclosure.....	8
Home Sale Assistance Program .....	9
Eligible Properties.....	9
Home Sale Incentive.....	10
Buyer Value Option (BVO) Program Overview .....	11
Listing Your Home .....	11
Receiving an Offer .....	11
Closing the Sale and Receiving Your Equity .....	12
Selling Your Home on Your Own .....	13
New Residence .....	14
Home Finding Trip.....	14
Rental Assistance .....	14
New Home Purchase Assistance .....	15
Mortgage Assistance .....	15
Home Purchase Closing Costs.....	16
Duplicate Housing .....	17
Temporary Living Assistance .....	18
Household Goods Transportation .....	19
Final Move Expenses .....	21
Spouse / Partner Career Assistance.....	22
Tax Information (Gross-up).....	23
Year-End Tax Report .....	23
Additional Tax Resources .....	25
Addendum .....	26

## INTRODUCTION

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Change offers challenges and opportunities. On behalf of all your colleagues, we want to thank you for your willingness to make this change. We hope it will lead to personal growth, career development, and prove mutually beneficial.

While there are many benefits available to you, you will be responsible for managing costs associated with your move and you will be expected to keep relocation costs to a minimum.

Please review the Mission Statement below and use it as a guide throughout the move process.

***Our Mission is to provide our mobile employees and their families with the tools and assistance to help them relocate in a timely and cost-effective manner. We recognize and respect the diversity of our employees and strive to respond to their unique situations while ensuring fairness and consistency. We will adhere to Company policy and legal regulations and will treat all employees in an ethical manner.***

***It is our shared responsibility to communicate openly and honestly and to cooperate with one another to ensure the highest level of motivation, morale and productivity during the relocation process.***

***We are committed to ensuring that our service partners meet our requirements for efficient, customer-oriented service delivery. It is important to note that in providing this program to you, our primary objective is to cost effectively implement the policy and procedures that have been established.***

## ELIGIBILITY

When relocating at BWXT's request, you will be eligible for the relocation assistance described in this policy if you are a full-time employee or new hire and your new principal place of work is at least 50 miles farther than the old residence was from the old place of work (i.e., your commute has increased more than 50 miles).

- 1] Mileage from your old home to your new workplace: \_\_\_\_\_
- 2] Mileage from your old home to your old workplace: \_\_\_\_\_
- 3] Subtract line 2 from line 1: \_\_\_\_\_

The result on line 3 must be equal to or more than 50 miles.

In addition, the anticipated duration of your position is at least one year, and the relocation of your household is necessary to significantly reduce the problems of commuting. You must be able to complete your relocation within one year of the start date of your new position. After this date, you will forfeit eligibility for certain benefits, like new home purchase assistance. If you do not think you will meet these qualifications, contact your Relocation Counselor immediately for further instructions.

Certain relocation expenses for family members (spouses, partners, dependents) may also be reimbursed, provided they reside with you in your permanent residence at origination.

## ROLES AND RESPONSIBILITIES

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### EMPLOYEES OF BWX Technologies, Inc.



Your cooperation throughout the transfer will help to ensure your move is accomplished with the least inconvenience possible. Please understand that:

- No later than one year (12 months) after your effective date, you must submit all reimbursable relocation expenses on a Weichert Expense Form, provided online and by your Counselor.
- You must also be a full-time employee in the general location of the new residence for at least 39 weeks in the 12-month period immediately following the effective date of relocation.
- You must not contact any brokers directly. You will be referred to Company-approved brokers at both the departure and destination locations. These brokers must be registered to retain eligibility for all your benefits. Please review the addendum to this policy issued by the Employee Relocation Council (Worldwide ERC®), endorsing the practice of Company-approved brokers in relocation home sale and purchase transactions.
- You should retain receipts and other documents to verify relocation expenses and support payments made to you by the company under this policy.
- You must secure necessary approvals.
- If you relocate and subsequently leave BWXT for any reason, all assistance provided under this program will terminate immediately. BWXT has the right to require repayment of expended funds from the employee, as described in the *Repayment Agreement* section of this policy.
- You must complete a service evaluation at the conclusion of your move.

### HUMAN RESOURCES

The Human Resources Department will:

- Determine eligibility for benefits
- Approve all relocations prior to advising an employee of eligibility
- Make all initial authorizations for services to all service providers
- Be solely responsible for interpreting policy questions

BWXT reserves the right to amend, revise, or terminate provisions outlined in this policy at any time for any reason in its sole discretion. Any exceptions to the policy or procedures outlined in this policy must be approved in advance. There will be no cash allowance in lieu of the relocation benefits stipulated in this policy.

### RELOCATION SERVICE COMPANY

BWXT has selected **Weichert Workforce Mobility (Weichert)**, one of the most respected relocation service companies in the industry, to assist you in selling, finding and financing your home, or finding the right kind of rental in the new location. A Relocation Counselor will be assigned as your liaison in coordinating all aspects of your relocation and to cost-effectively help us implement this policy.

Please contact the Counselor at any time during the relocation for explanations and clarifications. Responsibilities of the Counselor include the following:

- Review provisions of the relocation policy;
- Plan effective utilization of the program, including costs and policy application;
- Guide you through your individual relocation plan, including all services necessary to the move;
- Coordinate third party services approved by the Company;
- Explain and advise on expense coverage according to eligibility;
- Facilitate payments in accordance with your benefits, as applicable (e.g., expenses, equity, advances); and
- Provide follow-up assistance, as necessary.

### **Weichert InfoNet - MyWIN®**

Your Weichert Relocation Counselor will also provide instructions for accessing **MyWIN®**, a customized and secure private Internet site that provides you with “anytime” access through any Internet connection. From your personalized homepage, you will be able to:

- Update personal contact information;
- Research destination communities;
- Access helpful moving tips;
- Query expense information;
- Review benefit details; and
- Gain access to key destination and departure services, some at reduced costs.

### **COMPANY APPROVED REAL ESTATE FIRMS / BROKERS / PROVIDERS <sup>1</sup>**



***To retain eligibility for certain benefits, you must use Company-approved brokers:***

- ***Do not contact any real estate firm/broker before talking with your Weichert Relocation Counselor.***
- ***Do not register online for departure/destination broker assistance.***
- ***Do not enter into any binding agreements with brokers who are not Company-approved.***
- ***Follow all Home Marketing Guidelines as outlined in this policy.***

You will be referred to real estate firms and representatives that must meet strict standards, criteria, and have received specific training in the field of relocation. Upon the initial discussion, the Counselor will review the policy and the relocation process with you. He or she will then help you select Company-approved agents to work with and will then contact the real estate firms/agents of your choice and explain their role in coordinating departure and destination area activities in accordance with relocation procedures and Company policy.

***Important:*** One of the items that Weichert reviews with the departure area listing broker is the Listing Exclusion Clause. Failure by the broker to sign this document could make you liable for excess real estate commissions (Please refer to the ***Listing Your Home*** section.)

<sup>1</sup> In some cases, you will be referred to a service provider in lieu of a registered broker.

Having Weichert involved in the home selling and home finding process ensures that you receive a high level of service from real estate firms/agents. With the experience of helping thousands of employees relocate, both nationally and internationally, and as a source of potential repeat referral business for real estate firms, Weichert expects and receives the highest level of service from Company-approved real estate firms/agents.

#### **Weichert Standards for Company-Approved Brokers**

- The real estate firm/broker must have no interest (actual or contemplated) in the Company, departure property, or the home to be purchased at destination, including any business or family relationship with the owners of the properties.
- The real estate firm/broker must have relocation-related experience, proven track records in your community, and the highest standards of customer service.

Please review the addendum to this policy issued by the Employee Relocation Council, which further explains the use of Company-approved brokers in relocation home sale and purchase transactions. The addendum includes additional information regarding the process that may affect your benefits.

## REPAYMENT AGREEMENT

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We consider the employees we relocate to be valuable assets to BWXT. An indication of your understanding of the relocation program, you need to sign an agreement to repay relocation allowances and reimbursements should you (voluntarily or involuntarily) leave our employment shortly after your transfer. Please refer to the actual agreement form for details. You must return a signed copy of the agreement prior to your move. Funds will not be disbursed to you until the Repayment Agreement has been signed and is on file.



***If you leave the Company's employment voluntarily or are discharged for cause at any time during the two-year period following your date of transfer, there will be a pro-rata repayment of relocation expense benefits to the Company based on the following schedule:***

***100% if the date of separation occurs within year one of the date of transfer.***

***50% during year two.***

Retention of any payments made under the relocation program is expressly conditioned on your continued employment with BWXT. It is understood that nothing in this policy guarantees that BWXT will employ you for any specified period of time.

*Please note that such Repayment Agreements are customary practice and reflect our desire to ensure our mutual understanding of the expenses involved in relocation and that we have your long-term commitment to the Company.*

## RELOCATION EXPENSES

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### REIMBURSEMENT PROCESS

The relocation program covers many areas in which relocation-related expenses are reimbursable. Your Relocation Counselor will review expense reimbursement procedures with you. The following are the most notable guidelines that must be adhered to:

- All reimbursable expenses must be reasonable and appropriate for the location.
- Scanned copies of original receipts are required for all expenses.
- It is important to separate your relocation-related expenses from your business expenses, even if they occur during the same week.
- Relocation expenses must not be submitted for business expense reimbursement.
- Business expenses must not be submitted for relocation expense reimbursement.
- All reimbursable expenses must be incurred within twelve (12) months of the effective date of transfer and submitted within thirty (30) days from the date incurred.
- All relocation expenses must be detailed on a Weichert Expense Form, provided online and by your Counselor.

### MISCELLANEOUS ALLOWANCE

BWXT recognizes that some expenses you may incur are not specifically covered under this relocation policy. You will qualify for a Miscellaneous Allowance of one month's new salary up to a maximum of \$7,500. This allowance is designed to assist in the various costs you may experience, including but not limited to:

- Prepare home for marketing, including staging
- Security deposits on temporary living
- New auto registrations
- Driver's license fees
- Installation of new appliances
- Housecleaning
- Installation/connection of phone, cable or internet services
- Utility deposits
- Moving items not covered under the shipment of household goods, including antiques or valuables, and additional storage over 60 days
- Transportation, boarding, or any other fees pertaining to the movement of pets
- Club memberships and dues
- Replacement of decorative items (e.g., drapes, window accessories, floor covering)
- Unexpired insurance
- Cleaning and maintenance contracts

**Note:** this payment is considered supplemental income; applicable taxes will be withheld before your payment is issued.



## HOME MARKETING PLAN

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Selling your home quickly and for the best price is not only good for you – it is also good for the Company. It expedites your relocation and keeps costs to a minimum.

Our Home Marketing Plan provides you with both the strategy and action plan needed to sell your home for the best price in the time available. To assist you in developing a successful marketing plan, the Company requires that you use our Home Marketing Plan for a minimum of 90 days.

Weichert will contact two local qualified real estate (or Company-approved) brokers in your area. These brokers will complete various reports, including a Broker Market Analysis (BMA), to provide an assessment of your home's value and determine the market conditions in your area. Professionals at Weichert will carefully analyze this data and make recommendations including:

- Most likely sales price
- Suggested initial list price and terms
- Recommended repairs and improvements, if warranted
- Target buyers
- Concentrated marketing approaches that will produce results



Certain benefits are contingent upon following these **Marketing Guidelines**:

- List the home for sale with a Company-approved broker;
- Submit the *Homeowners Input form*;
- List the home for sale at an initial price not to exceed 105% of the *most probable sales price* established by Weichert from the BMAs;
- Implement price adjustments as recommended by your Relocation Counselor; and
- Present all offers to your Relocation Counselor.

### BROKER SELECTION PROCESS

The [Real Estate Agent Interview Guide](#) is available on **MyWIN**<sup>®</sup> to help you assess the agents available to work with you. It will be your choice as to which of the two Company-approved brokers you ultimately choose to list your property. Please consult with your Counselor and advise them accordingly so they can place the official referral. *Remember: do not sign a Listing Agreement until you have talked with your Weichert Counselor. When you list your property, an Exclusion Clause MUST be a part of the listing agreement. (Please refer to the section **Listing Your Home.**)*

### DISCLOSURE

Real estate transactions are governed by laws and regulations designed to protect the interests of both sellers and buyers. Every home seller has certain duties and obligations to a buyer, including full disclosure of all pertinent information about the condition of the home and its surroundings. In this regard, you can protect both yourself and the Company from potential litigation by the timely and thorough completion of all forms and documents pertaining to the condition of the property. It is not the intent of the Company to relieve you of your duties and obligations including (but not limited to) completing all necessary repairs and full disclosure.

## HOME SALE ASSISTANCE PROGRAM

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### ELIGIBLE PROPERTIES

In order to qualify for home sale benefits, you must be a homeowner in your old location. Your primary home is defined as the residence where you are physically residing; the one you use for voter registration and tax reporting.

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

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

**Residences that are not eligible for the Home Sale Program include, but are not limited to:**

- All cooperative apartment units
- Condominiums having restrictive by-laws which prevent a sale to the Company
- Mobile/manufactured homes
- Income or investment properties
- Vacant land
- Any home with defects, which may affect the marketability, insurability, or ability to secure a mortgage (defects include, but are not limited to, synthetic stucco, LP siding, Chinese drywall, polybutylene plumbing, and septic system defects)
- Any home in which any structural additions, changes, or repairs have been made without all necessary permits and government approvals being obtained
- Any home in which a part is used or zoned for non-residential purposes
- Any home built with hazardous materials or on a hazardous site/location (e.g., radon gas, toxic mold, asbestos, urea formaldehyde, buried oil tanks improperly contained)
- Any home with excess acreage for the area; maximum of five acres without BWXT approval
- Any home valued in excess of \$750,000 without BWXT approval
- Any home which all, or a portion of, is incomplete or would require excessive repairs
- Any home which could be rendered unmarketable as a result of the employee misrepresenting information about defects

Home Sale eligibility is subject to title searches and, in many cases, inspections, including but not limited to: moisture, septic tank and drainfield inspection, water availability, water quality test, radon and other toxic substance inspection, structural and pest inspections. In addition, if you are uncertain whether necessary permits/approvals were obtained for work done before you purchased the property, your Counselor will request confirmation through the listing broker. Should the Company, in its sole discretion, determine through professional consultation that a problem exists in any of the aforementioned areas, or any other areas, the Company reserves the right to exclude the employee's home from the Home Sale Assistance Program. Primary homes that are not eligible for home sale assistance may qualify for direct reimbursement of reasonable and actual home sale costs, as outlined in the section *Selling Your Home on Your Own*.

Weichert will order a title search and can provide a preliminary equity calculation upon request.

## HOME SALE INCENTIVE

In today's competitive housing market, first impressions count more than ever. If your home sells quickly, your move will conclude sooner – translating into lower costs for the Company and allowing you to return to full productivity and normal family life. You and your agent are required to present all purchase offers from prospective buyers to the Relocation Counselor for proper evaluation and consideration.

Provided you have followed the program guidelines outlined in this policy and present an acceptable bona fide outside offer within 90 days of listing the property, the Company will provide you with a Home Sale Bonus of 2% of the sale price, up to a maximum of \$6,000.



***To be eligible for the incentives above, you must follow all of the Home Marketing Guidelines outlined in the Home Marketing Plan section of this policy.***

**Note:** The Incentive is considered supplemental income; applicable taxes will be withheld before your payment is issued.

## BUYER VALUE OPTION (BVO) PROGRAM OVERVIEW

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Under the Buyer Value Option (BVO) program, when you receive a bona fide offer for your departure residence, Weichert will purchase your home from you at that offer price and then resell it to the buyer.

**Note:** Do not sign any agreements with real estate brokers or prospective buyers without consulting your Weichert Counselor.



***The BVO program will help you to sell your departure residence and provide significant tax benefits. To preserve these tax advantages and ensure that you don't jeopardize your relocation benefits, it is extremely important that you follow all BVO program procedures.***

### LISTING YOUR HOME

You must agree to list your home with a Company-approved broker at no more than 105% of the average *most probably sale price* from the BMAs in order to retain eligibility for home sale benefits. A custom marketing plan will be developed for your property based on the BMAs and other marketing inputs. This marketing plan will be shared with you and your agent by your Relocation Counselor so that you can work collaboratively to market and sell your home. The marketing plan will be updated every two weeks to reflect market conditions and buyer feedback, and you may be required to reduce the list price accordingly.

In addition, you must include the approved exclusion clause (provided by your Weichert Counselor) in the listing agreement you sign with a broker. If the broker refuses to accept this, contact your Relocation Counselor immediately.

### RECEIVING AN OFFER



***Should you receive an offer on your home at any time, contact your Weichert Relocation Counselor for evaluation and approval. You should not accept any money, or sign or initial any contract offers at this point.***

Your Relocation Counselor will assist you in determining whether or not the offer is in your best interest and whether the terms are acceptable. If needed, any negotiations must be coordinated through your Relocation Counselor. A *bona fide offer* is an offer from a ready, willing and able party not related to you in any way. The sale must be scheduled to close within 60 days and cannot be contingent on the sale of another property.

Once it is determined that the terms of the offer are acceptable, your Relocation Counselor will make contact with your agent to discuss Weichert's role in closing the sale. The Relocation Counselor will then enter into a contract of sale with you reflecting the purchase offer amount (less any buyer concessions that are not covered by the Company).

## **CLOSING THE SALE AND RECEIVING YOUR EQUITY**

Upon receiving a clear title search, your Weichert Relocation Counselor will send you all the necessary closing documents, including Weichert's Contract of Sale. By signing these documents, Weichert now becomes the "seller" of the property and you will not be required to attend the closing.

You are financially responsible for your home until your vacate date or the Weichert acceptance date, whichever occurs last.

Once Weichert's Contract of Sale has been executed, you may request an advance on the equity in your home if needed for the closing of your home in the new location. Equity is the Contract of Sale price less normal adjustments for liens or mortgages, assessments, taxes, and other carrying costs. Weichert will provide you with the necessary paperwork to request such an advance. You may request up to 95% of your equity at this time. The balance will be available to you once you vacate your home.

**Note:** Employees impacted by the Sarbanes-Oxley Act of 2002 are not eligible for any loans or advances.

**\* For employees governed by FAR guidelines, reimbursement of reasonable and customary seller's closing costs, including Home Sale Incentive (see page 10) and Duplicate Housing costs (see page 17), is provided up to a limit of 14% of the home sale price.**

## OPT OUT (SELLING YOUR HOME ON YOUR OWN)

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As stated in our “Mission Statement,” we want to help you relocate in a timely and cost effective manner. Through the Home Sale Assistance Program, there are tax advantages to you and the Company. In this program, we do not have to report the expenses associated with the sale of your home as income to you.



**If you reject the Company’s Home Sale Assistance Program, or do not want to follow the guidelines for this option, the Company will reimburse your closing costs up to the maximum listed below. However, you will be responsible for all income taxes associated with reimbursement of these costs.**

**If your home is not an eligible property, as indicated in [Eligible Properties](#),” your reimbursement will be tax protected.**

Should you elect not to follow the mandatory program guidelines outlined above, you will forfeit all home sale assistance benefits. You will be eligible for direct reimbursement of home selling costs only; however, this reimbursement will be treated as income and will NOT be tax protected. Furthermore, there will be no extension to temporary living or other benefits due to the delay in selling your old home.

Reimbursements up to 6%\* will be covered as follows, provided these costs are reasonable and customary and documented:

- Real Estate Commissions
- Mortgage Prepayment Penalties
- Transfer Taxes
- Escrow or Closing Fees
- Recording Fees
- Deed Stamps
- Attorney Fees
- Document Preparation Fees
- Notary Fees
- Reconveyance Fees

Specifically excluded from reimbursement are any concessions (including, but not limited to, rebates, repairs, improvements, or selling costs) the seller/employee agrees to pay, which would normally be paid by the buyer; property taxes; interest payments; insurance; property repairs or cleaning; mortgage discount points or new loan costs; utility bills; and extermination service fees.

You must submit a closing HUD statement with your request for reimbursement.

**\* For employees governed by FAR guidelines, reimbursement of reasonable and customary seller’s closing costs, including Home Sale Incentive (see page 10) and Duplicate Housing costs (see page 17), is provided up to a limit of 14% of the home sale price.**

## NEW RESIDENCE

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Home Finding Counseling and, if needed, Rental Assistance will help you find an affordable home or apartment as quickly as possible, and get settled in with the least amount of inconvenience and cost.

Your Relocation Counselor will assess your needs and develop a profile of your preferences for commuting, lifestyle, amenities, schools, etc. The Counselor will refer you to a Company-approved broker who will assist you in finding a home in the new location.

***If you are a homeowner and choose to rent in the new location, you may receive rental assistance as described below. Should you subsequently choose to purchase a home within six months of your start date, you may receive new home purchase assistance; however, you must work with a Company-approved broker to facilitate the home purchase.***

### HOME FINDING TRIP

BWXT has designed a Home Finding program with Weichert to assist you with locating a residence at your new location.

After initial destination counseling to find out about your housing and community needs, your Relocation Counselor will help you select a Company-approved provider to assess your needs and develop a profile of your preferences for commuting, lifestyle, amenities, schools, etc.

The provider will suggest several possible community choices and will assist you in organizing a home finding trip. This trip will focus on providing destination information, affordability and availability of housing that meets your criteria. Upon arrival, the provider will take you on an area orientation prior to previewing specific properties that meet your preferences.



***To retain eligibility for all applicable relocation benefits, do not register on real estate internet sites. Instead, work with your designated Company-approved broker and/or discuss alternatives with your Relocation Counselor.***

The Company will reimburse expenses for you and your spouse/partner for **two** trips for a maximum of **seven** days. Expenses include:

- Reasonable meal expenses (NOTE: per B&W Corporate Travel Policy, receipts required for all meals in excess of \$25/day)
- Reasonable lodging for up to six nights
- Mid-sized car rental
- Child care expenses of up to \$50 per day
- Round-trip airline tickets based upon minimum seven-day advance purchase, or personal auto mileage at the current IRS relocation mileage reimbursement rate. The distance between your old location and new location must be greater than 250 miles to qualify for air transportation.

**Note:** You should not *purchase* a new home until your old home is sold. To minimize duplicate housing costs, you should consult with your Relocation Counselor to develop an aggressive marketing plan for your old home to ensure it is sold in a timely manner.

### RENTAL ASSISTANCE

After an initial assessment, the Company-approved broker will provide you with an area orientation in conjunction with previewing specific rental properties that meet your preferences. When you find the right

apartment/home, the Company-approved broker will help you prepare the lease application and negotiate any special provisions, which will provide greater protection to both you and the Company.

Your new lease should be examined carefully before it is signed. Should the lease not already contain one, try to negotiate a cancellation clause that would give you the right to cancel the lease, without penalty, after giving 30 days notice in the event of an employer-initiated transfer.

***If tenant(s) is (are) transferred by his/her/their employer to another location, this lease shall be terminated without penalty, provided the tenant(s) give(s) the landlord at least 30 days' notice.***

The Company will provide reimbursement of customary costs associated with obtaining a rental property, including:

- Rental Tour not to exceed one day
- Finder's Fees not to exceed one month of rent

### **NEW HOME PURCHASE ASSISTANCE**

Your Weichert Counselor will refer you to a Company-approved broker, who will assist you in organizing an area orientation of suitable, affordable communities. This representative will accompany you on your preview of specific homes that meet your preferences. When you find the right home, the broker will assist you in preparing the Offer to Purchase, scheduling inspections, and planning your home purchase.



**New Construction:** Building a new home is a personal decision. If you decide to build, you will be responsible for any and all additional costs directly resulting from this choice, including the following:

- Extensions on temporary living due to construction delays
- Builder's costs relative to construction loans

Please also evaluate the impact of the financial burden, equity risk, and inconveniences associated with this decision.

### **MORTGAGE ASSISTANCE**

BWXT maintains a preferred lender relationship with Wells Fargo and Chase, and both companies offer many attractive and very competitive mortgage programs. Often, the Mortgage Consultant can streamline the mortgage experience for you.

#### **Pre-Approval**

In the current market, a mortgage pre-approval is a significant advantage to have when beginning the house hunting process. A preliminary credit approval is a useful tool for negotiating the purchase price of the new home. Home sellers are often willing to make concessions to buyers if they know financing will not be a problem.

#### **Mortgage Programs**

A variety of programs are available, and your Mortgage Consultant will help you select the right one. Once a home is selected, he or she will guide you through the mortgage process to ensure your closing proceeds as smoothly and expeditiously as possible.



## HOME PURCHASE CLOSING COSTS

If you currently own your principle residence and are purchasing a home within 12 months of your effective start date at the new location, the Company will pay for some of the closing costs associated with purchasing your new home. It is recommended that you work with the Company-approved lender. The most significant benefit is that you won't have to come up with the funds to cover your reimbursable closing costs; they will be billed directly to the Company.

By working with a Company-approved lender, actual and reasonable expenses for the following closing costs are eligible for payment:

- All loan origination fees, discount points or mortgage broker points up to a maximum of 2% of the mortgage amount will be covered based on the following schedule. If the Federal National Mortgage Association (FNMA) 60 day yield (published in the Wall Street Journal, at the time of locking in the interest rate) is:

8% and above	2 points paid
7% to 7.99%	1 points paid
Below 7%	0 points paid
- Title Insurance or fees for examination of title, as required by lender
- Normal and customary settlement or closing fees charged by the Title Company and/or lender to close the sale (not including items such as taxes and insurance that must be paid in advance into escrow accounts)
- Normal and customary attorneys' fees
- Normal and customary recording fees
- Assumption or transfer fees
- Mortgage application fees
- Appraisal and/or survey of the new home, if required by the lender
- Credit report charges

If you choose to use another lender, you may request a cash advance of your estimated costs. Your lender is required to give you a "good faith estimate" well in advance of the closing. At least 10 days prior to your scheduled closing date, you should advise your Relocation Counselor of your request for the advance and fax a copy of the "good faith estimate."

To receive reimbursement for the balance of your closing costs, you must complete and submit a Relocation Expense Report that itemizes each reimbursable expense, along with a copy of the final closing statement.

Additionally, with appropriate receipt documentation, Babcock & Wilcox will reimburse up to \$500 in new home inspection fees.

## DUPLICATE HOUSING

In the event you need to close on your new home prior to the closing of sale on your former residence, you may be reimbursed for specific duplicate housing expenses. You will be required to provide documentation to support the payments on each home in order for the determination to be made.



***The Company strongly discourages employees from buying a home in the destination location before selling one's departure location home due to housing market challenges and dual-payment costs. Exceptions will not be made for Duplicate Housing benefits over and above the policy parameters.***

To offset some of the duplicate costs, the Company will reimburse you for actual expenses incurred, as follows:

- Mortgage interest
- Real estate taxes
- Insurance
- Utilities
- Essential grounds maintenance (snow removal and lawn care only).

Reimbursement will be based on the departure property or the new property (whichever is less) for a period not to exceed 60 days.

## TEMPORARY LIVING ASSISTANCE

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If you are required to report to work at the new location prior to finding and/or occupying a new permanent residence, whether purchasing or renting, temporary living may be necessary. Temporary living is meant to be for a limited amount of time and requires you to focus your efforts on obtaining a new residence quickly.

Your Relocation Counselor is responsible for coordinating suitable and cost-effective temporary housing. To maintain eligibility for this benefit, you must not make temporary living accommodations prior to your discussion with the Counselor.

If deemed necessary and all Home Marketing Guidelines are met, temporary living expenses will be provided up to a maximum of 60 days. Expenses include:

- Reasonable lodging in corporate housing with kitchen facilities
- Reimbursement of groceries (food items only, no alcohol, tobacco, etc.), receipts required

**AND/OR**

Reimbursement of breakfast and dinner only (NOTE: per B&W Corporate Travel Policy, receipts required for all meals in excess of \$25/day)

- Mid-sized car rental for up to two weeks while waiting for delivery of personal automobile at destination location (for employee or spouse/partner)
- Reimbursement of airfare (based on a seven-day advance purchase) or personal auto mileage for one return trip to the departure location for each 30 day stay in temporary living, for the employee only. (Round-trip travel for spouse/partner to visit employee at destination may be used in lieu of eligible return trips.)

**Note:** *If Home Marketing Guidelines are not met, temporary housing will be limited to 30 days.*

## HOUSEHOLD GOODS TRANSPORTATION

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Weichert will handle arrangements for the movement of your household goods. Your Relocation Counselor will discuss your options and help you select the right services to expedite a cost-effective move. The Company will be billed directly from the carrier for the cost of shipping your household goods. An adult must be present when your goods are packed and delivered. Additionally, you are encouraged to take the necessary actions to limit the weight of your entire shipment to no more than 25,000 lbs.

### **The Company will pay for the following services:**

- Normal packing and necessary materials
- Transportation of household goods to the new destination – services include packing, transportation, and unpacking to *one* location
- Normal appliance services, including wiring and plumbing modifications required within the house for disconnection and reconnection of appliances
- Crating not to exceed \$2,000
- Storage (if necessary) for up to 60 days at the new location
- Warehouse handling
- Delivery to the new home – Monday through Friday; additional charges for weekend or holiday delivery will not be covered
- Normal unpacking and removal of packing materials

### **The Company will not pay for the following services:**

- Exclusive use of the van, expedited service, weekend or holiday delivery, extra drop-off/pick-up stops, or gratuities/tips
- Housecleaning, maid, or debris removal service at either the old or new home
- Removal or installation of wall-to-wall carpeting, draperies and/or rods, electrical fixtures, water softeners, or similar items
- Home-based business items, e.g. file records, marketing collateral, etc.
- Disassembly or reassembly of children's playhouses or swing sets, portable swimming pools, waterbeds, utility sheds, fencing, or items of a similar nature
- Packing or transportation of unusually large or luxury items like hot tubs, sheds, boats, snowmobiles, trailers, airplanes, swimming pools, wine collections, industrial shop equipment, or swing sets
- Shipment and/or moving expenses associated with the transportation of recreational vehicles
- Shipment of household pets, plants, building materials, wood
- Packing or transportation of any high value items like art, antiques, or precious jewelry

### **Moving companies are prohibited from shipping the following items:**

- Handguns/ammunition
- Toxic or hazardous goods, flammable liquids, including gas grill fuel tanks (e.g., propane, butane)
- Personal documents
- Alcohol and perishable items such as frozen food

### **Insuring Your Household Goods**

The Company provides full replacement insurance of your household goods up to \$100,000. High value items must be listed on a separate inventory form and are not covered by the Company. The Company cannot replace (nor will shippers agree to handle) high value items like securities, cash, art, heirlooms or precious jewelry and, therefore, we recommend you pack and transport these items yourself.

### **Moving Your Vehicles**

Arrangements for moving your automobiles will be handled by the Counselor. The Company will pay the cost of moving up to two automobiles, provided the distance of your move is greater than 400 miles. Shipment of the second automobile is approved only if you are accompanied by your spouse/partner.

If the distance of your move is less than 400 miles, your mileage (at the current IRS relocation mileage reimbursement rate) for up to two vehicles will be reimbursed. Travel will be based on the most direct route.

## FINAL MOVE EXPENSES

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You will be reimbursed for actual travel and lodging expenses incurred by you and accompanying family members for the final move to the new location.

Expenses include:

- If driving, mileage (based on the current IRS reimbursement rate) will be paid for the most direct route for up to two vehicles
- Parking and tolls
- If shipping automobiles, airfare will be reimbursed for all family members at the coach class rate for one-way tickets purchased at least seven days in advance
- Reasonable meal expenses (NOTE: per BWXT Corporate Travel Policy, receipts required for all meals in excess of \$25/day)
- Reasonable lodging for one night in both the old location and new location, and days enroute
- If flying, baggage fees for up to two items per person
- If driving, one additional night's lodging en route will be covered for every 400 miles, provided the most direct route is taken.

All reservations for air travel and hotel are to be made through the designated travel provider. Employees are encouraged to make travel arrangements at least two weeks prior to travel, if possible.

## SPOUSE / PARTNER TRANSITION ASSISTANCE

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We recognize that an employee's spouse / partner may need assistance in transitioning into a new job and location, and that the needs related to relocation vary with each individual. The Spouse/Partner Transition Assistance Program reduces relocation-related stress and promotes acclimation to the new location by providing appropriate transition support and job search assistance through coaching, customized research and materials, as needed, by a personal consultant who provides on-going support before, during and after the move.

Your spouse / partner will be eligible for coverage for up to one year from the relocation notification date up to a maximum of \$1,500 in service fees. Assistance includes:

- Resume writing, job search assistance, interviewing techniques, networking
- Re-certification, or courses necessary for employment
- Community integration support
- Individual counselling
- Special needs resource assistance
- Professional association membership costs
- Personalized market analysis
- Comprehensive training workshops
- Specialized coaching
- Consulting sessions for education and volunteer activities

Costs associated with business start-up or operating costs (such as advertising, business cards, stationary) will not be covered.

## TAX INFORMATION (GROSS-UP)

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***Note: Weichert Workforce Mobility has provided this language to BWXT for informational use only. Please consult your corporate tax and/or legal department or your tax and/or legal advisor with regard to any interpretation of applicable law and/or regulation or subsequent changes in your policy.***

All non-deductible relocation expenses that the Company pays on your behalf or directly to you are reported to the Internal Revenue Service (IRS) as compensation, which will be included in your gross annual income. The only exceptions are:

- The expenses associated with shipment of your household goods;
- Storage costs up to 30 consecutive days after your things are moved from your former home and before they are delivered to your new home; and
- The travel and lodging (not meals) for you and your family during the final move. This includes expenses for the day you arrive. You can include any lodging expenses you incurred in the area of your former home within one day after you could not live in your former home because your furniture had been moved.

These costs are considered “excludable from income” and will not be shown on your W-2 form unless they are paid directly to you. In this case they are still excluded from your income but will appear on your W2 in Box 12 with a Code P.

Based on IRS and state requirements, the Company will include reimbursed relocation expenses on your W-2 form in the year in which they are paid through the end of your Company’s relocation fiscal year-end. Any expenses that roll over into the next year will be reported as income in that year and will be grossed-up for taxes due in that year.

### YEAR-END TAX REPORT

At the end of the year, you will receive your W-2 form as prescribed by law. Once the Company provides Weichert with the tax gross-up calculation, you will be able to access on MyWIN<sup>®</sup> a statement detailing the relocation expenses related to your move, including money paid on your behalf to help offset the tax liability from this additional income. The additional payment, which is reported as income to you, is known as “tax gross-up.”

The tax gross-up is made to help protect you on the taxes due from non-deductible relocation expenses. In fact, the tax gross-up will be considered income, too; so, in our calculation of gross-up, there is an adjustment to also cover this additional tax liability.

Appropriate withholding for Federal, State, (local, Social Security, and/ or Medicare) taxes will be made, and deposited with your regular withholdings.



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

**Note: This is a sample grid. Tax calculations would be based on actual client policy.**

Relocation Expense	Gross Up	Tax Calculation*
Miscellaneous Allowance	No	Employee responsible for tax liability
Home Finding Trip	Yes	At individual's tax rate
Mileage Reimbursement	Yes	At individual's tax rate
Duplicate Housing	No	Employee responsible for tax liability
Home Sale at Departure Location Through Relocation Service Company	No	None - not included in employee income
Buyer Incentive	Yes	At individual's tax rate
Home Sale Bonus	No	Withhold federal, state and local taxes
If the Home is NOT eligible for Direct Reimbursement of Home Selling Costs under Home Sale Program	Yes	At individual's tax rate
New Home Closing Costs	Yes	At individual's tax rate (excl. origination fee & points)
Rental Agent's Commission / Finder's Fees	Yes	At individual's tax rate
Temporary Living	Yes	At individual's tax rate
Household Goods	No	None - not included in employee income
Storage – up to 30 days	No	None - not included in employee income
Storage – over 30 days	Yes	At individual's tax rate
Final Move Meals and Mileage	Yes	At individual's tax rate
Final Move Lodging/Transportation	No	None - not included in employee income
Spouse/Partner Career Assistance	Yes	At individual's tax rate

Although the Company's gross-up policy is competitive, it may not cover your entire tax liability. As each dollar of gross-up is considered additional income, it is arithmetically impossible for the gross-up to cover all taxes. You may also have expenses that were reimbursed or paid to you that are not covered in our gross-up policy. It is our policy to calculate your gross-up based on Company compensation only; your total family income may affect your tax bracket and, consequently, the taxes due on reimbursed relocation expenses.

**ADDITIONAL TAX RESOURCES:**

- Nothing in this policy should be construed as providing, directly or indirectly, income tax advice. For more information about moving expenses, we suggest that you obtain IRS Publication 521 "Moving Expenses" and that you retain the services of a professional tax advisor/preparer.
- Weichert's Tax Department provides information about your relocation expenses and tax gross-up. Weichert has a Tax Hotline to assist you with any questions regarding your gross-up calculation that we have provided.

Weichert's Tax Hotline for gross-up questions:

Toll-Free: (800) 648-3303, extension 5282

Direct: (973) 630-5282



## **READ! REACT!**

If you're relocating, read this.

The benefits you save may be your own.

### **STOP! Find out about the company's real estate broker relationships.**

You may be anxious to put your house on the market or to start househunting (to rent or to buy).

You may even know someone locally who has said they can list your house for sale, or in your destination location who wants to work with you in your home search.

But before you do anything, read this entire page!

- Your relocation is administered according to the company's relocation package. The company may have established relationships with certain relocation management service providers and real estate brokerages for you to work with for all of your housing needs. If so, these relationships have been established for solid reasons:
  - The brokerages and relocation services we support through our relocation policy have a proven track record in providing specialized services to transferees. Because they are relocation professionals, they can anticipate the concerns and needs of the transferee and family.
  - Our company, or the relocation management service provider we utilize, may have an agreement with certain brokers and brokerage firms that provide a referral fee back to our company for having referred you as a client. This can only occur because our company, or the relocation management company that administers our policy, is a licensed real estate company that can legally collect a fee.

### **READ! Know your relocation policy and protect your benefits.**

- In many instances on both the departure and the destination side of the relocation, a business relationship may have been established with the real estate broker to collect a referral fee on any real estate transaction. These relationships also provide revenue to offset the cost of relocation to the company, as well as ensure quality service to employees during the relocation process. This business and financial strategy is one that must be adhered to, because action outside of these guidelines can cost the company substantial and unanticipated fees for your relocation: fees that might impact on you.
- If you list your property or obligate yourself at the destination location with a real estate brokerage on your own, and outside of our plan, before understanding the guidelines of your benefits package, you could be jeopardizing some of the options to which you are entitled. Our contracts with professional relocation service providers make it possible to provide strong relocation assistance, and working outside of the arrangements we have made can cause you to lose some of the packaged options.

### **REACT! Do the right thing.**

- Don't jump the gun. Before making any contact with a real estate licensee or taking any action with regard to the sale or purchase of real estate related to your relocation, read your relocation policy and talk to your relocation administrator.
- Protect your relocation options.
- Support the company's financial strategy in providing strong relocation assistance.

This information was developed by Worldwide ERC<sup>®</sup> to improve transferee understanding of corporate real estate relationships. It does not, by itself, constitute policy or serve as a guideline for specific company relocation policies. Contact your employer or relocation management company for details on your relocation policy.  
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