

**Sysmex America, Inc.**  
**Educational Assistance Policy**

Sysmex America, Inc. (Sysmex) recognizes that the skills and knowledge of its associates are critical to the success of the organization. The educational assistance program encourages personal development through formal education so that associates can maintain and improve job-related skills and enhance their ability to compete for attainable jobs within Sysmex.

**Eligibility**

All regular full-time associates who have completed twelve (12) continuous calendar months of service and are at a "meets expectations" performance level or better are eligible to apply for educational assistance reimbursement under this policy.

To maintain eligibility, associates must remain on the active payroll and be performing their job satisfactorily. To receive reimbursement for an approved course, the participant must be employed by Sysmex at the time the course is completed except for involuntary termination due to workforce reduction or position elimination. The associate must receive written pre-approval from his/her supervisor, functional Vice President and the Human Resources Department before course registration to be eligible for educational assistance reimbursement. An Educational Assistance Application Form must be completed and approved before beginning course work. For budgeting purposes, the approved reimbursement funds will be charged to the direct supervisor's budget.

The course(s) must meet at least one of the following criteria to be eligible for reimbursement:

- a. The course itself is job-related. The term "job-related" for purposes of this policy means that the course will maintain or improve skills required in his/her current job or provide preparation for another job to which the transfer or promotion might reasonably be expected. Sysmex has the sole discretion to determine whether a course relates to an associate's current job duties or a development position and, therefore, is considered job-related.
- b. The course is required to complete a job-related degree program.
- c. The course is required to complete a job-related certificate program.

The Educational Assistance Program will only apply to courses taken at an accredited post-secondary educational institution. Associates are responsible for confirming an institution's accreditation. The U.S. Department of Labor maintains a database listing all accredited post-secondary institutions available here: <http://ope.ed.gov/accreditation/>. Post-secondary institutions are those offering associate's, bachelor's and/or master's degrees or certificate programs at that level.

**Amount of Reimbursement**

Associates who receive a grade of "C" or its equivalent or better, or a Pass in a Pass/Fail grading system, from an approved course under the Educational Assistance Program will be reimbursed for 100% of the tuition, registration fees, textbooks costs and lab fees ("eligible expenses").

The maximum amount Sysmex will reimburse an associate per calendar year for approved eligible expenses is \$10,000.

Payment will be made at the completion of the course upon receipt by Human Resources Department of an itemized statement of grade and proof of payment. For textbook reimbursement, a syllabus showing required textbooks and proof of payment must be submitted after completion of the course as well. Associates who receive scholarships, grants or other financial assistance (other than subsidized loans) are eligible to participate in the Sysmex Educational Assistance Program for only that part of their eligible expenses which

exceed the amount of financial assistance received. All Educational Assistance Program payments will only be made payable to the associate. No payments will be made to any other party, institution or organization.

**Tax Treatment**

Generally, all Educational Assistance Program reimbursements up to \$5,250 per calendar year are considered non-taxable and are not subject to payroll taxes or income tax withholding.

Reimbursements in excess of \$5,250 per calendar year may or may not be taxable depending upon whether the coursework meets IRS requirements, which can be summarized briefly as follows:

First, the course must maintain or improve skills required in the employee's current position. Second, even if a course meets this requirement above, it will be considered taxable (to the extent total reimbursements exceed \$5,250) if it:

- Is part of a program of study that will qualify the employee for a new occupation or career (e.g., a non-manager pursuing an MBA); or
- Is taken to meet the minimum educational requirements of the employee's current job which the employee did not have at the time of his/her hire or promotion.

Associates should refer to IRS Publication 508 for more information on the tax treatment of reimbursements and/or consult with his/her personal tax advisor.

**Repayment Agreement**

The Educational Assistance Program constitutes a significant investment in individual's professional development and growth. In order to ensure Sysmex can realize the benefits of this investment, the participating associate must agree in writing, as a condition of receiving reimbursement, to repay the reimbursed funds to Sysmex or a percentage thereof if the associate's employment terminates for any reason other than a workforce reduction or position elimination within two years from the date of reimbursement. The payback amount will be determined according to the following schedule:

<b>Time Frame</b>	<b>Payback Amount</b>
0 – 12 months	100%
13 – 18 months	50%
19 – 24 months	25%