

GLOBAL TRAVEL & ENTERTAINMENT POLICY

1.0 GLOBAL POLICY STATEMENT

XXX (COMPANY X or the Company) is committed to a responsible and accountable approach to travel. While this policy has been designed to provide basic guidelines for cost effective travel and entertainment, it should not replace the good judgment of each employee, manager and executive while conducting Company business.

2.0 INTRODUCTION / PURPOSE

The purpose of this policy is to establish and communicate standards and effective procedures for managing travel, entertainment and related costs. All parties are expected to carefully monitor expenses and ensure that the interests of cost control and achieving business objectives are appropriately balanced.

3.0 POLICY SPONSOR

This policy is sponsored by:

Name: Susan Smith
Title: Chief Financial Officer

Name: Mary Smith
Title: Vice President, Human Resources

4.0 POLICY INFORMATION

This person is responsible for maintaining the accuracy of this document, reviewing it on an annual basis, and answering questions related to policy content:

Name: IM Amazing
Title: Director, Shared Services & Special Projects

5.0 DEFINITIONS / ACRONYMS

For the purposes of this policy, unless otherwise stated, the following definitions apply:

Approver – A Company employee with sufficient signing authority as determined by the Corporate Signature Authority Matrix

iExpense – XXX' expense reporting application

IRS – Internal Revenue Service

Reporting Line Vice President - The nearest Vice President in the employee's upward reporting structure

Travel Portal – XXX' travel website hosted by Travel Co. A link can be found on CompanyNet.

6.0 SCOPE

This is a global policy that applies to:

Employees

This policy applies to all XXX' employees worldwide, regardless of level.

Contingent Workforce

This policy applies only to employees. Contingent workers and consultants should follow Addendum 2 of this policy - Travel Expense Policy for Contractors/Consultants.

Regional / Functional Variations

Specific operating units may, at their discretion, impose greater control than required by the policy.

EXCEPTIONS

Adherence to this policy is the responsibility of the individual employee and their manager. Unless specifically noted, exceptions require written approval from the employee's reporting line Vice President. The traveler will be required to submit their written exception approval documentation along with their expense report receipts to Accounts Payable.

7.0 ROLES AND RESPONSIBILITIES

The objectives of this policy are to (1) ensure that employees are reimbursed for expenses they incur while traveling and entertaining on Company business and (2) ensure that reimbursed expenses incurred by employees are in compliance with local regulations.

Employees are expected to adhere to the following general principles:

- Exercise prudent judgment when incurring expenses on behalf of the Company.
- Spend the Company's money as judiciously as if it were their own.
- Review receipts when signing to ensure you were charged correctly.

All business travel reservations (airlines, hotels, rental cars, etc.) must be booked through XXX' authorized travel agencies. Travel not booked through the preferred agency will not be considered a reimbursable expense.

Travel must be booked as far in advance as possible to obtain the lowest rates. Tickets booked less than 7 days in advance will require a business justification for the late booking. XXX' preferred vendors must be used unless business needs dictate otherwise. While employees may occasionally find a lower fare or rate with other vendors or through other booking channels, the use of non-preferred vendors inhibits the Company's ability to negotiate favorable contracts, thus resulting in higher long-term costs.

All employee expenses incurred under this policy should be paid using the Corporate Travel Card (see required use of Corporate Travel Card as described in Section 8.0). In the rare case that a vendor does not accept the Corporate Travel Card, employees may use cash or their personal credit card.

Exceptions to the above requirements include: travel for candidate interviews, recruiting events and relocation expenses. Please refer to your Human Resources Business Partner for approval and further information regarding the treatment of these items.

Employees should obtain pre-approval from their supervisor prior to incurring an expense if there is any doubt on whether the expenditure will be reimbursed.

Approvers/Managers are responsible in general for:

- Determining, in advance, whether travel is necessary;
- Ensuring that employee business trips are cost effective and of benefit to the company;
- Reviewing employee T&E reports to ensure that the expenditures being claimed are:
 1. In compliance with Corporate policies;
 2. Adequately supported;
 3. For a valid business purpose;
 4. 'Reasonable';
 5. 'Applied' to the appropriate expense category within iExpense.
- If necessary, rejecting the claim if expenses are not in line with these guidelines.
- Reviewing expense reports for evidence of exceptions to policy, addressing issues with employees and taking action as appropriate.

8.0 CORPORATE TRAVEL CARDS

Employees required to travel on a recurring basis (two or more times per year) must apply for and utilize a Corporate Travel Card. Please contact corporatecard@company.com for a Corporate Travel Card application.

Employee Corporate Travel Cards should only be used for business-related expenses. Corporate Travel Cards should **not** be used for items intended for personal use.

Use of personal credit cards for travel related expenses (e.g., to obtain mileage or bonus points, etc.) in lieu of using the Corporate Travel Card is not allowed. Exceptions will be allowed for those employees who travel less than twice per year and in cases where a vendor does not accept the Corporate Travel Card.

Use of the Corporate Travel Card provides the Company and its employees with the following benefits:

- Financial rebates to the Company based on total expenditures
- Reduced administrative burden for employees by eliminating the manual entry of transactions into iExpense

- Allows the Finance department to monitor the costs of actual expenses in a more timely and efficient manner so that department managers can manage their travel budgets more effectively

Employees purchasing services, assets, materials or supplies for or on behalf of the Company, must follow the Company's **Global Expenditure Policy**.

Use of the Corporate Travel Card is the responsibility of the employee. The Corporate Travel Card provider will suspend charging privileges on cards with past due balances greater than sixty (60) days. The Company will not pay overdue balances to keep the corporate card active. The Company will also not pay any late fees or interest on the Corporate Travel Card. Employees should submit an expense report covering their expenses within seven (7) days of return from travel to avoid delays in paying their employee Corporate Travel Card. Delinquent balances greater than one hundred-eighty (180) days past due will be written-off by the Corporate Travel Card Provider and may negatively impact the cardholder's personal credit report.

Annual fees for personal credit cards are not reimbursable.

9.0 AIR TRAVEL

It is the policy of the Company to use the lowest logical fare wherever possible and take advantage of 7, 14 and 21-day advance-purchase discounts. COMPANY X has negotiated rates with preferred vendors (please refer to the Travel Section of CompanyNet for a list of preferred vendors).

Preferred Air Carrier Use - Air travel must be on an COMPANY X preferred or negotiated carrier unless there are no preferred options available or savings on a non-preferred carrier results in a cost savings of US\$400 or greater (domestic round-trip) or US\$800 or greater (international round-trip). If you find a fare that meets the criteria above, please contact the Travel Desk to inquire about a possible fare match prior to booking the lower fare.

In an effort to strike a balance between cost and convenience, an alternative routing (lowest logical fare) will be presented to the traveler if the following criteria are met:

- Routing requires no more than one interim stop for each way of a round trip flight
- Routing does not increase the one-way total elapsed travel time (origin to destination) by more than 2 hours
- Departure/arrival is not more than 2 hours before or after requested time
- Savings must be at least \$200 each way or \$400 round-trip to offset schedule inconvenience.

Employees who do not select the lowest logical airfare as described above, must provide a business justification when booking.

Our Standard for all air travel is Economy Class. Employees are eligible to fly Business Class on international flights with a scheduled flying time greater than six (6) continuous hours in duration. Exceptions to this policy may only be granted by the CEO and CFO.

A financial incentive will be offered to those employees who elect to fly economy class in lieu of business class, when permitted as described above. The financial incentive will be a payment equal to 50% of the total savings, up to US\$1,500, between the ticketed fare and the lowest logical business class fare at the time of booking. This payment will be made via payroll and subject to tax withholding as required. Please contact the Travel Desk for more information.

If an employee prefers to travel internationally on a non-preferred carrier, they may do so provided they book an economy ticket via the COMPANY X Travel Agency; however, no financial incentive is available when booking this option.

All Company employees should make reservations via the online booking tool provided through the authorized travel agency. **This is the preferred method for making domestic reservations and offers a reduced transaction fee resulting in cost savings to the Company.** Employees are expected to select non-refundable fares, if they are the least expensive, when booking through the online reservation tool. XXX' travel policy, preferred travel vendors and negotiated rates are programmed into the online reservation tool.

If you are making complex or international travel reservations, you should contact the preferred Travel Agency directly. The Agent will book the lowest fare (non-refundable, penalty or otherwise restricted) to take advantage of significant cost savings and adhere to the Travel Policy.

Frequent flyer benefits can be retained by the employee, but should not be the basis for selecting or switching air schedules, hotel accommodations or rental cars. The Company will not reimburse membership fees for frequent flyer clubs.

Employees may elect to upgrade travel class at any time if they personally pay the cost difference between the class fare on their ticket and the class fare desired, based on a comparison fare quote.

The Company will only reimburse change fees in circumstances when flights are changed through no fault of the employee, or when business circumstances necessitate a change in travel arrangements. Change fees will not be approved when the change is for the employee's convenience.

Use of the approved Travel Agency provides the Company with the following benefits:

Security - The Company can immediately locate all travelers at any time in the event of major emergency such as an earthquake or other natural disaster.

Cost Control - The Company can more effectively control costs by ensuring policy compliance and consistent use of negotiated airline contracts

Volume Discounts - The Company derives discounts for achieving volume levels and market share targets

Visa & Passport services – See agency welcome letter for more info.

After hours emergency services - See agency welcome letter for more info.

Unused Tickets/Cancellations

The travel agency encourages ticketless travel whenever possible. On occasion, a paper ticket will be issued. All unused non-refundable airline tickets must be reported to the travel agency immediately. If a paper ticket was issued, the tickets must be returned immediately to the travel agency. Unused non-refundable tickets will be noted in your profiles and will be used toward future business travel. Refundable tickets reported to the travel agency will be submitted to the Airline Reporting Corporation for credit and all penalties and surcharges apply. **It is important to remember that trips must be cancelled prior to departure to receive any available credit on the unused ticket. Failure to do so may result in the employee being responsible for the cost of the trip.**

Emergencies

For any emergency situation or if there is an unexpected need to change travel plans after office hours, contact the Emergency Travel Center indicated on the travel itinerary. Emergency service is available 24 hours a day, 7 days a week. As the Company incurs an additional cost for using this service, **it should not** be used for regular travel or general reservation information.

International Travel

It is extremely important for employees who are traveling internationally to make reservations well in advance of the trip in order to verify requirements and commence the entry application process, if necessary. When traveling internationally, please ensure that you have the necessary visa, passport and immunizations. If a visa is required, the Travel Manager will provide the application and processing information. Also, be aware of any pertinent customs regulations for your destination. All international travelers are encouraged to provide Human Resources with a copy of their passport to keep on file so assistance can be provided in the event of theft or loss during travel abroad.

Private Aircraft

The Company does not allow any employee, consultant or contractor to charter private aircraft while traveling on Company business. Exceptions may be made with prior written approval from the CFO. In addition, no employee, consultant or contractor is allowed to pilot private aircraft while on Company business.

Weekend Stay-Over | Airline Discount Travel Option

In cases where a weekend stay-over will reduce travel expenses, the Company will reimburse employees under the following conditions:

- The employee asks the travel agent in advance for a documented fare quote for both a normal trip without the Saturday night stay-over and for one with the stay-over
- The employee submits the fare quote comparison to their department manager and obtains prior approval
- The employee makes a notation on the expense report for the additional hotel and meal costs, and seeks reimbursement for no more than the difference in the fares.

The Company will reimburse employees for a weekend stay-over if part of a business trip or local meeting is to be continued on the following Monday, unless the cost of the air travel for a second trip is less than the cost of the stay-over.

Companion Travel

Companion travel will not be reimbursed unless such travel was authorized in advance by the CFO.

Adding Personal Stop-over

Personal stopovers en-route are allowed, unless the personal stop-over increases the total airfare or impacts the ability to utilize a through discount airfare. Any increase in airfare as a result of a personal stop-over will be at the employee's expense. Cost of personal stopover must be documented and booked via the preferred Travel Agency. Failure to obtain clear documentation of costs involved in a personal stopover may result in the claim being denied.

10.0 GROUND TRANSPORTATION

The most cost-effective form of ground transportation should be selected for local transportation needs.

Car Rental

Automobile rentals are an allowed expense while traveling on Company business. Employees should rent mid-size or smaller cars. Employees traveling in groups of three or more may upgrade to a full-size vehicle. Travelers must refuel before returning the car to avoid excessive fuel charges. Collision Damage Waiver (CDW), liability insurance and personal accident insurance should be declined for rentals in the **United States** and **Canada**, as the Company insurance will provide coverage. For rentals in **other countries**, employees should accept additional insurance.

Employees should observe the following guidelines when determining if renting a car is the most appropriate choice of transport, for example:

- Are there other reasonable and cheaper alternative forms of ground transportation (e.g. taxis, public transport, hotel shuttle bus services etc.)?

- Is it possible to share one rented vehicle with other employees, thus reducing the total cost to the company? (Where employees do share the driving of a rented car, each individual must register their details with the rental company);
- Is it safer to use an alternative method of transport (e.g. taxis, transport the local office arranges) when traveling internationally?

Transportation to and from an originating airport should be made by personal auto, airport shuttle, rail service or taxi. Other forms of transportation (limo car services) should be used only if it is more cost effective than a mileage reimbursement and parking fees.

11.0 MILEAGE REIMBURSEMENT

Employees should observe the following guidelines when determining if using their personal automobile for business purposes is the most appropriate choice of transport:

- Are there other reasonable and cheaper alternatives (e.g. renting a car, taking a taxi or using public transport)?
- Does it maximize the time available for company business (as compared with other forms of transport)?
- In the event that extended distances will be driven, could safety be compromised?

As a general rule, where employees are traveling to a destination that will involve a drive in excess of five hours, they will be expected to use air travel (if an adequate commercial service exists). However, in the absence of such an adequate service, employees must ensure that they have a break of at least 30 minutes after they have driven for five hours continuously. In order to obtain approval for the use of a personal automobile in such circumstances, the employee must be able to demonstrate that:

- The amount to be reimbursed as mileage allowance may not be greater than the cost of an air ticket for the journey;
- Safety will not be compromised;
- The time available for business will not be unnecessarily curtailed.

Where an employee uses a private automobile on company business they may claim reimbursement for the actual mileage driven at the approved rate per mile in force at the time that the trip is made. Mileage will be reimbursed at the standard rate allowed by the IRS (in the United States) or the appropriate tax authority in the employee's jurisdiction. Accounts Payable will publish changes in the mileage rate, which will also be updated in iExpense. These rates will apply worldwide if no other local law applies. Other reimbursable expenses include tolls and parking fees. Since the IRS allowance is based on total operation costs of the auto, no reimbursement for gasoline is allowed.

If you commute to a customer office in lieu of the company office, you may expense your mileage using this formula:

Commute to customer office in lieu of company office:	30 miles each way X 2 = 60 miles
Normal commutes each way to company office:	20 miles each way X 2 = 40 miles
Number of miles submitted for reimbursement:	60 miles - 40 miles = 20 miles

In cases where the traveler expects to drive an excessive distance in their personal vehicle, please contact the Travel Manager, as more cost effective options may be available.

When claiming mileage, employees must document the points of origin and destination in the justification field.

12.0 AIRPORT PARKING FEES

If a less expensive means for transportation to and from an airport cannot be obtained (such as a taxi or airport shuttle), airport-parking fees will be reimbursed as follows:

- Short-term parking fees - only reasonable fees incurred for airport short-term parking lot stays will be reimbursed (not to exceed three (3) days);
- Long-term parking fees - all reasonable amounts for long-term parking will be reimbursed.

13.0 MEALS

Employee Meals while Traveling

Reimbursement will be allowed for meals within **reasonable limits** for the geographic region the employee is traveling in. **It is expected that the employee will spend the Company's funds as judiciously as they would their own.** Only reasonable spending on meals will be reimbursed. Meals attended by multiple employees should be paid for and submitted for reimbursement by the most senior employee present.

Requests for meal reimbursements and entertainment must include:

- Receipt showing name of establishment and exact cost;
- Name (first initial and complete last name) of each employee present;
- Business purpose of the entertainment.

Receipts must be from the vendor or establishment – credit card statements will not be accepted as adequate expense substantiation

If a non-employee is present at the meal, the meal will be considered “Business Meals and Entertainment” and must follow the policy below.

Business Meals and Entertainment

The expense of business meals should be appropriate to the occasion and the importance of the situation. The Company does not seek to generate business on the basis of lavish business entertainment.

In order for business meals and entertainment to be reimbursable, the expenditure must conform to the IRS or local government requirements:

- The expenditure must directly precede, include, or follow a substantial and bona fide business discussion.
- A business benefit must be derived, or is expected to be derived, from the business discussion.

Extravagant entertainment expenses will NOT be reimbursed.

The Company **requires the following information to be documented** on the business expense form for individual entertainment expenditures:

- Date
- Location
- Participant(s) first initial, last name and company
- Business Purpose

If the above information is not provided on the expense report, the expense will be rejected.

Meals While Working Overtime

All overtime meals must be consumed onsite at an COMPANY X work location (not home office). Individual or group meals while working overtime is for employees only. Individual meals must not exceed \$25 USD. Group meals must be reasonable in cost and frequency.

If purchased for a group meal, names of those attending (first initial and last name) must be included in the justification.

14.0

LODGING

All hotel reservations must be booked through the preferred travel agency or online booking tool. The Company has negotiated volume discount agreements with selected hotels. Please refer to the Travel Portal for a list of these preferred hotels. If there are no preferred hotels at the traveler's destination, moderately priced hotels should be used and they should be comparable to the preferred hotel list.

When attending a major tradeshow, convention or industry meeting, please contact the Travel Manager, as room blocks, preferred rates and group reservations are usually arranged for these events.

If the hotel room was booked using the online booking tool, pay close attention to the hotel's cancellation policy. Some hotels can be very restrictive and may require a cancellation notice anywhere from day of arrival up to 72-hours in advance or more.

Hotel expenses must be paid for by the employee via the employee's Corporate Travel Card and reimbursed via an expense report. Meals, parking, and in-room internet charged to a hotel room must be itemized on the expense report. Employees who travel frequently are encouraged to contact the IT Service Desk to obtain a laptop air card with 3G service on the company AT&T plan instead of using hotel Internet services.

15.0 MEETINGS/EVENTS

Any meeting of more than ten (10) people should be coordinated through the Travel Manager, who will oversee that advance bookings are completed and any other cost savings measures are followed.

16.0 TRAVEL INSURANCE

The cost of flight and personal travel insurance are not reimbursable by the Company as the Company provides life insurance to all of its employees. Auto insurance coverage should be carried as addressed in Section 10.0.

17.0 LOSS OF PERSONAL OR COMPANY PROPERTY

It is the travelers' responsibility to safeguard both their personal and Company property while traveling. The Company will not reimburse employees for theft of personal property incurred while traveling on an approved business trip; it is the responsibility of the individual to report to the hotel, airline, or law enforcement agencies, as appropriate.

It is the travelers' responsibility to ensure that all company laptops in their possession have hard drives that have been encrypted by the IT Service Desk. This is a critical safeguard for company intellectual property, customer data, and sensitive information in the event of loss or theft. All laptops deployed by IT since January 1, 2010 have encrypted hard drives.

Loss of company property (i.e., laptop computer, PDA, mobile phone) must be reported immediately by the employee to the Company and local law enforcement agency. Careful attention to your property in airports, at security check points and while on public transportation is very important in protecting your assigned company property.

18.0 TELECOMMUNICATIONS

COMPANY X considers home internet service to be a common utility service purchased for personal use. Therefore, expenses associated with internet service in the employee's home will not ordinarily be paid for by COMPANY X.

However, if one of the following exceptional conditions applies, reimbursement for home internet service may be expensed with approval by the CFO:

- The internet service is essential to the employee's job and requires a level of internet connectivity atypical of the standard residential DSL/Broadband service.
- Home internet service meets reasonable accommodations tests for those special cases governed by the American Disabilities Act

If either of these conditions is met, COMPANY X will reimburse the difference between standard home internet service and the minimum level essential to meet the job requirements defined by the company.

For mobile voice/data expenses, please see the Mobile User Policy located on CompanyNet.

19.0 HOME OFFICE EQUIPMENT

Please see the Remote Employee Expense Policy.

20.0 EXPENSE REPORTS PROCEDURES

- To request reimbursement, all authorized travel should be itemized using the iExpense application within seven (7) days of return from travel.
- Employees will be responsible for any credit card late fees incurred due to lateness of submitting an expense report.
- Please retain a copy of your submitted expense reports and receipts for your records.
- Receipts are required for all expenses over \$25.00 in the US, and for all expenses regardless of amount in all other countries. Receipts are not required for gratuities and mileage reimbursement.
- All receipts must be the original and include sufficient information to establish the amount, date, place and the essential character of the expenditure.
- Credit card statements are not considered adequate supporting documentation.
- All receipts should be securely taped to an 8.5" x 11" sheet of plain white paper and submitted with a printout of the iExpense Report Summary Form that was submitted online.
- Place the original receipts behind the printout of your Expense Report, in the same order as they appear on the form, and turn it into Accounts Payable.
- Expenses submitted more than 90 days after charge date must be approved by the CFO.

Reimbursements will be made via direct deposit to your bank account or via paper check.

Reimbursable Expenses

The following types of expenses, if incurred in compliance with this policy and while on Company business, may be submitted for reimbursement:

- Air travel
- Airport taxes
- Baggage handling
- Business telephone calls
- Car rental and gas
- Copy and fax services for business purposes
- Computer supplies for business travel or home office less than \$250
- Day use of hotel health club facilities (not to exceed \$25.00 per day)
- Hotel accommodations
- In-room movies (one movie per day)
- Documentation for international travel – visa, passport, immunization
- Internet connectivity while travelling
- Laundry services for trips over five days
- Mileage pursuant to Company business
- Meals while traveling and conducting business
- Public transportation (taxi, shuttle, railroad, bus)
- Reasonable tips and gratuities
- Software less than \$100
- Tolls and parking

Non-Reimbursable Expenses

Personal expenses while traveling are not reimbursable by the Company. The following is a partial listing of items that are considered non-reimbursable:

- Airport/airline club membership costs
- Airline upgrade certificates, except when the upgraded travel is in compliance with Company policy
- Direct costs of spouse, partner or significant other on business travel except as specifically approved by the CFO
- Babysitting, house-sitting, pet-sitting expenses
- Cost of personal credit cards
- Computer supplies for business travel or home office greater than \$250.
- Gifts to other employees in excess of \$100, except as approved in advance by the CEO or Vice President, Human Resources
- Gifts to third-parties in excess of \$100, except as approved in advance by the CEO or CFO
- Laundry services incurred on trip of less than 5 days
- Loss of personal property while on Company business
- Loss of cash advance, Company paid airline tickets or personal funds
- Luggage or other travel accessories
- Medical expenses (other than emergency care and unless required for international travel)

- No-show hotel reservation or cancellation fees except where approved by a Vice President
- Overnight lodging for conferences or meetings held in the locale of the employee's office
- Personally owned aircraft and chartered aircraft expenditures
- Purchase of liability insurance coverage on car rental agencies - U.S. and Canada only
- Purchase of life insurance during travel
- Purchase of clothing and other personal items and/or services such as haircuts, shoe shines, newspapers, magazines, tobacco, alcohol, etc.
- Software greater than \$100
- Traffic or parking fines
- Standard home internet connection
- Reward and recognition – must be processed through HR

21.0 SHORT TERM ASSIGNMENTS

For employees temporarily assigned to a remote work location, for a period longer than one month but no longer than three months, travel expenses must be consistent with the **Travel Expense Policy for Short Term Assignments** (Addendum 1)

22.0 CONTRACTORS/CONSULTANT EXPENSES

Any travel that is to be reimbursed to the consultant must be included on the consultant's company invoice. Department managers are responsible to ensure that all travel expenses to be reimbursed are consistent with the **Travel Expense Policy for Contractors/Consultants** (Addendum 2)

23.0 TRAVEL FOR FOREIGN GOVERNMENT OFFICIALS/EMPLOYEES

The Company will only reimburse the travel expenses of a foreign official when there is a clear business purpose that justifies the travel and only in accordance with the Company's Travel and Entertainment Policy. For example, there may be certain things that can only be accomplished during a visit to COMPANY X facilities or those of customers or partners. This may include viewing the Company's facilities or meeting with senior management or technical personnel. The Company shall only pay travel expenses directly to the service provider (e.g. travel agent, airline). Where a direct payment to the foreign official is unavoidable, the Company shall reimburse only the expenses that are pre-approved and properly documented. **The complete itinerary and budget for the trip must be reviewed and approved in advance by the Director of Shared Services, in consultation with the Company's Legal Department.**

24.0 EXPENSE REPORT AUDIT

The Company finance department, internal auditors, and/or independent auditors review expense reports for reasonableness and compliance with this policy. The auditors may review expense reports of all executive management, directors, and employees. Major discrepancies will be reviewed by the CFO, who will in turn review them with the authorizing department manager and the employee involved. Serious or repeated breaches of professional conduct in filing or approving expense reports will lead to disciplinary action, possibly including termination.

25.0 UNUSUAL ITEMS NOT INCLUDED IN THIS POLICY

From time-to-time situations may arise that are not covered by these guidelines. Reimbursements for such situations will require approval by a member of the Executive Staff.

ADDENDUM 1

TRAVEL EXPENSE POLICY FOR SHORT TERM ASSIGNMENTS

(1-3 Months)

POLICY OVERVIEW

The purpose of this document is to describe the reimbursement policy for XXX' ("COMPANY X") employees temporarily assigned to a remote work location for a period longer than one month but no longer than three months ("temporary work location"). A remote work location is defined as any place of work, other than the employee's regular assigned work location. This policy is in effect only while on assignment at the remote location. If during the course of the assignment, work is performed at another location (home office or other company location) then revert to the current Travel and Entertainment policy for actual incurred expenses.

Air Expenses

During the short term assignment, travel to and from the employee's home and the temporary work location must be agreed upon in advance by Human Resources and the employee's manager. This should be negotiated in advance taking into account budgetary and work-life balance issues. All travel must be booked through COMPANY X's travel agency or Online Booking Tool.

Car Expenses

The Company will reimburse the employee for the cost of a rental car (mid-size) during the assignment. Contact the Travel Manager if a car rental is needed for the duration of the assignment to ensure a long term rental contract is executed. Please book a rental car for sporadic needs through COMPANY X's travel agency or Online Booking Tool

Accommodation

COMPANY X will pay for a corporate approved furnished/serviced apartment or extended-stay hotel which includes all utilities, internet, cable, and maid service for the duration of the assignment. These accommodations must be made through the Travel Manager.

Per Diem

Employees on short-term assignments will be paid a per diem for meals & incidentals for each day they are assigned to the temporary work location. Per Diems will not be paid for days spent away from the temporary work location, which includes trips home, vacation, or any other business trips. Travel days to and from the temporary work location may be claimed at 50% of the daily rate. Per Diem should be claimed through the Oracle iExpense system and include the dates worked at the temporary work location in the description field.

The per diem rate will be determined by the employee's manager and/or project manager and the HR Business Partner. For US based employees, the Per Diem rate must not exceed the maximum allowable meals and incidentals expense (M&IE) rate per IRS Publication 1542, which can be found at http://www.irs.gov/publications/p1542/ar02.html#en_US_2010_publink1000250819

Other Important Procedures

You may not claim the per diem AND expense meals and incidentals on the same day. The only exception to this policy is when dining with a non-COMPANY X employee in the context of approved business entertainment.

The company will not pay for any home internet or telephone bills while you are on the assignment.

Expenses relating to a customer project must properly coded to the proper project number and task, to ensure costs will be tracked against the correct project budget.

Payroll Implications

US based employees working on projects less than one year in duration may fall under COMPANY X's Multi-Jurisdiction Payroll Policy. This means that any additional state taxes the employee incurs as a result of working on the customer project will be paid by the company. A copy of the policy can be found here.

It is critical that employees accurately track days worked in each state on a calendar. The Payroll Department will reach out to employees who frequently travel to confirm the days spent working in each state. See the Multi-Jurisdiction Payroll Policy for additional details.

ADDENDUM 2 TRAVEL EXPENSE POLICY FOR CONTRACTORS/CONSULTANTS

POLICY OVERVIEW

The purpose of this document is to describe the reimbursement policy for XXX' ("Company") Consultants and Contractors while traveling for Company business purposes. Company will reimburse Independent Contractors for authorized, reasonable, and necessary travel expenses. These expenses must fall within the guidelines below and must be documented as this policy describes.

STATEMENT OF GENERAL POLICY

The Company Project Manager is responsible for ensuring that all travel and living expenses (collectively, "Travel Expenses") charged to Company are reasonable and necessary. The Contractor Travel Policy has been developed to:

- Identify reimbursable vs. non-reimbursable Travel Expenses;

- Clarify Contractor's responsibilities for reporting Travel Expenses; and

- Make Contractors aware of IRS regulations on documentation and substantiation of business travel expenditures.

The Company expects each Contractor to exercise sound judgment when incurring Travel Expenses.

In no case will Company pay an hourly rate or other fee for travel time of Contractor.

APPROVAL BY COMPANY

The Company Project Manager approving the Travel Expenses shall determine: (1) if the trip is necessary; (2) if the business reason for the trip is justified; (3) if the business purpose could be accomplished by telephone, fax, or other means, thereby eliminating the travel expense; and, (4) if the estimated cost justifies the trip. Based on this review, Company will reimburse all, a portion, or none of the submitted Travel Expenses.

Any deviation from this policy will require written documentation and approval from Company's Project Manager.

USE OF COMPANY TRAVEL AGENCY

Travel arrangements should be made via the Company Travel Agency whenever possible. The Agency maintains a separate account specifically for booking non-employee travel. Additionally, the agent can recommend use of preferred vendors.

AIRFARE

Contractors should book air travel in economy/coach only. Company will not reimburse for any upgrade charges.

CAR RENTAL

Decisions to use rental cars should be based on economy for Company and not personal convenience. Contractors should use local transportation such as airport limousine services, taxis, hotel shuttles, and other public transportation modes whenever possible. All rental cars will be reimbursed at the standard/mid-size rate.

When services provided by a Supplier require more than one Contractor, Contractors must share transportation to minimize costs. Contractors may use a full-size car only when three or more Contractors are traveling together.

When renting a car, Contractors must decline the insurance offered by the rental car company. Suppliers are required to have an insurance policy that provides coverage when Contractors rent cars on company business.

Contractors must return rental cars with the same amount of fuel (meaning, "full") they had when first rented to avoid additional fuel charges. Rental agencies may charge exorbitant fees for refueling the rental vehicle. Fuel costs should be indicated on the Contractors' Travel Expenses request for reimbursement—receipts are required.

Company will not pay for mileage when reimbursement is submitted for a rental car.

PERSONAL CAR USE

Contractors who use personal cars for services provided to Company will be reimbursed at the current IRS allowable rate for mileage. Reimbursement will not exceed the amount Company would have paid if the Contractor traveled by coach or economy class on a commercial air carrier, regardless of which class of service is authorized.

LODGING

The Company and/or Company Travel Agency will recommend and book Company Preferred Hotels for Contractor. Company will reimburse only actual lodging room costs supported by the original bill for each day that lodging is required for services provided to Company. Lodging should be reasonable in price and located in relation to the Contractor's work assignment.

The Contractor must have a valid receipt that shows the form of payment. No express checkout receipts will be accepted, and the hotel folio must show a zero balance.

Contractors must attach the original hotel folio to the Travel Expenses reported and itemize charges other than the actual room cost.

BUSINESS MEALS

Company will reimburse Contractors for meal expenses (breakfast, lunch, and dinner) actually incurred when traveling to provide services for Company. Expenses must be reasonable, appropriate, and supported by a receipt.

Some establishments provide a “**tear tab**” as a documented receipt. These are **not** considered valid receipts, and Company will not accept them as proof or documentation.

Business meals, provided by Supplier for Company clients or outside business associates while providing services to Company, will not be reimbursed by Company.

Contractor must be able to prove:

- The amount of each separate meal expense;
- The date the meal took place; and,
- The name, address, or location, and the type of meal (dinner, lunch, etc.), if the information is not apparent from the name of the establishment.

EXCESSIVE TRAVEL

While Company appreciates the personal needs of Contractors, Contractors are expected to endure extended periods away from their originating locale when providing services to Company. Where a Contractor travels excessively, Company will not reimburse Supplier for such travel beyond what Company deems reasonable and necessary. For example, if a Contractor providing services to Company for a month's period travels every weekend between Company and Contractor's originating locale in a distant area, Company will consider such travel excessive and will likely only reimburse Supplier for one period of travel.

EXPENSE REPORTING

Contractors must be able to prove their deductions for Travel Expenses by adequate records or sufficient evidence that will support the associated request for reimbursement. Estimates or approximations do not qualify as proof of Travel Expenses.

Adequate evidence – Documentary evidence ordinarily will be considered adequate if it shows the amount, date, place, and essential character of the expense. For example, a hotel receipt is enough to support expenses for business travel if it has the name and location of the hotel, the dates Contractor stayed, and separate amounts for charges such as lodging, internet, and meals. A restaurant receipt is enough to prove an expense for a business meal if it has the name and

location of the restaurant, and the date and amount of the expense. If a charge is made for items other than meals and beverages, the receipt must show that this is the case.

TRAVEL

Contractor must be able to prove:

- Each separate amount Contractor spends while providing services for Company, such as the cost of Contractor's transportation or lodging. Contractor may total the daily costs of Contractor's breakfast, lunch, and dinner and other incidental elements of such travel if they are listed in reasonable categories such as taxi fares, etc. All Travel Expenses require a receipt.
- The dates Contractor left and returned home for each trip; and,
- The destination or area of Contractor's travel; including the Customer name, the city, town, state, or similar designation.

Extravagant Travel Expenses -- Company will not reimburse extravagant or unusually large expenses for meals or other items related to business travel.

NON-ALLOWABLE TRAVEL EXPENSES

Where provided for under the agreement between Company and the Supplier, Company's policy is to reimburse Supplier for all reasonable and necessary Travel Expenses incurred when providing services. The following describes situations or Travel Expenses that are non-allowable and that will not be reimbursed by Company.

- Travel Expenses that exceed the agreed-upon travel and expense cap, if any, contained in the agreement between Company and Supplier;
- Late fees and penalties assessed against the Suppliers'/Contractors' credit card;
- Travel Expenses included that do not have a receipt;
- Tear-tab receipts presented for reimbursement;
- Internally generated taxi cab receipts;
- Air travel and other personal insurance;
- Personal grooming services such as beauty/barber services, massages, and manicures;
- Briefcases, laptop bags, suitcases, fountain pens, or other items for personal use;
- Entertainment expenses (e.g., airline headsets, movies);
- Lost or stolen property;
- Doctor bills, prescriptions, and other medical services;
- Tours, golf, tennis, horseback riding, skiing, theater, or other personal amusements;
- Traffic fines and court costs;
- Airline club memberships;
- Bottles of alcoholic beverages;

- Extra meals, when meals are being provided at meetings; and,
- Tobacco products.

NOTE: The items listed above are only guidelines and do not necessarily include all Travel Expenses not allowed.