

# Irving Shipbuilding Inc.

## Relocation Policy – International Employees

**Owner:** Vice President – Human Resources

**Policy:** The following principles shall apply to the Irving Shipbuilding Division

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Updated April 2020

## **I. Overview**

Below is the Relocation Policy for Irving Shipbuilding Inc. (the “Company”). It is essential that all relocating employees have a clear understanding of the Company's expectations and requirements related to the Company's Relocation Policy. Individual circumstances may determine how the policy is applied. The contents of this Policy will be reimbursable for six months after the employee's start date with the Company, with the exception of the Principal Residence section, which will be reimbursable for one year after the employee's start date. Any proposed extension of these timelines requires HR Director approval in advance of the employee's start date.

## **II. Purpose**

To provide a standardized, consistent policy for Irving Shipbuilding Inc. employees when relocating internationally.

The principle of the policy is based on reimbursement for incurred relocation expenses. Irving Shipbuilding Inc. wants your transition to be as smooth as possible. In order to facilitate your move and to minimize inconveniences and concerns for you and your family:

- the Company will arrange and pay for your flights to Halifax
- the Company will arrange and pay for the shipment of your household goods
- the Company will provide you with an incidental miscellaneous lump sum allowance of \$7,500 to cover miscellaneous expenses involved in the move to your new location.

It is extremely important that you fully understand the provisions of the Relocation Policy before undertaking any important step in connection with your move.

The physical move of your belongings from your former residence to your new residence is managed by our Supply Chain Management Group. Your Human Resources representative is committed to ensuring a quality relocation experience for you and your family and will assist with all aspects of your relocation as well as answering any questions you and your family may have.

Making well informed decisions requires an understanding of this Relocation Policy and your role in the process. Please take the time to review the Policy carefully.

## **III. House Hunting Trip**

You and your spouse/life partner are eligible to visit Halifax at the Company's expense for the purpose of making arrangements for living accommodations.

**Reimbursable Items:** You will be reimbursed for reasonable expenses incurred during one exploratory trip, to a maximum of five (5) consecutive days. To receive reimbursement, submit your completed expense account with supporting documentation to your immediate manager. The following list is typical of items covered:

- Direct round trip coach airfare, arranged and paid by the Company

- Automobile rental, arranged by the Company, paid by you and fully reimbursable (please opt for the highest level of insurance)
- Lodging, arranged and paid by the Company
- Meal expenses (\$60 per day maximum per person)

#### **IV. En-route to the New Location**

The Company will arrange and pay for flights from your country of residence to Halifax, Nova Scotia for you, your spouse/life partner and children.

#### **V. Transportation of Pets**

As a valuable member of your family, we believe it is important to make sure your pet is well taken care of during your relocation process. Therefore, we cover the cost of the relocation fees for one (1) pet. Should you have more than one pet to transport to your new location, these costs can be covered under your incidental miscellaneous lump sum allowance of \$7,500.

#### **VI. Temporary Living Expenses**

Employees are required to obtain and occupy suitable permanent accommodations with the least possible delay.

If your residence is not available for occupancy when you arrive in Halifax, the Company will arrange, and pay for temporary lodging for up to a maximum of 2 months plus the remainder of the last provided month. Your Human Resources representative will assist you in finding suitable temporary accommodations.

#### **VII. Principal Residence**

If you owned a principal residence at your prior location and you purchase a principal residence at the new location the Company will assist you in paying certain costs associated with the purchase of your new residence.

If you have not sold a property in the prior location but intend to purchase a property in the new location, the company will also assist you in paying certain costs associated with the purchase of your new residence.

ISI will reimburse with receipts the following costs, reasonable and customary, associated with relocation:

##### *a. Sale of Principal Residence*

- Lease cancellation penalties
- Mortgage cancellation penalties, provided that your current mortgage is not portable
- Real estate commission to sell a principal residence (not to exceed 6%)
- Legal fees to sell and purchase a principal residence

*b. Reimbursable Principal Residence Purchase Expenses*

- Reasonable and customary costs of credit reports, survey, appraisal fees, and other items when required by law or by the Mortgage Company
- Lender's title search and execution search
- Title Insurance (should be included in legal fees)
- Provincial taxes required to register the purchase of the principal residence
- Survey up-date if not supplied by the seller
- Reasonable legal fees and disbursements associated with the principal residence purchase and mortgage service charge, registration of deed and mortgage
- Inspections considered necessary to a maximum cost of \$700.00 per inspection. Examples of necessary inspections may include structural, radon/pyrite, termite, or inspection for well water quality, gallon return pressure and septic systems in good working order.

*Limitations on New Residence Assistance: Reimbursement for expenses associated with the purchase of a new residence is on a one-time only basis and must take place within three (3) months from the date of purchase. The cost of High Ratio Mortgage Insurance, Goods and Service Tax on newly built principal residences or New Principal residence Warranty Fees will not be reimbursed. The cost of repairs and/or renovations to the principle residence will also not be reimbursed.*

*Household goods will only be unloaded and unpacked at the Company's expense once at the new location. Temporary storage, for up to a maximum of 2 months plus the remainder of the last provided month, as well as movement to the new location, may be allowed, if necessary.*

## **VIII. Incidental Miscellaneous Lump Sum Allowance**

You are entitled to a miscellaneous expense lump sum allowance of \$7,500.00. The purpose of this lump sum allowance is to help you meet certain relocation expenses that are not covered elsewhere in this policy. This amount will be paid to you as soon as reasonably practicable following your first day of employment. In accordance with Canada Revenue Agency rules, this amount will be subject to tax and employment income deductions.

*Although the submission of receipts is not required, it is strongly recommended that you keep all receipts and thorough records of your relocation expenditures for your own financial management and tax reporting.*

## **IX. Shipment of Household Goods**

J.D. Irving's Supply Chain group is responsible for making arrangements for the movement of household goods for all employees. As soon as you have a preferred move date for your belongings, you should inform your HR Business Partner who will connect you with a member of J.D. Irving's Supply Chain team to begin the quotation and vendor selection process for the shipment of your household items.

Please do not begin the quotation, vendor selection, or packing process yourself. Shipment of goods that are not arranged by J.D. Irving's Supply Chain team will not be reimbursable under

this policy.

The Company will arrange and pay directly for the following services:

- Packing, shipping, and unpacking of all household goods
- Temporary storage for a maximum of 2 months plus the remainder of the last provided month, if necessary

### *Insurance Coverage*

Replacement value insurance will be determined between the employee and the moving company.

Whenever possible, it is to your benefit to personally transport furs and/or jewelry. If these items must be moved as part of your household goods these items need to be declared to the moving company and insurance obtained through the mover's insurer at your own expense.

### *Claims Procedure*

#### *Packing/Loading*

At the time of packing, you or a designee should be present to assist the mover with an inventory of the items to be packed and moved. Any visible damage apparent at the time of packing is noted on the inventory list by means of codes adjacent to the items. When completed the inventory is signed by the moving company's representative and you. You should retain one copy.

#### *Unpacking/Unloading*

As soon as unloading is complete, you should make an immediate inspection to determine if there is any visible loss or damage. If there is visible loss or damage, you should note the loss and/or damage on both your and the driver's copy of the inventory list. Both you and the driver sign the appropriate copies.

Contents should be examined as soon as possible, and if loss or damage is discovered, you should notify the carrier immediately and give the carrier the opportunity to inspect the damaged goods.

The carrier will arrange for an investigation and appraisal of the extent of all damage. You should retain packing material for inspection until the survey has been completed.

The carrier will authorize repairs and settle all claims with you.

Should you have any problems with the carrier in assessing your damages, authorizing repairs, or settling your claim, you should contact the Company's Supply Chain Management Representative.

## **X. Parting Company - Relocation Expense Reimbursement**

Should you resign or if your employment is terminated by the Company for cause within the first

three (3) years of your employment, you will be required to reimburse the Company for all relocation costs as follows:

- During the first 18 months: 100%
- After 18 months and up to 24 months: 75%
- After 24 months and up to 30 months: 50%
- After 30 months and up to 36 months: 25%

Should you be required to repay any relocation costs to the Company, the Company may deduct at source such amount from any wages, vacation pay or other amounts at any time owing to you by the Company. Any remaining amount owed to the Company is immediately due and payable by you.