

## Tuition Reimbursement Policy

Medline encourages and supports employees who seek to improve their skills and educate themselves for advancement. This policy states Medline's position on providing financial assistance to employees for their job-related educational development.

**Eligibility.** This policy applies to all Full-Time Regular employees (FTR) and Full-Time Commissioned Sales Representatives (FTS) who are actively at work at the time of program and/or course approval. If an employee subsequently goes on an approved Leave of Absence (LOA), the employee will remain eligible for previously approved courses that are completed successfully within a period of six (6) months from the start of the LOA. If an approved LOA reaches six months in duration or if an employee changes employment status to part time or terminates employment, tuition reimbursement eligibility will end.

- High school diploma (GED) and undergraduate classes are eligible after thirty (30) days of continuous employment.
- Graduate classes are eligible after the first of the month following one year of continuous employment.
- Temporary employment, including internship, counts towards time of service for eligibility once hired as full-time employee.
- An individual class cannot commence prior to the employee's eligibility date for reimbursement.
- Employees must not be on corrective action and all classes/programs require division head approval.

Employees receiving education assistance through the GI bill, trust funds, scholarships, or other sources will have those amounts deducted from tuition amount before reimbursement percentage is applied.

### Application process.

- 1) Employees should discuss their education and career goals with their supervisor/manager. If the supervisor/manager and the division head support the education, the employee then initiates a formal request online through the Tuition Reimbursement tile on the home page of the MyMedLife benefits portal. (See instruction guide). Requests must be submitted no later than seven days before the class or program begins. Requests must also include the approval of the division head.
- 2) The online request will route to the employee's direct supervisor/manager. This leader is responsible for entering the online approval or denial on behalf of the division. Accordingly, the direct supervisor/manager must ensure that the applicant uploaded the approval of the division head before submitting the online approval on behalf of the division. Supervisors/managers are encouraged to consult with Human Resources if they have questions about the process or what types of classes can be approved.
- 3) Our third party administrator, BenefitEd, will review the request and issue the official approval/denial back to the employee.
- 4) After the employee completes the class and achieves the minimum grade, the employee will upload proof of the grade and receipts to trigger the reimbursement. This must occur within three months of completing the class.
- 5) If everything is in good order, reimbursement will be paid and legally required deductions will be withheld.



Employee's responsibility. Courses or programs must be job-related and offered by an approved institution – for example, an accredited school, college, university, or correspondence school. The determination of an approved institution and approved coursework is the responsibility of the Human Resources Department in cooperation with other designated management. Courses or programs must be scheduled outside the employee's regular work hours, and all homework must be done on the employee's own time. Medline makes no commitment to provide for all courses leading to a degree. Each course must be applied for separately and is evaluated on its individual merits in accordance with this procedure. Undergraduate, graduate, and technical/engineering courses are covered by this policy. ALL APPLICATIONS FOR EDUCATIONAL ASSISTANCE MUST BE SUBMITTED NO LATER THAN SEVEN DAYS BEFORE THE START DATE OF THE COURSE OR THE EXPENSES WILL NOT BE CONSIDERED FOR REIMBURSEMENT.

Reimbursement amounts and procedures. Medline reimburses employees 80% of the cost of tuition and 60% of registration fees for undergraduate and graduate classes. Medline reimburses employees 100% of the cost of tuition and registration fees for high school diploma (GED) courses. Required textbooks will be reimbursed at 50% of their cost. All other costs are absorbed by the employee.

Reimbursement is made if an employee receives no lower than a C grade for an undergraduate course or a B grade for a graduate course. If no grading system is used, the employee must submit evidence of having satisfactorily completed the course. Reimbursement is limited to two courses per term and \$5,250.00 per calendar year.

Medline Puerto Rico employees: Any such amounts will be deemed taxable income to the employee and Medline must make all corresponding withholdings, including Puerto Rico income tax and FICA withholdings. Puerto Rico residents are eligible for the American Opportunity Tax Credit for education expenses up to \$4,000; and may claim the credit on their tax returns, as long as all requirements established are met.

Terminations or separations during a course. If an employee is transferred to another assignment within Medline or an affiliate, or terminated by Medline for reasons such as a reduction-in-force, reimbursement is available for expenses incurred. If the employee voluntarily leaves employment with Medline or is terminated for cause\* prior to completing the course, then the former employee is responsible for all expenses associated with that course.

Terminations or separations after completing a course. Employees who voluntarily leave the Company within three (3) years of receiving reimbursement for an approved course, or whose employment is terminated for cause,\* will be required to repay the tuition reimbursement received under this policy in accordance with their Promissory Note. The Promissory Note is attached and you will be required to electronically sign during the application process.

\*Terminated for cause means that employment ends due to misconduct, intentional violations of any law or regulation, or continued failure to perform duties owed to Medline or its affiliates.



**DEMAND PROMISSORY NOTE**

For value received, the undersigned promises to pay to the order of Medline Industries, LP, on demand, the principal sum of the company's expenditures for undergraduate and graduate school tuition. This Note shall be payable ON DEMAND under the following formula:

- If voluntary termination is within the first year from the date the employee receives reimbursement, employee will reimburse Medline the full amount.
- If voluntary termination is within the second year from the date employee receives reimbursement, employee will reimburse Medline two-thirds (2/3) of the amount.
- If voluntary termination is within the third year from the date employee receives reimbursement, employee will reimburse Medline one-third (1/3) of the amount.
- If voluntary termination is after three years from the date employee receives reimbursement, then Medline is entitled to no reimbursement.

The maker hereof waives any and all presentment for payment, protest, notice of protest, and notice of dishonor. If this Note is signed by more than one person, they shall be held liable jointly and severally hereunder.

In the event legal action, whether by suit or otherwise, becomes necessary and is taken to enforce or collect this Note or any unpaid balance thereof, the legal holder shall be entitled to recover the costs and reasonable attorney's fees incurred in connection with the taking of such action.

And, to further secure this Note, the undersigned irrevocably authorizes and appoints any attorney of any Court to Record in the State of Illinois or elsewhere at any time after demand to appear on behalf of the undersigned in such Court, to waive service to process and trial by Jury, and to confess a judgment in favor of the legal holder or holders hereof for such sums as then appear to be owing hereunder, including principal, interests costs, and a reasonable attorney's fee, to waive and release all errors which may intervene in any such proceeding, to waive all right of appeal, and to consent to immediate execution on such judgment, hereby ratifying and confirming all that his said attorney may lawfully do by virtue hereof.

The undersigned grants Medline permission to administer payroll deductions for the principal sum of the company's expenditures for undergraduate and graduate school tuition under the above mentioned formula if the undersigned leaves Medline's employment voluntarily or discharge due to misconduct.