



## **TUITION PROGRAM**

***For all employees in the United States and Puerto Rico***

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Citi is invested in helping employees obtain the education and skills that will lead to career development and growth. Through personalized education coaching and planning, employees can find the best-fit program for their needs and goals. Citi supports educational attainment by prepaying eligible expenses through tuition assistance, and also reimburses employees for eligible out-of-pocket costs.

### **Employees who are eligible**

If you're a regular full-time employee or a part-time employee who works 20 or more hours per week, you may be eligible for tuition reimbursement or assistance. To be eligible you must, at the time you submit the request to take a course(s):

- Have at least 90 days of service with Citi based on your most recent hire date; and
- Have received at least a 3/4 (Goals/Leadership) rating on your most recent annual (year-end) performance review (when applicable); and
- Your current performance, conduct, and attendance must be satisfactory, meaning that you're not on any kind of performance improvement plan or discipline greater than a Letter of Education.

Except as otherwise stated in this program, you must be actively working for the duration of the course, at the time you submit your application, and on the date any tuition reimbursement or assistance is paid.

### **Courses that qualify for tuition reimbursement or assistance**

You may be reimbursed or receive assistance for tuition and certain fees (listed below) only for course(s) taken at a college or university that is accredited by an accreditation agency recognized by the U.S. Department of Education.

Courses that qualify for tuition reimbursement or assistance are:

- All undergraduate and graduate degree-program courses;
- Certificate programs; and
- Remedial courses that must be completed as a requirement of an accredited college or university prior to the beginning of degree-related courses that qualify for reimbursement.

You must meet the minimum grade requirements (C-/Pass or better) to receive tuition reimbursement or to continue to be eligible for tuition assistance. For these courses, you may receive assistance or reimbursement up to 100% of the qualifying tuition cost and associated fees.

## Annual tuition cap

Qualified expenses and fees up to a maximum of \$5,250.00 for undergraduate degree courses and certificate programs and \$7,500.00 for graduate degree courses and graduate certificate programs are eligible for payment (less taxes if applicable) per calendar year.

Tuition payment is generally credited toward the cap in the calendar year in which the qualifying course(s) is (are) completed. For example, if you apply and secure your manager's approval for a qualifying course in the fall of 2023 and finish that course in December 2023, but the submission and requisite document processing for the tuition payment is completed in 2024, the payment will be credited toward your 2023 annual cap limit.

Any unused portion of the annual cap limit cannot be carried over to the following calendar year, and any amount from a future calendar year may not be applied to a current calendar year.

**Important: For students transitioning between undergraduate and graduate programs, the maximum reimbursement/assistance cap in a year is \$7,500.00.** For example, you finish your undergraduate degree in May 2023 and use all of the \$5,250.00 toward your course work and graduation fees. You then apply and secure your manager's approval for qualifying graduate courses in the fall of 2023 and finish those courses in October 2023. You will only be allowed an additional \$2,250.00 as the annual cap limit is \$7,500.00.

## Tax implications

In compliance with IRS regulations (section 127), employer provided educational assistance is exempt from taxation up to a maximum of \$5,250.00 per calendar year from all employers. Citi will withhold taxes if, at the time of payment processing, the total amount of tuition assistance or reimbursement paid by Citi in the calendar year exceeds \$5,250.00. Please consult with your tax advisor for additional information, especially when you have received educational assistance from multiple employers in the same calendar year.

Tuition reimbursement and/or assistance payments above the IRS tax exempt limit of \$5,250.00 will experience tax implications in the year in which the qualifying course(s) is (are) **paid**. Using the example from above:

You finish your undergraduate degree in May 2023 and use all of the \$5,250.00 toward your course work and graduation fees. You then apply and secure your manager's approval for qualifying graduate courses in the fall of 2023 and finish those courses in October 2023. You will only be allowed an additional \$2,250.00 as the annual cap limit is \$7,500.00, and Citi will withhold taxes on the \$2,250.00 in accordance with IRS rules.

For tax withholding purposes, the tax limit will be determined based on the year the payment is made for both the assistance and reimbursement programs. This means that if you complete a course in 2023, but the reimbursement/assistance is paid in 2024, the payment will be credited toward your 2024 tax limit, and any payment amount in excess of \$5,250.00 during the 2024 calendar year will be subject to tax withholding.

## Eligible fees

In addition to tuition for qualifying courses, Citi will cover only fees that are both mandatory and directly related to and required for qualifying courses. These expenses may include:

- Exam fees for credit applied toward an approved undergraduate program or approved graduate degree program, including the College Level Examination Program (CLEP);
- Registration fees, provided that you pass at least one course for which you're registered;
- Application fees, upon successful completion of a course;
- Readmission fees;
- Lab/technology fees and specific fees that are mandatory for enrollment in a course;
- Graduation fees; and
- Books.

## Ineligible expenses

- Workshops, conferences, and seminars;
- Certification courses and related fees, including exam fees, for programs such as CFP, CFA, CPA, PHR, Six Sigma, etc. (however, these expenses may be eligible for reimbursement through your department or branch training program);
- Executive MBA program expenses above the annual cap;
- Interest expenses, such as interest on student loans, late payments fees, credit card interest, etc.;
- The cost of preparatory course work, such as courses taken in preparation for the GMAT or other standardized exams required for application to a degree program; and
- Any costs and fees that aren't directly related to course enrollment, such as parking, transportation costs, student activities, athletic, or facilities fees, including equipment and educational technology.
- Individual courses for sports, recreation, or hobbies, unless part of a degree program.

## Grants and scholarships

You must report any grants and/or scholarships credited at any point toward your course work. If you receive funds from any other source, such as a school or government-sponsored program or scholarship, you'll be reimbursed only when the total tuition exceeds the scholarship/grant amount. In these cases, you'll be eligible to be reimbursed for 100% of the difference between the amount received from the other funding source and the qualifying tuition cost up to the annual limits of the program, excluding expenses that don't qualify. You aren't required to report loans.

## Application and Payment Process

Once you've determined which courses to register for, you must submit an online application through [Bright Horizons EdAssist Solutions Platform](#). Your manager will review this application to ensure you have met the eligibility criteria outlined above.

The following are critical elements of the submission and approval process that must be followed to ensure eligibility for payment/reimbursement:

- Your application must be submitted prior to the start of the school term as indicated by the published Academic Calendar (i.e., semester, quarter, summer session).
- A separate application must be submitted for each school term and/or course, if you have multiple courses across different school terms and/or multiple courses in the same school term with different start and end dates.

- Plan to take courses outside of business hours.
- Manager pre-approval for your eligibility and has no impact on payment/reimbursement once you've completed your course work.
- You are responsible for complying with all submission timeframes and document requests as required in this Program for eligibility to receive reimbursement/assistance.

If you apply and are approved for tuition assistance, you will receive a Letter of Credit to present to your school at the time of course registration. The school will submit an itemized invoice of tuition and fees directly to EdAssist. EdAssist will process payment to the educational provider for eligible tuition and fees on behalf of Citi.

If you apply and are approved for tuition reimbursement, you will be reimbursed as soon as administratively practicable after you have submitted the required documentation.

## Required documentation

### Tuition reimbursement:

Within 60 days of completing your course, you must submit:

- Official proof of your grade(s) (such as a transcript or online grade report);
- Course schedule;
- An original bursar's receipt/invoice statement showing course(s) paid in full, a deferral agreement or a balance due dated on or after the course end date; number and names of course(s) taken; credits received; tuition costs; scholarships and/or grants received; and an itemized list of fees;
- If a compliant grade (A, B, C- or Pass) is not received within 60 days after the course end date, you will not receive any tuition reimbursement for the course(s). Qualifying courses for which you receive a D, F, or failing grade, including "withdraw failing," are not eligible for reimbursement.

### Tuition assistance:

Within 60 days of completing your course, you must submit:

- Official proof of your grade(s) (such as a transcript or online grade report);
- Course schedule;
- If a compliant grade (A, B, C- or Pass) is not received within 60 days after the course end date, you will be suspended from participating in the tuition assistance program for a period of 12 months (365 days). The course may be retaken at your own expense in order to be removed from suspension early.
- You may access the tuition reimbursement program during suspension. The non-compliant course may not be retaken under the tuition reimbursement program.

## Leaves of absence, retirement, or job elimination under the Separation Pay Plan

If you go on a leave of absence, retire, or your job is eliminated under the Separation Pay Plan before your course work has been completed and before you have submitted your grades and final required documentation, you'll be eligible for tuition reimbursement as provided below:

- **Retirement:** You're eligible to be reimbursed for courses in progress as of your retirement date.
- **Job elimination under the Separation Pay Plan:** You're eligible for reimbursement or assistance only for approved courses you completed that began prior to your notice period and/or approved courses that began and were completed during your notice

period.

- **Military Training, Short-Term Disability leave of absence, or any approved Family and Medical Leave:** If the leave occurs during a school term for which you received pre-approval or have applied for tuition reimbursement, you'll be reimbursed once you've successfully completed the course work and returned to work.

If you have any questions, please contact Bright Horizons customer service at: [877.286.3138](tel:877.286.3138).