Plan:

Redeemer Free Lutheran Church has established an Educational Assistance Plan (the Plan) to provide educational benefits under Section 127 of the Internal Revenue Code to all employees of Redeemer Free Lutheran Church. This document sets forth the Plan.

Employment Status:

Employees qualify for the Plan and earn the benefits if they are a current employee. Employees may take courses of instruction during active employment or during an approved leave of absence.

Plan Benefits:

Redeemer Free Lutheran Church will reimburse the employee no more than *$ 1,500.00* a year for qualified and council approved educational programs. Should lawmakers enact any changes, this Plan automatically adopts the changes on its effective date. Under Section 127 of the Internal Revenue Code, the employee receives the reimbursements under this Plan as tax-free fringe benefits.

Plan Termination:

Redeemer Free Lutheran Church reserves the right to change or terminate the Plan without prior notice. If Redeemer Free Lutheran Church does end the Plan, Redeemer Free Lutheran Church will reimburse all courses in process prior to termination, but it will not reimburse any classes that begin after Plan termination and notification.

Funding:

Redeemer Free Lutheran Church will pay educational benefits out of its general assets. Redeemer Free Lutheran Church does not maintain a special fund to cover the benefits. Further, Redeemer Free Lutheran Church does not require participants to make contributions as a condition of receiving benefits.

Prohibited Choices:

This Plan prohibits Redeemer Free Lutheran Church from offering eligible employees a choice between educational assistance and any other compensation.

Covered Educational Expenses:

This Plan reimburses costs for tuition, fees, and books for approved educational classes.

Expenses Not Covered:

The plan prohibits reimbursements of meals, lodging, transportation, tools, and supplies. Further, the Plan does not reimburse costs for any education that involves sports, games, or hobbies.

Employees who plan to take advantage of the Educational Assistance Plan shall notify Redeemer Free Lutheran Church in writing of such plan; course of study, and expected reimbursement amounts and dates as soon as the information is available but no later than 30 days after the educational activity begins.

Reimbursements:

Redeemer Free Lutheran Church will not reimburse any amounts already reimbursed by any financial assistance, scholarship, or any other financial benefit derived from public or private programs.

Redeemer Free Lutheran Church shall make direct payments to the school, upon council approval or reimburse the participant within 45 days of proper submission of the supporting documents.

Upon completion of the courses, the participant must provide proof of attendance and original receipts for all items for which he or she seeks reimbursement.

If participant cannot give supporting documentation upon completion of the courses, the participant must repay to the church any funds that were paid by the church within 45 days.

Redeemer Free Lutheran Church has explained this Plan to me, an eligible employee, and I have read this Plan document. With this signature, I verify that I have read this Plan document and understand the Plan.

**By the Employee**

Printed Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date \_\_\_\_\_\_\_

On behalf of Redeemer Free Lutheran Church, I explained this Plan to the employee above. Further, I furnished the employee with a copy of the Plan and observed as he or she read the Plan. I hereby affix my signature in verification of these facts.

**For the Employer**

Printed Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date \_\_\_\_\_\_\_\_