

Country(ies): <b>U.S.</b>	Policy Title:  <b>ADOPTION BENEFITS</b>	Effective Date: <b>01/01/2000</b>
Policy Number: <b>2106</b>		Revision Date: <b>10/01/2021</b>

## PURPOSE

Honeywell supports employees who wish to begin or build families through adoption. Accordingly, this Policy is intended to be the exclusive source of guidelines with respect to how the Company provides financial benefits and assistance to Covered Employees who adopt a Child.

## SCOPE AND ELIGIBILITY

This Policy applies to any Covered Employee who adopts a Child after September 30, 2017. However, Covered Employees on inactive status on September 30, 2017 will be ineligible for benefits hereunder until they return to active employment. If an employee and his/her spouse are both Covered Employees, only one Covered Employee is eligible for benefits hereunder.

## POLICY

### 1. REIMBURSEMENT OF ADOPTION-RELATED EXPENSES

#### 1.1 Reimbursement Amount

Honeywell will reimburse Covered Employees for eligible adoption-related expenses in an amount not to exceed \$5,000 per Child. Honeywell will reimburse Covered Employees for eligible adoption-related expenses in an amount not to exceed \$10,000 per Special Needs Child.

#### 1.2 Reimbursement Timing

The reimbursement of eligible adoption-related expenses will only be made after the adoption is final. There will be no reimbursement of expenses if the adoption is not finalized. Written request for reimbursement must be made within ninety (90) days after the adoption is final.

### 2. REIMBURSABLE EXPENSES

Most expenses that are *directly* related to the adoption are reimbursable. These include:

- Agency emplacement fees
- Legal fees and court costs
- Medical expenses of the birth mother

- Medical expenses of the Child not covered by insurance
- Temporary care costs to a foster care agency
- Immigration, immunization and translation fees
- Transportation and lodging away from the Covered Employee's home that is necessary to facilitate the adoption
- Expenses required by the applicable state (including construction, renovation or alteration costs or purchases specifically required by the state for a Special Needs Child)

### 3. NON-REIMBURSABLE EXPENSES

The following items are *not* reimbursable adoption-related expenses:

- Voluntary donations to adoption agencies
- Expenses related to the adoption of a person 18 years of age or older
- The costs of guardianship or custody not associated with legal adoption
- Costs for which payments by federal, state or local agencies have been received
- Expenses in violation of Law
- Costs incurred pursuant to surrogate parenting arrangements
- Expenses reimbursed under another program or plan
- Expenses related to the adoption of a child who was previously adopted by an eligible employee

### 4. TAXATION ISSUES

If reimbursements under this Policy satisfy the criteria set forth in Section 137 of the Internal Revenue Code (the "Code"), such reimbursements will typically not be treated as income to the Covered Employee. To the extent that the reimbursements do not satisfy these requirements, however, the reimbursement will be treated as taxable income to the Covered Employee. The total amount excludable from income under Code Section 137 is \$13,570 for 2017.

The exclusion from income authorized by Code Section 137 is only available for taxpayers with modified adjusted gross income of less than \$243,540 (as adjusted after 2017 by COLA). For taxpayers with modified adjusted gross income that is equal to or less than \$203,540 (as adjusted after 2017 by COLA), the exclusion is available in full. For taxpayers with modified adjusted gross income between \$203,540 (as adjusted by COLA) and \$243,540 (as adjusted by COLA), the exclusion is phased out ratably.

Amounts reimbursed for qualified adoption expenses are generally not subject to income tax withholding. However, such amounts are subject to FICA and FUTA taxes. Moreover, an individual may not claim a credit on his or her Federal tax return for any adoption expense reimbursed by Honeywell.

**THESE RULES ARE GENERAL GUIDELINES ONLY. THEY ARE NOT MEANT TO CONSTITUTE TAX ADVICE. COVERED EMPLOYEES SHOULD CONSULT THEIR**

## **OWN TAX ADVISORS ABOUT THE PROPER TREATMENT OF ANY REIMBURSEMENTS UNDER THIS POLICY.**

### **5. PROCEDURE FOR REIMBURSEMENT**

Upon placement of the adopted Child, Covered Employees should obtain an Adoption Reimbursement Request Form (see Exhibit A) by calling HR Help at 1-877-258-3699, option 4. Itemized receipts for expenses are required for documentation.

### **6. ADOPTION SUPPORT THROUGH HEALTHRESOURCE**

All Covered Employees are eligible to use **HealthResource** work/life support for adoption support. Counselors are available to provide Covered Employees with specific adoption information and materials, community resources, and referrals to adoption agencies.

### **7. COORDINATION WITH OTHER BENEFITS**

At the time of placement, Covered Employees may add their Child to their medical and group life insurance policies. In addition, qualified Covered Employees may enroll in the Dependent Care and Health Care Spending Account Plans. Any changes to a Covered Employee's benefit plans must occur within 30 days of placement. Covered Employees will need to complete change forms and to provide a copy of the adoption agreement in order to enroll.

## **DEFINITIONS**

*Child.* For purposes of this Policy, Child means a child who has not yet attained the age of 18.

*Covered Employee.* For purposes of this Policy, Covered Employee generally means any employee of Honeywell who works in the United States. However, Covered Employee does not include:

- Employees covered by a collective bargaining agreement, except to the extent such collective bargaining agreement specifically adopts the provisions of this Policy;
- Individuals classified by the Company as co-op, intern, temporary, contract, contingent or leased workers;
- Employees employed directly by Honeywell Federal Manufacturing & Technologies, LLC, National Technology and Engineering Solutions of Sandia, LLC., or any similar Honeywell affiliate with whom the U.S. Government has contracted to manage and operate a Federal government operation, except to the extent such affiliate expressly adopts this Policy;
- Individuals classified by the Company as consultants or independent contractors;
- Employees who normally work less than 20 hours a week for the Company;
- Employees on a leave of absence (whether paid or unpaid) on the date the adoption becomes final;
- Individuals who are not on the Company's payroll or who are not classified by the Company as common law employees, even if a court or a federal, state or local administrative authority later rules that the individuals should be considered employees for any purpose; and
- Employees whose employment is brief or non-recurrent and that cannot reasonably be expected to continue indefinitely or for a significant period.

*Honeywell or Company.* For purposes of this Policy, Honeywell or Company shall mean Honeywell International Inc., its subsidiaries and affiliates, and their respective predecessors and successors.

*Law.* For purposes of this Policy, Law means all applicable federal, state and local laws and regulations.

*Special Needs Child.* For purposes of this Policy, Special Needs Child means any Child who (1) is a citizen of or residing in the United States at the time the adoption process begins, and (2) a state has determined that (i) such Child cannot or should not be returned to the home of his or her parents, and (ii) there is a specific factor or condition that makes it reasonable to conclude that the Child cannot be placed with adoptive parents unless assistance is provided.

## **RESPONSIBILITY FOR THE POLICY**

This Policy is administered by Honeywell Human Resources, in consultation with the Honeywell Law Department.

## **RELATED POLICIES, INFORMATION AND RESOURCES**

Family and Medical Leave Act (Policy 2056)

Parental Leave (Policy 2094)

## **EXHIBITS**

**Exhibit A** – Adoption Reimbursement Request Form

## **REPORTING CONCERNS AND SEEKING GUIDANCE**

Additional guidance can be sought by contacting a Human Resources representative.

## **REVISION HISTORY**

This Policy was originally adopted effective January 1, 2000. It was amended and restated effective January 1, 2017.

## **MANAGEMENT'S RIGHTS**

The Company, in its sole discretion, reserves the exclusive right to interpret, administer and apply this Policy, to make any exceptions to it, and to change this Policy at any time and for any reason.

*This Policy is not intended to create contractual obligations. Employment with the Company in the U.S. (other than Puerto Rico) is at will, which means that either the Company or the employee may terminate the employment relationship at any time and for any reason, without notice. The Company reserves the right to modify, amend, or terminate this Policy at any time. This Policy supersedes any prior policies of Honeywell, whether written or oral, on the topics covered in this Policy.*

*This Policy is the property of Honeywell International Inc. and is published on the Company's intranet at <http://policy.honeywell.com>. It is the reader's responsibility to review the intranet publication of this policy to ensure the most current version is being referenced before taking action based on this printed copy, which may be outdated.*

**EXHIBIT A**

**ADOPTION REIMBURSEMENT REQUEST FORM**

**Employee Information:**

Employee Name: \_\_\_\_\_ Social Security Number: \_\_\_\_\_  
Home Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Home Telephone Number: \_\_\_\_\_ Work Telephone Number: \_\_\_\_\_

**Eligible Adoption Expenses:**

<b>Date Paid</b>	<b>Amount:</b>	<b>Description:</b>
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____

**Total Reimbursement:** \$ \_\_\_\_\_

Note: To expedite, please attach receipts in U.S. dollars, including proof of payment (such as front and back of check) for all expenses listed above. A copy of the adoption placement decree is required in English (for foreign adoptions the decree must be translated to English).

**Employee Request for Reimbursement:**

I am applying for reimbursement of adoption expenses listed above, confirming that \_\_\_\_\_, whose birth date is \_\_\_\_\_, was placed in my home for the purpose of adoption on \_\_\_\_\_. The date for adoption finalization is \_\_\_\_\_. I certify that this is a claim for allowable expenses under the Honeywell Adoption Benefits Policy and that the Child is not biologically related to either parent.

\_\_\_\_\_  
**(Signature of Employee)**

\_\_\_\_\_  
**Date**