

NTS DEVELOPMENT COMPANY
TUITION REIMBURSEMENT PROGRAM AGREEMENT

As encouragement to employees to continue job-related education, and to foster a long-term commitment to the Company on the part of such employees, NTS Development Company (NTS) offers a reimbursement for work-related tuition expenses at institutions of higher learning, subject to the following conditions:

QUALIFICATIONS:

1. *The employee must be a regular salaried or corporate office employee working full-time (defined as 32 or more hours per week on a regular basis).*
2. *The employee must have a minimum of six months continuous full-time service at the time of application.*
3. *The employee must be continuously employed with the Company as a full -time employee through and including the date of reimbursement, and must remain an NTS employee for an additional year thereafter (see Future Work Agreement below).*

LIMITATIONS:

1. *Seminars, meetings, workshops and conferences are approved within departments and are not encompassed in this Plan.*
2. *All courses must be taken at an accredited institution of higher education, subject to company approval.*
3. *Requests for course pre-approval and subsequent reimbursement must be submitted on the appropriate Company form for processing and approvals. Applications for educational assistance must be approved by your supervisor prior to attending the course. Submission at least 30 days prior to the course is required, to allow for processing and follow-up.*
4. *Employees whose performance is not deemed by their supervisor to be satisfactory at time of application, or who are currently on probation or undergoing disciplinary counseling, may not apply for participation in this Plan.*
5. *The course of study must be work-related and of benefit to our Company operations (as determined at the sole discretion of the company) by meeting one or more of the following criteria:*
 - a. *It maintains current skills applicable to the employee's position.*
 - b. *It will improve an employee's skill in his/her current position.*
 - c. *It will prepare the employee for an existing position within the Company as part of a developmental plan for a logical career path within the Company.*
6. *An overall degree program that is clearly and directly work-related as outlined above may be pre-approved, including all elective courses taken toward such degree. Otherwise, non-work related courses are not covered by this Company.*
7. *The Company does not encourage an excessive course load in addition to full -time employment, therefore employees will generally only be approved for a maximum of six credit hours at a time (which may include integrally related components such as lab work). Approval is for one grading period only (ex: the second semester of a course must be applied for separately).*
8. *A course must be completed with an acceptable grade. Grades below the specified levels render the course ineligible for reimbursement. Grades such as "satisfactory" or "pass" are not acceptable unless agreed to in advance, in writing.*
9. *Eligible expenses will be limited to tuition, required textbooks, and directly related, pre-approved charges such as lab fees, etc.*

REIMBURSEMENT:

1. *Company reimbursement will be 75% of the applicable tuition, books and fees for an approved course in which a grade of "A" or "B" is received. The Company will similarly reimburse 50% for a grade of "C" in undergraduate course work only. Reimbursement is also limited to a total of \$3,000 for graduate course work per employee, per calendar year (January through December), and \$1,500 for undergraduate course work.*
2. *The amount eligible for reimbursement consideration will be reduced by any benefits payable through the Veterans Administration, grants, scholarships, or any other financial assistance available. Employees must first apply any such benefits for which they are eligible toward their tuition costs. Company reimbursement applies only secondarily to any unpaid, remaining tuition costs.*
3. *Upon satisfactory completion of the course, original, itemized receipts must be submitted with the official grade report for reimbursement (copies may not be accepted). The grade report and expenses must be submitted within 30 days of completion of the course, unless an extension is agreed to.*
4. *If the employee resigns, or is discharged for cause prior to reimbursement, the benefits of this policy are forfeited.*

FUTURE WORK AGREEMENT:

1. *This investment in employee education is made with the clear expectation that such employees will then stay with NTS for a reasonable period of time and apply this knowledge for the benefit of the Company.*
2. *Those employees who take advantage of this opportunity must agree to stay employed full-time within the Company for a minimum of 365 days subsequent to their most recent receipt of tuition reimbursement from NTS, as indicated by the date upon which the last such check was issued. This is a mandatory condition of acceptance of such funds.*
3. *Should an employee voluntarily leave full-time employment with NTS for any reason or be terminated for just cause as defined solely by the Company (exclusive of involuntarily layoff/reduction in hours), all tuition reimbursement received by the employee within the prior 365 days is immediately repayable to the Company.*
4. *Should legal or other related expenses be incurred in the process of collecting such money, the employee shall likewise be liable for repayment of all such expenses, as well.*

TAX STATUS OF TUITION:

It is the Company's intention that any reimbursement under this policy not be treated as taxable income, therefore not be reported as W-2 earnings at yearend.

Employees reimbursed under this policy should be cautioned not to deduct such money from their Federal tax return if this has not been reported as income for tax purposes.

The Company's ability to exclude tuition reimbursement from taxable income is subject to periodic review by Congress. Current tax laws should always be reviewed for the reporting status of such tuition payments, as this is ultimately the employee's responsibility.

MISCELLANEOUS / QUESTIONS / EXCEPTIONS:

Questions or requests for clarification should be directed to the Corporate Human Resources Department. The Company reserves the right to periodically review and amend or terminate this Plan, or place limits on the type, number, or expense of courses that will be reimbursed, as it sees fit, in its sole discretion. The Company will be the sole and final judge as to the application and/or interpretation of all terms and conditions of the Plan.

I understand, accept and agree to all terms and conditions of this NTS Tuition Reimbursement Program.

Employee Signature: _____ Date: _____

Manager Signature: _____ Date: _____