

H&R Block Adoption and Surrogacy Reimbursement Program – U.S.

The Adoption and Surrogacy Reimbursement Program (“Adoption and Surrogacy Program” or “Program”), established by H&R Block for Eligible Associates (as defined below) and administered by WINFertility, Inc. (WIN), is designed to cover a portion of the expenses associated with adopting a child seventeen years or younger or with using a surrogate to assist in carrying and giving birth to a child. This Program is effective January 1, 2022.

Before you begin the adoption/surrogacy process, contact WINFertility for information about all aspects of the Program, including details about eligibility and covered expenses. You can reach a WINFertility Service Team Member at: 844-846-0349, Monday - Friday 9:00 a.m. - 7:30 p.m. EST. More details are also available at <https://managed.winfertility.com/hrblock/>.

In addition, WIN is available to assist Eligible Associates with information, tools, resources and experienced fertility professionals who can provide guidance throughout the surrogacy journey. Eligible Associates are not required to use all the resources of the Program, including WIN’s network of surrogacy agencies. For details, contact WIN at 844-846-0349 and ask to be connected to WIN’s Specialty Services Department.

Eligibility

To be considered an “Eligible Associate” for purposes of the Adoption and Surrogacy Program, you must intend to become the legal parent of the child adopted or of the child born through the surrogacy process (an “Intended Parent”) and, at the time (1) the adoption/surrogacy is “**Legally Finalized**”, (2) reimbursement is requested, and (3) reimbursement is made, you must be classified as a U.S. regular (i.e., non-seasonal) associate regularly scheduled to work a minimum of 20 hours per week for H&R Block or a participating affiliate. Seasonal associates are not eligible for benefits under this Program.

This Adoption and Surrogacy Program is designed to support an Eligible Associate who is the Intended Parent. Spouses, domestic partners, and dependents of Eligible Associates are not eligible to participate in the Program. Additionally, benefits are not provided under the Program for a H&R Block Associate acting as a surrogate.

What is “Legally Finalized”?

An adoption is Legally Finalized when the Intended Parent has been granted permanent legal custody of the child in the U.S according to the current U.S. law governing adoptions; and the Intended Parent can provide a notarized adoption decree or notarized court order and U.S. Passport or U.S. Visa, as applicable.

A surrogacy is Legally Finalized when the Intended Parent has been granted permanent legal custody of the child and the Intended Parent can provide a copy of either the certified birth certificate or a notarized court order acknowledging parentage of the Intended Parent as the child’s permanent legal parent(s).

Benefits Summary

The Program provides reimbursement of up to \$30,000 lifetime maximum for certain costs described below associated with adoption and surrogacy arrangements that are Legally Finalized on or after January 1, 2022 and eligible expenses incurred on or after January 1, 2022.

There are various types of surrogacy arrangements, each dependent on the source of genetic material involved, and by whom the material is provided (the surrogate, the Intended Parent(s), or a donor(s)). This benefit is intended to support Eligible Associates regardless of the method through which the

adoption or surrogacy occurs, provided that there is a legal basis for the arrangement. H&R Block accepts no liability for outcomes of any adoption or surrogacy agreement entered into by the Eligible Associate.

Eligible Expenses

Eligible Associates may be reimbursed for non-duplicative Eligible Expenses (defined below) up to an individual lifetime maximum of \$30,000. If you and your spouse or domestic partner are both Eligible Associates, you may each be able to obtain reimbursement for non-duplicative expenses up to the \$30,000 lifetime maximum per Associate, resulting from any legal adoption or surrogacy occurrences.

Note that if you are covered by the H&R Block Anthem medical plan, the \$30,000 lifetime maximum is a combined limit for reimbursements under this Program and any expenses paid by the medical plan under the WINFertility Reimbursement Program for fertility treatment expenses you incur. Thus, any amounts paid by the medical plan for your infertility expenses will reduce the amount available for reimbursement of adoption or surrogacy expenses under this Program. You may seek assistance for both adoption and/or surrogacy and/or fertility related expenses, but in no event will the amount reimbursed under the medical plan and under this Program exceed a combined total of \$30,000. If you wish to participate in the Program, you are authorizing the H&R Block Anthem medical plan to disclose the amount, if any, of your fertility-related expenses that have been paid by the plan in order to track this combined limit.

Eligible Expenses include:

- Court costs, legal costs, and attorney's fees
- U.S.-based adoption and surrogacy agency fees
- Travel expenses for the Intended Parent or gestational carrier specifically related to the adoption or surrogacy occurrence
- Fees charged by the surrogacy agency to administer the surrogacy occurrence
- Egg or sperm shipping and transport fees
- Immigration and immunization fees associated with an adoption or surrogacy occurrence
- Expenses for adopting your step-child, your domestic partner's child, or your nephew, niece, cousin, brother, sister or grandchild

Ineligible Expenses

Any cost that is not an eligible expense is not eligible for reimbursement. Ineligible expenses include:

- Expenses related to adoption or surrogacy arrangements Legally Finalized before January 1, 2022
- Expenses incurred prior to January 1, 2022 or the Eligible Associate's most recent hire date, whichever is later
- Any adoption or surrogacy arrangement that is not legally valid and recognized in the U.S.
- Any expenses that violate a state or federal law
- Compensation to gestational carrier or birth mother
- Compensation to egg or sperm donor
- Voluntary donations or contributions to the surrogacy agency or adoption agency
- Costs paid using funds from any federal, state, or local program for adoption or surrogacy
- Egg/sperm donation agency fees

- Screening costs for gestational carrier and egg or sperm donor
- Egg or sperm retrieval fees, IVF, and medical costs, if not covered by another source
- Donor fertility costs and fees not covered by another source
- The cost of transfer of the embryo to the gestational carrier
- Pregnancy medical expenses related to surrogacy not covered by another source
- Unreimbursed medical expenses of the child(ren) and/or birth mother/surrogate
- Guardianship or custody costs that are not associated with the legal adoption or surrogacy of the child
- Cost of living expenses and/personal items such as: rent, utilities, food, clothing, over-the-counter supplements, toys, furniture, etc.
- Loss of income, including but not limited to, loss of income due to complications of pregnancy such as bed rest for birth mother/surrogacy
- Expenses reimbursed under another employer program
- Any expenses not expressly stated as included shall be deemed to be excluded

H&R Block retains the right to deny benefits under the Program for any expense that it deems to have been incurred in an illegal arrangement or that may result in any legal or tax liability to H&R Block. H&R Block also retains the right to deny benefits under the Program for international surrogacy arrangements or international adoptions that are not processed by an agency in the U.S.

Reimbursement Application Process

H&R Block has retained WINFertility, Inc. (WIN) to administer the Adoption and Surrogacy Program. WIN will review and validate reimbursable surrogacy and adoption expenses submitted by Eligible Associates who want to take advantage of this benefit.

- **Enroll with WINFertility:** Eligible Associates MUST enroll with WINFertility by completing the Initial Notification & Benefit Verification Form provided by WINFertility. WINFertility will verify the applicant's eligibility with H&R Block's Benefits Department before commencing the process of a surrogacy or adoption.
- **Apply for Reimbursement:** Eligible Associates may apply for reimbursement for Eligible Expenses once the adoption or surrogacy has been Legally Finalized, **but no later than 180 days** from the date the adoption or surrogacy is Legally Finalized. Requests for reimbursement submitted later than 180 days from the date the adoption or surrogacy is Legally Finalized will be denied.
- Complete and submit your **Adoption and Surrogacy Reimbursement Application**, available from WINFertility, along with the **Required Documentation** and **Itemized Receipts** to:
 - WINFertility, Inc.**
Greenwich American Center
One American Lane, Terrace Level
Greenwich, CT 06831
Attn: WINFertility Specialty Services
 - OR email to: WINSpecialtyServices@WIN-Healthcare.com
- **Required Documentation for Adoption:** Notarized copy of the adoption decree or a notarized court order. For all foreign adoptions, proof the adopted child legally resides with the Eligible Associate in the U.S., such as U.S. Passport, U.S. Visa, or U.S. Birth Certificate.

- **Required Documentation for Surrogacy:** Copy of the certified birth certificate and copy of the notarized court order acknowledging parentage of the Intended Parent as the child's permanent legal parent

OR

Notarized documentation from the court, on letterhead, which must include the following elements at a minimum:

- 1) the date on which the agreement was executed
- 2) the identity of the Intended Parent
- 3) the state of residence of the Eligible Associate as of the date the agreement was entered into
- 4) the state of residence of the gestational carrier as of the date the agreement was entered into
- 5) the state in which the agreement was executed and
- 6) the date the Intended Parent was granted custody of the child(ren)

- **Itemized Receipts**

Include copies of original itemized bills, along with itemized receipts and proof of payment, such as cancelled checks or bank statements, showing payment has been made for all eligible expenses being submitted for reimbursement. You may submit claims in excess of the allowable benefit; but the benefit will be reimbursed only up to the applicable maximum. Please submit all documentation together, as claims will be reviewed in their entirety.

If submitted documentation requires additional substantiation and receipts, you will be contacted by WINFertility. Once your application form and required documentation have been reviewed and approved, your reimbursement will be paid through H&R Block Accounts Payable as soon as administratively feasible.

The legality of an adoption or surrogacy agreement may vary from state to state. It is your responsibility to make sure the adoption or surrogacy relationship you are entering into conforms with all laws and regulations before submitting eligible expenses for reimbursement under the Program. H&R Block will only provide this benefit to support adoption or surrogacy arrangements that comply with all applicable laws and may deny payment for any international adoption or surrogacy arrangement that are not processed by an agency in the U.S.

Paying Taxes on the Reimbursement

It is intended that benefits paid under the Program may be excludable from your income for federal income taxes to the extent permitted under Internal Revenue Code § 137 (but remain subject to FICA and FUTA withholding). Generally, only expenses incurred in connection with the adoption of an unrelated child who is under the age of 18 or mentally or physically incapable of self-care are eligible for this exemption. Benefits paid for the adoption of a step-child or any expenses for a surrogacy arrangement are not eligible for this exemption. You are responsible for understanding the tax treatment of reimbursements under this Program and for claiming any applicable income exclusion by filing Form 8839 with your federal income taxes. (Form 8839 and Instructions are available from the IRS and on the IRS website at www.irs.gov.)

If you do not satisfy the conditions of Internal Revenue Code § 137, all or part of the reimbursements under this Program may be considered taxable income when you file your federal income tax return—for example, if your adjusted gross income (as defined in the Instructions to Form 8839) exceeds IRS limits.

It is important for you to understand that although H&R Block is required to withhold applicable federal employment taxes from reimbursements (e.g., for Social Security, Medicare, and federal unemployment

tax) and to report the total amount of reimbursements to the IRS on your Form W-2, reimbursements under this Program may be made free of federal income tax withholding. If you must include any of the reimbursements in your income, your withholding may not be enough to cover the tax on these payments. Therefore, you may need to adjust your withholding by filing a new Form W-4 with the H&R Block. (For general information on Form W-4, see Publication 919, available from the IRS and on the IRS website at www.irs.gov.) State taxes may also apply to reimbursements under this Program.

In addition to the income exclusion discussed above, you may be entitled to a federal income tax credit for adoption expenses other than those reimbursed under this Program or elsewhere. You are responsible for coordinating the income exclusion and tax credit and for determining which one will produce the greatest financial and tax benefit for you and your family. For additional information about the income exclusion and tax credit, please refer to the Instructions to Form 8839, available from the IRS and on the IRS website at www.irs.gov.

You should contact your tax advisor about reporting requirements and tax consequences resulting from any benefits paid under this Program.

General Provisions

Associates are not required or permitted to contribute to the Program. All Program benefits are paid by H&R Block from its general assets. H&R Block retains the sole discretionary authority to interpret the Program, to make eligibility and benefit determinations, and to make factual determinations in connection with the Program. Any determinations by H&R Block (or, as applicable, WINFertility) are final and binding.

H&R Block intends to continue the Program indefinitely but has the right to terminate or amend the Program at any time for any reason. Termination of the plan will not impact an IP's benefits under the Program if the adoption or surrogacy process is already underway at the time of termination. In that event, the IP may still obtain reimbursement for any eligible expenses related to that process if the adoption or surrogacy is Legally Finalized.

If You are on a Leave of Absence

You can apply for benefits under the Adoption or Surrogacy Program while you are on an approved leave of absence.

If You Leave H&R Block Employment

As noted above, you must be an active Associate at H&R Block and meet the eligibility requirements noted above at the time reimbursement is to be issued under the regular payroll/draw process. If you leave H&R Block for any reason before completion of all Program requirements, you will not be entitled to reimbursement.

If your Claim for Reimbursement is Denied

If your claim for reimbursement is denied, you may request review of that decision by the H&R Block Benefits Administration Committee or its delegate. If you wish to obtain a review of the denial of your claim, you must file your request with the Committee within 60 days of the date of denial. The Committee or its delegate will make its determination on review within 90 days of your request. The Committee has the right to extend this time period.