

SAMPLE

EMPLOYER ASSISTED HOUSING

BENEFIT PLAN DESCRIPTION

[MATCHED SAVINGS BENEFIT]

[Employee Saves and Employer Matches a Certain Percentage]

_____, 200__

THIS FORM IS A DRAFTING TEMPLATE. EMPLOYERS SHOULD REVIEW IT CAREFULLY. IT IS NOT VALID AND ENFORCEABLE IN ALL JURISDICTIONS OR APPROPRIATE FOR ALL EMPLOYERS.

EMPLOYERS DEFINE THE FEATURES OF AN EAH BENEFIT PLAN. PROVISIONS ARE OFFERED BY WAY OF EXAMPLE. IN ALL CASES, ADDITIONAL TERMS WILL BE REQUIRED TO DESCRIBE EMPLOYER'S PLAN.

EMPLOYERS SHOULD CONSULT WITH LEGAL COUNSEL TO ENSURE THAT ALL TERMS AND CONDITIONS OF THE BENEFIT PLAN AND ALL FORMS USED TO ORIGINATE BENEFITS ARE APPROPRIATE, AND THAT ALL LEGAL INSTRUMENTS ARE COMPLETED CORRECTLY AND IN COMPLIANCE WITH APPLICABLE LAW

Employer Assisted Housing Benefit Plan

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SAMPLE

1. OVERVIEW

The <EMPLOYER> Employer-Assisted Housing Benefit Plan ("EAH Benefit Plan" or "Plan") helps eligible employees purchase (or build or remodel) a home. The EAH Benefit Plan offers housing assistance in the form of a matched savings benefit ("EAH Matched Savings Benefit").

This EAH Benefit Plan Description ("Plan Description") states all the terms and conditions of the EAH Benefit Plan. All benefits granted under the EAH Benefit Plan ("EAH Benefits") are subject to this Plan Description.

This EAH Plan Description is effective as of <DATE>.

2. DEFINITIONS

In this Plan Description, the words "you" and "your" mean an Employee and the words "we," "us" and "our" mean <EMPLOYER>. In addition to those terms defined elsewhere in this Plan Description:

PROVIDE A SPECIFIC DEFINITION FOR TERMS USED IN THE PLAN DESCRIPTION.

3. EAH BENEFITS

DESCRIBE IN GENERAL TERMS THE MATCHED SAVINGS BENEFIT, INCLUDING THE PERCENTAGE AND LIMITS OF MATCH, THE TIME DURING WHICH THE SAVINGS MUST BE ACCUMULATED, AND ANY CIRCUMSTANCES IN WHICH IT MUST BE REPAID.

4. ELIGIBLE EMPLOYEES

4.1. All Benefits

You are Eligible for an EAH Matched Savings Benefit if you:

SET FORTH ALL ELIGIBILITY CRITERIA (E.G., LENGTH OF SERVICE, GOOD STANDING, HAVE SIGNED CONTRACT TO PURCHASE HOME, HAVE APPLIED FOR PURCHASE MONEY MORTGAGE).

4.2. No Tenure Rights

This EAH Benefit Plan does not give you Tenure rights.

THIS PROVISION HELPS PROTECT EMPLOYER FROM EMPLOYEE CLAIMS OF A RIGHT TO EMPLOYMENT FOR THE FULL TERM OF THE BENEFIT.

5. ELIGIBLE PROPERTIES

DESCRIBE PROPERTIES WHICH ARE ELIGIBLE (E.G., SINGLE-FAMILY DWELLING, OWNER-OCCUPIED, HOW SOON AFTER CLOSING IT MUST BE OCCUPIED, ANY GEOGRAPHICAL RESTRICTIONS).

6. ELIGIBLE MORTGAGES

6.1. Eligible Mortgage Lenders

IN MOST CASES, THE EMPLOYEE WILL BE OBTAINING A MORTGAGE TO PURCHASE THE HOME AND WILL BE USING THE EAH BENEFIT TO ASSIST IN THE PURCHASE (E.G., TO PAY PART OF THE PURCHASE PRICE, CLOSING COSTS OR AN INTEREST RATE BUYDOWN). DESCRIBE HERE ANY CRITERIA FOR THE MORTGAGE LENDER

6.2. Eligible Mortgage [OPTIONAL]

DESCRIBE CRITERIA FOR MORTGAGES BY TYPE (E.G., PURCHASE MONEY, REHABILITATION, CONSTRUCTION, SELLER HELD) AS WELL AS TERMS (E.G., AMOUNT OR TERM OF MORTGAGE, METHOD OF AMORTIZATION).

7. APPLYING FOR EAH MATCHED SAVINGS BENEFIT

7.1. Application

To apply for an EAH Matched Savings Benefit, you must file with the *<EMPLOYER EAH REPRESENTATIVE>*:

- (i) an Employer-Assisted Housing Benefit Application,
- (ii) a copy of your Property Purchase Contract,

<SET FORTH ANY ADDITIONAL APPLICATION SUBMISSION REQUIREMENTS>

BY SIGNING THE APPLICATION, YOU ACKNOWLEDGE RECEIVING, READING, UNDERSTANDING, AND AGREEING TO THE TERMS AND CONDITIONS OF THIS PLAN DESCRIPTION.

7.2. Application Fee [OPTIONAL]

SET FORTH FEE IF THERE IS A FEE.

7.3. Deadlines

SET FORTH TIME LIMITS IN THE APPLICATION PROCESS.

7.4. EAH Matched Savings Benefit Application Decision

DESCRIBE PROCESS OF RESPONDING TO APPLICATION INCLUDING TIMING, GROUNDS FOR DENIAL, AND PROCEDURE UPON APPROVAL.

7.5. Limitation on Our Liability

You may delay your Closing Date or lose your Related Mortgage Commitment if you do not complete your EAH Benefit Application on time, if we decline your EAH Benefit Application, or you do not close your EAH Matched Savings Benefit before your EAH Matched Savings Benefit Commitment expires.

We are not responsible for any direct, indirect, incidental or consequential losses, damages or expenses arising from any Application that does not comply with this Plan, any Adverse Action Notice, an EAH Matched Savings Benefit Commitment expiring before your Closing Date, or our proper enforcement of our rights under this Plan or under an EAH Matched Savings Benefit.

8. EAH MATCHED SAVINGS BENEFIT TERMS

8.1. Permissible Purposes

DESCRIBE PERMISSIBLE PURPOSES FOR THE BENEFIT.

8.2. Maximum Matched Savings Benefit Amount

SET FORTH MAXIMUM AMOUNT OF BENEFIT.

8.3. Terms of Matched Savings Benefit

DESCRIBE IN DETAIL ALL TERMS OF BENEFIT, INCLUDING THE PERCENTAGE MATCH, THE TIME DURING WHICH THE SAVINGS MUST BE ACCUMULATED, ANY REQUIREMENTS REGARDING WHERE THE SAVINGS MUST BE KEPT ON DEPOSIT, PROCEDURES GOVERNING HOW THE FUNDS MAY BE ACCESSED FOR USE BY THE EMPLOYEE, AND CIRCUMSTANCES IN WHICH THE BENEFIT MUST BE REPAYED (E.G., EMPLOYEE LEAVES EMPLOYMENT OR SELLS HOME). INDICATE WHETHER REPAYMENT MUST BE IN LUMP SUM OR INSTALLMENTS. IF IN INSTALLMENTS, INDICATE WHETHER INTEREST MUST BE PAID AND WHETHER PAYMENT CAN/MUST BE MADE BY PAYROLL.

8.4. Security [OPTIONAL]

SET FORTH IN DETAIL ANY PROVISIONS RELATING TO SECURITY FOR REPAYMENT OF THE BENEFIT.

8.5. Default

DESCRIBE EVENTS OF DEFAULT. NOTE THAT SOME JURISDICTIONS HAVE LIMITATIONS WITH RESPECT TO EVENTS OF DEFAULT.

8.6. Termination [OPTIONAL]

SET FORTH IN DETAIL THE EFFECT, IF ANY, OF VARIOUS TYPES OF TERMINATION OF EMPLOYMENT (E.G., VOLUNTARY, INVOLUNTARY, REDUCTION IN FORCE) ON THE EAH BENEFIT.

9. CLOSING

DESCRIBE CLOSING PROCEDURES (E.G., HOW AND TO WHOM FUNDS ARE DISBURSED DOCUMENTATION REQUIREMENTS).

10. TAXES

EMPLOYEE SHOULD BE ADVISED TO CONSULT HIS OR HER TAX ADVISOR ABOUT THE INCOME TAX CONSEQUENCES OF THE EAH BENEFIT. We have a tax disclosure form for employees to sign

11. EAH BENEFIT PLAN ADMINISTRATION

DESCRIBE THE ADMINISTRATION OF THE EAH PLAN INCLUDING WHAT DEPARTMENT OR INDIVIDUAL IS RESPONSIBLE AND HOW IT MAY BE AMENDED OR DISCONTINUED.

SAMPLE