Your Relocation Benefit
Lowe’s is offering support during the moving process with our Type II Lump Sum package with Household Goods Shipment through Weichert Workforce Mobility (Weichert). The Company has elected to provide you with a lump sum payment and the shipment of household goods. Please note that the company will not provide more than one (1) relocation benefit within a twenty-four (24) month period.

Program Eligibility
The following guidelines are the criteria for eligibility:

- Your relocation is at the request of the Company
- You must complete your relocation within 12 months of your effective date of transfer or hire date, including the move into a permanent residence in the destination location (you may be required to show proof of a residence)
- Your relocation must meet the 50-mile distance guideline (the distance between your former home to your new work place must be at least 50 miles further than the distance from your former home to your former work place)
- In addition, you must relocate to within forty (40) miles of your new work location and the move must represent a permanent change of residence that is at least fifty (50) miles further than your previous residence
- Family is considered as all permanent household members moving with you to the destination location; only one set of relocation benefits will be provided per household

Reimbursement Agreement
If you terminate from the Company within 24 months of your effective transfer date or if you receive a relocation benefit but do not relocate, all relocation payments will cease and you will be required to repay all or part of the expenses incurred by Lowe’s for your relocation. Also, for those who relocate to Alaska or Hawaii, Lowe’s will not cover the expense to move you back to the mainland in the event you terminate from the Company. You must sign and return the Lowe’s Reimbursement Agreement to Weichert Workforce Mobility before any relocation benefits can be processed.

Relocation and Transition Expenses
Your lump sum payment is intended to assist with:

- Reasonable meals, lodging and mileage on your personal vehicle during house hunting, temporary living and the final move trip
- Terminating the lease of or selling your current residence

The calculation of your lump sum payment will be based on your origin and destination locations, your family size and your departure location status as a homeowner or renter. Please note that the costs attributed to individual components are those in effect as of the date of the actual payment request and may vary from amounts used in earlier estimates of your lump sum payment.

The funds are yours to spend as you deem necessary for expenses incurred in connection with your relocation and you may retain any portion of the lump sum payment not spent on relocation expenses.
The lump sum is all-inclusive and you will not receive coverage of any additional expenses related to your relocation with the exception of the Weichert household goods shipment service that will be initiated by your Weichert Consultant.

**Time Off to Move**
Relocation benefit eligible employees will be offered three (3) workdays to move.

**Weichert Consultant**
Your Weichert Consultant will take you through the various steps involved in relocating, and help you determine how best to allocate your lump sum dollars. He or she will refer you to discounted and rebated products and services through Weichert, as well as other services that are available based on your needs.

Your lump sum payment will be processed once your relocation has been authorized and you have completed and submitted the Electronic Funds Transfer Form. You will not need to submit a request for the lump sum payment nor will you need to provide receipts for expenditures. Part of the lump sum payment is considered taxable income and will be tax assisted (grossed-up).

Before employing any services, please discuss your needs with your Weichert Consultant to see if there are any additional rebates and/or discount you can receive for using services provided through Weichert. Weichert has developed a network of product and service suppliers that have been hand selected to provide quality service at a low price.

**Household Goods Shipment**
To enable you and your family to make an effective transition to the new area, Weichert will also coordinate the movement of your household goods. Your Weichert move coordinator will arrange move assistance services, if you wish. Move assistance services can include the following:

- Needs assessment
- Packing materials
- Rental truck gas is reimbursable via Weichert expense report

**ONCE YOU ARE READY TO SCHEDULE YOUR MOVE:**
**CALL WEICHERT AT 1-800-648-3303.**

- Weichert will ask you to complete a needs assessment to determine the size of the truck or trucks, if a trailer or multiple trips may be necessary and determine the number of boxes you may need.
- Weichert can reserve the rental truck and arrange for moving professionals to load and unload your household goods. You may use both services (load and unload), or just one service.
- You will be responsible for picking up the rental truck, driving it to the new location and returning the truck to the assigned drop off dealer. When picking up the truck(s) make sure the truck has a full tank of gas. If the tank is not full, notify the dealer. When returning the truck, be sure to fold up blankets/padding, sweep or wash out the truck and fill the gas tank. If a cleaning charge appears on your direct bill, you will be required to refund Lowe’s.
- You will need to be present during all phases of your move—load and unloading. Apartments can be loaded in one day; houses generally take two depending on the size and number of boxes that will need to be loaded. You must have the truck at your home at the time the loading is scheduled to begin. Be
sure to be at the loading destination, with truck, when the movers arrive. If you are not, movers will not be provided to you and a dry run charge will occur. Dry run charges will be your responsibility to refund Lowe’s.

- You will need to supply rope or tie downs and a padlock to secure your items in the truck for their safe transport. (Weichert will reimburse you for the cost of these items)
- To ensure that none of your items are missing, supervise the crew at all times during loading and unloading. Make sure your furniture is wrapped in furniture pads and packing materials are being used to pack your breakable items. Boxes containing breakable items need to be marked as such at origin. Take a final walk through your home to make sure nothing has been forgotten. Keep truck locked at all times during transit.

Should the rental truck have mechanical problems, call Penske’s Emergency Road Side Service at 1-877-280-4315 for assistance.

When returning the truck, be sure to fold up blankets/padding, sweep or wash out the truck and fill the gas tank. If a cleaning charge appears on your direct bill, you will be required to refund Lowe’s.

For any problems that may arise with loading or unloading, contact Weichert at 800-648-3303.

The Lump Sum is intended to assist you with additional expenses associated with the movement of items unique to your personal move and for items not covered by this policy. Please note the Company will not pay for the movement of the following items. If you have any questions, contact your Weichert Consultant or Lowe’s Relocation Department representative.

- Boats, campers, trailers or other items that will not fit on the van
- Grandfather clocks, pianos, pool tables, hot tubs
- Large playground equipment
- Valuables such as jewelry, money, coins, coin and stamp collections, irreplaceable photos, stocks, bonds, deeds, wills, and other legal documents

**Playground and Similar Equipment**
Playground, gym equipment, swimming pools, animal pens/runs and similar items must be disassembled prior to your move day. If the movers disassemble and reassemble these or any other items, you will be responsible for payment of these costs at the time of service.

**Items Excluded From Shipment**
The following items cannot be included in the shipment of your household goods. If you have any questions, contact your Weichert Consultant or Lowe’s Relocation Department representative.
• Motor homes
• Farm machinery
• Firewood, rocks, sand, soil, etc.
• Perishable food items, refrigerated or frozen
• Aerosol cans, propane tanks, flammable liquids and other hazardous materials

• Airplanes
• Plants, animals
• Tool or storage sheds, outdoor buildings
• Lumber, bricks, blocks, cement, tiles, and building materials

Packing and Loading
Careful packing and proper loading are very important steps in assuring a successful move. Please make notations on the mover’s paperwork if items are damaged.

Unloading
If utilizing move assistance services, be sure to notify your Weichert move coordinator of your anticipated arrival time at the new location. Be sure to give them all possible telephone numbers where you can be reached en route and in the new location.

As your goods are being unloaded, make notations on the sheets of missing or damaged items immediately and have the mover sign it.

Damages and Insurance Claims Process
If you find damages to your household goods, you should contact your Weichert move coordinator. Do not attempt to repair or throw any items away and do not move them without approval. Your Weichert move coordinator will assist you in filing a claim.

- You will need to file any claims through your homeowners or renters insurance carrier.
- If you are involved in an accident that damages your possessions, you will need to file a claim through the truck rental company or through your own insurance provider.

Damage to Your Residence
It is imperative that any property damage at origin or destination is noted on your paperwork prior to the crew leaving, failure to note damage on the moving paperwork may result in denial of your claim.

Billing
Invoices for the transport of your household goods will be sent directly to Lowe’s or Weichert. If you transport household goods that are not covered by the policy or incur unauthorized charges, you will either be invoiced or expected to pay the charges at the time of delivery.

Tipping
Tips to the movers are not covered under this policy. You may use your Lump Sum.

Tax Assistance
Under current IRS regulations, the Company is required to report all relocation expenses paid to you, or paid on your behalf, as compensation on your W-2. The only exceptions are certain expenses incurred with the movement of your household goods and final trip expenses, which are defined by the IRS as excludable from your taxable income. Other than these specified limited exclusions, the total of all other relocation
payments, including the tax gross up (defined below), will appear on your W-2 issued in January of the following year.

Because the inclusion of additional “compensation” related to your relocation could increase your tax liability for all of your taxable earnings, it is strongly recommended you seek guidance from a tax professional regarding how your pending relocation may impact you financially, prior to your move.

The Company will provide tax assistance for most taxable benefits through a process called tax gross up. Weichert will calculate the amount of tax gross up to which you are entitled and report it to the Lowe’s Payroll department. The Company, through the Payroll department, will make payments directly to the applicable taxing authorities. These payments are intended to help offset the additional tax liability associated with your relocation benefits.

Please take note of these important factors pertaining to the Company-provided tax assistance benefit:

- The tax gross up on your relocation expenses is calculated at the current IRS supplemental rate (25%) and state (if applicable) income tax withholding rates. Your tax gross up may or may not compensate you “fully” for all tax liabilities

- Tax assistance provided by the Company is based on federal, state, Social Security, Medicare and local taxes, up to the taxing authority limit and must be a part of your payroll record

- Certain relocation expenses may be deductible on your individual tax return and are not grossed up for tax purposes (see Tax Treatment Table which follows)

- Although Lowe’s provides some tax assistance related to your relocation, you are responsible for calculating, reporting and paying all personal federal, state and local income taxes for which you are liable, including any additional federal income tax liability beyond the IRS supplemental rate (25%)

- In the event that you resign, or if you are terminated from the Company for certain reasons, Lowe’s at its discretion, may limit the tax gross up to cover only Social Security and Medicare tax liabilities, and will not gross up for other federal, state, or local taxes

Weichert will send you a detailed tax assistance package that itemizes all relocation expenses for the tax year, including the tax gross up payments the Company provided on your behalf. The tax package is provided to you for information purposes only and has no impact on the filing of your tax return(s).

Because relocation related expenses and the associated tax gross-ups can cross tax years, it is strongly recommended you seek guidance from a tax professional for any year in which you receive relocation-related services.

**Tax Treatment Table**

Keep in mind some relocation items are not eligible for gross-up. The table below outlines which relocation payments will be tax assisted.

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<thead>
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<th>Relocation Provision</th>
<th>Taxable</th>
<th>Deductible/Excludable (Non-Taxable)</th>
<th>Grossed Up</th>
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