

**Cherry Republic, Inc.  
College Match Program**

**January 1, 2023**

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**(Restated January 1, 2023)**

**1. Purpose**

The average cost of tuition and fees for the 2021-2022 school year was \$43,775 at private colleges, \$11,631 for state residents at public colleges and \$26,809 for out-of-state students at state schools according to the U.S. News in an annual survey.

Cherry Republic, Inc. (“Company”) established the Cherry Republic, Inc. College Match Program (the “Program”) for the purpose of providing financial assistance to “seasonal employees” (defined below) to help offset the rising cost of college tuition. Specifically, the Program provides for a cash payment to be deposited in a 529 college savings account based on an eligible employee’s own contributions to a 529 account and the number of hours that the employee works during the summer season (“Matching Contribution”).

Questions about the Program should be directed to the Human Resources department.

**2. Effective Date**

This document applies to all Matching Contributions beginning on or after January 1, 2023.

**3. Definitions**

- (a) “**Seasonal Employee**” means an employee classified by Cherry Republic, Inc. as a “seasonal employee” hired to perform work between the months of May and December in a calendar year.
- (b) “**Section 529 Account**” means a “qualified tuition plan” sponsored by a state, state agency, or educational institution that is authorized under Section 529 of the Internal Revenue Code and established for the benefit of a Seasonal Employee.

**4. Eligibility**

Each Seasonal Employee must satisfy the following requirements in order to participate in the Program and receive a Matching Contribution:

- (a) Work at least 200 hours, but not more than 1,000 hours, between May 1 and December 31 calendar year;
- (b) End seasonal employment for the calendar year in positive standing (the Company will decide, in its sole discretion, whether an employee is in positive standing);
- (c) Sign the College Commitment Letter (attached here as Appendix A) and return it to the Human Resources department;
- (d) Establish a Section 529 Account;

- (e) Notify the Company's Human Resources department of the employee's last day of employment to determine total hours worked for the calendar year;
- (f) Within 30 days of the last day of employment for the calendar year:
  - 1. Contribute to the Section 529 Account at least \$1 for each hour worked during the calendar year; and
  - 2. Provide the Official Remittance Form (attached as Appendix B) and proof of the contribution using the Official Confirmation Sheet (attached as Appendix C).

All documents required by this Section must be provided to the Company's Human Resources department.

## **5. Benefits**

### **(a) Approval by Company**

After the requirements of Section 4 have been satisfied, the Company, in its sole discretion, will determine whether the Seasonal Employee is eligible to receive a Matching Contribution.

### **(b) Time and Form of Matching Contribution**

- After the Company determines that a Seasonal Employee is eligible, it will deposit a single Matching Contribution into the Seasonal Employee's payroll account as soon as administratively feasible.
- Matching Contributions will be made in the amount described in Section 5(c).
- The Matching Contribution will be made once annually and only after the Seasonal Employee has completed service for the calendar year.

### **(c) Match Levels**

An eligible Seasonal Employee will receive a Matching Contribution based on the number of years of service to the Company as a Seasonal Employee. Specifically, the Company will provide a Matching Contribution based on the amount of the Seasonal Employee's contributions to the Section 529 Account, not to exceed the dollar amount per hour worked during the calendar year as follows:

- Year 1: \$1.00
- Year 2: \$1.50
- Year 3: \$2.00

- Year 4: \$2.50
- Year 5: \$3.00

*Employees are CAPPED at a 3:1 match upon reaching Year 5 and the maximum matching contribution available under the Program is \$3,000 (i.e., \$3.00 x 1,000 hours worked). Further, the Seasonal Employee must contribute to the Section 529 Account at least \$1.00 per hour of service during the calendar year in order to receive a Matching Contribution.*

## **6. Miscellaneous Rules**

### **(a) No Retroactive Matching Contributions**

No retroactive Matching Contributions will be made under the Program for any prior calendar year. All Matching Contributions will be deposited in the Seasonal Employee's payroll account no later than March 15 of the calendar year following the year in which the Matching Contributions are earned.

### **(b) Tax and Financial Aid Considerations**

Cherry Republic's Matching Contributions to an employee's Paycor account are taxable and made after required withholding for federal, state and local taxes. Contributions to a Section 529 Account may also impact a student's financial aid. Before participating in Cherry Republic, Inc. College Match Program, you should carefully consider any impact that the Matching Contributions under the Program may have on your eligibility for financial aid (if any).

### **(c) Job Classification Changes**

Employees who transfer out of the Seasonal Employee classification, for any reason, will be automatically withdrawn from the Program, but may remain eligible for a Matching Contribution based on the number of hours worked up to the date of reclassification.

### **(d) Disclaimer**

By participating in the Cherry Republic, Inc. College Match Program, the Seasonal Employee acknowledges and agrees that Cherry Republic is not responsible for any adverse financial aid or tax consequences. This may include but not limited to interest and penalties to any employee or other section 529 account holder because of any contribution(s) made under the Program.

**(e) Not a Contract of Employment**

The Program is not a contract of employment and does not affect any employee's status as an "at will" employee. The Company has the sole discretion and authority to interpret and administer the provisions of the Program.

**(f) Section 529 Account Resources**

MET (Michigan Educational Trust): <http://www.michigan.gov/setwithmet>

MESP (Michigan Educational Savings Plan): <https://www.misaves.com>

**7. Appeal Procedure**

If the Company receives an application for Matching Contributions and determines that an employee is ineligible under the Program, the employee will receive a written notice from the Human Resources department. The notice will explain the reasons for the employee's ineligibility. The employee may appeal the decision within 60 days of receiving notice. The request must be in writing and contain the reasons for the appeal. The Human Resources department will review the appeal and will render a final decision regarding the appeal within 60 days of receipt of the appeal. If more time is needed because of special circumstances, a final decision will be made within 120 days.

**8. Termination and Amendment of Program**

It is the Company's intention that the Program will continue indefinitely, but the Company reserves the right to modify or terminate the Program at any time and for any reason.

**9. Forms**

Exhibit A – College Commitment Letter

Exhibit B – Official Remittance Form

Exhibit C – Official Confirmation Sheet

IN WITNESS WHEREOF, the Company has adopted this Program as of \_\_\_\_\_, 2023.

**CHERRY REPUBLIC, INC.**

By \_\_\_\_\_  
Authorized Representative

## EXHIBIT A

### Cherry Republic College Commitment Letter

Congratulations on your employment at Cherry Republic! We are excited to have you on board and to have you become a part of our College Match Program.

This program provides additional funding for employees beyond their wages, matching their hours worked with a company contribution. To be eligible for the program you must open a 529 college savings account and work between 200 and 1,000 hours during the season. You must also deposit at least as much money in the account as the hours you work.

For example, if you are at the Year 1 tier, (\$1) and work a total of 210 hours during the season and deposit a minimum of \$210 or more in your 529 account, Cherry Republic will contribute \$210.00, or dollars based on hours worked.

At the end of the season, your total number of hours worked will be tallied for the dates worked between May 1st - September 1st or December 31st depending upon your end date and emailed to you. The minimum number of hours to qualify is 200 with a maximum of 1,000 hours. Employees who fall below the threshold will not be considered for the Company contribution. Upon receipt of the email with the number of hours worked, it is the employee's responsibility to provide proof of personal deposit in the same amount (or more) so that Cherry Republic can process the "match" contribution. This must be provided no later than 30 days after your last day of employment for the year.

A state income tax deduction may be available for the contributions that you make to your 529 account. You should contact your financial advisor and/or carefully review the instructions to your tax filing forms for more details.

Please sign and date below. You will be provided a copy of the signed form for your records, and we will keep one in your employee file. Please remember, the amount Cherry Republic contributes increases with each year you return to work.

<hr/> Employee Signature	<hr/> Employee Name Printed	<hr/> Date
<hr/> Parent Name Printed	<hr/> Parent's Email Address	<hr/> Date
<hr/> Employer Signature		<hr/> Date
	<hr/>	End Date of Sept. 1 <sup>st</sup> 20____
	<hr/>	End Date Dec. 31 <sup>st</sup> 20____

*Cherry Republic reserves the right to amend or terminate this Program at any time. All affected employees will be notified of any changes made to the Program. Nothing in this Program is intended or should be construed as a guarantee or contract of employment.*

EXHIBIT B



EXHIBIT C