Expatriate Policy Checklist

I. Legal Considerations
   A. Compliance with Home Country (U.S.) Laws: Assignee agrees to comply with all applicable home country laws and regulations, such as US laws that have extraterritorial reach (e.g., Foreign Corrupt Practices Law, Sarbanes-Oxley accounting provisions, anti-discrimination)

   B. Compliance with Host Country Employment Laws: need for:
      1. Employment agreement/contract
      2. Wage/hour laws (is the assignee in a job category where these laws will apply?)
      3. Payroll/currency laws
      4. Termination procedures (severance pay and/or notice required?)
      5. Laws regarding leaves of absence and vacation
      6. Involvement of works councils in various aspects of the employment relationship

   C. Compliance with Company’s Code of Conduct

   D. Conflicts of Interest: Assignee agrees not to engage in any employment or business activity that will in any way conflict with his/her work for the company and the interests of the company

   E. Confidentiality Agreement

   F. Non-Competition and Non-Solicitation of Employees, Customers and Clients

   G. Tax Treaties

   H. Employee Privacy Concerns: Placing an employee on an assignment inevitably involves the employer obtaining personal information beyond the normal scope

   I. Personal safety/security of employee (and spouse/dependents): Take steps necessary to protect employee (and family) and to limit employer’s exposure in case of incident
II. Practical Considerations

A. Pre-Assignment Preparation

1. Candidate/Family Assessment: Does the candidate possess the necessary skills/experience for the assignment? Other factors: career stage, family circumstances, cultural adaptability

2. Letter of Assignment: A letter, signed by the home country manager and the employee/assignee, outlining the terms and conditions of the assignment, and summarizing the specifications of the assignment

3. Passports, Visas, Work and Residency Permits: Start this process early, as it may take several weeks or even months. Specify responsibilities of assignee and of Company

4. Physical Exams/Immunizations/Medical Expenses: For assignee, spouse and dependents. Host country may require vaccinations and/or certificates of health

5. Personal, Legal and Financial Arrangements: Considerations for the assignee and his/her family before leaving home country, such as:
   a. International Driver’s License
   b. Safe-driving affidavit from auto insurer
   c. Updated wills
   d. Power of attorney (regarding financial and property interests in the home country, and also regarding custodian/guardian for minor children in case of assignee and/or spouse becoming incapacitated while in host country)
   e. Financial arrangements (bank accounts, mortgage, etc.)
   f. Address change/mail forwarding

6. Pre-Assignment Human Resources Consultation: To explain to assignees and their spouses/partners the global assignment policy, and to prepare assignees for unique cultural and/or business aspects of the transfer

7. Pre-Assignment Tax Consultation: To explain the personal tax aspects of the international assignment

8. Pre-Assignment Trip/Securing Living Accommodations: To meet local management, become familiar with the host location, and local housing

9. Cross-Cultural Training: Depending on the host country location, cultural training on living and working in the host location may be provided

10. Language Training: Determine the number of language training hours for which the assignee will be reimbursed

11. Pre-Assignment Preparation Expenses: Reimbursement of reasonable expenses, such as immunizations, visa and passport photos, certified copies of birth certificates, marriage licenses, etc.
III. Assignment Policies

A. Vacation and Home Leave:
   1. How frequent?
   2. Visit to home office required during leave?
   3. Treated as vacation?

B. Rest & Relaxation Leave: Provided only for assignments in specified locations, to allow assignee and accompanying family the opportunity to travel to a less stressful environment

C. Working Hours and Holidays: Assignee will observe legally-required holiday of the host country in lieu of those normally granted in home country

D. Leave of Absence/Emergency Leave/Emergency Evacuation: Policy sets out details of arrangements in case of:
   1. Prolonged/severe illness
   2. Medical emergency
   3. Death of assignee or accompanying family member
   4. Death or illness of family in home country
   5. Emergency evacuation from host country due to political or economic force or threat

E. College Student Travel: Company may choose to pay travel expenses for an annual trip to host country by undergraduate student family member

F. Family Visit for Unaccompanied Assignee: To allow unaccompanied assignee to fly home to visit his/her spouse and dependents, at company’s expense:
   1. How often?
   2. Company cover costs beyond airfare?

G. Currency Restrictions: Sets forth company’s recommendations regarding transfer of funds between home country and host country

H. Family Status Change: Require assignee to report any change of dependents as soon as possible, so that benefits, allowances, etc. may be adjusted
I. Host Country Conditions of Employment / Local National Status: If, under local law, company is required to make certain payments (such as severance payments) or provide extended vacation, leave, company retains the right to offset against other Company payments/benefits, and assignee consents to such offsets. If assignee stays at same location for over 5 years, company will consider transitioning them to local national status.

IV. Home Country Assistance
A. Disposition of Home Country Housing:
   1. If assignee elects to retain and rent out their primary residence, will company pay the property management fees?
   2. If assignee resides in rental accommodations, will company pay fees in connection with lease cancellation?
   3. If assignee elects to sell his/her primary residence, will company offer home sale assistance?

B. Disposition of Home Country Automobile: If assignment exceeds minimum period, will company expect that assignee will sell his/her personal automobile? If so, will company reimburse assignee for resulting loss on sale or on lease cancellation?

C. Transfer of Automobile within same Zone: If assignment is within same continent and assignee wishes to drive their personal vehicle to a new host location, company reimburses mileage in lieu of relocation airfare.

D. Temporary Living Expenses: If assignee needs to stay in temporary housing before occupying permanent housing, company sets guidelines for length of stay.

E. Relocation Transportation: Reimburse costs (air fare, ground transport, meals, lodging) for assignee and his/her family to travel to host location.

F. Shipment of Household Goods and Personal Effects: Details to consider: Which of the following will company pay for:
   1. Packing?
   2. Shipping?
   3. Delivery?
   4. Unpacking?
   5. Will company reserve the right to decide, depending on circumstances, whether assignee will purchase, lease or ship furnishings?
   6. Will there be a maximum shipment allowance?
7. Who will pay import/custom duties?
8. Who will pay insurance on shipped household goods?

G. Air Shipment/Storage of Household Goods and Relocation of Pets:
1. If company pays for small separate shipment of personal effects, what are the weight limits?
2. If company pays for storage of some household goods at home location, what will be allowed?
3. If company reimburses assignee for cost of relocating pets, what is the limit?

V. Host Country Assistance

A. Mentoring Program: Program for mentoring the assignee during and after assignment, coordinated between home site Human Resources, host country supervisor, and home country mentor

B. Educational Assistance for Dependents: Depending upon location, may include allowance to cover cost of attending international or private school

C. Transportation while in Host Country: Depending upon circumstances, company will provide a company-leased automobile or a monthly automobile/transportation allowance

D. Home Country Housing Norm: Assignee is assessed a home country housing norm, deducted from payroll. This deduction is designed to keep the employee “equalized” as to what he/she was paying in the home country

E. Host Country Housing/Home Ownership:
1. Host country housing allowance is determined
2. Company pays for host housing and utilities less the home country housing norm
3. Depending on circumstances, lease will be in employee’s name or in company’s name

F. Personal Effects/Liability Insurance: Clarify responsibilities of company and assignee for insuring household goods and personal effects while in transit, storage, and in host country

G. Personal Security: Emergency evacuation; kidnap/emergency response; legal representation while abroad
VI. Compensation/Benefits/Taxation

A. Compensation Elements: Consider how to keep it comparable to home country compensation. Combination of: Base Salary, Performance Increases, and Incentive Compensation

B. Global Benefit Plans: Will assignee be able to continue participation in home country benefit plans?

C. Income Tax Policies: Assignee will observe legally-required holiday of the host country in lieu of those normally granted in home country

D. Totalization/Social Security Agreements

VII. Assignment Allowances/Assistance

A. Relocation Allowance: Company may pay assignee a lump sum to help cover miscellaneous costs incurred by relocation

B. Goods and Services Allowance: Company may provide a goods and services (cost of living) allowance to allow assignee (and family) to maintain equivalent purchasing power in host location as in home country

C. Quality of Life Allowance: In unusual circumstances, such as harsh climate, geographical isolation, political instability, etc., company provides quality of life allowance

D. Spousal Assistance: If host country work permit requirements do not allow assignee’s spouse to obtain work similar to most recent employment in home country, company may provide an allowance for educational course work and/or materials for the spouse

E. Major Appliances at Assignment Location: Allowance to cover purchase of basic fixtures, if not provided at host location housing

VIII. Termination

A. Termination: Assigns responsibility for payment of repatriation expenses in case of voluntary or involuntary termination
B. Repayment Agreement/Voluntary Termination: Sets forth details of expenses assignee is required to repay if assignee voluntarily terminates his/her employment or is terminated for cause within a specified period after signing the relocation payback agreement.

IX. Repatriation
A. Repatriation: Company may provide certain benefits upon successful completions of assignment, such as:
   1. Repatriation cultural training
   2. House-hunting trip
   3. Home sale assistance,
   4. Home purchase assistance
   5. Relocation travel
   6. Return household goods shipment
   7. Host country lease cancellation
   8. Temporary living expenses

B. Repatriation Allowance: Lump sum allowance to assist in covering some of the expenses of repatriation, such as refurbishment of home country residence

C. Tax Consultation: Consultation with designated tax provider in host country to ensure payment of any outstanding tax liabilities prior to departure date