

**ADOPTION ASSISTANCE PROGRAM**

**FOR**

**EMPLOYEES REPRESENTED**

**BY**

**THE UNITED GAS WORKERS' UNION,**

**LOCAL 69,**

**UWUA, AFL-CIO**

## **INTRODUCTION**

To help employees with the high cost of adoption, Dominion Energy Transmission, Inc. and Hope Gas, Inc. d/b/a Dominion Energy West Virginia (collectively, "the Company") provide the Adoption Assistance Program. This Program offers eligible employees assistance with qualifying adoption expenses up to \$13,810 per child. Subject to Internal Revenue Service requirements, all or a portion of this assistance may be tax-free to the employee.

Benefits described in this document are current as of the date indicated at the bottom of the page. The Company may subsequently provide additional materials that supplement, update or amend the SPDs which will provide you with information regarding changes to your benefits.

Please see the "Additional Information" Summary Plan Description document for details on other rights pertaining to your participation in the Company's Benefit Plans in general. However, please note that the Adoption Assistance program is not subject to the requirements of ERISA and other legal requirements outlined in the "Additional Information" section.

# **ADOPTION ASSISTANCE**

## **TABLE OF CONTENTS**

<b>ELIGIBILITY .....</b>	<b>3</b>
<b>What the Program Covers.....</b>	<b>3</b>
<b>What the Program Does Not Cover.....</b>	<b>3</b>
<b>APPLICATION FOR REIMBURSEMENT .....</b>	<b>3</b>
<b>TAX INFORMATION .....</b>	<b>4</b>

## ELIGIBILITY

Regular full-time employees of the Company who are represented by The United Gas Workers' Union Local 69, UWUA, AFL-CIO are eligible to apply for adoption assistance.

An eligible child must be:

- Under the age of 18; or
- Physically or mentally incapable of caring for himself or herself.

### What the Program Covers

The Company will reimburse up to \$13,810 per child for qualified adoption expenses. If you and your spouse or domestic partner both work for the Company, together you are eligible to be reimbursed up to a maximum of \$13,810 per child.

Adoption expenses must be incurred, the adoption must be finalized, and an application for reimbursement submitted while you are an active employee of the Company.

Qualified adoption expenses include:

- Reasonable and necessary adoption fees;
- Court costs;
- Attorney fees;
- Traveling expenses (including amounts expended for meals and lodging while away from home);
- Re-adoption expenses relating to the adoption of a foreign child; and
- Other expenses that are directly related to and are for the principal purpose of the legal adoption of an eligible child.

### What the Program Does Not Cover

Adoption expenses do not include any expenses:

- Paid using funds received from any federal, state or local program;
- That violate state or federal law;
- For carrying out any surrogate parenting arrangement;
- For the adoption of your spouse's or domestic partner's child;
- For an adoption that is not finalized; or
- For the adoption of a person over age 18 who is not physically or mentally incapable of caring for himself or herself.

## APPLICATION FOR REIMBURSEMENT

Reimbursement will be made only after the adoption has been finalized.

To apply for reimbursement:

1. Complete *the Reimbursement Request – Adoption Assistance Program* form. Forms are available by contacting the Dominion Energy HelpLine at 1-877-947-4636;
2. Attach itemized receipts (in U.S. dollars) for all expenses listed on the form;
3. Attach a copy of the U.S. Adoption Placement decree (if decree is in a foreign language, a copy translated in English is also required); and
4. Submit the above to [HRempservicesinbox@dominionenergy.com](mailto:HRempservicesinbox@dominionenergy.com).

Reimbursement will be processed and paid through your paycheck. The Company will withhold applicable taxes on the reimbursement. For information on the tax treatment of the reimbursement, see "Tax Information" below.

## TAX INFORMATION

The following is a summary of some of the federal income tax consequences that you should consider before electing to participate in the Program. The summary is not intended to be complete. Tax laws may change and the Company is not responsible for individual tax consequences. There also may be state and local taxes to consider. We urge you to consult your accountant or other tax advisors regarding the tax consequences of participating in the Program. The Internal Revenue Service has published notices that explain the tax treatment of adoption expenses in greater detail.

The Company is required to withhold FICA (Social Security and Medicare) taxes and FUTA (federal unemployment) taxes on any qualified adoption expense reimbursements paid through this Program. Federal income taxes will not be withheld on qualified adoption expense reimbursements paid through the Program. These reimbursements may or may not be exempt from state income tax. A special box on your Form W-2 will show the total amount of qualified adoption expenses reimbursed by the Company.

Expenses reimbursed under this Program may not be excludable from your taxable income if your "modified adjusted gross income" for the year exceeds certain limits. (The following income amounts were published by the IRS for the 2020 tax year. These amounts may be adjusted by the IRS in future years. Please consult your tax advisor or the IRS for current income limits.) Generally, taxpayers with modified adjusted gross income of \$254,520 or more must include all reimbursed amounts in their income. Taxpayers with modified adjusted gross income between \$214,520 and \$254,520 will only be permitted to exclude from taxable income a portion of the reimbursement from the Company. Taxpayers with modified adjusted gross income less than \$214,520 are not subject to any limitations. You will need to determine how your filing status and income level affect the amount that may be excluded from your taxable income. You must make any adjustments that are necessary on your own income tax return.

Taxpayers who incur qualified adoption expenses may be eligible to claim a separate federal income tax credit for the year in which the adoption expenses are incurred. Note that any expenses reimbursed under the Adoption Assistance Program cannot be claimed as an income tax credit. Information concerning the income tax credit is contained in the instructions to IRS Form 8839, available from the Internal Revenue Service.

Also note that you may be reimbursed under the Program for some expenses that are not eligible for the income tax credit. For example, if your modified adjusted gross income is \$254,520 or more, you may not be eligible for the income tax credit, but you may still be able to be reimbursed for these expenses under the Program. In this case, however, those reimbursements will generally be taxable to you.

44988019.1