

Moving Expenses Repayment Agreement



If you offer employees moving allowances or reimbursements covering their costs of relocating to accept employment with your company, whether a new position or a transfer, you should have a clear policy governing the payment of such benefits, including the employee's agreement to pay them back if they decide to leave your company soon after the move. Here's a template of an agreement that you can adapt.

Offer of Moving Expenses Reimbursement: To accept employment with ABC Company, I will have to move from my current residence. I acknowledge that the Company has offered to reimburse some or all of my relocation expenses in consideration for my accepting employment with the Company.

Obligation to Repay: I also acknowledge that there are conditions for my accepting the offered reimbursement. Among these conditions is that if I will have to immediately repay the money ABC Company provides me in moving expenses reimbursements under this Agreement if I cease to be employed by the Company within three (3) years of my relocation or before the term of my employment agreement expires.

Calculation of Required Repayment Amount: In the event that I am obligated to repay moving expenses reimbursements that I have received from ABC Company in accordance with the above conditions, I agree that the amount I will have to repay will be calculated as follows:

- If I leave my employment with ABC Company up to and including the end of the first year of employment (not counting unpaid leave periods to which I am legally entitled), I will repay the Company one hundred percent (100%) of the total moving expense reimbursements ABC Company provided me.
- If I leave my employment with ABC Company after the end of the first year and up to and including the end of the second year of employment (not counting unpaid leave periods to which I am legally entitled), I will repay the Company seventy five percent (75%) of the total moving expense reimbursements ABC Company provided me.
- If I leave my employment with ABC Company after the end of the second year and up to and including the end of the third year of employment (not counting unpaid leave periods to which I am legally entitled), I will repay the Company fifty percent (50%) of the total moving expense reimbursements ABC Company provided me.

Repayment Schedule: In addition to the above, I also agree that before my last day of employment with ABC Company, I will either: (i) Repay the Company in full; or (ii)

Arrange a repayment schedule acceptable to the ABC Company HR Department. Upon failing to do so, I agree and authorize ABC Company, at its sole discretion and subject to applicable employment standards laws, to deduct any such reimbursement that may be required from my payroll or from any other funds that may be owing to me from ABC Company, until such monies have been repaid in full to ABC Company.

Company Remedies If I Default: I agree that in the event that I refuse or fail to repay the amount owed for relocation expenses paid to/for me by ABC Company, the Company will be entitled to recover from me: (i) relocation expenses (in accordance with the calculations described in the third paragraph above); (ii) its legal fees; and (iii) costs associated with the collection of said expenses.

By signing below, I acknowledge that I have read, understood and accepted the terms set out in this Agreement.

Employee Name:

Employee Signature:

Date:

ABC Company Official Name:

Title:

Signature:

Date: