

DATE: [Date]

TO: [Executive Name/Board of Directors]

FROM: [Compensation Committee/Legal Department]

SUBJECT: Advisory Regarding Exemptions to Executive Compensation Clawback Provisions

Dear [Name],

This letter serves as a formal advisory regarding the specific conditions under which exemptions to the Corporation's Executive Compensation Clawback Policy may be applied. While the Corporation maintains a rigorous policy for the recovery of erroneously awarded incentive-based compensation, the following exemptions may be considered by the Compensation Committee:

- **Impracticability of Recovery:** Recovery may be waived if the direct costs paid to a third party to assist in enforcing recovery would exceed the amount to be recovered.
- **Violation of Home Country Law:** Recovery may be waived if it would violate an existing law of the jurisdiction where the executive resides, provided that a formal legal opinion is submitted to and accepted by the Board.
- **Tax-Qualified Retirement Plans:** Compensation received through broad-based, tax-qualified retirement plans is generally exempt from recovery actions under current regulatory frameworks.
- **De Minimis Thresholds:** The Committee reserves the right to exempt recovery if the total amount to be recouped is deemed immaterial to the Corporation's financial standing and does not warrant the administrative burden of collection.

Please note that any determination to grant an exemption is at the sole discretion of the Board of Directors and must comply with [Specify Applicable Law, e.g., Section 10D of the Securities Exchange Act]. All exemptions granted will be documented and disclosed as required by law.

If you have questions regarding how these exemptions apply to your specific compensation agreement, please contact [Name/Department].

Sincerely,

[Signature]

[Name]

[Title]