

F5, Inc. Adoption Assistance Program

1. Purpose

F5, Inc. (the “Employer”) originally established the F5, Inc. Adoption Assistance Program (the “Program”) effective as of June 1, 2016, for the exclusive benefit of its eligible employees. It is intended that benefits paid under the Program will be excludable from income for federal income tax purposes to the full extent permitted under Internal Revenue Code Section 137.

2. Eligible Employee

An individual that the Employer classifies as an employee in its payroll records is eligible to participate in the Program if he or she, at the time the adoption for which expense reimbursement is sought is finalized, is regular full-time employee with at least one year of service with the Employer; provided, however, that an individual who owns more than a 5% interest in the Employer (a “5% Owner”) and any employee who is a spouse or dependent of a 5% Owner is not eligible for the Program. An individual who meets the eligibility criteria set forth in this section is an “Eligible Employee.”

3. Benefits

An Eligible Employee who meets the Program’s conditions may obtain reimbursement of 100% of Qualified Adoption Expenses (as defined below), up to a maximum of \$10,000, that are paid or incurred in connection with the final adoption of an Eligible Child that occurs while the adoptive parent is an Eligible Employee under the Program. An Eligible Employee is eligible for the maximum reimbursement of \$10,000 per family per lifetime. Adoptions of multiple children where the adoption is finalized on or around the same date (i.e., siblings adopted as a family unit) will be considered a single adoption event. Any attempt that leads to a successful adoption of a child and any unsuccessful prior attempt to adopt a different child are treated as a single adoption event. If both adoptive parents are Eligible Employees, the maximum benefit limit applies jointly.

4. Eligible Child

An eligible child for purposes of this Program (an “Eligible Child”) must be under the age of 18 or an older child who is physically and mentally unable of self-care. In addition, an Eligible Child must not be the child of the Eligible Employee’s spouse (i.e., a stepchild).

5. Qualified Adoption Expenses

“Qualified Adoption Expenses” are actual expenses reasonably and directly related to, and for the principal purpose of, adoption of an Eligible Child and include the following:

- Court costs and other legal fees;

- Adoption agency fees;
- Traveling expenses (including those amounts spent for meals and lodging);
- Medical expenses for the Eligible Child; and
- Other expenses as determined by the Employer, consistent with Instructions to IRS Form 8839.

Expenses that are *not* Qualified Adoption Expenses include the following:

- Expenses paid or incurred before an adoptive parent became an Eligible Employee;
- Expenses reimbursed or reimbursable under a federal, state, or local program;
- Expenses reimbursed under another employer-sponsored program;
- Expenses for which a tax credit has been or will be claimed;
- Expenses associated with the adoption of the child an Eligible Employee's spouse (stepchild adoptions);
- Expenses submitted for reimbursement before the adoption is finalized; and
- Expenses determined not to be Qualified Adoption Expenses by the Employer, consistent with the Instructions to IRS Form 8839.

6. Claiming Reimbursement

After the adoption of an Eligible Child is finalized, reimbursements for Qualified Adoption Expenses may be requested by submitting a signed and fully completed Adoption Assistance Program Reimbursement Claim Form to the Employer and attaching itemized bills or receipts substantiating the amount and nature of the expenses and a copy of the final decree of adoption.

7. General Provisions

Employees are not required or permitted to contribute to the Program. All Program benefits are to be paid by the Employer from its general assets.

The Employer administers the Program, and has sole discretionary authority to interpret the Program, to make eligibility and benefit determinations, and to make factual determinations in connection with the Program. Any determinations of the Employer are final and binding.

The Employer intends to continue the Program indefinitely but has the right to terminate or amend the Program at any time.

This Program is to be construed, administered, and governed by the laws of the state of Washington, to the extent not superseded by the Internal Revenue Code or other federal law.

8. Tax Information

It is intended that benefits paid under the Program may be excludable from income for federal income tax purposes to the extent permitted under Internal Revenue Code Section 137. An Eligible Employee may not satisfy the conditions of Internal Revenue Code Section (for example, if adjusted gross income (as defined in the Instructions to Form 8839) exceeds IRS limits). It is the Eligible Employee's responsibility to determine whether all or part of the reimbursements under this Program may be considered taxable income when filing IRS Form 8839.

The Employer will withhold applicable federal employment taxes from reimbursements (e.g., for Social Security, Medicare, and federal unemployment tax) and report the total amount of reimbursements to the IRS on Form W-2, but reimbursements under this Program are not subject to and are made free of federal income tax withholding.

State taxes may also apply to reimbursements under this Program.

This Program is adopted by F5, Inc. effective June 1, 2016.

F5, Inc.