



Transition to the Trades Program



Laney's Inc. Transition to the Trades Program

Laney's Inc. Transition to the Trades Program is a program that partners with qualified individuals that are seeking to establish an exciting career path in the HVAC, Plumbing, or Electrical fields.

Accepted Applicants will be provided:

- An education loan for books and/or tuition for the second year of a two-year program or for any other educational program approved by Laney's Inc. (maximum \$5,000)
- Paid internship between 1st and 2nd year and possibly during the school year if feasible.
- After 1st year, Laney's Inc. will forgive 20% of the balance of the education loan. (maximum of \$1,000)
- After 2nd year, Laney's Inc. will forgive 30% of the education loan. (maximum of \$1,500)
- After 3rd year, Laney's Inc. will forgive 50% of the education loan. (maximum of \$2,500)

Requirements:

- Must consent to have a background check.
- Must have a current and valid driver's license.
- Must maintain a minimum GPA of 2.5.
- Must complete the education program and internship.
- Must remain employed by Laney's Inc. for up to 3 years in order to have all education assistance loans received, forgiven.
- Must repay Laney's Inc. for loans received should you not fulfill the terms of the Laney's Inc. Transition to the Trades Program.

Disclosure:

Laney's Inc. reserves the right to accept or reject any applicant. In the case of acceptance, please know that Loan forgiveness may have tax implications; contact your personal tax advisor for assistance. Also, Laney's Transition to the Trades Program does not guarantee employment with Laney's Inc. No part of this program should be construed as establishing an employment contract. All students hired by Laney's Inc. are terminable at will.

SCHOLARSHIP CONTRACT

LANEY'S INC., 55 27th St. S, Fargo, ND 58103 ("Laney's") and _____
("Student") hereby agree as follows:

1. Loan. Laney's agrees to loan to Student the amount of _____ Dollars (\$ _____) (the "Loan"), which Laney's shall pay directly to _____ ("College") within thirty (30) days after the execution of this Agreement. Interest shall accrue on the Loan at the rate of ____% per annum from and after the date of payment to College computed on a 365/360 basis; that is, by applying the ratio of the annual interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. If at any time the interest rate under this Agreement is higher than the maximum rate permitted by the laws of the State of North Dakota, the interest rate shall be the maximum legally permissible rate under the laws of the State of North Dakota.
2. Payment. Unless payable sooner as a result of its acceleration, the Student promises to pay the Loan in three irregular annual installments of principal and interest in the amounts of \$ _____ [20% of Loan] due June 1, 20 __, \$ _____ [30% of Loan] due June 1, 20 __, and one final payment due June 1, 20 __, when the balance of all unpaid principal and accrued interest shall be due and payable in full [approximately 50% of Loan]. All payments if not forgiven pursuant to the terms of this Agreement shall be paid to Laney's at the address indicated above.
3. Forgiveness. Each annual installment payment shall be forgiven if the Student is employed at Laney's on a full time basis on the date the installment payment is due. Upon commencement of employment, Laney's shall provide Student with an amortization schedule showing the annual installments due under this Agreement.
4. Student Requirements. During the term of this Agreement, Student shall (a) maintain a valid driver's license; (b) maintain a minimum grade point average of _____; (c) remain enrolled in and be actively pursuing a degree from the College; and (d) complete an internship with Laney's between Student's first and second year of education at the College.

5. Tax Consequences. Student acknowledges that any installment of principal and interest which is forgiven as stated above shall constitute income to the student in the same manner as other salary and wages paid to Student on the date the installment is forgiven. Student authorized Laney's to deduct from compensation to be paid to Student all payroll taxes and other taxes or withholdings required by law, including any payroll taxes and other withholdings attributable to each forgiven principal and interest installment. Laney's will report this income on all federal and state forms required by law. Student has been advised to consult with the tax advisor of Student's choice and, to the extent desired, has consulted with this tax advisor and agrees to the tax treatment of any forgiven installment payment as outlined in this Agreement. The parties acknowledge that the tax treatment of loan forgiveness as outlined herein is based upon each party's understanding of current federal and state tax laws. The tax treatment of effect of loan forgiveness shall be subject to revision based on any amendments or change to applicable federal and state law.

6. Default and Remedies. Each of the following occurrences shall constitute an Event of Default under this Agreement (an "Event of Default"): (a) any payment due hereunder shall not be paid when due, unless forgiven under the terms of this Agreement; (b) the Student shall voluntarily commence or there is commenced against the Student a case under the United States Bankruptcy Code, or any other similar state or federal law or the Student shall become insolvent (however defined); (c) the Student shall die; (d) the Student shall fail to satisfy or comply with any of the terms or conditions of this Agreement or any and all agreements, guaranties and documents the Student now or in the future may execute and deliver to Laney's; (e) the Student defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person (including to Laney's); (f) any creditor attempts to garnish or levy upon any property of the Student; or (g) the attachment of any tax lien on any property of the Student. Upon the occurrence of an Event of Default, Laney's may, at its option, and without notice, declare the entire unpaid principal balance, and all accrued interest, to be fully due and payable and may, without notice, exercise and enforce its rights and remedies available to it by agreement or by law.

7. Survival. The terms of this Agreement shall survive the Student's termination of employment from Laney's, if the Student is employed at Laney's, until the Loan is fully paid or forgiven or all obligations to repay the loan have expired or are completed.

8. Employment Status. Nothing contained in this Agreement shall be construed or imply any agreement on the part of the parties to guarantee Student's employment with Laney's or to establish an employer-employee relationship, an employment contract, or a fixed term of employment. Student's employment with Laney's, if any, is intended to be terminable at will. Student has no vested interest in the continuation of any compensation or benefit plan, or other employment policy of Laney's, and compensation, benefits and policies shall be subject to change.
9. Binding Effect. This Agreement is intended to be binding on the Student and Laney's, their personal representatives, heirs, successors and assigns. This Agreement constitutes the entire understanding reached by the parties with respect to the loan arrangement between Laney's and Student and shall not be contradicted or amended except by written agreement subscribed by both parties following the date of this Agreement. This Agreement shall be governed and construed under North Dakota law.
10. Prepayment. Student may prepay the Loan in full or in part at any time without penalty.
11. Presentment and Setoff. Student hereby waives presentment for payment, protest, demand, notice of protest, demand and notice dishonor and non-payment of this note and expressly agrees that any extension of the time for any payment required by this note may be made from time to time without in any way affecting the liability of the maker. Student hereby authorizes Laney's to withhold from any final amount due to Student upon termination of Student's employment any amounts owed by Student to Laney's under this Agreement.

LANEY'S INC.

By: _____

Date: _____

Its: _____

STUDENT

Date: _____

_____ (Print Name)