

AFFDAVIT OF DOMESTIC PARTNERSHIP

I, _____, submit this Affidavit of Domestic Partnership to establish _____ as my Domestic Partner for the purpose of any benefits that Stanley Black & Decker (SBD) extends to Domestic Partners.

We declare and acknowledge that my Domestic Partner and I meet the following criteria:

- We are in a relationship of mutual support, caring, and commitment, and are responsible for each other’s welfare. We intend to maintain the relationship indefinitely.
- We share a primary residence and intend to do so indefinitely.
- We are not married to each other or to anyone else, and neither of us has another domestic partner.
- Each of us is at least 18 years of age and otherwise competent to enter into a contract.
- We are financially interdependent (examples include, among others, sharing household expenses, both names appearing on a residential lease, shared bank accounts, etc.).

We acknowledge that:

- Unless my partner qualifies as a dependent under Section 152 of the Internal Revenue Code (the “Code”), **we understand that there are tax consequences to adding a domestic partner to my health coverage.** Specifically, we understand that the value of the coverage received by the domestic partner and any domestic partner children will represent taxable income to us, and we will be fully responsible for all taxes due. We have read the Domestic Partner Policy, which includes examples of the tax consequences.
- We understand that my domestic partner and any eligible children of my domestic partner, are entitled to health coverage only while we meet the criteria specified above, and we agree to notify the Stanley Black & Decker Benefits Center within 31 days in the event there is a change in our status that would cause us not to satisfy those criteria.
- We understand that falsification of any of the above information might result in disciplinary action, up to and including termination of employment with Stanley Black & Decker and civil legal action for losses including attorney fees.
- We understand that the Stanley Black & Decker Benefits Center may audit eligibility at any time and that we are required to cooperate with providing the requested evidence.

Signature of Stanley Black & Decker Employee

Date

Name (PRINTED)

Signature of Domestic Partner

Date

Name (PRINTED)

You must sign both the Affidavit and the Acknowledgment to complete the verification process.

ACKNOWLEDGMENT OF DOMESTIC PARTNER TAXATION

While federal law allows health benefits to be provided tax-free to same gender spouses, it does not recognize Domestic Partners or their children for purposes of the application of federal laws. Unless a Domestic Partner and his or her children qualify as a dependent under Section 152 of the Internal Revenue Code, the fair market value of the medical, dental, and vision insurance coverage provided to a Domestic Partner and his or her children is considered taxable income to the employee, reduced by the amount, if any, the employee pays for such coverage on after tax basis.

Important Note: If your partner qualifies as a dependent under Section 152 of the Code you will pay for this coverage on a pre-tax basis. You must call the SBD Benefits Center at 1-800-795-3899 to update your dependent's status

What Employees Will See on Their Paycheck

- **Pre-Tax Deduction** – This is coded as “**Medical**” and represents the employee’s cost for their own coverage and any tax-qualified dependents.
- **After-Tax Deduction** – This is coded as “**Domptr Medical**” and represents the employee’s cost to cover their domestic partner and/or domestic partner children.
- **Imputed Income** – This amount represents Stanley Black & Decker’s cost to cover the domestic partner and any domestic partner children. Imputed income is added to the employee’s earnings under code “**Dom Ptr**”, taxed at the individual tax level, and then is removed from income as an offset as “**Dom Ptr Taxable**”.

The taxation will result in a net decrease in employees’ paychecks due to additional taxes taken. This amount will vary based on level of coverage and employee’s individual tax level. An example of what it will look like on the employee’s paystub is on the right.

Information on how imputed income and post-tax costs are calculated can be reviewed in the Domestic Partner policy at the SBD Benefits Center at sdbbenefitscenter.com/welcome.

Earnings	rate	hours	this period	year to date
Regular				
Holiday				
Dom Ptr			156.65	
Gross Pay			\$	
Deductions				
Statutory				
Federal Withholding Tax				
Social Security Tax				
Medicare Tax				
Other				
Dom Ptr Taxable			156.65-	
*Medical			43.85-	
Domptr Medical			57.34-	
*Dental			3.92-	
*Vision			1.41-	
Legal			5.95-	
Checking 1				
Net Pay			\$	
* This deduction reduces taxable gross.				

I have reviewed and understand how I will be taxed on health coverage for my domestic partner and his or her children.

Signature of Stanley Black & Decker Employee

Date

Name (PRINTED)

You must sign both the Affidavit and the Acknowledgment to complete the verification process.