Training Repayment Agreement

Use this only for voluntary training that gives the employee a transferable credential or skill beyond what the job requires. Sign it before training starts and before any cost is incurred. Have employment counsel review it for each state where you use it.

PARTIES

This Training Repayment Agreement ("Agreement") is made on [Agreement Date] between [Company Legal Name], [Company Address] ("Employer") and [Employee Full Name], [Job Title], employee ID [Employee ID] ("Employee").

1. THE TRAINING

The Employer will pay for the following training: [Course or Program Name], provided by [Training Provider], running from [Start Date] to [End Date], leading to [Credential, License or Certification Name]. The Employee has asked to take this training, and taking it is not a condition of the Employee's current employment. Training that the Employer requires for the Employee's current role, or that any law requires the Employer to provide, is not covered by this Agreement.

2. TRAINING COSTS

The Employer will pay the following actual, out-of-pocket costs directly to the provider or as reimbursement against receipts: tuition [Amount], exam and certification fees [Amount], required course materials [Amount], and travel and lodging [Amount]. Total covered costs ("Training Costs"): [Total Amount]. Wages paid for time spent in training, the Employer's internal trainer time and overhead are not Training Costs and will never be repaid by the Employee. If actual costs are lower than this estimate, the lower figure applies. The Employer will give the Employee a written statement of final Training Costs within 30 days of the training end date.

3. REPAYMENT PERIOD AND PRORATED SCHEDULE

The repayment period is [12/18/24] months starting on the date the training is completed ("Completion Date"). If the Employee resigns or is dismissed for [Cause, as defined in the Employee's contract or handbook] during the repayment period, the Employee will repay a share of the Training Costs that reduces evenly for each full month worked after the Completion Date. Example for a 24-month period: leaving after 6 months means repaying 18/24 (75%) of Training Costs; after 18 months, 6/24 (25%); after 24 months, nothing. No interest, fee or penalty is added to any amount owed.

4. WHEN NO REPAYMENT IS DUE

The Employee owes nothing under this Agreement if: (a) the Employer ends the Employee's employment for any reason other than [Cause], including layoff, position elimination or poor performance; (b) the Employee resigns because of a material reduction in pay, hours or duties, or a relocation of more than [Number] miles, made without the Employee's consent; (c) the Employee leaves because of disability, serious health condition, military service or death; (d) the Employer cancels the training before it is completed; or (e) the Employee does not complete the training because of circumstances outside their control, as reasonably determined by the Employer. If the Employee fails the course or exam despite good-faith effort, the Employer [will / will not] require repayment, as stated here: [Explanation].

5. HOW REPAYMENT IS MADE

The Employer will send a written statement of any amount owed within [30] days after the Employee's last day. The Employee may repay in a lump sum or in up to [Number] equal monthly installments with no interest. The Employer will only deduct an amount from wages if the Employee gives separate written authorization at the time of separation, and only where state law permits. No deduction will reduce the Employee's pay below the applicable minimum wage, cut into overtime pay owed, or reduce any final pay that state law requires to be paid in full.

6. GENERAL TERMS

This Agreement does not change the at-will nature of employment [delete for employees under a fixed-term or union contract] and does not restrict the Employee from working for any other employer after leaving. If any part of this Agreement is unenforceable under applicable law, that part will be limited to the extent the law allows, or removed, and the rest stays in effect. This Agreement is governed by the laws of the state where the Employee primarily works, [State]. The Employee confirms they received this Agreement at least [5] business days before signing and had the opportunity to ask questions and seek advice.

SIGNATURES

Employee name

Employee signature

Date

Date

Employer representative name and title

Employer representative signature

Date

Date