

STORE ASSOCIATE RESOURCE GUIDE

Policies and Procedures

Eddie Bauer EST. 1920[®]

TABLE OF CONTENTS

TABLE OF CONTENTS	1
CONDITIONS OF EMPLOYMENT	1
INTRODUCTION	2
WAYS TO SHOP	3
SELLING AND SERVICE CULTURE	4
COMMUNICATION	5
EB Net	5
Guide Portal	5
Store Postings	5
Associate Communication Binder	5
SCHEDULING AND TIMEKEEPING	6
Breaks and Meal Periods	6
U.S. Break and Meal Guide.....	6
CDN Break and Meal Guide	7
PAYROLL	8
The PSEB Collective	8
UltiPro	8
Pay Periods.....	8
Method of Payment	8
Paycheck/Stub Distribution	8
Employment Verification.....	9
COMPENSATION	10
INDIVIDUAL PERFORMANCE PLANNING AND APPRAISAL PROCESS	11
BENEFITS OVERVIEW	12
PAID TIME OFF	13
LEAVE OF ABSENCE	14
ASSOCIATE DISCOUNT POLICY	15
Discount Level	15
Eligible Participants.....	15
Gift Cards.....	16
Important Exclusions.....	16
Eddie Bauer Adventure Rewards Program	16
Making a Purchase with your Associate Discount	16
Shipping	18
Returns	18
ASSOCIATE WARDROBE BENEFIT	19
Wardrobe Benefit.....	19

Merchandise Eligibility..... 19

Associate Eligibility 19

WARDROBE POLICY 20

AWARD PROGRAMS21

WORKPLACE ETIQUETTE.....22

 Damage to/Loss of Personal Property 22

 Package/Personal Property Checks 22

 Texting and Use of Cell Phones..... 22

 Solicitation and Distribution of Materials 23

 Computer and Telecommunication Policy 23

 User ID & Password 23

 Social Media Policy 23

 Guidelines..... 24

 Talking to the Press..... 25

 Parking..... 25

EMPLOYMENT POLICIES 26

 Equal Employment..... 26

 Accommodation for Disabilities 26

 Employment of Relatives and Dating..... 26

 Attendance Guidelines..... 27

SAFETY POLICY 30

 Training..... 30

CRITICAL CONTROLS.....31

ANTI-HARASSMENT AND WORKPLACE VIOLENCE POLICY32

 We Will Not Tolerate Any Form of Discrimination, Harassment or Retaliation 32

 Harassment/Discrimination 32

 Retaliation 32

 Workplace Violence 33

UNACCEPTABLE BEHAVIOR..... 34

CALIFORNIA ADDENDUM.....1

 Scheduling Break and Meal Periods 1

 Time & Attendance 1

 Reporting Time Pay 1

 California Seating Requirement 2

CONDITIONS OF EMPLOYMENT

This booklet supersedes and replaces any resource previously distributed or in an associate's possession. You are expected to know and abide by the following procedures and any other communications from your management team.

Eddie Bauer's policies, benefits, rules and regulations, whenever and however expressed, do not create and are not considered as terms and conditions of an employment contract, expressed or implied.

The Company reserves the right to interpret, apply, amend, or revoke any of the guidelines or policies within this book at any time in its sole discretion, without prior notice.

U.S. – Your employment relationship with us is at will, except where otherwise specified by state law. That means that either you or Eddie Bauer may terminate our relationship with or without cause or notice, and that you'll be paid through your last day of work.

The guidelines described in this Guide are not conditions of employment, nor are they intended to create or constitute a contract between the Company and any one or all of its associates.

CDN – Eddie Bauer employees in Canada are governed by the Provincial Employment Standards Act for the province of employment.

This guide may be amended or supplemented from time to time, and all associates will be expected to comply with all amendments and supplements.

No employee, other than the President of Eddie Bauer, can modify the at will nature of your employment, and then only in writing.

INTRODUCTION

Welcome to the Eddie Bauer team. We are thrilled that you are here and excited for you to learn more about your role and how to be successful.

The Associate Resource Guide is a wealth of information introducing you to who we are and how we do business. It also provides you with an overview of the company's associate expectations, policies and procedures for conducting ourselves at work ethically and with integrity.

Although many of the components will be discussed during your New Hire Orientation, we expect you to read this Guide from beginning to end. The Associate Resource Guide contains useful and valuable information that will help you get started on the road to success and assimilate quickly into our culture.

Your performance is essential to the success of our company. For this reason, it's important for you to understand our guiding principles set forth by Eddie Bauer himself as well as the programs, policies and procedures in place today.

We are proud to have you on our team and hope you will share our sense of pride for Eddie Bauer. We wish you the best for your personal growth and success through your experience with us.

WAYS TO SHOP

Eddie Bauer is a global, multichannel, active outdoor lifestyle brand doing business in the US, Canada, Germany, Japan and expanding to other key markets around the world.

- **STORES:** Our stores are divided into two types:
 - **Full Price Stores:** Carry outdoor-inspired men's and women's clothing, accessories and gear items. Our Full Price stores also carry our distinct series product - First Ascent®, Travex®, Sport Shop® and Motion.
 - **Outlet Stores:** Carry outdoor-inspired men's and women's clothing, accessories and gear items designed specifically for our Outlet stores as well as occasional clearance items from our Full Price stores and catalog.
- **CATALOG**
Refers to the traditional method of ordering by calling a toll-free number and ordering directly from the Eddie Bauer catalog.
 - **Direct Order Center (DOC):** Located within our (U.S.) Full Price and Outlet stores. Customers have access to a telephone, an area to place a catalog order and receive free standard shipping on most items.
- **EDDIEBAUER.COM**
Our website where customers can place orders directly through the internet.
 - **Mobile POS:** Our (U.S.) Full Price and Outlet stores can use iPad mobile devices to place online orders for customers and receive free standard shipping and the current in-store promotional pricing.
- **CORPORATE SALES & LICENSING**
We offer business-to-business gift card sales as well as the opportunity for companies to market their quality product using the value of the Eddie Bauer brand name for a fee.

SELLING AND SERVICE CULTURE

Your performance is measured every day with every customer through observations and statistical results. Your manager will meet with you on a regular basis to review and provide feedback on your sales results and customer interactions.

We have several ways we focus on selling and communicating results. Some resources include:

- **TAKE 5 – DAILY SALES GOALS**

Your individual sales goals, skill practice, and zone coverage will be assigned during the daily Take 5. These meetings help to ensure open and effective communication, communicate key programs, policies and procedures updates, and recognize top performers.

- **GIVE 5 – DAILY SALES RESULTS & SKILL PRACTICE**

At the end of your shift you will share your sales results with the sales leader. He/She will celebrate wins and achievements and identify a skill practice for your next shift.

- **SALES LEADER**

Your Sales Leader will:

- Coach each associate to achieve sales expectations.
- Communicate hourly overall store results.
- Provide feedback and coaching to every associate on every shift.
- Ensure customers receive legendary service.
- Celebrate wins!

- **ASSOCIATE PRODUCTIVITY REPORT**

Posted in the Associate Communication Binder, weekly and monthly report shows associates' overall performance in key business drivers. It includes:

- Sales Volume
- Sales Per Hour (SPH)
- Average Dollar Sale (ADS)
- Units Per Transaction (UPT)
- Credit applications processed (US only)

COMMUNICATION

Eddie Bauer seeks to foster a work environment characterized by open, direct, and honest communication delivered in a professional manner. We are proud to say we have an “open door” policy. Such an environment eliminates misunderstandings and increases productivity. Maintaining such an environment is a responsibility shared by each and every associate.

We firmly believe it is in the best interest for all to work in a positive environment to enable us to effectively achieve our mutual goals. If you have concerns, talk to:

- your manager or any member of the Eddie Bauer management team
- your District Director
- your Regional HR Manager
- your Regional Loss Prevention Manager
- the Chief Ethics & Compliance Officer
- The PSEB Ethics Helpline 1-800-461-9330 or <http://hr.pseblc.com/ethicshelpline>. (Note: We encourage all associates to first attempt to resolve issues through contact with the resources above.)

EB Net

EB Net is Eddie Bauer’s intranet system, accessed throughout the day primarily by **managers**. This resource provides daily business critical messaging, product overview, SOP (standard operating procedure) and benefits/worklife information.

Guide Portal

The Guide Portal delivers best in class product highlights, HR initiatives (i.e.: open enrollment, etc.) and other information relevant to **all associates**.

Store Postings

Each store has store postings and an Ethics and Compliance/Safety Center. Loss prevention, ethics and compliance and legal information are kept up to date.

Associate Communication Binder

This binder is the main resource for communication between store management and associates. It provides information about upcoming events, policies and procedures. It is kept at the cashwrap and should be read every day by every associate. When returning from days off work, you need to review all daily information from the last date worked to ensure you are knowledgeable about what is happening in your store and the company.

SCHEDULING AND TIMEKEEPING

Schedules are posted each Wednesday for the following work week (Sunday through Saturday). Salesperson productivity, availability and the needs of the business are taken into account during the scheduling process to drive maximum sales. Therefore, hours may fluctuate.

All hourly paid associates and non-exempt management associates must use the Workforce Management system (WFM) to record hours worked. These punches include:

- Arrival at work for scheduled shift
- Required paid 15-minute rest break(s)
- Required unpaid meal period, not less than 30 minutes
- End of shift

Associates are not allowed to punch in and out for other associates. It is strictly prohibited to work "off the clock." All hours must be reported, recorded, and compensated. In addition, each store is responsible for adhering to all state/provincial work rules.

Breaks and Meal Periods

Management is responsible for scheduling and authorizing all breaks and meal periods. Managers are responsible for scheduling appropriate breaks and meal periods and reminding associates to take them. Associates are ultimately responsible for taking their scheduled breaks and meal periods. Management will schedule breaks and meal periods in accordance with state/provincial regulations; otherwise all breaks and meal periods should follow the guidelines below. Break and meal periods will not be waived. If you are a smoker, take time to smoke during your break or meal period, as additional smoking breaks are not allowed.

For further information on state/provincial laws please refer to SOP - Schedule Management: Breaks and Meals. For specific rules on California meals and breaks please refer to SOP - Employment Policies, CA Only.

U.S. Break and Meal Guide

Hours Scheduled	Required Break (Paid)	Minimum Required Meal Period (Unpaid)
At least 2, but less than 4	None	None
At least 4, but less than 6	15 minutes	None
At least 6, but less than 8	15 minutes	30 minutes
8 or more	Two (2) 15-minute breaks	30 minutes

- All hourly associates and managers must take their meal periods and breaks separately, not combined.
- Breaks are paid and should be scheduled as close to the midpoint of the work period as possible.
- In all states, associates should be relieved of all duties while on meal period/breaks.
- There must be at least two associates (one must be a manager) in the store at all times while store is open for business. If there are only two associates in the store, use one of the options below for paid breaks:

- Schedule breaks when a third associate arrives.
- Ask associates to take their break prior to opening so they can leave the store. Managers cannot leave an associate alone in the store.
- Breaks must be taken in the back room when the store is open to ensure that two associates are present in the store at all times during business hours (Except for in CA).
- Meal periods are unpaid (except in jurisdictions where the meal period is paid only if the associate is required to remain on the premises during the meal period).

CDN Break and Meal Guide

In all cases, provincial law supersedes company policy.

Hours Scheduled	Required Break (Paid)	Minimum Required Meal Period (Unpaid)
At least 3, but less than 4	None	None
At least 4, but less than 5	None	None
At least 5, but less than 8	None	30 minutes
8 or more	None	30 minutes

- Canadian associates who work more than 5.0 hours **must** take a meal break.
- Meal breaks are **unpaid**.
- Meal periods for nonexempt associates must be paid if the associate is not allowed to leave the store (because doing so would leave only one associate on duty). This policy is applicable to all Canadian provinces.
- An eligible Sales Leader must be present in the store at all times. An associate cannot be left alone in the store for any reason.

AN EXCERPT FROM THE ONTARIO MINISTRY OF LABOUR:

An employee must not work for more than five hours in a row without getting a 30-minute eating period (meal break) free from work. If the employer and employee agree, the 30-minute eating prior may be taken as two breaks within each five-consecutive-hour-work period. Meal breaks are unpaid unless the employee’s employment contract requires payment. Employers do not have to give employees “coffee” breaks or any other kind of break other than the eating period.

PAYROLL

The PSEB Collective

The PSEB Collective <https://thecollective.pseblc.com/> is your one-stop resource for all payroll and benefits related information, including:

- Benefits eligibility & enrollment
- Medical, Prescription, Dental, and Vision plans
- Flexible Spending Accounts
- Insurance Plans
- 401(k) / RRSP
- Paid Time Off

The PSEB Collective is accessible from any internet-enabled device, including your home computer or mobile device - no passwords or log-ins are required.

UltiPro

UltiPro is Eddie Bauer's Payroll & Benefits system. Log-in to UltiPro.EddieBauer.com from any internet-enabled device to:

- view and print paystubs
- view time-off balances
- change tax withholding
- modify direct deposit information
- update your name, address, phone number, or email address
- update your emergency contact information
- and more! Additional functionality will be going-live before the end of 2018!

See your store manager for first-time log-in instructions.

Pay Periods

Associates are paid bi-weekly on Fridays. Pay periods begin on Sunday and continue for two (2) weeks, ending on Saturday.

Method of Payment

Eddie Bauer's preferred method of payment is electronic pay (direct deposit or Paycard). Associates on direct electronic pay have access to their paystub on Thursday before pay day. Associates view paystubs via UltiPro.

Enrollment in direct deposit is a condition of employment in the following states and Canadian provinces: Alabama, Iowa, Kentucky, Louisiana, Maine, Mississippi, Missouri, Nebraska, North Carolina, Ohio, South Carolina, South Dakota, Tennessee, Washington, Wisconsin, Alberta, Manitoba, New Brunswick, Nova Scotia, Ontario and Saskatchewan. Associates in all other states may select between direct deposit or paycard, a reloadable Visa card issued by Bank of America.

You can sign up or change your electronic pay information in UltiPro.

Paycheck/Stub Distribution

All associates may access UltiPro to view and/or print current and prior paystubs. Associates who have opted-in to pre-printed paystubs will have paystubs mailed via USPS to the home address on file to arrive on or around payday Friday.

Live U.S. payroll checks will be mailed via USPS to the home address on file to arrive on or around payday Friday, except in California. Live payroll checks, for associates working in California, are available for pick-up at the associate's home store.

In Canada, enrollment in direct deposit is a condition of employment.

Employment Verification

Associates find information regarding employment verification by accessing The PSEB Collective website at <https://thecollective.pseblc.com/>.

COMPENSATION

We believe in rewarding associates for results. Results such as meeting daily sales goals and striving to exceed the customer's expectations drive our business and support the continued success of Eddie Bauer.

- **MERIT INCREASES**

Merit increases may occur in conjunction with annual performance appraisals. Merit increases will depend on overall company performance, as well as individual performance and other factors. Pay adjustments are not guaranteed.

- **MANAGEMENT INCENTIVES**

Managers are eligible to participate in additional incentive programs. See Recognition/Incentive Programs SOP on EB Net for more information.

- **OTHER**

We periodically reward associates with prizes, contests, spiffs and special pricing on product. This ensures there are many exciting and different opportunities for associates to earn money and prizes throughout the year.

Cash and cash equivalent prizes, including spiffs and merchandise credits, are subject to applicable federal state/provincial and/or local taxation. Non-cash prizes, such as product, over de minimis value (\$75) in the U.S., or \$500 in Canada in total, per year, are also subject to applicable federal state/provincial and/or local taxation.

INDIVIDUAL PERFORMANCE PLANNING AND APPRAISAL PROCESS

Our performance planning and appraisal process is designed to continually challenge associates to achieve greater accomplishments from one year to the next. If you have questions regarding performance management after reading the sections below, please contact any member of your management team or your district director.

- MANAGEMENT PERFORMANCE PROCESS**
 Complete details on the management performance process are available in the Compensation / Appraisal Process SOP on EB Net.
- NON-EXEMPT PERFORMANCE PROCESS**
 Hourly associates are reviewed annually based on Personal Productivity (60%) and Company Conduct (40%)

Underperforming	Performance does not meet expectations, must improve
Developing	Performance meets expectation most of the time, still learning
Meeting	Performance meets expectation consistently
Leading*	Performance is above expectation, exceptional

* Leading will be determined during annual reviews and will not be used for Business Results during the Mid-Year Check-in.

BENEFITS OVERVIEW

Eddie Bauer offers a comprehensive benefits package and programs that help associates and their families save time and money. Some of these benefits are available to all associates and some have eligibility requirements.

Benefits Available to All Store Associates

- Associate Discount of 50% off the original ticketed price of Eddie Bauer products
- Associate Discount of 30% off the original ticketed price of PacSun products
- Associate Wardrobe Discount of 60% on a select number of items each season
- Individual incentives based on contests, prizes and spiffs

Additional Benefits Available to Qualifying Store Associates

In addition to the benefits above, associates may be eligible for other benefits depending on their job category and amount of hours worked.

- Medical, dental, and vision coverage for you and your dependents
- Life, accident and business travel insurance
- Life insurance for your dependents
- Short term disability insurance and long-term disability insurance
- Health and Dependent Care flexible spending accounts (where applicable)
- Retirement savings opportunities through the Eddie Bauer 401k Savings Plan / Retirement Savings Plan
- Paid Time Off
- Paid parental leave
- Adoption Assistance
- Associate, spouse, and dependent discount on merchandise sold by Eddie Bauer & PacSun

For more in depth information regarding your benefits and benefit eligibility please refer to the PSEB Collective at <https://thecollective.pseblc.com/>.

PAID TIME OFF

Eddie Bauer's Paid Time Off benefits are designed to provide flexibility needed to encourage time off in order to maintain a healthy work-life balance and to take care of yourself or family members when the need arises. Paid Time Off is composed of Vacation, Holiday, and Sick time, applied differently depending on your work location.

Please refer to The PSEB Collective <https://thecollective.pseblc.com/> for additional details regarding Paid Time Off Usage and Vesting.

LEAVE OF ABSENCE

- **U.S.**

When events in your life such as medical problems or the birth of a child occur, you may be eligible for either paid or unpaid leave of absence. Depending on eligibility and the reason leave is needed, your job may also be protected under the Family and Medical Leave Act (FMLA) or other state family leave and disability laws. Any time you will be away from work for 3 or more days, unless for approved Paid Time Off, you are required to contact the Leaves Department to discuss if you are eligible for a leave of absence. For more information on taking a leave of absence, contact the Leaves Department (866-989-6958 option #3).

- **Canada**

When events in your life such as medical problems or the birth or adoption of a child occur, you may be eligible for either paid or unpaid leave of absence. Depending on eligibility, your job may also be protected under provincial leave regulations, such as Maternity/Parental, Personal Emergency or Family Medical leave. Anytime that you will be away from work for 3 or more days, unless for approved Paid Time Off, you are required to contact the Leaves Department to discuss if you are eligible for a leave of absence. For more information on taking a leave of absence, contact the Leaves Department at 1-800-599-9393 option #3.

ASSOCIATE DISCOUNT POLICY

The Eddie Bauer Associate Discount is designed as a benefit for all active associates. The purpose of the program is to encourage associates to immerse themselves in the brand, get to know our latest product, and be passionate brand ambassadors.

All use of the Eddie Bauer discount card is subject to the terms and conditions in this policy. Violation of this policy may result in revocation of the discount card and/or corrective action, up to and including termination of employment.

Eddie Bauer reserves the right to modify, suspend, or discontinue the discount at any time.

Discount Level

At Eddie Bauer Full Price Stores, Outlets, and online at eddiebauer.com/eddiebauer.ca

- Full Price Items: 50% off the original ticketed price of the product.
- Clearance and Warehouse items: 50% off the original ticketed price, or the customer offer - whichever is better. The Associate Discount cannot be applied to the discounted/clearance price of an item. Any items purchased at the customer price are required to be processed in a separate transaction.
- There is a \$10,000 per year limit on the total amount an Active Associate and their named dependents can purchase with the discount. This limit will be calculated based on the original ticketed price of the product.

At PacSun stores, Outlets, and online at pacsun.com

- 30% discount on regular-priced merchandise. Exclusions apply - see UltiPro or EB Net for full details.

Eligible Participants

- **Eddie Bauer Associates:** Regular full-time or part-time associates only (including seasonal and Part-Time Limited workers), but not agency temps, vendors, or contractors. Applies to Associates in the United States and Canada*.
- **Spouses:** Legal spouse as defined by the IRS in the US or Income Tax Act in Canada (as appropriate).
- **Common-Law Partners (Canada):** Associates in Canada are required to complete the affidavit for common-law partner to be eligible for discount. For more information, please contact the Associate Service Center at 1.800.599.9393.
- **Dependent Children:** Unmarried, age 19 and under OR unmarried, full-time student, age 23 and under.

* Associates in Canada are only eligible for the discount at Eddie Bauer Full Price Stores, Outlets, and eddiebauer.ca. The PacSun discount does not apply at this time.

Eligible Participants cannot purchase merchandise at a discount for others where they are reimbursed in any way with cash, services, or other items of value.

The Associate Discount is valid through the last date of employment with Eddie Bauer and is required to be surrendered upon termination of employment.

Gift Cards

- Gift cards, gift certificates and e-cards cannot be **purchased** with the Associate Discount.
- Gift cards, gift certificates, and e-cards can be **redeemed** with the Associate Discount.

Important Exclusions

At Eddie Bauer:

- The discount will only be available on Eddie Bauer branded product.
- Eddie Bauer reserves the right to exclude key specialty items from time to time.
- Merchandise from any outside business, third party vendor, or syndication project (such as Amazon.com or one of our licensee partners) is not eligible for the Associate Discount.
- Eddie Bauer does not honor sale prices across channels for Eligible Participants (i.e., matching an on-line clearance price in store).
- Any items purchased at the customer price are required to be processed in a separate transaction.

At PacSun:

- PacSun reserves the right to establish quantity limits and/or exclude certain merchandise on categories eligible for the discount due to merchandise testing or limited release.

Promotional Codes:

- The Associate Discount may not be combined with any other promotional offerings.
- Eligible Participants may not link to the Eddie Bauer or PacSun on-line site via a third party website; this is considered combining promotional offers.
- Eligible Participants may not post associate discount codes or other promotional codes on any social media channel. Exceptions to this guideline may be communicated by CEO, President, or VP Marketing only.

Eddie Bauer Adventure Rewards Program

- The Eddie Bauer Associate Discount can be used in conjunction with loyalty programs both in the US and Canada to earn Rewards on Eddie Bauer purchases. Standard Loyalty rules and restrictions apply.

Making a Purchase with your Associate Discount

Associates may not process their own store or internet transactions or that of their spouse, common-law partner, dependents, other family members, or friends.

At Eddie Bauer:

Shopping In Store:

- Associates should announce at the beginning of the transaction that they are making a purchase using their Associate Discount, and present a valid Photo ID with an Eligible Participant Discount Card.
- If shopping without a Discount Card in a store in which the associate doesn't work, eligibility can also be verified by the manager on duty calling the home store to confirm the associate's current employment with the manager on duty.
- If shopping outside the associate's home store, dependents may only receive the discount if they have a valid discount card or the associate is present.

Shopping On-line:

- All internet orders are required to be placed through www.eddiebauer.com / www.eddiebauer.ca under the Eligible Participant's name and credit/debit card - merchandise cannot be purchased using a credit card of a third party. Associates claimed as a dependent by their parents for tax purposes may have their parents pay for their associate purchases.
- At checkout, enter the current three-digit Discount Code into the Promotion Code field.
- Locate the current Discount Code by logging-in to UltiPro and navigating to Menu > Myself > Name, Address, and Telephone.

Shopping via Catalog:

- Associates are encouraged to shop in store or online as outlined above. If an associate chooses to shop via catalog, they should call 800.848.8131 and announcing at the beginning of the transaction that they are making a purchase using the Associate Discount. Associates no longer have access to their Fast Service Numbers (FSN). The sales associate will ask for different identifiers to find the Associate in their system.
- Orders are required to be placed in the Eligible Participant's name. Eligible Participants are required to pay for their purchase via credit card or debit card issued in the Eligible Participant's name. Associates claimed as a dependent by their parents for tax purposes may have their parents pay for their associate purchases.

At PacSun:

Shopping in Store:

- Eddie Bauer associates should announce at the beginning of the transaction that they are making a purchase using their Associate Discount, and present a valid Photo ID with an Eligible Participant Discount Card.
- Eligible Dependents of Eddie Bauer associates may only receive the Associate Discount at PacSun stores if accompanied by an Eddie Bauer associate, who is required to present a valid Photo ID with an Eligible Participant Discount Card.

Shopping On-line:

- All internet orders are required to be placed through www.pacsun.com under the Eligible Participant's name and credit/debit card -merchandise cannot be purchased using a credit card of a third party. Associates claimed as a dependent by their parents for tax purposes may have their parents pay for their associate purchases.
- Eligible Participants must ship to a valid Eddie Bauer address or the order will be cancelled. Eligible Participants may not ship to a home address.
 - Eddie Bauer Corporate Associates must ship to their respective office location in Bellevue, Westmont or Groveport.
 - Eddie Bauer US Store Associates and Field Leaders must ship to an Eddie Bauer store location.
- At checkout, enter the valid discount code for the current month into the Promotion Code field.
 - Discount codes for pacsun.com will be communicated to Eligible Participants monthly.

Shipping

- Eligible Participants receive standard ground shipping free on purchases from eddiebauer.com and pacsun.com.
- Eligible Participants are responsible for any fees and/or stated charges related to Express and Express Plus delivery and ship-outs from stores.
- Eddie Bauer Associates may not order from eddiebauer.com and have it sent to an Eddie Bauer store.
- Orders to Canada from eddiebauer.com typically incur additional duty and fees. These will be charged to the Eligible Participant.

Returns

- Associates must identify themselves as Associates at the beginning of the return.
- If an Eligible Participant is returning a purchase made with the Associate Discount, the return IS REQUIRED TO be made to the original channel of purchase (i.e., catalog/online purchases cannot be returned to stores, they are required to be returned to the catalog division).

At Eddie Bauer:

- US and Canadian store associates are responsible for all return shipping fees for web purchases.
- Eddie Bauer Corporate associates may return their online purchases from Lincoln Square at no charge by using interoffice mail.
- Westmont associates may return online purchases from the Westmont location at no charge through the administrative assistant.
- Groveport associates may return their purchases on site for no charge.
- All items being returned need an accompanying receipt. Should an associate wish to make a return without a receipt, merchandise may be returned for an exchange; however faulty products may be returned for a merchandise credit or exchange without a receipt.
- Associates who have been separated from Eddie Bauer - voluntarily or involuntarily - are not eligible to return Eddie Bauer products purchased during their employment with Eddie Bauer.

At PacSun:

- Associate returns are processed through the same channels as a standard customer and under the same return policy. Associates are responsible for all return shipping fees for web purchases.

ASSOCIATE WARDROBE BENEFIT

Wardrobe Benefit

Field associates receive a generous discount of 60% off a select number of items each season. Your manager will review the wardrobe policy guidelines, procedures, and eligible merchandise with you. Use of the Associate Wardrobe Benefit is voluntary, however if you choose to participate and later leave the employ of Eddie Bauer, we will not accept returns of purchases unless they meet the criteria below.

- Associate Wardrobe purchases may only be returned if the items are either (1.) in new and never worn condition with original tags and proof of purchase, or (2.) defective.

Merchandise Eligibility

The discount is for regular priced merchandise worn by store associates on the sales floor. It excludes:

- All marked down, sale and clearance product
- Watches, Gear, Gifts/Gadgets and Non-Eddie Bauer branded goods

The discount is not to be used for gifts for anyone – including dependents or spouses – and cannot be combined with any other promotional discounts.

Associate Eligibility

The Associate Wardrobe Benefit applies to all field associates, including DDs, RVPs, Regional HR Managers, Regional Visual Merchandisers, LP Managers and all store associates in active status. Refer to the Associate, Retiree and Select Partner Discount Policy for complete eligibility requirements.

Under this program, and subject to the policy guidelines in the Eddie Bauer Wardrobe Policy, associates may purchase a specified number of items each season at a 60% discount to wear on the selling floor. When an associate purchases an eligible program item, store management is responsible to ring up, verify the purchase as associate wardrobe items, and complete the seasonal tracking form. Store Associates can only use the Associate Wardrobe Benefit in their home store.

If an associate wants to purchase eligible extended size items (petite, tall) that are not carried in their store, they can do so via catalog or online using their regular associate discount. Bring the invoice to your store and your manager can price adjust the eligible items within two weeks of the receipt of purchase.

- **CDN Only:** Due to the exchange rate, duty and taxes on the original order, a price adjustment cannot be completed in store. Store management must call the CSC (800-414-3559) with the order summary to request the price adjustment on wardrobe purchases made via catalog or online.

All use of the Eddie Bauer Wardrobe Benefit is subject to the terms and conditions in this policy. Violation of the Wardrobe Benefit will result in corrective action, up to and including termination of employment. Eddie Bauer reserves the right to amend, modify, suspend or terminate this benefit in whole or in part at any time without advance notice to or prior approval of the benefit participants.

WARDROBE POLICY

We encourage our Eddie Bauer associates to passionately represent the brand while selling in our stores. Your representation and knowledge of our products is the best-selling tool! The below information will help guide you to looking great and selling with energy and enthusiasm while working at Eddie Bauer. Our wardrobe policy guidelines apply to both men and women consistently.

- **Fit/Size:** Clothes should be brand appropriate, in good condition, and sized properly.
- **Shirts:** Tank tops, halter-tops and camisole style tops are appropriate when paired with a shirt, sweater, or jacket layered on top. Bare midriffs are not appropriate while at work.
- **Shorts:** Shorts should have at least a 5" inseam and may be worn when they are part of the current floorset.
- **Athletic Wear:** It is acceptable to wear product from the Eddie Bauer Training line. If you wear athletic wear from a competitor logos and names are required to be concealed while working at Eddie Bauer.
- **Footwear:** Footwear should be well kept and non-scuffed. For safety purposes flip-flop style footwear may not be worn. Closed-toe shoes are required when working in the stockroom.
- **Competitor's Clothing:** If you chose to wear competitor clothing; labels, and logos may not be visible while on shift at Eddie Bauer.
- **Hair Styles:** A neatly combed hair style is acceptable.
- **Jewelry:** Simple jewelry is acceptable
- **Piercings:** Body piercings, other than earrings should be discreet and unobtrusive.
- **Political Buttons or Propaganda:** Political or promotional buttons are not allowed.
- **Tattoos:** Tattoos with offensive or inappropriate content are required to be concealed.
- **Name Badges:** Always wear your Eddie Bauer badge in the general area of your right lapel.

Please Note: *Management team members are accountable for maintaining standards and will coach and correct if an associate arrives for work outside the standards of our wardrobe policy. All Eddie Bauer merchandise must be purchased prior to wearing. Any violations of the wardrobe policy may lead to disciplinary action up to an including separation.*

AWARD PROGRAMS

- **Store of the Month:** Top store teams in each district are recognized with a certificate signed by the SVP of Retail, Regional DVP and the DD and recognized with a You Lucky Dog snack box.
- **Store of the Region:** Top-performing store in each region is recognized monthly with a certificate signed by the SVP of Retail, Regional DVP and the DD.
- **Guide of the Month:** Top-performing associate in each store is recognized monthly by store management and presented with a signed certificate.
- **Management Sales Incentive:** The goal of the monthly incentive program is to reward sustained and continued top line comp performance. Store Management can earn a base level incentive when their store achieves their incentive target and all additional qualifiers.

For complete details, see EB Net > SOP > [Recognition/Incentive Programs](#)

WORKPLACE ETIQUETTE

Damage to/Loss of Personal Property

Eddie Bauer does not assume any responsibility for loss or damage to any personal property while the associate is at work. Associates are discouraged from bringing valuables or large sums of money to work. Any exceptions to this policy must be approved by the District Director (DD).

Package/Personal Property Checks

At Eddie Bauer, it is company policy to inspect associate packages and provide control of associates' personal belongings, helping ensure that property losses are minimized. **All inspections must be completed on the clock.**

All associates must have their handbags, packages, briefcases, backpacks and other parcels, inspected by a member of store management whenever they leave the store. Package checks are also completed for breaks and meal periods, or whenever associates leave the store for any reason.

When conducting the package inspection, have the associate remove or move items to allow for an adequate inspection.

The inspection is to be limited to bags, packages and other containers that might be used to conceal company property. **Pocket searches, checking pant legs, frisking, patting-down or other such activities are not allowed.**

- It is the associate's responsibility to seek store management and have his/her package or personal items checked whenever he/she leaves the premises. All new associates should be advised of this policy at the time of hire.
- When closing the store at the end of a business day, a second associate must be present with store management. This associate must be allowed to check the manager's handbag, purchases, backpack, other parcels, as they leave the store together. (Managers are not allowed to close the store alone for safety and security reasons.)
- Associates are not allowed to wear Eddie Bauer-owned merchandise during their work shift. All items must be purchased by the associate prior to wearing. **Note:** Any promotional items to be worn by associates for a particular event (e.g., Eddie Bauer logo hat, sweatshirts) should be reviewed with the DD prior to use.
- Lockers or a secure area will be provided for all associates to store purses, coats and personal belongings.
- Lockers are the property of Eddie Bauer and are subject to inspection by management at any time.
- Associate purses and coats should be kept in associate lockers or designated areas.

Texting and Use of Cell Phones

Texting is not an approved form of business communication. Associates and store management are expected to communicate directly with their manager in person, via telephone or voicemail for all interactions, including calling in sick or other notifications.

Personal cellular devices are not permitted on the sales floor while working. Store telephones are to be kept open for business calls.

Associates are discouraged from bringing cellular devices (cell phones, iPads/tablets, MP3 players) or other electronics to work. Eddie Bauer does not assume any responsibility for loss or damage of these or

any other personal items while on the premises. If a phone is stored in the associate's locker, the phone should be silenced and associate may access the device during personal time only (i.e., during breaks and meal periods).

Exceptions to the policy on cell phones may be warranted under special circumstances (e.g., medical emergencies, expectant parent). Prior approval must be given by your store manager.

Solicitation and Distribution of Materials

Solicitation and distribution of materials on Eddie Bauer premises is subject to the following limits:

"Solicitation" includes but is not limited to fundraising efforts, whether for a charity or other, or requests for participation/membership/signatures or other indications of support. Some examples include (but aren't limited to) selling products for charities (like cookies, wrapping paper or candy bars) or requesting signatures on petitions or letters.

- Associates are prohibited from soliciting other associates during either associate's work time, on the retail floor or in front of our stores. Work time doesn't include breaks/meal periods.
- Associates may not post or distribute non-company materials to other associates during either associate's work time or in working areas. Working areas do not include break rooms, parking lots, or other non-work areas. Eddie Bauer may maintain bulletin boards which are exclusively for the posting of Eddie Bauer-produced or Eddie Bauer-provided materials.
- Under no circumstances may associates solicit or distribute non-company materials to people who are not Eddie Bauer associates (which includes Eddie Bauer customers, vendors and service providers) on any Eddie Bauer premises or at any time under the name of Eddie Bauer.
- Off-duty associates may not interfere with on-duty associates' performance of their work.

Eddie Bauer may, from time to time, approve charitable campaigns, community participation projects or presentations by vendors to Eddie Bauer associates. Participation in any such campaign, project or presentation is voluntary and open to all associates. Eddie Bauer does not allow solicitation on its premises by third parties except when sponsored by Eddie Bauer. Eddie Bauer does not and will not interfere with the exercise of any rights to which associates are legally entitled.

Computer and Telecommunication Policy

User ID & Password

Associates are responsible for all activity involving their user ID and password. Associates are prohibited from disseminating their user ID and from using another associate's user ID or password in any manner.

Refer to This Is Our Company - Workplace Etiquette SOP on EB Net for Eddie Bauer's complete Computer and Telecommunication Policy.

Social Media Policy

Eddie Bauer understands that social media sites, including social networking sites, blogs, microblogs, personal websites and photo and video-sharing sites, have become a prevalent method of self-expression in our culture. This Social Media Policy ("Policy") is intended to help you engage in social media in a way that is consistent with our company values while minimizing exposure to legal and other risks. This Policy applies to all associates' use of any social media site, including official Eddie Bauer forums, personal web logs or blogs, and all external, third party sites. Nothing in this Policy, however, is intended to restrict the flow of useful and appropriate information or to infringe upon any right you may have under federal, state or local laws, including labor and employment laws.

Guidelines

The same principals articulated in Eddie Bauer's policies apply to your activities. Ultimately, you are solely responsible for what you post online. Please know and follow these guidelines and ensure your postings are consistent with them.

- If you identify yourself as an Eddie Bauer employee in postings, you must also make it clear to the readers that you are not speaking on behalf of Eddie Bauer by using a disclaimer to the effect of: "The postings on this site are my own views and do not necessarily reflect the views of Eddie Bauer."
- If you are identifying yourself as an Eddie Bauer employee, think about how an outsider will view your competency or maturity, or the quality or service of our stores, before you post content. Postings of a sexual nature, seen by your coworkers, could create potential claim of sexual harassment or work environment issues against you! If you respond to misrepresentations regarding Eddie Bauer on third party sites, keep your statements factual and your tone professional.
- Please, do not speak negatively about any competitors or their products. And remember, if you are commenting on our brand or product, or a competitor's brand or product, the Federal Trade Commission requires that you identify yourself as an Eddie Bauer associate; otherwise, the FTC may pursue Eddie Bauer for deceptive trade practices.
- Respect your audience. Imagine how people will view Eddie Bauer if you identify yourself as an Eddie Bauer employee and then pick fights, use obscene language or post content that is unlawful, defamatory, obscene, pornographic, fraudulent, harassing, threatening, or racially, sexually or religiously inflammatory.
- Never disclose any information that is confidential or proprietary to Eddie Bauer or any third party. This includes all nonpublic information, especially about merchandise, sales, customers, company or store performance, marketing or advertising plans, payroll or customer service issues, just to name a few. If you aren't sure whether information is confidential, consult the *Company Resources and Confidential Information of Others* section of the *Code of Business Conduct and Ethics* or call the legal department for guidance about what constitutes confidential information. This prohibition is not intended to apply to nor restrict your discussion of your own terms and conditions of employment.
- Please, do not badmouth our customers! If you do, customers may assume that your statements are those of Eddie Bauer, and that Eddie Bauer doesn't value its customers - remember, without customers, we have no jobs!
- While Eddie Bauer recognizes the rights of associates to comment on working conditions and terms of employment, do not make untrue or unlawful statements about supervisors, other associates or customers.
- Eddie Bauer encourages you to engage in social media during your own, personal time, but you are not permitted to let your online activities interfere with your work time.

Remember, the content you post is ultimately your responsibility and Eddie Bauer is not liable for any errors, omissions, losses or damages resulting from your personal participation in social media. Before you post online, please be aware that any of your conduct that adversely affects Eddie Bauer's legitimate business interests, your job performance or that of your fellow associates, or that adversely affects our customers or suppliers may result in disciplinary action, up to and including termination.

When you use social media, use good judgment. We request that you be respectful of the Company, our associates, our customers, our partners and affiliates, and others. Avoid using statements, photographs, video or audio that reasonably could be viewed as malicious, obscene, threatening or intimidating, that disparages our associates, customers, partners and affiliates, or that might constitute harassment or bullying. Examples of such conduct might include offensive posts meant to intentionally harm someone's reputation or posts that could contribute to a hostile work environment.

Eddie Bauer reserves the right to monitor your use of social media, other than where you have a reasonable expectation of privacy (which does not include your work email). If you have any questions about this Policy or any matter related to social media, please contact your Regional HR Manager.

Talking to the Press

Associates have a responsibility to safeguard confidential information obtained in connection with their employment. Associates may not release any such information to the media. If the media contacts you, please notify your manager and immediately forward all media inquiries to the Executive and Legal department for proper handling.

Parking

All cars and motorcycles driven by employees must be parked in mall/center designated employee parking areas. In some cases, there is no employee parking in our parking lot while working – either because we need to save the spaces for customers, or because our landlords require that you park somewhere else. See your manager for specific locations for associate parking.

EMPLOYMENT POLICIES

Equal Employment

Eddie Bauer is committed to the principals of equal employment opportunity and applies all federal, state, provincial and local laws regarding equal employment opportunities, as well as laws related to terms and conditions of employment. We strive to maintain a work environment which is free of workplace violence or harassment or discrimination because of sex, race, religion, color, national origin, physical or mental disability, marital status, age, sexual orientation, genetic information or any other status protected by federal, state, provincial or local laws.

Accommodation for Disabilities

Eddie Bauer will make reasonable efforts to accommodate those physical or mental disabilities of an otherwise qualified applicant or associate, unless undue hardship would result for the Company. Qualified persons with disabilities who require a reasonable accommodation to assist in performance of the essential functions of a job or enjoy other benefits of employment are encouraged to notify their direct supervisor and contact a manager in the Human Resources Department at 800-599-9393.

Employment of Relatives and Dating

At Eddie Bauer we want to avoid any appearance of impropriety, perceived favoritism, or any claims of discrimination or sexual harassment. So we must all follow these guidelines.

Romantic relationships between associates and employment of relatives are not allowed when:

- one employee would supervise or discipline the other;
- one employee would audit or verify money handled by the other;
- one employee has access to the other's payroll or personnel files and the ability to modify them.

Therefore, anytime the guidelines above would be triggered, one of the two associates will be transferred to another location or job, assuming an open position is available. If no open position exists, one of the associates may need to end their employment with us.

If a personal/romantic relationship develops or the Company hires a relative, both parties are responsible for reporting it to their immediate supervisor, District Director or their Regional HR Manager. Failure to follow this policy may result in disciplinary action up to and including termination.

The Employment of Relatives and Dating Policy does not apply to store associates during the stores' division Holiday Hiring program with the exception of the Store Manager who may not have relatives working at his or her store.

Attendance Guidelines

This document outlines general attendance guidelines for the Store's Division. These guidelines are intended to supplement the Store Paid Time Off / TO Policy available on The PSEB Collective <https://thecollective.pseblc.com/>. If you have any questions, please contact your Regional HR Manager.

Accountabilities

Store Management:

Store Management is accountable to be aware and actively manage the attendance of direct reports.

Store Associates:

It is every associate's responsibility to arrive to work as scheduled, ready to work at the beginning of the shift. Associates are responsible to clock in and out to capture all time worked. Associates are never allowed to work off-the-clock.

Attendance Tracking

The manager on duty is required to track daily attendance exceptions for all store associates, including management:

- Use Attendance Tracking Tool daily and maintain documentation in each associate's shadow file
- Attendance exceptions include Unscheduled Absences, Unscheduled Late Arrivals, No Call/No Shows, Jury Duty, Bereavement, Vacation + Holiday / TO, and Sick, where applicable

Call Off Requirements for Unscheduled Late Arrival for Shift or Unscheduled Absence

All associates are required to call the manager on duty at least 2 hours prior to the beginning of the shift if they can't work their scheduled shift and call as soon as possible if they are going to arrive late for their scheduled shift. If an associate doesn't call off for the shift, skip to the No Call/No Show section of the guidelines.

The following are a few examples of unapproved forms of communicating either an unscheduled late arrival or an unscheduled absence: texting the manager on duty, calling the store but talking to anybody other than the manager on duty, leaving a voicemail instead of talking to the manager on duty.

If for any reason the manager on duty or the Store Manager cannot be reached, then the associate is required to call the District Director.

Store Managers are required to notify their District Director if they are late for their scheduled shift or are unable to work their scheduled shift. Store Managers are required to find coverage for their store to ensure that business is not disrupted.

Failure to Follow Call Off Requirements, if....	Consequence*
No Corrective Action for Attendance on file	Warning
Warning for Attendance on file	Final Warning
Final Warning for Attendance on file	Separation

* Corrective Action for attendance will run on a separate track and will not be stacked on top of Corrective Action for all other issues

Guidelines for Addressing Unscheduled Late Arrivals, Unscheduled Absences, and No Call/No Shows

Unscheduled Late Arrivals

Late Arrival is defined as not being clocked in and ready to work at the beginning of a scheduled shift.

# of Unscheduled Late Arrivals (in 12 mo.)	Consequence*
1st -3rd Occurrence	Verbal coaching conversation with Store Manager
4th Occurrence with No Corrective Action for Attendance on file	Warning
5th Occurrence with a Warning for Attendance on file	Final Warning
6th Occurrence with a Warning and Final Warning for Attendance on file	Separation

* Corrective Action for attendance will run on a separate track and will not be stacked on top of Corrective Action for all other issues

Unscheduled Absences

All Vacation + Holiday and Planned Sick time/TO should be requested through WFM at least two weeks in advance and approved by the Store Manager. Any changes to the schedule (including trading shifts) within two weeks of the schedule work day needs to be approved by the Store Manager or District Director (for Store Managers) and be executed at least 24 hours prior to the start of the scheduled shift.

# of Unscheduled Absences (in 12 mo.)	Consequence*
6th Occurrence with No Corrective Action for Attendance on File	Warning
7th Occurrence with a Warning for Attendance on File	Final Warning
8th Occurrence with a Warning and Final Warning for Attendance on file	Separation

* Corrective Action for attendance will run on a separate track and will not be stacked on top of Corrective Action for all other issues

No Call/No Show

When an associate does not show up for a scheduled shift and does not call the manager on duty, it is regarded as a No Call/No Show absence.

No Call/No Show, if...	Consequence
No Corrective Action for Attendance on file	Final Warning
Warning for Attendance on file	Separation
Final Warning for Attendance on file	Separation

* Corrective Action for attendance will run on a separate track and will not be stacked on top of Corrective Action for all other issues

Corrective action under this policy will be handled on a case by case basis based on all of the facts and circumstances. In limited situations, that will mean that the consequences of an attendance violation may deviate from the progressive steps detailed in the tables above.

Exceptions

- In jurisdictions where sick time is mandated, associates may not receive a Warning until their sick balance is depleted. This could apply to **Unscheduled Late Arrivals** or **Unscheduled Absences** if due to illness. You are required to partner with your Regional HR Manager, prior to writing **Corrective Action**, if your store is in one of these jurisdictions. Associates with mandated sick time are still responsible to adhere to the notification requirements outlined in this Guidelines document.
- Absences that generally will not be counted as occurrences under this policy include approved **Leaves of Absence**, including but not limited to **Jury Duty**, **Military Leave**, leave protected under the **Family and Medical Leave Act (FMLA)** or similar state or provincial laws, and time off or leave specifically approved by Eddie Bauer as an accommodation provided under the **Americans with Disabilities Act** or similar state or provincial laws. Associate absences pursuant to an approved intermittent leave of absence are still subject to the notification requirements outlined in this Guidelines document, absent extenuating circumstances related to the underlying reason for the approved leave that prevent compliance. Partner with your Regional HR Manager if you have associates that fall into any of the categories above.
- If an associate has **Unscheduled Absences** for two or more consecutive shifts and brings in a doctor's note confirming that the consecutive absences are due to the same medical reason, the Store Manager will count the consecutive absences as one occurrence. (A doctor's note will not be required when the absences are approved as leave under the **Family Medical Leave Act** and/or similar state law).
- A consistent pattern of **Unscheduled Absences**, e.g. always on Saturdays, may warrant further investigation. Store Managers are required to contact their Regional HR Manager in these instances.
- For Canadian stores, the **Call Off** and **No Call/No Show** procedure will apply, but **Unscheduled Absences** due to illness or injury will be subject to a different process for **Corrective Action** and may require accommodation pursuant to applicable human rights laws. You are required to partner with your Regional HR Manager prior to writing **Corrective Action**.

SAFETY POLICY

All associate and customer injuries must be immediately reported to your supervisor and a Loss Prevention Incident Report must be completed the same day.

Do your part to prevent accidents and injuries by:

- Keeping the aisles and exits clear.
- Proper use of stockroom equipment including ladders and box cutters.
- Proper placement and securing of signage and fixtures.
- Reporting all safety concerns to your supervisor.

Training

All newly hired or rehired associates are required to view the Safety Matters training video during their orientation, and will be shown the following during their store tour:

- Emergency exits and store evacuation map
- Emergency Information Sheet
- Fire extinguishers
- First aid kit
- Material Safety Data Sheets (MSDS)
- Safety Committee Meeting Minutes (if applicable)
- Safety Checklist

CRITICAL CONTROLS

Store critical controls are proven methods to reduce company shortage, decrease associate/customer theft and reduce the risk of robbery. Shortage, also known as shrink, is missing inventory resulting from recordkeeping errors, internal theft or shoplifting.

- **Associate Coverage:** At least 2 associates must be in the store at all times, except with DD/DVP approval.
- **Back Door:** Must be closed with audible alarm set.
- **Cashier Password:** Must only be known by the associate and should not be part of their associate ID.
- **Incoming Shipments:** Must be received through the shipping scanner.
- **Inventory Control Tagging:** All selected merchandise must be tagged as per your stores' current guidelines.
- **Keys:** Must be accounted for and only in possession of management.
- **Office Door:** Must be secured at all times.
- **Off-Site Stockroom:** Two associates must go to the off-site stockroom (if applicable) together.
- **Outgoing Shipments:** Must be scanned through the shipping scanner. Shipouts must have a copy of a validated ship form attached to the daily shipping/receiving paperwork.
- **Package/Bag Checks:** Management must perform package checks and observe the associate exiting the store.
- **Returns/Salvages:** Must be ticketed with correct SKU on tag or salvage slip.
- **Returns/Voids:** All returns must be approved by an authorized associate at the cashwrap while the customer and merchandise are present. Note: if the customer owes Eddie Bauer money, a second signature is not required.
- **Sunglasses/Watches:** All sunglasses must be tagged with EAS tags. All watches must be secured in display fixtures. High value cartons must be turned over to management immediately upon receiving shipment.
- **Trash Checks:** Trash must be removed and inspected under management supervision.

ANTI-HARASSMENT AND WORKPLACE VIOLENCE POLICY

We Will Not Tolerate Any Form of Discrimination, Harassment or Retaliation

Harassment/Discrimination

Harassment (defined as threatening or disturbing behavior) or discrimination based on sex, race, color, national origin, age, religion or sexual orientation, and other forms of discrimination or harassment of, or by, associates, vendors, visitors, customers and clients will not be tolerated. Harassment may include, but is not limited to:

- Offensive or derogatory jokes, comments, slurs, kidding or teasing;
- Threatening, intimidating, or unwelcome comments, gestures or physical contact;
- Written or graphic material, including pictures, cartoons or posters, which are offensive, pornographic or denigrating.

Sexual harassment is defined as follows: Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; (2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive work environment. Sexual harassment can include harassment by someone of the same or of the opposite sex as the harasser.

It is not possible to identify each and every act that constitutes or may constitute sexual harassment. However, examples of sexual harassment include but are not limited to: (a) unwelcome requests for sexual favors; (b) lewd or derogatory comments or jokes; (c) comments regarding sexual behavior or the body of another associate; (d) sexual innuendo and other vocal activity such as catcalls or whistles; (e) letters, notes, invitations, photographs, cartoons, articles, or other written or pictorial materials of a sexual nature; (f) continuing to express sexual interest after being informed that interest is unwelcome; (g) retaliating against an associate for either refusing a sexual advance or reporting an incident of possible sexual harassment to Eddie Bauer management or any government agency; (h) offering or providing favors or employment benefits such as promotions, favorable evaluations, favorable assigned duties or shifts, etc., in exchange for sexual favors; (i) any unwanted physical touching or assaults, or blocking or impeding movements.

Retaliation

Eddie Bauer will not tolerate retaliation. Retaliation and/or reprisals against an individual who in good faith reports or provides information in an investigation about behavior that may violate Eddie Bauer's policies will not be tolerated.

Persons who violate this policy are subject to disciplinary action up to and including termination of employment.

Workplace Violence

Eddie Bauer will not tolerate any form of workplace violence. Workplace violence includes threats, statements or actions which could reasonably be interpreted by an associate as a threat to exercise physical force that could lead to physical injury of the associate. If someone has exercised physical force or made a threat of physical force against you, you must immediately report it - either by dialing 911 in the event of imminent physical harm, or report to your supervisor, your Store Manager, HR Manager, LP Manager, District Director or through the PSEB Ethics Helpline - <http://hr.pseblc.com/ETHICSHELPLINE>. Eddie Bauer will investigate any reported behavior and may discipline, up to and including termination, any associate engaged in such prohibited behavior.

Eddie Bauer will not tolerate acts of violence or threats of violence. Acts or threats of violence include, but are not limited to:

- Threatening harm or harming another person.
- Veiled threats of harm.
- Intimidation.
- Striking, punching, slapping or assaulting another person.
- Fighting or challenging another person to a fight.
- Bringing a gun, knife, explosive or other weapons of any kind on to company property, including parking lots, or to company-sponsored events.
- Obscene or threatening phone calls.

Any violence, threat of violence or other similar conduct is unacceptable behavior, and may result in disciplinary action up to and including separation. In appropriate cases, the company may seek criminal prosecution and will fully cooperate with law enforcement authorities.

Any associate who feels that he or she has witnessed, or been subject to, any form of discrimination, harassment or workplace violence is required to immediately notify their supervisor, any Human Resources manager (800-599-9393), your Regional HR Manager, Loss Prevention or the PSEB Ethics Helpline; PSEB Ethics Helpline - <http://hr.pseblc.com/ETHICSHELPLINE> or (800) 461-9330. You may also report to the Chief Ethics & Compliance Officer –See the Code of Business Conduct and Ethics section for more information on reporting harassment. The Company will promptly investigate any claim and take appropriate action. The Company will respect the confidentiality and privacy of individuals reporting or accused of harassment to the extent reasonably possible.

UNACCEPTABLE BEHAVIOR

At Eddie Bauer, associates must at all times comply with the Company's expectation for work, performance, and conduct. Failure to do so may result in any or all of the following actions, as the Company deems appropriate: separation, written warnings, documented conversations and counseling.

Management will decide in its judgment which of these actions would most effectively take care of the problem. The fact that the Company has or has not utilized any of these actions does not set any precedent and should not be relied upon in future disciplinary situations by any associate. Progressive discipline is not required and may not be followed in all circumstances.

Remember that all U.S. associates are "at will" employees, except where prohibited by law.

Below are examples of conduct resulting in corrective action, up to and including separation. Note that the list is not all-inclusive.

- Violation of any company policies outlined in this guide, including the Code of Business Conduct and Ethics, and the stores' POS Manual.
- The use of or possession of alcoholic beverages on the company premises, consuming alcohol during work hours, or reporting to work under the influence of alcohol.
- Disclosure of company proprietary/confidential information.
- Discourtesy or rudeness to customers or coworkers.
- Drinking or eating on the selling floor.
- Drugs: The use of or possession of drugs (except prescribed or legally obtained "over-the-counter" medications), on the company premises (including the parking lot or company-sponsored events), reporting to work under the influence of drugs.
- Excessive absenteeism or tardiness.
- Failure to report knowledge of theft, fraud or unethical behavior.
- Falsifying company records, including but not limited to, applications, sales reports, Loyalty card use, time cards or contests results.
- Forgery or use of another person's signature.
- Gambling on company premises.
- Inputting false/misleading information into sales reporting systems for personal gain.
- Insubordination or inappropriate conduct.
- Leaving company premises without authorization.
- Making personal purchases or shipments using the company accounts, or taking company property for personal use.
- Making an Eddie Bauer purchase by check with insufficient funds in checking account.
- Excessive personal phone calls on company phones, using company phones for making personal long-distance phone calls; using cellular phones or pagers on the sales floor.
- Refusing a "bag check".
- Returning merchandise purchased at a discount at a non-discount price.
- Ringing your own purchases or processing your own returns.
- Safety violations.
- Smoking on company property, which includes e-cigarettes.
- Socializing with fellow associates or friends excessively on the selling floor.
- Stealing.
- Theft of credit card or identity information.
- Theft of merchandise including removing merchandise without proper paperwork or without paying for it or wearing merchandise while on duty without paying for it.

- Time clock falsification (punching in and out for others, allowing others to do so for you).
- Unauthorized use or manipulation of discounts for customers.
- Use of another person's ID number, password or instant credit password.

CALIFORNIA ADDENDUM

Scheduling Break and Meal Periods

- Eddie Bauer provides rest breaks and meal periods. Associates, including Hourly Nonexempt Management, are required to take their scheduled rest breaks and meal periods.
- Rest breaks are paid. Meal periods are unpaid.
- **Associates must be allowed to leave the premises during breaks and meal periods.**
- Associates are not permitted to waive rest or meal periods in order to leave work early for the day. Rest breaks and meal periods must be taken separately and cannot be combined.

Hours Worked	Paid Rest Break	Minimum Required Meal Periods (Unpaid)
<ul style="list-style-type: none"> • Less than 3 1/2 hours 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • None
<ul style="list-style-type: none"> • 3 1/2 or more hours 	<ul style="list-style-type: none"> • 15 minutes 	<ul style="list-style-type: none"> • None
<ul style="list-style-type: none"> • 5 or more hours (Meal Periods do not count as time worked) 	<ul style="list-style-type: none"> • 15 minutes 	<ul style="list-style-type: none"> • 30 min. meal period which must begin before the end of the fifth hour
<ul style="list-style-type: none"> • More than 6 hours (6.01+) (Meal Periods do not count as time worked) 	<ul style="list-style-type: none"> • Two 15 minute breaks 	<ul style="list-style-type: none"> • 30 min. meal period which must begin before the end of the fifth hour
<ul style="list-style-type: none"> • More than 10 hours (10.01+) (Meal Periods do not count as time worked) 	<ul style="list-style-type: none"> • Three 15 minute breaks 	<ul style="list-style-type: none"> • Two 30 min. meal periods. The second meal period should begin before the start of the 10th hour and within five hours of the completion of the first meal period.
<ul style="list-style-type: none"> • More than 14 hours (Meal Periods do not count as time worked) 	<ul style="list-style-type: none"> • Four 15 minute breaks 	<ul style="list-style-type: none"> • Two 30 min. meal periods. The second meal period should begin before the start of the 10th hour, and within five hours of the completion of the first meal period.

Time & Attendance

- All retail associates, including Hourly Nonexempt Management, must use Workforce Management to record all hours worked.
- It is strictly prohibited to work off the time clock. All hours must be reported, recorded and compensated. **Associates who work off-the-clock, or managers who allow associates to perform work off-the-clock, are subject to disciplinary action up to and including separation.**
- Hourly Nonexempt Management is required to accurately record their hours by entering start, meal, break and end times through Workforce Management.

Reporting Time Pay

- California regulations require that associates be paid Reporting Time Pay under certain circumstances:
 - **Meeting Attendance:** Associates who are scheduled for meetings outside of their scheduled shifts will be paid for the greater of 1) the actual meeting attendance or 2) two hours.
 - **Lack of Work:** If an associate is sent home due to lack of work, the associate will receive pay for the greater of 1) half of their scheduled shift, 2) hours worked, or 3) two hours.

- **Short Term Closure due to Inclement Weather:** Hourly Nonexempt Management receive pay equal to their scheduled shift per day for short term closures due to weather. All other associates do not receive pay if hours are not worked due to short term closure.
- **Split Shift:** Associates who report to work for a second time in any one workday receive an additional one hour of Reporting Time Pay for the split shift. Additionally if the associate works less than 2 hours during second shift, the associate must be paid for at least 2 hours total, actual hours worked plus necessary show up pay to total 2 hours. Split Shift Reporting Time Pay is not applicable to members of management: Store Manager, Co-Manager, Assistant Store Manager.
 - For example a sales associate works a four (4) hour shift but is required to return to the store for a two (2) hour store meeting (or any situation). The associate is paid 6 hours plus 1 hour of Reporting Time Pay for a split shift.
- Reporting Time Pay is not hours worked and is not overtime pay.

California Seating Requirement

In California stores we provide suitable seating, upon request, when the nature of a task reasonably permits the associate to be seated while performing the task. Seating is available on request to any associate who is required to perform a repetitive and stationary task or when an associate requests seating based on a physical concern or injury. Repetitive tasks that lend themselves to the use of seating while performing such tasks might include cashiering on a busy day, folding garments at a folding table, or re-ticketing garments.

The availability of seating does not mean that associates are excused from performing the assigned task along with other tasks normally performed by the associate at the same time and that may not be performed while seated. For example, if you are assigned to refolding or re-ticketing garments on the sales floor, and are also expected to provide assistance to customers, you may not disregard your customer service obligations in order to remain seated. In other words, all standards of customer service and other duties of employment remain. If you are seated while performing a task on the sales floor (except cashiering), and a customer approaches you, the expectation is for you to stand up, greet the customer, and provide them with legendary customer service, except where you are unable to do so as a result of a physical limitation.

If you are performing a repetitive and stationary task and would like to request seating, please talk to any member of your management team.