

OUTER

S T U F F LLC

EMPLOYEE HANDBOOK



JANUARY 2021

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HANDBOOK APPENDIX

WELCOME TO OUTERSTUFF LLC

IMPORTANT NOTICE TO ALL EMPLOYEES

In order to acquaint you with Outerstuff LLC ("Outerstuff" or "Company") and answer some of the questions you may have concerning Company policies, procedures and benefits, we have developed this Employee Handbook as a communication vehicle. Please read it thoroughly and retain it for future reference. **This Handbook is not to be construed as a contract. We hope that your employment with Outerstuff will be satisfying. However, just as its employees have the right to terminate their employment at any time for any reason or no reason at all, so does Outerstuff reserve the right to terminate an employee's employment at any time, for any reason, with or without cause and/or notice. This is called an "at-will" employment relationship.**

No officer, manager, administrator or any other representative of Outerstuff has the authority to make any oral or written promise of job security. Any binding promise of job security or other condition of employment must be in writing and signed by an authorized representative of the company.

Please be advised that this Handbook supersedes any other Handbook previously issued to you by Outerstuff. In addition, be advised that any benefits, policies or procedures outlined in the Handbook, except for the at-will employment provisions, may be changed, deleted, suspended or discontinued at any time, without notice to you, at the sole discretion of Outerstuff.

Every effort has been made to keep the contents of our Handbook as brief as possible. It is intended to present an overview of your employment with Outerstuff. However, if more detailed information is necessary, contact your Supervisor for guidance. If your Supervisor is unable to answer your questions, please contact the Senior Vice President of Human Resources.

Thank you for being a conscientious employee and for your help in maintaining Outerstuff's reputation as a quality, customer-oriented company.

CORPORATE POLICIES

OPEN-DOOR POLICY

Effective communications are particularly important for our Company. As an employee, you are welcome to present any problem or complaint to management at any time, knowing that the door is always open and you will be heard. Outerstuff recognizes that its most important and vital asset is its staff. It is only through trust, understanding and communication that we may continue to grow and prosper. So if you have a problem, please talk to your Supervisor or to the Senior Vice President of Human Resources.

AT-WILL EMPLOYMENT POLICY

All employment with Outerstuff is at-will, which means that you or the Company may terminate your employment at any time, with or without cause or notice to the other party, except as otherwise provided by law.

EQUAL EMPLOYMENT OPPORTUNITY

Outerstuff is an equal opportunity employer and complies with all applicable federal, state and local fair employment practices laws. Outerstuff does not discriminate on the basis of race, color, sex, sexual or affectional preference, gender identity or expression, transgender status, religion, creed, ancestry or national origin, citizenship, age, disability, pregnancy, marital or domestic status, veteran status, genetic information or testing, or any other legally protected status. This policy applies to all employment actions including, but not limited to, recruitment, selection, training, promotion, transfer, layoff, termination, or job-related social or recreational programs.

Any employee who feels that they have been subject to any differential treatment in violation of this policy should report the matter to their Supervisor or the Senior Vice President of Human Resources.

POLICY AGAINST UNLAWFUL DISCRIMINATION AND HARASSMENT

Outerstuff fully supports the concept and practice of providing equal employment opportunities in employment. Thus, in accordance with federal and state anti-discrimination laws, it is the policy of Outerstuff that there shall be no unlawful discrimination in word or deed against a fellow employee or applicant for employment. This policy reaffirms our commitment that all employees should be able to enjoy a work environment free from all forms of unlawful discrimination and harassment.

Scope of Policy: This policy covers all Outerstuff employees engaged in Company business on or off premises, as well as to any third parties conducting business on our premises. Thus, Outerstuff will not tolerate, condone or allow unlawful harassment, whether engaged in by fellow employees, supervisors, independent contractors, consultants or other non-employees (including vendors or visitors) who conduct business with the Company.

Definition of Harassment: Harassment consists of unwelcome conduct, either verbal, physical or visual, that is directed at an individual because of that person's protected status, such as race, color, sex, sexual or affectional preference, gender identity or expression, religion, creed, ancestry or national origin, citizenship, age, disability, pregnancy, marital or domestic status, veteran status, atypical hereditary cellular or blood trait, genetic information or testing, or any other legally protected status. Outerstuff will not tolerate such harassing conduct that affects tangible job benefits, that interferes unreasonably with an individual's work performance, or that creates an intimidating, hostile, or offensive working environment.

Sexual harassment deserves special mention. Although no guidelines can define sexual harassment with complete clarity, unwelcome sexual advances, requests for sexual favors, and other physical, verbal or visual conduct based on sex constitutes sexual harassment when:

1. Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment, or;
2. Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting the individual, or;
3. Such conduct has the purpose or effect of interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Sexual harassment may include, but is by no means limited to, explicit sexual propositions, sexual innuendo, suggestive comments, sexually oriented kidding, teasing or practical jokes, jokes about gender-specific traits, foul or obscene language or gestures, display of foul or obscene printed or visual material and physical contact such as patting or pinching. In addition, under certain circumstances, even harassing conduct of a non-sexual nature can constitute unlawful sexual harassment if that conduct is directed at an individual solely on the basis of his/her gender. When such gender-based conduct creates an intimidating, hostile or offensive working environment, it also falls within the definition of sexual harassment.

Reporting Unlawful Discrimination and Harassment: Outerstuff encourages reporting of incidents of unlawful discrimination and harassment, regardless of whether you are the victim of the harassment or just witnessed or heard about the incident, and regardless of who the offender may be.

If you believe that you are being subject to offensive or harassing behaviors in the workplace, employees may (but by no means are required if they feel uncomfortable doing so) put the offender on notice that he/she finds the conduct objectionable and that it should cease. If the conduct does not cease, the incident should be reported as set forth below.

If you believe you are the victim of or become aware of unlawful discrimination or harassment, immediately report the incident to your Supervisor. If your Supervisor is unavailable or if you are uncomfortable reporting the incident to your Supervisor, report the incident to a member of the senior management team or the Senior Vice President of Human Resources.

Investigation of Discrimination and Harassment Complaints: Be advised that there can be no

informal complaints of unlawful discrimination or harassment, and all Supervisors or managers of the Company are obligated to immediately report all alleged incidents (whether reported by the victim, personally observed, or brought to his/her attention by a third party) to the Senior Vice President of Human Resources so that the allegations can be fully investigated in a timely manner.

The Company or its designee shall be responsible for conducting a prompt and thorough investigation into all allegations of unlawful discrimination or harassment. To the extent possible, the confidentiality of the complaining party, any witnesses and the alleged harasser will be protected against any unnecessary disclosure. At the conclusion of the investigation, the outcome of the investigation will be discussed separately with the complaining employee and the individual against whom the complaint is directed.

Retaliation Prohibited: Outerstuff prohibits any form of retaliation against any employee filing a complaint under this policy or for assisting in the Company's investigation. Any employee who feels they are being subject to any form of retaliation should invoke the complaint procedure discussed above.

Corrective Action for Violations: If it is determined that an individual engaged in conduct in violation of this policy, the Company will undertake appropriate remedial measures and/or disciplinary action, up to and including termination, aimed at eradicating the offensive behaviors from the workplace. If it is determined that an individual lodged a complaint of unlawful harassment in bad faith or provided knowingly false information during the course of an investigation, appropriate corrective action may be taken, up to and including termination.

This policy shall apply to allegations of sexual harassment as well as any other form of unlawful harassment or discrimination alleged to have occurred on Company premises or while engaged in Company business (at any location), and any complaints shall be investigated in the same manner.

ACCOMMODATION OF DISABLED EMPLOYEES

Outerstuff complies with the Americans with Disabilities Act (ADA) and all applicable state and local laws providing for nondiscrimination in employment against qualified individuals with physical or mental disabilities. Therefore, Outerstuff provides reasonable accommodations to such individuals except where the requested accommodation would create an undue hardship on the Company.

Any disabled employee who feels they are in need of a workplace accommodation should make a request, preferably in writing, to his/her Supervisor, the department/division head, or the Senior Vice President of Human Resources. Thereafter, the employee and the Company will engage in an interactive process to determine whether reasonable accommodations can be made. Employees may be required to submit an appropriate medical certification to substantiate the disability and the need for accommodation. All medical-related information divulged by an employee will be kept confidential in accordance with the requirements of the ADA and the Company will retain such information in separate confidential files.

LACTATION BREAKS

In accordance with state and federal law, the Company shall provide reasonable break time of 20 minutes or more to an employee to express breast milk for her nursing child each time the employee has the need to express the milk. The Company shall make reasonable efforts to provide a room or other location where the employee can express milk in privacy.

Any employee wishing to avail herself of this benefit is required to give the Senior Vice President of Human Resources advance notice, preferably prior to the employee's return to work following the birth of the child, to allow the Company an opportunity to locate a room or other location for the lactation and to schedule the break time.

SUBSTANCE ABUSE IN THE WORKPLACE POLICY

The use of drugs or alcohol in the workplace is inconsistent with the behavior expected of employees and subjects our employees and visitors to unacceptable safety risks. It undermines the Company and threatens its ability to operate effectively and efficiently.

Prohibited Conduct: Outerstuff expressly prohibits the following activities at any time that employees are either (1) on duty or conducting Outerstuff business (either on or away from Outerstuff's premises), or (2) on Outerstuff's premises (whether or not the employee is working):

- The use, abuse or being under the influence of alcohol, illegal drugs or other impairing substances.
- The possession, sale, purchase, transfer or transit of any illegal or unauthorized drug, including prescription medication that is not prescribed to the employee or drug-related paraphernalia.
- The illegal use or abuse of prescription drugs.

Nothing in this policy is meant to prohibit the appropriate use of over-the-counter or legally prescribed medication, to the extent that it does not impair an employee's job performance or safety or the safety of others. Employees who take over-the-counter or legally prescribed medication should inform their Supervisors or the Senior Vice President of Human Resources if they believe the medication will impair their job performance, safety or the safety of others or if they believe they need a reasonable accommodation **before** reporting to work while under the influence of that medication. For more information on how to request a reasonable accommodation, please refer to the Company's Disability Accommodations Policy.

A violation of any of the above is subject to disciplinary action, up to and including immediate termination of employment.

Employer-sponsored Events: From time to time, the Company may sponsor social or business-related events at which alcohol is served. This policy does not prohibit the use or consumption of alcohol at such events. However, if employees choose to consume alcohol at such events, they

must do so responsibly and maintain their obligation to conduct themselves properly and professionally at all times with colleagues and/or current or prospective clients and vendors.

Workplace Searches and Inspections: In order to achieve the goals of this policy and maintain a safe, healthy and productive work environment, **Outerstuff reserves the right at all times to inspect employees, as well as their surroundings and possessions, for substances or materials in violation of this policy.** This right extends to the search or inspection of clothing, desks, lockers, bags, briefcases, containers, packages, boxes, tools and tool boxes, lunch boxes and employer-owned or leased vehicles and any vehicles on company property where prohibited items may be concealed. Employees should have no expectation of privacy while on Outerstuff premises, except in restrooms.

Employee Assistance Program: The Company provides an employee assistance program (EAP) for all employees and their eligible dependents. The EAP is designed to help individuals manage personal problems that can impact their well-being and work performance. Treatment is confidential (unless an EAP counselor is required by law to disclose information such as child abuse) and will not become a part of an employee's personnel records. For more information about the EAP or contact the Senior Vice President of Human Resources.

DRUG TESTING IN THE WORKPLACE POLICY

Outerstuff is committed to providing a safe, healthy and productive workplace for its employees. Employees who work under the influence of drugs and alcohol pose a safety risk to themselves and others with whom they work. Therefore, employees may be asked to submit to a drug and alcohol test in accordance with this policy.

Reasonable Suspicion Testing: Employees that work while under the influence of drugs or alcohol pose a safety risk to themselves and others with whom they work. Employees may be asked to submit to a drug and alcohol test if an employee's Supervisor or other person in authority has reasonable suspicion, based on objective factors such as the employee's appearance, speech, behavior or other conduct and facts, that the employee possesses or is under the influence of unlawful drugs or alcohol, or both. Employees who take over-the-counter or legally prescribed medication should inform their Supervisor or the Senior Vice President of Human Resources if they believe the medication will impair their job performance, safety or the safety of others or if they believe they need a reasonable accommodation before reporting to work while under the influence of that medication. For more information on how to request a reasonable accommodation, please refer to the Company's Disability Accommodations Policy.

Testing Procedures: All drug and alcohol testing under this policy will be conducted by an independent testing facility which will obtain the individual's written consent prior to testing. Outerstuff will pay for the full cost of the test. Employees will be compensated at their regular rate of pay for time spent submitting to a drug and alcohol test required by the Company.

Employees suspected of working while under the influence of illegal drugs or alcohol will be suspended without pay until the Company receives the results of a drug and alcohol test from the

testing facility and any other information the Company may require to make an appropriate determination.

Confidentiality: All records relating to an employee's drug and alcohol test results will be kept confidential and maintained separately from the individual's personnel file.

Consequences of a Positive Test: Employees who test positive will be subject to discipline, up to and including immediate termination of employment.

General Consequences of a Positive Test: Except as otherwise provided in this policy, employees who test positive for alcohol, unlawful or unauthorized drugs or substances, or those who abuse legally prescribed medications may be subject to suspension or immediate termination at the sole discretion of the Company.

Consequences of a Positive Test for Marijuana: Marijuana users who test positive will be provided with a written notice of the positive test result and accorded three (3) working days to provide a legitimate medical explanation for the positive test result. The employee may either provide a legitimate medical reason for the positive test result or may request retesting at the employee's expense. The legitimate medical reason may include authorization for medical marijuana use by a health care provider, proof of registration for medical marijuana use, or both.

Medical marijuana users who produce appropriate documentation will be accommodated and will not be subject to any adverse action solely due to a positive test result. However, if the Company has additional evidence to support a conclusion that the employee is under the influence of medical marijuana while engaged in activities on behalf of the Company or on the Company's premises (e.g., observations of impaired job performance, odors of marijuana, etc.) the Company may impose disciplinary action, up to and including termination of employment. The Company remains free to consider additional factors, such as whether the employee serves in a safety-sensitive position that causes an increased risk of injury if the employee is under the influence of marijuana.

An employee who cannot produce sufficient documentation authorizing medical marijuana use may be subject to disciplinary action, up to and including termination.

Consequences for Refusing to Submit to Testing or Failing to Complete the Test: Employees who refuse submit to testing as required by the Company or who fail to complete the test will be subject to discipline, up to and including immediate termination of employment.

Leave of Absence to Attend Treatment Program: an employee who is suffering from alcohol or drug abuse who voluntarily discloses the condition *before* being charged with a violation of this policy may request a medical leave of absence to participate in a rehabilitation program. If granted, the employee will be required to cooperate in any treatment plan during the leave and will not be permitted to return to duty until a certification is presented indicating that the employee is capable of resuming his/her job duties.

An employee who discloses the condition only in response to being charged with a violation of this policy may, at the discretion of Outerstuff, be denied a leave of absence, but in any event the participation in a treatment program will not insulate the employee from discipline for a violation of this policy.

Employee Assistance Program: The Company provides an employee assistance program (EAP) for all employees and their eligible dependents. The EAP is designed to help individuals manage personal problems that can impact their well-being and work performance. Treatment is confidential (unless an EAP counselor is required by law to disclose information such as child abuse) and will not become a part of an employee's personnel records. For more information about the EAP contact the Senior Vice President of Human Resources.

WORKPLACE VIOLENCE POLICY

Outerstuff will not tolerate workplace violence. Violent acts or threats made by an employee against another person or property are cause for immediate dismissal. This includes any violence or threats made on Company property, at Company events or under other circumstances that may negatively affect the safety of Company's employees or its ability to conduct business.

Prohibited workplace conduct includes, but is not limited to:

- Causing physical injury to another person;
- Making threatening remarks or other communications, including remarks by way of email, text, social media or other electronic communication;
- Aggressive or hostile behavior that creates a reasonable fear of injury to another person or subjects another individual to emotional distress;
- Intentionally or recklessly damaging Company property or property of another employee;
- Possession of a weapon while on Company property or while on Company business; and
- Stalking, blocking, yelling and intimidating behaviors.

Any potentially dangerous workplace situations must be immediately reported to a member of management. Employees found to have engaged in violence may be subject to immediate disciplinary action, up to and including termination. In addition, the Company reserves the right to contact local law enforcement authorities in the event of any incident of workplace violence.

UNAUTHORIZED RECORDINGS AND PHOTOGRAPHS POLICY

Overview/Policy Statement: the Company recognizes the need to prevent unlawful harassment, to secure individual privacy, and to protect its confidential, proprietary information from unauthorized disclosure while also avoiding deceptive practices that do not promote honest, ethical standards of business and workplace conduct. Therefore, the Company prohibits the unauthorized use of cameras, cell phones, recording devices or other audio/video recording devices by Company employees in the workplace unless otherwise authorized by this policy.

Applying the Policy

- *Consent Required for Audio and Video Recording.* While New Jersey and New York law permit audio recording so long as one party to the conversation consents to the recording, this policy prohibits the use of any device to make audio or video recordings in the workplace, including but not limited to cell phones, surveillance cameras, listening devices, spy pens or other recording devices, on Company premises or off premises at Company sponsored events without the consent of **all** parties or the prior authorization from the management of the Company, regardless of the location of each party. If a participant at a meeting or conference speaks directly into or at a recording device in plain view (such as a microphone or video camera), then the Company considers that participant had notice of the recording and consented to it. In all circumstances, surreptitious audio and video recordings are prohibited.
- *Cameras in the Workplace.* The use of any device to take photographic images, including cameras, cell phone cameras, spy or surveillance cameras by Company employees on Company premises or off premises at Company sponsored events is prohibited without prior authorization from the management of the Company. This policy will not apply to photographs taken by employees during break and meal periods or at other sponsored social events, so long as all photographed individuals consent to the taking of the picture.
- *Corporate Communications.* This policy does not prohibit the Company from creating recordings or taking photographs within our facilities.

Violations of the Policy: Any employee who surreptitiously engages in audio or video recordings in violation of this policy will be subject to immediate termination. Other violations of this policy may also result in disciplinary action, up to and including termination.

SECURITY / SURVEILLANCE CAMERAS

As you are aware, Outerstuff's business is highly competitive. The disclosure of confidential information, or trade secrets or the loss or theft of company property or trade secrets is not tolerated by Outerstuff. To protect the Company's interests, Outerstuff has installed and utilizes surveillance cameras in certain areas of the workplace, and employees are advised that they may be subject to monitoring while on Company premises. Outerstuff does not maintain surveillance in Company restrooms.

Outerstuff reserves the right to inspect all personal packages, purses, briefcases, backpacks or closed containers brought into or taken out of the work area. In addition, all lockers, desks, file cabinets, closets and other furnishings on Company premises are also subject to inspections. The use of personal locks on Company offices or furnishings is prohibited and will be cut in the event the Company determines to search a work area. The Company is not responsible for damage to private locks or containers during this process.

If Outerstuff has reason to believe that an employee vehicle on Company premises contains

stolen or illegal materials, the Company reserves the right to contact the local authorities to conduct a search of the vehicle. In addition, Outerstuff reserves the right to report theft or other unlawful conduct to the authorities for appropriate action or prosecution.

Where practicable, employees may be asked to sign a form consenting to the search. However, under exigent circumstances searches may be conducted without the consent of the employee. Any employee who refuses to consent to a search may be subject to corrective action, up to and including termination.

ELECTRONIC AND TELEPHONIC COMMUNICATIONS

Ownership of Devices and Communications/Information: Outerstuff may provide certain employees with computers (including laptops and PDA hand-held devices), Internet and email access, cell phones, text messaging capabilities, telephone and voice mail access, and other communication devices to improve efficiency and productivity in the workplace. Your use/entry into these various communication systems is conditioned upon your acceptance of all the terms of this policy.

All communication equipment provided by the Company, and all information sent, received, gathered or stored on the Company's devices, including all information sent through the Company's server to or from a device not owned by the Company, belong to the Company. This includes all personal voice messages, emails, blogs, tweets, texts or other personal materials created or stored on these communication devices or held with a service provider. Therefore, employees utilizing these devices or systems have no expectation of personal privacy or ownership in any emails, blogs, tweets, text messages, voice messages or other information stored in, received, downloaded or sent over Company-owned devices/systems. This includes all communications on the employee's personal, password protected email account in the event these messages are sent and/or received on the Company's communication devices. **Therefore, employees are advised that any personal information accessed by employees through our business systems may, within the permissible parameters of the law, be subject to monitoring by the Company and employees therefore have no expectation of privacy in these materials.**

Monitoring: The Company retains the right, within the permissible parameters of law, to monitor all electronic and telephonic communications on Company-owned devices, including personal communications, to ensure that employees pursue appropriate business purposes. The contents of all voice mails, emails, blogs, tweets, text messages, as well as all files and data on all Company-owned communication devices or systems are accessible at all times by Company management and may be subject to periodic unannounced inspections. Monitoring may include, but is not limited to, review of emails, tweets, blogs, text messages and voice mail content and attachments; tracking of telephone numbers, email addresses and Internet sites visited by each user; the frequency and time spent by each user; blocking access to certain types of Internet sites, and other lawful means to ensure compliance with this policy. Employees are advised that the use of the delete function on our systems will not restrict the Company's ability to retrieve these communications because they are stored in the back-up system.

Personal Use of Communication Systems: The Company's communication systems are provided for business purposes only, but the Company recognizes that occasional personal use may occur. Employees who use these systems for personal communications, including emails, tweets, blogs, text messaging and other social networking do so with the understanding that these communications may be accessed by the Company at any time and employees have no legitimate expectation of privacy in these communications. This includes email communications on the employee's personal, password protected email account in the event these messages are sent and/or received on the Company's computers, laptops or other communication devices.

Employees are prohibited from utilizing any Company logos, signature information or other information that implies, explicitly or implicitly, that they represent the Company in any communication that is not a business-related communication by the employee in their capacity as an employee of the Company.

Employees who engage in excessive personal communications on Company-owned devices or on personal devices on Company time may be subject to discipline, up to and including termination of employment.

Prohibited Communications: The Company strictly prohibits the use of its communications systems or equipment for the following purposes:

- to send threatening, harassing or offensive messages, such as racial or sexual slurs or pornographic material; demeaning or insulting messages directed at an individual because of their age, race, religion, gender, sexual orientation or other protected status; or any other communications that are in violation of the Company's anti-harassment and code of conduct policies
- to disclose trade secrets, personnel information or other confidential or proprietary information to others outside the Company, in violation of the Company's Confidential Information and Intellectual Property policies
- to make defamatory remarks about employees of the Company, its clients, or its products and services
- to engage in any communications or activities that are in violation of state or federal law
- to make unauthorized endorsements of any of the Company's products or services

Users who violate this policy may be subject to corrective action up to and including termination of employment. The Company also retains the right to report any illegal violations to the appropriate authorities.

Nothing in this policy is intended to preclude employees from engaging in communications with co-workers about their terms and conditions of employment with the Company that are protected by the National Labor Relations Act.

ON AND OFF-DUTY USE OF PERSONAL COMMUNICATION DEVICES

Interruptions to address personal matters during work hours can be disruptive in the workplace. Thus, the use of personal communication devices (e.g. cell phones, Blackberries, PDA's, laptops,

etc.) are to be confined to BREAK and LUNCH periods and kept to absolute minimum.

In addition, off-duty social networking activities by employees can also have a direct negative impact on the Company. The Company reserves the right to access any information on the Internet that is generally within the public domain or that the employee has permitted access to by management personnel. Therefore, employees who utilize home or personal communication devices to post or send communications that are in violation of the Company's anti-discrimination/harassment policies, to divulge confidential Company information, or that otherwise violate Company policies on MySpace, Face Book, Twitter or other social networking websites may be subject to corrective action, up to and including termination. The Company will not attempt to gain access to information that is password protected without authorization from the employee, nor engage in any activity that violates the employee's privacy interests under applicable law.

SOCIAL MEDIA USE GUIDELINES

Business Use of Social Media: If you are required to use social media as part of your job duties, for the Company's marketing, public relations, recruitment, corporate communications or other business purposes, be advised that the Company owns all social media accounts used on behalf of the Company or otherwise for business purposes, including any and all log-in information, passwords and content associated with each account, such as followers and contacts. The Company owns all such information and content regardless of the employee that opens the account or uses it, and will retain all such information and content regardless of separation of any employee from employment with the Company.

Guidelines for All Employees' Responsible Use of Social Media: The following sections of the policy provide employees with common-sense guidelines and recommendations for using social media responsibly and safely, in the best interests of the Company. These guidelines reflect the "duty of loyalty" every employee owes its employer, and are intended to add to, not contradict, limit or replace, applicable mandatory rules, policies, legal requirements, legal prohibitions and contractual obligations.

Protect the Company's Goodwill, Brands, and Business Reputation: You are personally responsible for what you communicate in social media. Remember that what you publish might be available to be read by the masses (including the company itself, future employers and social acquaintances) for a long time. Keep this in mind before you post content.

Make it clear in your personal social media activity that you are speaking on your own behalf. Write in the first person and use your personal e-mail address when communicating via social media. Never post anonymously to social media sites when your post could be attributed to the Company, its affiliates, customers, clients, business partners, suppliers, vendors or other stakeholders. Anonymous posts can be traced back to the original sender's email address. Follow all guidelines in this policy regarding social media postings.

If you disclose your affiliation as an employee of the Company, it is recommended that you also include a disclaimer that your views do not represent those of your employer. For example, consider such language as "the views in this posting do not represent the views of my employer."

Respect Intellectual Property and Confidential Information: The Company's Confidential Information and Intellectual Property policies restrict employees' use and disclosure of the Company's confidential information and intellectual property. Beyond these mandatory restrictions, you should treat the company's trade secrets and other confidential information and intellectual property accordingly and not do anything to jeopardize them through your use of social media. In addition, you should avoid misappropriating or infringing the intellectual property of other companies and individuals, which can create liability for yourself and for the Company.

To protect yourself and the Company against liability for copyright or trademark infringement, where appropriate, reference sources of particular information you post or upload and cite them accurately.

Respect and Comply With Terms of Use of All Sites You Visit: Do not expose yourself or the Company to legal risk by using a social media site in violation of its terms of use. Review the terms of use of all social media sites you visit and ensure your use complies with them. If you are using social media as part of your job duties, pay particular attention to terms relating to:

- Prohibitions or restrictions on the use of the social media site, including prohibitions or restrictions on use for advertising, marketing and promotions or other commercial purposes (for example, *Facebook's Statement of Rights and Responsibilities* (its terms of use) and accompanying *Promotional Guidelines* specify the terms for businesses administering promotions through Facebook).
- Ownership of intellectual property used on, or information collected or generated through use of, the site (for example, any of the company's copyrighted material and trademarks that might be posted on the site, or user information the company collects through the site).
- Requirements for licenses or other permissions allowing use by the site owner and other third parties of the company's trademarks or other intellectual property.
- Privacy rights and responsibilities of the site owner and users.

Respect Others: Do not post anything that the Company's customers, clients, business partners, suppliers or vendors would find offensive, including ethnic slurs, sexist comments,

discriminatory comments, insults or obscenity. Supervisors and direct reports should refrain from trying to connect with one another on social media sites (for example, making friend requests on Facebook). Neither Supervisors nor direct reports should feel pressured to accept any requests from anyone at the Company.

Conduct not Prohibited by this Policy: Nothing in this policy is intended to preclude employees from engaging in communications with co-workers about their terms and conditions of employment with the Company that are protected by the National Labor Relations Act.

CONFIDENTIAL INFORMATION

Our industry is extremely competitive and information is valuable. Observing confidentiality is an important responsibility that you have as an employee of Outerstuff. You are not to relay to unauthorized third parties any information regarding design and artwork, production and quality control procedures, product pricing, marketing strategies, business plans, vendor list or identities, customer lists or identities, personnel information and any other confidential information which could be of value to our competitors, or endanger the relationship of a customer.

Unauthorized disclosure of confidential information may result in corrective action up to and including termination.

Depending upon your position, Employees may be asked to sign a stand-alone Intellectual Property policy designed to protect these valuable Company resources.

COMPANY PROPERTY

As an employee, you may be entrusted with various items of Outerstuff property. It is essential that you maintain these items in good condition and handle any supplies or equipment with care.

Any unauthorized removal of Outerstuff property from the premises is prohibited and will be cause for corrective action up to and including termination. All Outerstuff property must be returned upon termination of employment.

APPEARANCE AND DEMEANOR

Your appearance and demeanor reflects on the overall image of Outerstuff. While we generally have a business casual work environment, employees are nevertheless required to dress in appropriate attire appropriate for their job duties and behave in a business-like manner. Neatness, cleanliness and good taste should be shown in your clothing and grooming habits. Please use good judgment in your choice of attire and remember to conduct yourself in a business manner at all times when you are representing Outerstuff. The following items are NOT acceptable at any time: sweat pants, workout clothes, beach type flip flops, torn clothes, revealing clothes, mid-drift clothes, clothes with inappropriate content, slippers and excessive perfume, jewelry or makeup.

SOLICITATION AND DISTRIBUTION OF LITERATURE/MATERIALS

In the best interest of Outerstuff's operations, employees may not distribute literature or materials of any kind, sell merchandise, solicit financial contributions or solicit for any other cause during working time and/or in the work areas. Working time does not include scheduled breaks, meal periods, or the time before or after the work shift. Employees should consult with the Senior Vice President of Human Resources for further information about posting and distributing information in the workplace.

While the Company supports its employees' charitable fundraising efforts, we do not permit employees to send Company-wide emails related to personal fundraising efforts. If an employee would like participation from colleagues in a personal fundraising effort, a posing is permitted in the Company's kitchen area for a two week period, subject to prior approval from the Chief Operating Officer in the New York Office and the Senior Vice President of Human Resources in the New Jersey Office.

This policy shall not apply to informational activities protected by the National Labor Relations Act and other labor laws.

FOREIGN CORRUPT PRACTICES ACT COMPLIANCE POLICY

The Company (including any of its subsidiaries and affiliated companies) is committed to conducting all aspects of its business in keeping with the highest legal and ethical standards. To assist the Company in upholding this commitment in the context of dealings with officials outside of the United States (the "foreign officials"), the Company has designed and implemented the following Foreign Corrupt Practices Act ("FCPA") Policy (the "Policy"). The Policy is designed specifically to help all persons acting on behalf of the Company to understand the legal and ethical issues that can arise in dealings with foreign officials. This Policy applies to all directors, officers and employees of the Company (together, the "Company Personnel"), regardless of position, nationality, or location. It also applies to independent contractors, consultants, joint venture partners, vendors and any other third-party agents or representatives acting on the Company's behalf (together, the "Vendors" and with the Company Personnel, the "Representatives").

The FCPA is the primary law that governs dealings between United States businesses and foreign officials. The FCPA was enacted by the United States Congress in an effort to prevent corrupt practices between businesses and foreign officials. In brief, the FCPA makes it illegal for businesses, including "issuers" listed on U.S. securities exchanges, its officers, directors, employees and agents, or any stockholder acting on its behalf, to bribe foreign officials. The FCPA also requires businesses to keep accurate financial records and to maintain internal accounting controls.

It is the Company's policy that all Representatives shall conduct their activities in full compliance with the FCPA. Failure to comply with the FCPA may seriously harm the Company's business success and reputation and may subject both the Company and the individuals involved to civil and/or criminal liability. The pages that follow provide a general

guide to the requirements of the FCPA and set forth the Company's own requirements for conducting business in compliance with the FCPA. This Policy, however, does not address and does not purport to address every potential scenario that may implicate FCPA compliance issues. Consequently, it should be interpreted only as a general guide. Any Representatives who have further questions concerning the requirements of the FCPA should consult with the Chief Executive Officer.

Failure to comply with the policy is grounds for disciplinary action, up to and including termination.

Anti-bribery Provisions: The Anti-bribery Provisions of the FCPA make it illegal to give or offer anything of value to any foreign official for the purpose of obtaining or retaining business or securing an improper advantage. Both the FCPA and this Policy require that these terms be interpreted broadly. Although there are any number of scenarios that could present the danger of an improper payment, typical examples include negotiating a potential contract with a foreign government or governmental entity or seeking permission from government officials to conduct certain business activities in a foreign country.

In addition to prohibiting corrupt payments directly to foreign officials, both the FCPA and this Policy prohibit payments made to third parties with the knowledge that the payment or part of the payment will be passed on to foreign officials for corrupt purposes. The limited circumstances in which payments or gifts may be made to foreign officials are set forth below. Because of the strict limitations on payments to foreign officials imposed by the FCPA, it is strict Company policy that no Representatives shall provide or offer anything of value to any foreign official except as set forth in this Policy. Moreover, personal funds must not be used to accomplish what is otherwise prohibited by this Policy.

Definition of Foreign Official: For purposes of this Policy, the term "foreign official" includes but is not limited to any employee, agent or instrumentality of any foreign government outside of the United States, including departments or agencies of a foreign government, any organization controlled by the government, foreign political parties, and candidates for office in a foreign country. Please note that this broad definition encompasses all officers and employees of wholly or majority state-owned businesses and enterprises or businesses and enterprises controlled by the government, including public schools operated by branches or agencies of the Chinese government, even if they are not considered public officials under Chinese law. The term foreign official also includes employees, agents and representatives of any Public International Organizations, such as the World Bank, the International Monetary Fund or the United Nations.

While it may appear relatively easy to determine who is a foreign official, in practice the distinction is often a difficult one. The scope of government officials under the FCPA is often much broader than common concepts of civil servants and government officials under local law. An individual may be a government official even if he or she does not have a government title or is not directly employed by a government agency. In particular, many entities that appear to function as private sector businesses are in fact at least partially state-owned, and employees of such enterprises are often deemed to be government employees. For this reason, the Representatives should take extreme care in their dealings with representatives of foreign

businesses. Any questions concerning the definition of foreign official should be raised with the Chief Executive Officer.

Meals, Entertainment and Gifts: The FCPA does not prohibit the provision of small gifts or similar items of moderate value to foreign officials if these items are not offered with corrupt intent. Similarly, this Policy recognizes that the polite conduct of business in certain foreign countries may require that the Representatives offer token gifts or entertainment to foreign counterparts who may, in certain instances, function as government officials. In order to maintain compliance with the FCPA while simultaneously conducting business in accordance with local custom, the Representatives may provide token gifts to foreign officials only when such offerings are of nominal value, not unlawful, and in keeping with the custom or practice of the foreign official's country.

Advance written authorization from the Chief Executive Officer is required for the payment or reimbursement of any gifts, entertainment, travel, or other benefits for ANY foreign government official. The Chief Executive Officer may provide standing authorizations for the provision of pre-approved gifts or entertainment. The Chief Executive Officer is prepared to provide prompt guidance to ensure the propriety and legality of gifts, entertainment, and travel for foreign officials.

Pre-authorized expenses should be documented and recorded accurately, in accordance with Company policy. Any gift, entertainment, or payment to a government official for the purpose of influencing the recipient to act improperly is prohibited, even if satisfies the requirements for a pre-authorized gift or entertainment expense.

Promotional Expenses; The FCPA permits the Company to pay for reasonable expenses incurred by foreign officials in connection with the Company's promotion or demonstration of its products. As an example, if the Company is negotiating a contract with a foreign government, the FCPA would not prohibit the Company from paying reasonable expenses, e.g., air travel, hotel, etc., associated with sponsoring a delegation of foreign officials to travel to the United States to tour a production facility. Nor would the FCPA prohibit the Company from providing a reasonable quantity of the Company's products to foreign officials for demonstration purposes.

Any promotional expenses paid on behalf of foreign officials, however, must be strictly limited to those relating directly to the Company's promotion or demonstration of its products. Under no circumstances may such payments be used as an excuse to provide foreign officials with anything of value unrelated to the promotion or demonstration of its products.

Prior to making any payment to a foreign official for promotional purposes, the Representatives must consult with the Chief Executive Officer, submit a written request detailing the circumstances surrounding the proposed payment and receive written authorization for the payment. Finally, any promotional payments must be completely and accurately reflected in the Company's financial records.

Use of Local Partners or Agents: The Company's commitment to compliance with the FCPA must extend to the activities of the Vendors. The Company and its individual officers and

employees may be liable for payments made by a third party (sales representative, subcontractor, consultant, agent, or joint venture partner) of anything of value to any foreign official, even if the third party is not subject to the FCPA, and even if the Company is not aware of the payment. The FCPA imposes liability if the Company, or its officers or employees, give, pay, promise, offer or authorize such payment when the Company knows or has reason to know that it will be used in whole or in part to make an illegal payment to a foreign official. Company Personnel should be careful to avoid situations involving third parties that might lead to a violation of the FCPA. Therefore, prior to entering into an agreement with any Vendors who acts on behalf of the Company in dealings with foreign governments, Company Personnel must perform proper and appropriate FCPA-related due diligence and obtain from the third party certain assurances of compliance with the FCPA and this Policy. The duty to comply with the FCPA does not end once a due diligence investigation has been completed and a contract has been entered. The Company may still be subject to an FCPA violation if it fails to monitor third parties throughout the duration of the relationship. Therefore it is important that audits are performed periodically to review the file and check whether all relevant documentation is in the file and whether anything in the file suggests the need for further inquiry.

Penalties for Violations: In addition to jeopardizing the Company's business reputation, violations of the FCPA and related laws by a Company employee can result in millions of dollars in fines against the Company and can subject the employee to prosecution, criminal fines, and imprisonment.

The Company may not reimburse an officer, director, employee or agent for the amount of the fine involved. In addition any officer, director, employee or agent of the Company can be prosecuted even if the Company is not. The United States Department of Justice and the United States Securities Exchange Commission may also obtain injunctions to prevent FCPA violations. In addition to the above penalties, violations of the Company's FCPA Policy may result in discipline by the Company, including termination.

Reporting and Whistleblower Protection: The Company takes its commitment to FCPA compliance with the utmost seriousness and expects all the Representatives to share that commitment. The Company, therefore, expects and requires that any Representatives that have knowledge of, or reason to suspect, any violation of the FCPA or this Policy contact the Chief Executive Officer immediately. All such reports will be treated as confidential and will be shared with authorized individuals only on a need-to-know basis. As long as a report is made honestly and in good faith, the Company will take no adverse action against any person based on the making of such a report. Employees should note that the failure to report known or suspected wrongdoing of which an employee has knowledge may, by itself, subject that employee to disciplinary action.

Record Keeping: The FCPA requires that the Company and all of its subsidiaries to maintain accurate financial records which reflect in reasonable detail all transactions and dispositions of assets. These provisions are designed to ensure that all payments made by the Company are accurately reflected in the Company's financial records and that all payments made with Company funds, or on behalf of the Company, have been properly authorized. Therefore, the FCPA prohibits the mischaracterization or omission of any transaction on the Company's books,

as well as the failure to maintain control over the Company's financial records such that a mischaracterization or omission may result.

Accordingly, the Representatives must follow applicable standards, principles, laws and Company practices for accounting and financial reporting. In particular, the Representatives must be timely and complete when preparing all reports and records required by management. In connection with dealings with public officials and with other international transactions, the Representatives must obtain all required approvals from the Chief Executive Officer and, when appropriate, from foreign governmental entities, prior to paying or authorizing a payment to a foreign official. The Representatives should be sure that no part of any such payment is to be made for any purpose other than that to be fully and accurately described in the Company's books and records. No undisclosed or unrecorded accounts of the Company are to be established for any purpose. False or artificial entries are not to be made in the books and records of the Company for any reason.

SMOKE-FREE WORKPLACE

In accordance with state and local laws, all areas of the workplace are now smoke-free without exception. Smoking is not permitted anywhere in the workplace, including all indoor facilities and company vehicles with more than one person present. Smoking is not permitted in private enclosed offices, conference and meeting rooms, restrooms, cafeterias, lunchrooms, employee lounges or anywhere in our offices.

Employees must swipe in and out when take a smoking break, and this will not be considered working time. A repeated failure to do so may result in disciplinary action.

WORKPLACE HEALTH AND SAFETY

Outerstuff is committed to maintaining a safe workplace. To further its goal, employees are required to comply with all Outerstuff's rules as well as any applicable federal, state and local laws regarding workplace safety. In addition, you must keep your work area organized and free of any potential hazards. Report any hazardous conditions immediately to your Supervisor.

If you are injured, no matter how slight, report it to your Supervisor immediately. **FAILURE TO DO THIS MAY RESULT IN THE INSURANCE COMPANY DENYING A CLAIM FOR WORKER'S COMPENSATION, AND/OR THE COMPANY ACCEPTING ANY RESPONSIBILITY FOR YOUR INJURY.**

FOUL WEATHER/EMERGENCY CLOSING

Should weather or emergency conditions be especially dangerous, employees will be advised of any closing of the Company offices by way of telephone, email or text message. If the Company is open for business but an employee is unable to make it in, the employee may use an accrued PTO day to cover the absence. Hourly employees who report late will be paid for actual hours worked. Should bad weather or an emergency force a closing, the Company will pay employees for the full work day unless the duration of the closure poses an economic hardship for the Company.

PERSONNEL POLICIES

EMPLOYEE CLASSIFICATIONS

Outerstuff clarifies employment classification definitions so employees understand their employment status and benefit eligibility.

At the time of hire, employees are classified as either EXEMPT or NON-EXEMPT. This is necessary because, by law, employees in certain types of jobs are entitled to overtime pay for hours worked in excess of 40 hours per week. These employees are referred to as NON-EXEMPT and are paid on an hourly basis and hold positions that are eligible for overtime pay under the Federal Fair Labor Standards Act (FLSA) and any applicable state laws. EXEMPT employees are salaried executives, managers, designers and creative positions, professional/technical staff and commissioned sales personnel holding positions that are ineligible for overtime pay under the FLSA and any applicable state law. If you are an exempt employee, you will be advised of that classification at the time you are hired, transferred or promoted.

In addition to the above categories, each employee will belong to one other employment category:

REGULAR FULL-TIME employees are those who are not in a part-time, temporary or introductory status and who are regularly scheduled to work a full-time schedule. Generally they are eligible for the Company's benefit package and subject to the terms, conditions, and limitations of each benefit program.

REGULAR PART-TIME employees are those who are not assigned to a regular full-time, temporary or introductory status and who are regularly scheduled to work less than 40 hours per week. While they do receive all legally mandated benefits (such as Social Security and Workers' compensation insurance, Paid Family Leave benefits), they are generally ineligible for the Company's benefit programs.

PERSONNEL RECORDS

Personnel records are confidential business records of Outerstuff. All personnel records are handled with confidentiality. The Company does not give out personal information to individuals or agencies without your approval, unless compelled by law or if it affects the Company directly.

If there is a change in your name, address, phone number, marital status, dependents or beneficiary, military or draft status, driving record or status of driver's license if you operate any company vehicles, please notify the Senior Vice President of Human Resources as soon as possible. This information will help us contact you or your relatives in case of an emergency and help us keep your insurance coverage up to date where appropriate.

If there is any change in the number of dependents or your marital status, please complete a new

W-4 form available from the Senior Vice President of Human Resources, so that your tax deduction can be adjusted.

INTRODUCTORY PERIOD

In order for Outerstuff to make an appraisal of the performance of newly hired full-time employees, there exists a ninety-day introductory period during which the new employee is evaluated.

You will be given guidance by your Supervisor during this time in order that you understand what is expected of you in your new job. Your performance will be closely monitored during this period. When circumstances warrant, your introductory period may be extended by Outerstuff. The successful completion of this period should not be construed as creating a contract or as guaranteeing employment. Completion of the period does not change your employee-at-will status.

EMPLOYEE PHOTOGRAPHS

All employees will be required to have a head-shot photograph taken by the Company which shall only be used for internal Outlook emails and the Company's ADP database. Employee images will not appear in external emails or be utilized for any other purpose.

PERFORMANCE STANDARDS AND EVALUATIONS

Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. Formal performance evaluations may be conducted, at the option of your Supervisor, at any time during the calendar year. Employees are encouraged to contribute comments and suggestions during the review.

Merit increases and promotions are based upon Company performance and our view of individual performance in such areas as:

- Quality of work
- Productivity
- Initiative
- Teamwork
- Job knowledge/skills
- Safety
- Attendance and punctuality

PAYROLL-DIRECT DEPOSIT

Payroll is paid on a bi-weekly basis and is distributed on the Thursday after the pay period. For your convenience, we offer payroll direct deposit. If you are interested, please make sure to send a voided check with an enrollment form. The enrollment process takes approximately 10-15

business days from the time the payroll department receives your enrollment form.

According to Federal and State laws, social security, income tax and other required deductions will be made from your pay. You may also choose to have additional deductions made.

Employees may report any payroll discrepancies or refer any payroll questions to the Senior Vice President of Human Resources, and any necessary adjustments will be made on the following week's payroll.

OVERTIME (Not applicable to exempt personnel)

Employees who are classified as "non-exempt" are paid at the rate of one and one-half times the regular hourly rate of pay for all hours actually worked in excess of forty hours in any work week. For the purpose of calculating overtime, holidays, personal/paid time off and other time off WILL NOT be counted as time actually worked for the purpose of calculating overtime.

All employees must secure prior approval from their Supervisor, in writing, before working over forty hours. Employees must accurately record and report ALL time worked, including overtime, in accordance with the Company's timekeeping procedures. A failure to comply with the foregoing may result in corrective action.

TIME-KEEPING PROCEDURES

Timekeeping Requirements for All Employees: It is the policy of Outerstuff to comply with all Federal and State wage and hour regulations that require records to be maintained of all the hours worked by our employees.

To ensure that accurate records are kept of the hours actually worked by our staff, *all salaried and hourly* employees are responsible for swiping or clocking in when they report to duty and when they are off-duty at the end of the work day. In addition, all hourly employees are responsible for swiping or clocking in and out when they go on a meal break or any other personal break in excess of 20 minutes when they leave the Company facility or are otherwise not engaged in active job duties.

Additional Timekeeping Requirements for Hourly Employees: Hourly employees are not permitted to punch in prior to their designated start time without a Supervisor's approval, and likewise are not permitted to punch out after their designated end time without a Supervisor's approval.

Meal periods are to be strictly adhered to and employees are not permitted to work through meal periods without supervisory approval.

If you have any questions regarding the Company's timekeeping procedures, or if you need to correct a time entry, you must immediately ask your Supervisor or the Senior Vice President of Human Resources for guidance. **YOU ARE RESPONSIBLE FOR CORRECTLY RECORDING THE HOURS YOU ARE AUTHORIZED TO WORK.** Failure to do so will subject you to

disciplinary action, up to and including termination.

HOURS OF WORK AND BREAK PERIODS

Employees will be advised by Human Resources of their work location's standard hours of operation and the schedule of daily meal periods.

All hourly employees must clock out when they go on a meal break or a personal break (a break in excess of 20 minutes for smoking, to run a brief personal errand, etc.) and must clock in when they return to duty. These breaks shall not be paid. Personal breaks should be kept to a minimum. Salaried employees are expected to work a minimum of 40 hours per week, and should make up any personal break time to ensure that the minimum weekly number of hours is worked.

Employees who use excessive personal break time may be subject to disciplinary action.

ATTENDANCE/TARDINESS POLICY

All employees will be advised by their Supervisor of the hours of operation at their assigned work location as well as the hours that the employee is expected to work. Employees are expected to be at their assigned work stations and ready to work at their assigned start time and expected to punch out at the conclusion of their assigned work day.

Notification of Absence: Outerstuff requires regular and punctual attendance from all employees. Employees who are going to be absent for a full or partial work day, late for work or need an early departure must notify their Supervisor and the Senior Vice President of Human Resources as far in advance as possible to secure approval for the absence. Employees who must miss work because of emergencies or other unexpected circumstances must likewise notify their Supervisor and the Senior Vice President of Human Resources as soon as possible. If the employee is unable to do so, they must have a representative make the notifications.

Excused Absences: Absences will be considered excused if the employee requested the time off in accordance with Outerstuff's Paid Time Off Policy, received the required approval for the absence, and has sufficient accrued, but unused, time to cover the absence. Absences also will be considered excused if the employee requested the time off in accordance with the Company's leave of absence policies described elsewhere in this Handbook.

An employee will be considered to have taken an unexcused absence if the employee is absent from work during scheduled work hours without permission, including full or partial day absences, late arrivals and early departures.

Any employee who is absent for three (3) or more consecutive days due to illness must provide a note from his or her physician/health care provider to verify the employee's need for sick leave, and if appropriate, fitness to return to work.

Engaging in Work Activities During an Absence: Non-exempt, hourly employees who are absent from work are not permitted to engage in any work-related activities, including computer, email, text and other activities, unless expressly authorized by their Supervisor.

Consequences of Unexcused Absences: Outerstuff reserves the right to discipline employees for unexcused absences. Discipline may include counseling, oral or written warnings, suspensions or termination of employment, in the Company's discretion.

With the exception of unusual circumstances, any employee who is absent from work for three (3) days without notifying the Company will be deemed to have voluntarily abandoned his or her job and the employee's employment will be terminated.

Make Up for Late Arrivals/Early Departures: At the Supervisor's election, hourly employees may be afforded the opportunity to make up the time for a late arrival or early departure within the same work week. If authorization is denied, or if the time is not made up in the same work week, the time will be deducted from the employee's pay. The fact that an employee made up the time will not preclude the Company from taking disciplinary actions if the absence is deemed unexcused in accordance with this policy.

Exempt employees, who are expected to work a minimum of 40 hours, may likewise be afforded the opportunity to make up the time for a late arrival or early departure within the same work week, and the failure to make up the time may result in disciplinary actions at the Company's discretion.

TEMPORARY WORK FROM HOME

While all our staff is expected to report to our offices on a daily basis, from time to time employees will be considered for a temporary work from home arrangement, either of a full-time or partial basis. Work from home authorizations are typically reserved for situations where the employee has difficulty reporting to the office due to temporary or emergent circumstances, such as medical or family illnesses, the need to be present for home maintenance or deliveries, or other similar situations. These arrangements are considered on a case-by-case basis and will take into account the operational needs of the Company. Work from home is granted solely at the discretion of the Company and may be revoked at the Company's discretion if it concludes that the arrangement is no longer in its best interests. The following are our policies for working from home (WFH).

Authorization to work from home. If you need to work from home, you will need written authorization from your immediate manager and department head.

Out of Office Message. Employees must set their Outlook away message for emails inside our organization so that other staff members are aware you are not in the office.

Compensation and Work Hours. The employee's compensation, benefits, work status and work responsibilities will not change due to WFH. The amount of time the employee is expected to work per day or pay period will not change as a result of WFH.

Employees will be required to accurately record all hours worked using Outerstuff's time-keeping system. Hours worked in excess of those scheduled per day and per workweek require the advance approval of the Department Head/Supervisor. Failure to comply with this requirement may result in corrective action.

Equipment. Any equipment supplied by Outerstuff is to be used for business purposes only. Outerstuff accepts no responsibility for damage or repairs to employee-owned equipment.

Work Space. The employee shall designate an appropriate workspace within the remote work location for placement and installation of equipment to be used while WFH. The employee shall maintain this workspace in a safe condition, free from hazards and other dangers to the employee and equipment. Outerstuff will not be responsible for costs associated with the setup of the employee's home office, such as remodeling, furniture or lighting, or for repairs or modifications to the home office space.

Security. Consistent with Outerstuff's expectations of information security for employees working at the office, WFH employees will be expected to ensure the protection of proprietary company and customer information accessible from their home office. Steps include regular password maintenance and any other measures appropriate for the job and the environment as directed by Outerstuff's IT Department.

Worker's Compensation. During work hours and while performing work functions in the designated work area of the home, employees WFH are covered by Outerstuff's worker's compensation policy. The Company assumes no liability for injuries occurring in the employee's home workspace outside the agreed-upon work hours.

Video Conferences. When participating in a video conference, all employees need to have their camera on. If the employee's computer is not equipped with a camera, the employee should use their smart phone. If the employee does not have a smart phone, Outerstuff will supply a camera.

Availability. Employee's level of availability should be no different than working in the office. This includes responsiveness to phone messages, emails, and texts during work hours.

CODE OF CONDUCT AND CORRECTIVE ACTION

Outerstuff expects its employees to observe "common sense" rules of honesty, appropriate conduct, fair play and courtesy when performing their job duties. While Outerstuff cannot provide an exhaustive list of all the types of conduct which it considers inappropriate and unsatisfactory, listed below for your guidance are only some examples of conduct which may result in corrective action:

- Poor job performance
- Excessive absenteeism or lateness

Unauthorized disclosure of the Company's trade secrets or confidential information,
including premature disclosure of any league/team early launch information
Inappropriate attire, language or conduct in the workplace
Fighting or threatening co-workers or others
Conviction of a felony crime
Theft of or deliberate damage to the property of the company or others
Dishonesty or falsification of Company records, including attendance records
Possession of weapons
Use, possession, manufacture, distribution, sale/purchase or being under the influence of
intoxicants, illegal drugs or abuse of prescription drugs on Company premises
Smoking in Company offices
Excessive unauthorized smoking or other breaks
Concealing defective work
Insubordination
Acts which tend to jeopardize good relations between the Company and its customers and
business associates
Violation of any other policies and procedures of the Company

Outerstuff shall be the sole arbiter of whether an employee's misconduct or inadequate job performance warrants corrective action, as well as the measure of discipline to be imposed against the employee. Corrective action may include one or more of the following actions: counseling, probation, oral warning, written warning, suspension, termination or other corrective measures. Unacceptable behavior or unsatisfactory job performance shall be dealt with in any of the foregoing manners as deemed appropriate to the circumstances, and Outerstuff is in no way obligated to progress through each or any of the corrective measures set forth above before taking more severe corrective measures.

Nothing in this policy shall affect the employee's "at will" status, which permits the Company to terminate the employee at any time, for any or no reason, without cause or notice.

RESIGNATION OF EMPLOYMENT

If you decide to terminate your employment with Outerstuff, the Company requests a written letter of resignation at least fourteen (14) days prior to the effective date. Notice shall be given in writing and submitted to your Supervisor and the Senior Vice President of Human Resources. Unless approved by management, an employee is not permitted to utilize accrued paid time-off benefits during this period, and all unapproved absences during this period shall be unpaid.

The Company reserves the right to withhold payment of accrued paid time off benefits for those employees who failed to give timely notice in accordance with this paragraph.

YOUR BENEFITS PACKAGE

HOLIDAYS

All full-time employees will be eligible for paid holidays as detailed on the Company's annual calendar which will be distributed to employees on a yearly basis.. The Company reserves the right to change the number of holidays and which holidays are observed on a yearly basis.

PERSONAL/PAID TIME OFF (PTO) FOR FULL-TIME EMPLOYEES

In an effort to simplify and streamline our corporate policy with regard to paid vacation, sick and personal time provided as a benefit to employees, Outerstuff has adopted a Personal/Paid Time Off (PTO) policy in order to provide eligible FULL-TIME employees with flexible paid time off from work that can be used when necessary for vacation, personal or family illness/treatment/doctor appointments, holidays on which the Company is open and other needs of the employee's choice. Employees are encouraged to save days to have available for use as sick or personal days before using them all for vacation time off. PTO days can be taken in full or half days.

Accrual of PTO: In addition to paid legal holidays detailed on the Company's annual calendar, each full-time employee who started their employment with the Company will accrue PTO on a calendar year basis in accordance with the following schedule:

Years of Employment	Rate of Accrual Per Month/Year
Year of Hire through 12/31	6.66 hours/10 days max.
Year 2	
Employees hired after 7/31	6.66 hours/10 days max.
Employees hired on or before 7/31	10 hours/15 days max.
Year 3	10 hours/15 days max.
Jan. 1 st after year six	13.33 hours//20 days
Jan. 1 st after year sixteen	16.66 hours/25 days

Introductory employees will only be permitted to utilize accrued PTO days during the introductory period in the event any of the family or personal illness or other emergent situations specifically listed in the "Using PTO" section of this policy.

Maximum Carry Over of Unused PTO: At the end of each calendar year, an employee is permitted to carry over a maximum of 40 hours of PTO into the following calendar year. Any additional unused accrued PTO will be forfeited by the employee without payment.

Taking PTO: Planned absences, such as vacation and personal time, must be scheduled in advance through your Supervisor and approved by Senior Management. PTO requests should be submitted as early as possible in order to be granted the PTO request. Generally, PTO requests for more than one week will only be granted in special circumstances and as long as the business is not adversely affected.

Subject to the restriction stated above, the Company will attempt to grant all employees PTO for vacation and personal use at the time they desire to take it. However, we must maintain adequate staffing at all times. Therefore, it is the company's policy to deny requests if too many employees seek to take time off at the same time so as not to impede the orderly flow of work. Your Supervisor will have the authority to deny PTO request if they feel their department will not be adequately staffed. In the event of more than one employee requesting PTO for the same dates, the Supervisor has the authority to make a determination based on the date the written PTO request was submitted, seniority or other workflow related criteria.

There may be occasions where prior approval is not required, such as sudden personal or family illness or emergency, when you cannot notify your Supervisor in advance. In those situations, you must inform your Supervisor of your circumstances as soon as possible. Prior approval for PTO time is not required if the absence is due to the following circumstances:

- Diagnosis, care, treatment, or recovery from a mental or physical illness, injury or other adverse health conditions, or for preventative medical care of the employee or a family member
- Absence(s) necessary due to the employee or employee's family member being a victim of domestic or sexual violence, including medical attention, counseling or victim's services, relocation, securing legal services, or attending legal proceedings.
- Time needed after the closure of the employee's workplace or the school/place of care of the employee's child because of a state of emergency declared by the Governor.
- A declaration of a state of emergency by the Governor, or this issuance by a health care provider, the Commissioner of Health or other public health authority of a determination that the presence of the employee, or a member of the employee's family who is in need of care by the employee, would jeopardize the health of others.
- During a state of emergency declared by the Governor, or upon recommendation, direction, or order of a healthcare provider or the Commissioner of Health or other authorized public official, the employee undergoes isolation or quarantine, or cares for a family member in quarantine, as a result of suspected exposure to a communicable disease.
- Attending a school-related function of the employee's child requested or required by the school responsible for the child's education, or attending a meeting concerning the care provided to the child in connection with the child's health conditions or disability.

For the purpose of this policy, "family member" shall include a child, grandchild, sibling, spouse, domestic partner, civil union partner, parent or grandparent of the employee, or a spouse, domestic partner, or civil union partner of a parent or grandparent of the employee, or a sibling of a spouse, domestic partner, or civil union partner of the employee, or any other individual related by blood to the employee or whose close association with the employee is the equivalent of a family relationship.

A failure to properly follow the Company's call-out procedures may result in disciplinary action.

PTO may be taken in half or full day increments only.

Extended Absences: For an absence of three or more (3) consecutive work days due to illness of the employee or a family member or an incident of domestic violence or sexual assault, the Company may require a doctor's note or sufficient documentation to substantiate an absence is related to illness or an incident of domestic violence or sexual assault. Any out of pocket expenses associated with securing the required documentation will be reimbursed by the Company. In the event of the employee's illness, the employee may also be required to submit a fitness for duty certification before being returned to duty.

Interplay with Statutory Unpaid Leave Laws: If the use of PTO is for a qualifying reason under the federal Family and Medical Leave Act or any other state or local leave statute, the paid/sick/personal leave shall be counted concurrently under the applicable statute(s).

Terminal Benefits: When an employee is terminated in good standing and with the required notice of resignation, earned but unused PTO will be included in the employee's final paycheck. In the event an employee is terminated for misconduct or for other good cause as determined by the Company, unused PTO will be forfeited. In addition, the Company reserves the right to forfeit unused PTO time for those employees who fail to provide two (2) weeks' notice of resignation of employment.

Advance of PTO Time: Please note, as a general matter, employees shall not be permitted to take unaccrued PTO in advance without the approval from Senior Management. However, in the event that PTO is requested and approved by the Company before an employee has accrued such time, the employee will remain liable for such advanced time and the Company will deduct the prepaid time from your final check. If you exceed your PTO days in a given year, you will not be paid for those additional PTO days used.

Tracking PTO Time: Employees are responsible for monitoring and taking their PTO time over the course of a year so that you do not lose time accrued. Your ADP portal contains a summary of your PTO time. To view this in your portal go to "myself" and then select "time off balances" for a full summary of your PTO time. You must use Google Chrome and the following link for your ADP portal. <https://workforcenow.adp.com/workforcenow/login.html>

SICK/PERSONAL TIME FOR PART-TIME EMPLOYEES

Although part-time employees are not entitled to paid vacation or personal time, in order to be compliant with the New Jersey and New York earned sick leave laws, all part-time employees will be eligible for sick leave to be used for personal or family illness, treatment or doctor appointments.

Accrual Rates: Hourly employees will accrue one hour of paid sick/personal time for every thirty (30) hours worked, up to a maximum of fifty-six (56) hours of accrued sick/personal time per calendar year. For example, an employee regularly working 35 hours a week will earn 1.17 sick/personal hours per week.

Taking Paid Sick/Personal Time: New employees begin to accrue and can use any accrued sick/personal time benefits immediately upon hire.

Eligible employees may only use sick/personal time for absences from work for:

- Diagnosis, care, treatment, or recovery from a mental or physical illness, injury or other adverse health conditions, or for preventative medical care of the employee or a family member (defined below)
- Absence(s) necessary due to the employee or employee’s family member being a victim of domestic or sexual violence, *if the earned sick/personal time is used for:*
 - medical attention needed to recover from physical or psychological injury or disability caused by domestic or sexual violence
 - services from a designated domestic violence agency or other victim services organization
 - counseling
 - relocation
 - other legal services, including obtaining a restraining order or preparing for, or participating in, any civil or criminal legal proceeding related to the domestic violence or sexual violence
- Time needed after the closure of the employee’s workplace or the school/place of care of the employee’s child by because of a state of emergency declared by the Governor.
- A declaration of a state of emergency by the Governor, or this issuance by a health care provider, the Commissioner of Health or other public health authority of a determination that the presence of the employee, or a member of the employee’s family who is in need of care by the employee, would jeopardize the health of others.
- During a state of emergency declared by the Governor, or upon recommendation, direction, or order of a healthcare provider or the Commissioner of Health or other authorized public official, the employee undergoes isolation or quarantine, or cares for a family member in quarantine, as a result of suspected exposure to a communicable disease.
- Attending a school-related function of the employee’s child requested or required by the school responsible for the child’s education, or attending a meeting concerning the care provided to the child in connection with the child’s health conditions or disability

For the purpose of this policy, “family member” shall include a child, grandchild, sibling, spouse, domestic partner, civil union partner, parent or grandparent of the employee, or a spouse, domestic partner, or civil union partner of a parent or grandparent of the employee, or a sibling of a spouse, domestic partner, or civil union partner of the employee, or any other individual related by blood to the employee or whose close association with the employee is the equivalent of a family relationship.

Sick/personal time may be taken in four (4) hour increments only and will be paid in accordance with applicable law.

Earned paid sick/personal time taken by employees will not be counted when imposing any disciplinary action for excessive absenteeism. However, a failure to comply with the Company's call out procedures, or continued absences after the exhaustion of all paid sick leave may result in disciplinary action.

Notice of the Use of Sick/Personal Time: Where need for sick/personal time is foreseeable, employees should provide reasonable advance notice no less than seven (7) days prior to the date such sick/personal leave is expected to begin. Where such need is not foreseeable, employees are encouraged to provide notice of the need for the use of paid sick/personal time as soon as practicable. All employees are required to notify their Supervisor if they are going to utilize a sick/personal day. Leaving a message with a co-worker or a voicemail message is not sufficient.

Advance of Sick/Personal Time: The Company will not advance any sick/personal time to employees, and any absences that occur while the employee does not have any accrued sick or personal time will be unpaid and may lead to disciplinary action.

Extended Absences: For an absence of three (3) or more consecutive work days due to illness of the employee or a family member, the Company may require a doctor's note to substantiate the need for sick time. In the event of the employee's illness, the employee may also be required to submit a fitness for duty certification before being returned to duty.

Maximum Paid Sick/Personal Time Accrual, Use and Carry Over: Employees may not accrue or use more than 56 hours of paid sick/personal time in any benefit year, and are not permitted to carry-over more than 40 hours of paid sick/personal time from one benefit year to the next.

Interplay with Statutory Unpaid Leave Laws: If the use of sick/personal time is for a qualifying reason under the federal Family and Medical Leave Act or any state or local leave statute, the paid sick/personal leave shall be counted concurrently under the applicable statute(s).

Terminal Benefits/Rehire: No unused paid sick/personal time will be paid upon a termination of employment. Any employee who is rehired within six months of a termination of employment will have any sick/personal time accrued prior to the initial separation of employment restored.

MEDICAL INSURANCE

Outerstuff offers several medical and dental plans described below to employees. Additional information about these plans will be provided and can be secured from the Senior Vice President of Human Resources.

Medical Plans-Eligible the first of the month after 60 days from start date: The Company currently offers 3 major medical plans through Oxford Insurance Company (Direct Plan, Liberty Plan and Freedom Plan).

The Company pays a portion of the premium and the employee pays the balance. To see if your doctors are in the Oxford Network, log onto www.oxhp.com.

Dental Plans-Eligible the first of the month after 60 days from start date: The Company offers two dental plans through United Healthcare. Both dental plans are 100% employee contributed plans.

Vision Plan – Eligible on the first of the month after 60 days from start date: The Company offers a vision plan through United Healthcare, which is a 100% employee contributed plan.

All insurance premiums are paid through weekly pre-tax payroll deductions.

GROUP TERM LIFE INSURANCE

On the first of the month after 60 days from an employee's start date, the Company provides, and fully pays for a life insurance policy underwritten by United Healthcare. This policy is in effect as long as you are employed by Outerstuff. The policy provides a \$20,000 death benefit to your beneficiary (ies).

Additional coverage for employees and family members may be secured through United Healthcare at an additional cost to the employee. This additional coverage is portable in the event the employee leaves the Company.

AFLAC SUPPLEMENTAL INSURANCE

The Company offers a wide array of supplemental insurance benefits to employees through AFLAC. All costs associated with any elected benefits programs shall be borne by the employee. Contact the Vice President of Human Resources for further information about this program.

OPTUM EMPLOYEE ASSISTANCE PLAN

Everyday life can be quite a scramble as you juggle work and personal responsibilities—not to mention the unexpected problems that occasionally pop up. To help you manage the competing time demands and stress of today's 24/7 world, Outerstuff has partnered with Optum to provide you and your family with an Employee Assistance Program (EAP).

All employees can access our EAP at 866-248-4094 or log on to liveandworkwell.com (access code is Outerstuff). You can call the EAP 24 hours a day, 7 days a week to reach a professional counselor.

The following are only some of the many benefits that will be available to you and your family:

- ❖ Counseling services
- ❖ Financial and legal advice
- ❖ Family support
- ❖ Relationship help
- ❖ Substance abuse or other addictions
- ❖ Stress, anxiety and depression counseling

Participation in the EAP program is confidential (unless an EAP counselor is required by law to disclose information such as child abuse) and will not become a part of an employee's personnel records and we strongly encourage employees to utilize this valuable program before your work is impacted by a personal situation.

TRANSIT ASSISTANCE PROGRAM

The Company offers a transit assistance program available to all employees to defray the costs of public transportation and parking incurred by employees in their daily commute. See the Vice President of Human Resources for further information.

RETIREMENT PLAN 401(K)

The Company has a 401 (k) plan available to all full-time employees. The summary plan description and enrollment forms will be provided to each employee. Employees must meet eligible requirements to participate. In order to be eligible, an employee must complete twelve (12) full months of employment. New enrollments are accepted on a monthly basis. For example, if your hire date is January 2nd of a given year, you will be eligible on February 1st of the following year. To assure we are current and up to date with the latest offerings, all plan information will be forwarded approximately three (3) weeks prior to your eligibility date. This will provide you with sufficient time to review the information.

TEMPORARY DISABILITY BENEFITS

Under New Jersey and New York law, Outerstuff employees (full-time and part-time) are covered for statutory temporary disability benefits. Both the Company and the employee, through payroll tax withholding, share the expenses associated with this benefit. Cash benefits are payable when you cannot work because of sickness or injury not caused by your job.

You may be eligible for disability benefits if disabled due to pregnancy. Eligibility for benefits is determined in the same way as any other disability. The usual payment for a normal pregnancy may be up to four weeks before the expected delivery date and up to six weeks after the actual delivery date.

Payment of Paid Time Off Benefits: Employees may use currently available PTO time to offset loss of earnings during the period of disability. However, employees may lose eligibility for Temporary Disability Benefits if they receive compensation from Outerstuff which, when added to those benefits, exceeds the amount of their regular net weekly pay prior to the onset of disability.

Interplay With Outerstuff's Leave Policies: Although the state temporary disability statutes provide income protection to employees who are absent due to a non-work related illness or injury, nothing in the laws or this policy provides employees with leave rights or job security. Thus, any leave of absence by employees who take leave due to personal injury or illness will be concurrently administered in accordance with the Family/Medical Leave, Personal Leave and /or other leave of absence policies described elsewhere in this handbook. Please refer to those policies for further information regarding your rights to reinstatement at the conclusion of a leave of absence.

For more information on eligibility for benefits and filing of claims, see the Senior Vice President of Human Resources.

PAID FAMILY LEAVE INSURANCE

New Jersey and New York law will allow full and part time employees who meet the applicable state's eligibility requirements with up to twelve (12) weeks of benefit payments during a leave of absence to care for a newborn/newly adopted child or a family member with a serious health care condition, or any other qualifying circumstance under the applicable state's law. Eligibility determinations may differ between the New York and New Jersey benefit programs and all eligibility determination are made by our third-party benefits administrator.

Interplay With the Company's Leave Policies: Any employee collecting family leave insurance benefits will have their leave concurrently administered in accordance with the Family/Medical Leave, Personal Leave and /or other leave of absence policies described elsewhere in this manual. Please refer to those policies for further information regarding your rights to reinstatement at the conclusion of a leave of absence.

For more information on eligibility for benefits and filing of claims, see the Senior Vice President of Human Resources.

WORKERS COMPENSATION

Workers' compensation insurance is required by state law and is paid for by Outerstuff. This insurance covers you in case of occupational injuries received during working hours. The coverage includes compensation for certain injuries, weekly payments during periods of disability, and costs of needed medical, surgical, and hospital services and supplies.

If you are injured on the job, no matter how minor, **report the incident immediately to the Senior Vice President of Human Resources and your Supervisor and file a written statement with the Senior Vice President of Human Resources within two (2) business days of the incident.** Failure to report a job-related injury or illness within a reasonable time may cause unnecessary confusion and may jeopardize your eligibility for benefits under the workers compensation law.

Payment of Paid Time Off Benefits: Employees may use currently available PTO time to offset

loss of earnings during the period of disability. However, employees may lose eligibility for Workers Compensation Benefits if they receive compensation from Outerstuff which, when added to those benefits, exceeds the amount of their regular net weekly pay prior to the onset of disability.

Interplay With Outerstuff's Leave Policies: Although the workers compensation laws provide income protection to employees who are absent due to a work related illness or injury, nothing in the laws or this policy provides employees with leave rights or job security. Thus, any leave of absence as a result of a work related injury must be concurrently administered in accordance with the Family/Medical Leave, Personal Leave and /or other leave of absence policies described elsewhere in this manual. Please refer to those policies for further information regarding your rights to reinstatement at the conclusion of a leave of absence.

For more information on eligibility for benefits and filing of claims, see the Senior Vice President of Human Resources.

UNEMPLOYMENT COMPENSATION

Both Outerstuff *and* the employee share the cost of state unemployment insurance coverage, with the employee's contribution coming via payroll deduction. If you become unemployed, you may be eligible for unemployment compensation under certain conditions, for a limited period of time. To be eligible you must have earned a certain amount, be willing and able to work and meet other eligibility criteria set by the state. You apply for benefits through the State Unemployment Office in the state that you are employed in.

SOCIAL SECURITY

As a wage earner, you are required by law to contribute a set amount of wages to the Social Security trust fund from which benefits are paid. Outerstuff is required to deduct this amount from each paycheck you receive. Outerstuff *matches* your contribution dollar for dollar, thereby paying one-half of the cost of your Social Security benefits.

CONTINUATION OF BENEFITS (COBRA)

Under the applicable law known as COBRA, Outerstuff provides employees with certain rights to continue health care coverage at their own expense for a specified period upon the occurrence of certain qualifying events such, as termination or reduction of hours that results in loss of coverage. Employees are not eligible for COBRA benefits if they are terminated for gross misconduct.

Under certain circumstances (e.g., divorce, legal separation), the employee's spouse and dependents may also have rights to continue health care coverage. The employee is responsible for informing Outerstuff of changes in his or her marital status and/or number of dependents so that the Company may notify dependents of their rights under COBRA. If at any time an employee's employment status changes or there is a change in marital status or number of dependents, the employee should notify the Senior Vice President of Human Resources so that

he or she can be more fully informed as to rights under COBRA.

NEW EMPLOYEE REFERRAL PROGRAM

There is no one in a better position to help us attract new employees than you, our staff. You understand the benefits of working at Outerstuff and your recommendation is trusted by your friends and colleagues. We appreciate your efforts to help us attract and retain the best and brightest team members.

To encourage and reward you for referring employees to the Company, we will be issuing a bonus to our employees based on the following criteria:

If you recommend someone who is hired as a full-time member of our staff with applicable experience for the specific position, you will receive a \$750 bonus when the employee reaches their six month anniversary with the Company. You will receive an additional \$750 bonus when the employee reaches their one year anniversary. Periodically we will be sending out emails to the staff when we have open positions. This will include a job description of the position. You can forward the information directly to the HR Manager.

No referral bonus will be made to individuals who are no longer employed by the Company, and all eligibility for this program will cease upon your separation of employment.

LEAVES OF ABSENCE

On occasion employees may find it necessary to be out of work due to personal illness, to care for an ailing family member, personal reasons or other reasons. Outerstuff employees have leave entitlements under federal law; state and/or local laws that apply to your work location; or under the Company's policies, most of which are set forth below. Where the requirements are specific to your work assignment (New York or New Jersey) those policies are set forth in the appendix to this Handbook.

FAMILY and MEDICAL LEAVE OF ABSENCE

The laws of New York and New Jersey differ with respect to Family and Medical Leaves of Absence. Depending upon your work location, refer to the New York or New Jersey Family and Medical Leave of Absence policy included in the Appendix to this Handbook for your leave rights under these laws.

FMLA MILITARY SERVICE MEMBER LEAVE OF ABSENCE

Military Caregiver Leave: Under the federal Family and Medical Leave Act (FMLA), qualifying employees are entitled to a maximum of 26 weeks of unpaid leave during a single 12-month period to care for a "covered service member" suffering from a serious injury or illness incurred or aggravated in the line of duty. "Covered Service Member" includes a spouse, son, daughter, parent or next of kin who i) is an active member of the Armed Forces (including the National Guard or Reserves), or ii) is a qualifying veteran suffering from service-related injuries. In addition, 26 weeks of leave is available to the employee i) *for each covered service member who suffers an injury*, and ii) *on a per-injury basis* for any covered service member.

Although Military Caregiver Leave is the only type of FMLA leave that may extend an employee's leave entitlement to 26 weeks, when administering a Military Caregiver Leave all other types of qualifying leaves under the FMLA are included when totaling the 26 week leave entitlement.

The single 12-month period for military caregiver leave begins on the first day the employee takes leave for this reason and ends 12 months later, regardless of the 12-month period established by the employer for other FMLA leave reasons.

Military Exigency Leave: The Family Medical Leave Act also provides 12 weeks of unpaid leave during a single 12-month period for the purposes of a "qualifying exigency," as that term is defined by the US Secretary of Labor, arising out of the fact that a spouse, son, daughter, parent or next of kin is on active duty or call-to-active-duty in the Armed Forces (including the National Guard or Reserves). In addition, qualifying employees may take up to 15 calendar days to spend time with a military member on Rest and Recuperation leave.

When administering a Military Exigency leave, all other qualifying leaves available under the FMLA will be included when totaling the employee's maximum 12 week leave entitlement under the FMLA. However, for employees in New Jersey, Military Exigency Leave will not be

counted towards the employee's 12 week leave entitlement under the New Jersey Family Leave Act.

Notice of Leave: If the leave is planned in advance, the employee must provide the Company with at least thirty (30) days' prior notice. If the leave is unexpected, as soon as practicable and in compliance with the Company's normal call-in procedures.

Reduced/Intermittent Leave: Leave to care for an injured service member may be taken consecutively, intermittently, or on a reduced work/leave schedule when based on certified medical necessity.

Employees should give reasonable prior notice and make a reasonable effort to schedule intermittent or reduced leave so as not to unduly disrupt the Company's operations. Where the medical need for an intermittent/reduced leave is foreseeable, the employee may be required to transfer into an alternative position.

Medical Certifications: Employees seeking leave to care for an injured service member may be required to provide medical certification from the family member's treating physician attesting to the nature of the serious health condition and the probable length of time treatment will be required.

Continuation of Employee Benefits: Company benefits that operate on an accrual basis will cease to accrue during any period of military service member leave. All group health benefits will continue during the leave provided the employee continues his/her regular contributions to these plans. At the Company's discretion, employees will be responsible for the cost of all health insurance paid by the Company from the original date of the commencement of the leave if the employee fails to return to work for any reason other than the continuation of the service member's serious health condition. Other benefits, such as 401(k) plans, will be governed in accordance with the terms of the benefit plan.

Benefit Payments During Leave: Employees seeking leave to care for an injured service member may also be entitled to Paid Family Leave Benefits described elsewhere in this handbook.

Substitution of Paid Time Off Benefits During Leave: Employees on a Military Service Member Leave may opt to concurrently substitute unused PTO benefits during the leave period. Once such benefits are exhausted, the balance of the leave will be without pay.

Failure to Return to Duty: An employee who does not report for duty on the date designated as his/her return to duty date shall be considered to have resigned from employment effective on the day the leave began unless an extension of leave has been granted, in writing, by the employer. These employees are welcome to re-apply for employment subject to the employer's usual hiring practices.

Please carefully review the US DOL notice posted in the eating area or the Employee Rights and Responsibilities Under the FMLA notice available from the Senior Vice President of Human Resources for further information about your rights and responsibilities for Military Service Member Leave.

PERSONAL LEAVE OF ABSENCE

Occasionally, for medical, personal, or other reasons, employees may need to be temporarily released from the duties of their job with the Company but may not wish to submit their resignation. Under certain circumstances, employees may be considered for an unpaid personal leave of absence. An unpaid personal leave of absence may or may not be granted to employees, depending upon the circumstances of the leave, **for** a maximum of one (1) month. The Company reserves the right to extend any personal leave beyond the initial period in its sole discretion or as otherwise required by law.

Any request for a personal leave of absence that qualifies as a Family/Medical Leave or a Military Service Member Leave will be administered in accordance with those policies and counted towards the employee's leave entitlement under federal and/or state law. However, an employee who fails to qualify for Family/Medical Leave Policy or Military Service Member Leave may apply for a personal leave of absence subject to the requirements and considerations of this policy. Moreover, employees who have exhausted their leave entitlement under the Family/Medical Leave and Military Service Member Leave policies may request an extension of leave when necessary, again subject to the requirements and considerations of this policy.

If the employee requests a personal leave due to the employee's own medical condition, the Company may require the employee to submit a certification from the treating physician indicating the general nature of the illness, the date the condition began, the expected duration of the illness and the employees' expected date of return to duty. In addition, the employee will be required to submit a certification of fitness for duty from the treating physician before returning to duty.

Requesting Leave: Personal leave requests must be made in writing at least thirty (30) days in advance of the date the employee would like the leave to begin, or in emergency situations, with as much advance notice as is practicable. All requests must set forth the reason for the leave, the date on which the employee wishes the leave to begin and the date on which the employee will return to active employment with the Company. Applications for personal leave must be submitted to the Senior Vice President of Human Resources for approval.

Substitution of PTO Benefits: Employees requesting an unpaid personal leave of absence may opt to exhaust all PTO benefits concurrently with a personal leave of absence to offset loss of earnings during the period of disability.

Employees who are approved for a personal leave of more than thirty (30) days will not accrue any PTO benefits during the leave period.

Continuation of Employee Benefits: Company benefits that operate on an accrual basis will cease to accrue during a personal leave of absence. Employees will be required to pay 100% of the premium for continued coverage during the leave of absence. Other benefits, such as 401(k) plans, will be governed in accordance with the terms of the benefit plan.

Reinstatement: Employees should remember that a personal leave of absence is granted at the discretion of the Company and a request does not guarantee the granting of a leave. In the case of a request for a leave as a form of accommodation for a disability, the Company will comply with its legal obligation to reasonably accommodate such requests. The operating needs of the Company, the reasons given for the leave request, the employee's work history with the Company and other considerations will determine whether a request for leave will be approved. Although the Company may grant a leave of absence for personal reasons, a leave will not be granted to permit an employee to take employment elsewhere or to go in business for him/herself.

The granting of a personal leave of absence does not guarantee that the employee's position will be held during the absence. The Company will attempt to place the employee in the previously held position if it has not been filled or may attempt to place the employee in another vacant position for which the employee is qualified. However, if there are no vacant positions available for which the employee is qualified, the employment may be terminated.

Failure to Return to Duty: Any employee who does not return to duty on the first business day after the expiration of an approved personal leave of absence will be considered as having resigned their employment from the Company effective the day on which the personal leave of absence began. These employees are welcome to re-apply for employment subject to the Company's usual hiring practices.

USERRA MILITARY LEAVE

A military leave of absence will be granted, without pay, to employees who are absent from work because of service in the United States uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA) and applicable state law. Advance notice of military service is required, unless military necessity prevents such notice or it is otherwise impossible or unreasonable.

Continuation of health insurance benefits is available as required by USERRA based on the length of the leave and subject to the terms, conditions and limitations of the applicable plans for which the employee is otherwise eligible.

Employees on military leave for up to 30 days are required to return to work for the first regularly scheduled shift after the end of service, allowing reasonable travel time. Employees on longer military leave must apply for reinstatement in accordance with USERRA and all applicable state laws.

Employees returning from military leave will be placed in the position they would have attained had they remained continuously employed or a comparable one depending on the length of military service in accordance with USERRA. They will be treated as though they were continuously employed for purposes of determining benefits based on length of service. Contact the Senior Vice President of Human Resources for more information or questions about military leave.

BEREAVEMENT LEAVE

When a death occurs in your immediate family, you will be allowed a maximum of 3 days off with pay to arrange for and attend the funeral. For the purpose of this policy, immediate family includes spouse, domestic partner, children, stepchildren, parents, grandparents, siblings, mother-in-law and father-in-law. You will be entitled to one day off for aunts, uncles and cousins.

Outerstuff reserves the right to request verification of the relationship and death before paying bereavement leave.

JURY DUTY LEAVE

Outerstuff encourages employees to fulfill their civic duties related to jury service. The Company will provide three (3) days at full pay for employees called to jury service; any remaining jury service will be unpaid. Payment is only for the time that the employee is required to report for jury service, and if the employee is released from jury service during working hours, the employee should contact his/her Supervisor to inquire if they should report back to work.

Please present the *Summons to Jury Duty* letter to your respective Supervisor and to the Senior Vice President of Human Resources as soon as you receive it so they are aware in advance and can plan accordingly. In order to properly credit you for the time out you **must** present the *Juror's Proof of Service Certificate* to the Senior Vice President of Human Resources immediately upon your return to work. This letter is given to you at the courthouse on your last day of service.

EMERGENCY RESPONDER LEAVE

Both New York and New Jersey law protect voluntary emergency responders who are absent from work because they are either serving as volunteer emergency responders during a state of emergency declared by the US President, the State Governor, or are actively engaging in responding to an emergency alarm. Daily notice from the incident commander will be required if the leave extends beyond one workday.

ADDITIONAL LEAVE RIGHTS UNDER STATE OR LOCAL LAWS

Employees may be entitled to additional leave rights under laws of the state where they are assigned. Please see the Addendum to the Handbook for further information about additional rights you may have under these laws.

EMPLOYEE HANDBOOK DELIVERY/RECEIPT ACKNOWLEDGMENT

On _____, I, _____, received a copy of the Outerstuff LLC Employee Handbook.

I understand that this Handbook replaces and makes null and void all previously issued handbooks, policies, memoranda, or any other written document which sets forth a policy, procedure or practice of Outerstuff LLC. I am also aware that the Company at any time may amend, modify, discontinue or suspend any policies, procedures and level of benefits described in this Handbook or without notice to employees.

I understand that my employment with Outerstuff LLC is for no definite period of time and nothing in this Handbook in any way creates an express or implied contract of employment. I understand that I am an at-will employee, and that I or the Company may terminate my employment at any time, for any or no reason, with or without notice.

I also understand that no representative of Outerstuff LLC, other than the President in a signed writing, has the authority to enter into any agreement that provides for employment for any specified period of time, or to assure any other personnel action, benefit, or term and condition of employment that is contrary or supplemental to those described in the Handbook.

By signing below, I represent that I have read and understand the Employee Handbook and this accompanying Memorandum.

I, _____ received on this date my copy of the Outerstuff LLC Employee Handbook.

(Signature of employee)

(Office representative signature)

(Date)

HANDBOOK APPENDIX FOR EMPLOYEES IN NEW JERSEY

NEW JERSEY WHISTLEBLOWER PROTECTIONS

In accordance with the New Jersey Conscientious Employee Protection Act and other laws according protection to employees who "blow the whistle" on unlawful or unsafe conditions in the workplace, Outerstuff shall not take retaliatory action against any employee who

1. discloses or threatens to disclose to a Supervisor or public body that Outerstuff is engaging in conduct that the employee reasonably believes is violating the law;
2. provides information to or testifies before a public body conducting an investigation into possible violations of law by Outerstuff ; or
3. objects to or refuses to participate in any activity of Outerstuff that the employee reasonably believes is in violation of law or is incompatible with a clear mandate of public policy concerning the public health, safety or welfare or the protection of the environment.

Before providing notice to a public body, however, the employee must first bring his/her concerns about an activity that may be a violation of the law to the attention of the Senior Vice President of Human Resources and give Outerstuff a reasonable opportunity to correct the activity.

Although not required to do so by law, employees are always encouraged to bring their concerns about unlawful or unsafe conditions in the workplace to the attention of their Supervisor or higher management.

NEW JERSEY FAMILY and MEDICAL LEAVE OF ABSENCE RIGHTS

On occasion employees may find it necessary to be out of work due to personal illness or to care for an ailing family member. The Federal Family and Medical Leave Act of 1993 (FMLA) and the New Jersey Family Leave Act (NJFLA) allow eligible employees to take time off from work due to personal illness and to be with family members in their time of need. Leave pursuant to the FMLA and the NJFLA is in addition to any rights which you may have under the New Jersey Temporary Disability Benefits Law, the New Jersey Paid Family Leave Law and the Workers Compensation statute.

While the FMLA and NJFLA provide similar leave rights - 12 weeks of unpaid leave in a 12 month period under the FMLA and 12 weeks of unpaid leave within a 24 month period under the NJFLA (measured backward from the date an employee uses any FMLA/NJFLA leave) - there are important eligibility and coverage differences in these statutes. Please carefully review the US DOL Employee Rights and Responsibilities publication pertaining to your rights under the FMLA, and the NJ Division on Civil Rights publication pertaining

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to your rights under the NJFLA posted in the kitchen area and available from the Senior Vice President of Human Resources for further information about your rights and responsibilities under these laws.

Qualifying Reasons for Leave: Subject to the conditions explained more fully in the FMLA and NJFLA publications referred to above, the Company will grant unpaid leave to its employees for the following reasons:

- 1) the care of a child after birth, adoption or placement for foster care;
- 2) the care of a family member with a serious health condition;
- 3) the employee's own "serious health condition" (available under FMLA only);
- 4) To care for a family member who has been isolated or quarantined because of suspected exposure to a communicable disease during a state of emergency;
- 5) To provide required care or treatment for a child during a state of emergency if their school or place of care is closed by order of a public official due to an epidemic of a communicable disease (including COVID-19) or other public health emergency..

Definition of Family Member: For leaves under the FMLA, "family member" includes a child, spouse or parent of the employee. The definition of son or daughter includes individuals for whom the employee stood or is standing "in loco parentis." The definition of "parent" does not include a parent-in-law.

For leaves under the NJFLA, "family member" shall include a child (defined to include a foster child, stepchild or legal ward), parent, parent-in-law, sibling, grandparent, grandchild, spouse, civil union or domestic partner, or any other individual related by blood to the employee or whose close association with the employee is the equivalent of a family relationship.

Notice of Leave: If the leave is planned in advance, the employee seeking leave must provide the Company with at least thirty (30) days' notice of the need for a leave prior to the date on which the leave is to begin. If the leave is unexpected, the employee is to provide notice of the need for the leave as soon as practicable and in compliance with the Company's normal call-in procedures.

Reduced/Intermittent Leave: Leave taken for the employee's or family member's serious health condition may be taken consecutively, intermittently, or on a reduced work/leave schedule when based on certified medical necessity. Intermittent leave is available in connection the birth or adoption of a child on 15 days' notice to the Company unless unforeseen circumstances prevent prior notice.

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Employees should give reasonable prior notice and make a reasonable effort to schedule intermittent or reduced leave so as not to unduly disrupt the Company's operations. Where the medical need for an intermittent/reduced leave is foreseeable, the employee may be required to transfer into an alternative position.

Medical Certifications: Employees may be required to provide medical certification from the employee's treating physician attesting to the nature of the serious health condition and the probable length of time treatment will be required, the employee's anticipated return to duty date and other pertinent information. Employees may also be required to provide additional physician certifications attesting to the employee's continued inability to work.

Before being permitted to return from medical leave, the employee may be required to present a note from a treating physician indicating that the employee is capable of returning to work and performing the essential functions of the position, with or without reasonable accommodations. The Company will consider making reasonable accommodation for any disability the employee may have in accordance with applicable laws.

Concurrent Exhaustion of FMLA and NJFLA Leave Entitlements: Whenever the need for leave is covered under both the FMLA and the NJFLA, the available leave time will be counted concurrently under both laws. If however, the need for the leave is only covered under one of these laws, the employee's available leave time under the other law will remain undisturbed. For example, if the employee takes 12 weeks of leave to care for an ill spouse, a qualifying event under the FMLA and the NJFLA, the employee has fully exhausted all leave entitlements under both laws. Conversely, if the employee takes 12 weeks of maternity to care for herself, a qualifying event under the FMLA and not the NJFLA, the employee nevertheless has an additional 12 weeks of family leave under the NJFLA to care for her newborn child.

Workers' Compensation/Temporary Disability/Paid Family Leave Benefit Payments: In the event leave is sought for the employee's or a family member's medical condition, the employee may also be entitled to statutory benefits as described in the Workers' Compensation, Temporary Disability Benefits and Paid Family Leave Benefits policies described elsewhere in this handbook.

Substitution of Paid Time Off Benefits During Leave: Employees on an unpaid family/medical leave of absence may opt to concurrently substitute unused PTO benefits during the leave period. Once such benefits are exhausted, the balance of the leave will be without pay.

Continuation of Employee Benefits: Company benefits that operate on an accrual basis will cease to accrue during any period of family/medical leave. All group health benefits (e.g., major medical, hospitalization and dental insurance) will continue during the leave provided the employee continues his/her regular contributions to these plans. At the Company's discretion, employees will be responsible for the cost of all health insurance paid by the Company from the original date of the commencement of the leave if the employee fails to return to work for any reason other than the continuation of a serious health condition. Other benefits, such as 401(k) plans, will be governed in accordance with the terms of the benefit plan.

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Failure to Return to Duty: An employee who does not report for duty on the date designated as his/her return to duty date shall be considered to have resigned from employment effective on the day the leave began unless an extension of leave has been granted, in writing, by the employer. These employees are welcome to re-apply for employment subject to the employer's usual hiring practices.

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NEW JERSEY LEAVE FOR VICTIMS OF DOMESTIC VIOLENCE OR SEXUAL ASSAULT

The New Jersey Security and Financial Empowerment Act (NJ SAFE Act) entitles eligible employees who are victims of domestic violence or sexual assault, or where certain family members was such a victim, to up to 20 days of unpaid leave in the 12 month period following the act of domestic violence or sexual assault.

Eligibility: Employee must have been employed by Outerstuff for one year and must have worked 1,000 base hours during the year immediately preceding the leave.

Qualifying Reasons for Leave: Subject to the conditions set forth herein, Outerstuff will grant unpaid leave to qualifying employees for the following reasons:

1. Seeking medical attention for, or recovering from, physical or psychological injuries caused by domestic or sexual violence to the employee or the employee's child, parent, spouse, domestic partner or civil union partner;
2. Obtaining services from a victim services organization for the employee or the employee's child, parent, spouse, domestic partner or civil union partner;
3. Obtaining psychological or other counseling for the employee or the employee's child, parent, spouse, domestic partner or civil union partner;
4. Participating in safety planning, temporarily or permanently relocating, or taking other actions to increase the safety of the employee or the employee's child, parent, spouse, domestic partner or civil union partner;
5. Seeking legal assistance or remedies to ensure the health and safety of the employee or the employee's child, parent, spouse, domestic partner or civil union partner including preparing for or participating in any civil or criminal legal proceeding related to or derived from domestic violence or sexual violence; or
6. Attending, participating in or preparing for a criminal or civil court proceeding relating to an incident of domestic or sexual violence of which the employee or the employee's child, parent, spouse, domestic partner or civil union partner, was a victim.

Notice of Leave: Prior to taking leave, an employee shall, if the necessity for the leave is foreseeable, provide the Senior Vice President of Human Resources with written notice of the need for the leave as far in advance as is reasonable and practical under the circumstances.

Reduced/Intermittent Leave: The leave may be taken intermittently in intervals of no less than one-half day.

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Required Documentation: Outerstuff may require that a leave request be supported with documentation of the domestic violence or sexually violent offense. This documentation shall be submitted to the Senior Vice President of Human Resources. Sufficient documentation shall include one or more of the following:

1. A domestic violence restraining order or similar documentation issued by a court of competent jurisdiction;
2. Documentation from the county or municipal prosecutor documenting the domestic violence or sexually violent offense;
3. Documentation of the conviction of a person for the domestic violence or sexually violent offense;
4. Medical documentation of the domestic violence or sexually violent offense;
5. Certification from a certified Domestic Violence Specialist or the director of a designated domestic violence agency or Rape Crisis Center, that the employee or the employee's child, parent, spouse, domestic partner or civil union partner is a victim of domestic violence or a sexually violent offense; or
6. Other documentation or certification of the domestic violence or sexually violent offense provided by a social worker, member of the clergy, shelter worker or other professional who has assisted the employee or the employee's child, parent, spouse, domestic partner or civil union partner in dealing with the domestic violence or sexually violent offense.

Confidentiality: All information provided to Outerstuff, and any information regarding a leave taken pursuant to the NJ SAFE Act and any failure of an employee to return to work, shall be retained in the strictest confidentiality, unless the disclosure is voluntarily authorized in writing by the employee or is required by a federal or State law, rule or regulation.

Concurrent Exhaustion of NJ SAFE Act, FMLA and NJFLA Leave Entitlements:

Whenever the need for NJ SAFE Act leave is also covered by either the FMLA and/or the NJFLA, the available leave time will be counted concurrently under each respective law. If however, the need for the leave is not covered by one or more of these laws, the employee's available leave time under that law will remain undisturbed.

Temporary Disability/Family Leave Insurance Benefit Payments: In the event leave is sought for the employee's or a family member's medical condition, the employee may also be entitled to statutory benefits as described in Temporary Disability Benefits and Family Leave Insurance Benefits policies described elsewhere in this handbook.

Substitution of Paid Time Off Benefits During Leave. Employees may opt to substitute paid time off benefits during any part of the 20-day period of unpaid leave provided for in this policy. All such paid leave shall run concurrently with the unpaid leave provided for in this policy.

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HANDBOOK APPENDIX FOR EMPLOYEES IN NEW YORK

NEW YORK WHISTLEBLOWER PROTECTIONS

In accordance with the New York Labor Law, Outerstuff shall not take any retaliatory personnel action against an employee because such employee does any of the following:

- (a) discloses, or threatens to disclose to a Supervisor or to a public body an activity, policy or practice of the employer that is in violation of law, rule or regulation which violation creates and presents a substantial and specific danger to the public health or safety, or which constitutes health care fraud;
- (b) provides information to, or testifies before, any public body conducting an investigation, hearing or inquiry into any such violation of a law, rule or regulation by such employer; or
- (c) objects to, or refuses to participate in any such activity, policy or practice in violation of a law, rule or regulation.

The protection against retaliatory personnel action provided by paragraph (a) pertaining to disclosure to a public body shall not apply to an employee who makes such disclosure to a public body unless the employee has brought the activity, policy or practice in violation of law, rule or regulation to the attention of his/her Supervisor and has afforded the Company a reasonable opportunity to correct such activity, policy or practice.

FAMILY AND MEDICAL LEAVE

The Federal Family and Medical Leave Act of 1993 (FMLA) allows eligible employees to take time off from work due to personal illness and to be with family members in their time of need. Leave pursuant to the FMLA is in addition to any rights which you may have under the New York temporary disability benefits, workers compensation and other leave laws.

Leave Entitlement: Under the FMLA employees who have worked for the Company for 1,250 hours during the preceding 12 months period are eligible for up to 12 weeks of unpaid leave in a 12 month period (measured backward from the date an employee uses any FMLA leave).

Qualifying Reasons for Leave: Subject to the conditions explained more fully in the FMLA publications posted in the eating areas and available from the Senior Vice President of Human Resources, the Company will grant unpaid leave to its employees for the following reasons:

- 1) the care of a child after birth, adoption or placement for foster care;
- 2) the care of a family member with a serious health condition; or
- 3) the employee's own "serious health condition."

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Notice of Leave: If the leave is planned in advance, the employee seeking leave must provide the Company with at least thirty (30) days' notice of the need for a leave prior to the date on which the leave is to begin. If the leave is unexpected, the employee is to provide notice of the need for the leave as soon as practicable and in compliance with the Company's normal call-in procedures.

Reduced/Intermittent Leave: Leave taken for the employee's or family member's serious health condition may be taken consecutively, intermittently, or on a reduced work/leave schedule when based on certified medical necessity. Reduced or intermittent leave is not available in connection with a child care leave unless agreed to by the employer and employee.

Employees should give reasonable prior notice and make a reasonable effort to schedule intermittent or reduced leave so as not to unduly disrupt the Company's operations. Where the medical need for an intermittent/reduced leave is foreseeable, the employee may be required to transfer into an alternative position.

Medical Certifications: Employees may be required to provide medical certification from the employee's treating physician attesting to the nature of the serious health condition and the probable length of time treatment will be required, the employee's anticipated return to duty date and other pertinent information. Employees may also be required to provide additional physician certifications attesting to the employee's continued inability to work.

Before being permitted to return from medical leave, the employee may be required to present a note from a treating physician indicating that the employee is capable of returning to work and performing the essential functions of the position, with or without reasonable accommodations. The Company will consider making reasonable accommodation for any disability the employee may have in accordance with applicable laws.

Workers' Compensation and Temporary Disability Benefit Payments: In the event leave is sought for the employee's or a family member's medical condition, the employee may also be entitled to statutory benefits as described in the Workers' Compensation and Temporary Disability Benefits policies described elsewhere in this Handbook.

Substitution of Paid Time Off Benefits During Leave: Employees on an unpaid family/medical leave of absence may opt to concurrently substitute unused PTO benefits during the leave period. Once such benefits are exhausted, the balance of the leave will be without pay.

Continuation of Employee Benefits: Company benefits that operate on an accrual basis will cease to accrue during any period of family/medical leave. All group health benefits (e.g., major medical, hospitalization and dental/vision insurance) will continue during the leave provided the employee continues his/her regular contributions to these plans. At the Company's discretion, employees will be responsible for the cost of all health insurance paid by the Company from the original date of the commencement of the leave if the employee fails to return to work for any

reason other than the continuation of a serious health condition. Other benefits, such as 401(k) plans, will be governed in accordance with the terms of the benefit plan.

Failure to Return to Duty: An employee who does not report for duty on the date designated as his/her return to duty date shall be considered to have resigned from employment effective on the day the leave began unless an extension of leave has been granted, in writing, by the employer. These employees are welcome to re-apply for employment subject to the employer's usual hiring practices.

Please carefully review the FMLA materials posted in the eating areas and the US DOL Employee Rights and Responsibilities publication available from the Senior Vice President of Human Resources for further information about your rights and responsibilities under these laws.

NEW YORK PAID FAMILY LEAVE

Under New York's Paid Family Leave Law (NYPFL), eligible employees are entitled to protected leave and payment of income continuation benefits during the leave, you are eligible to take up to (12) weeks of leave per any calendar year for:

- Participation in providing care, including physical or psychological care, for a family member with a serious health condition.
- Bonding with your child during the first 12 months after your child's birth, or the first 12 months after the child is placed with you for adoption or foster care.
- Any qualifying exigency under the federal Family and Medical Leave Act (FMLA), relating to when a military spouse, child, or parent is on covered active duty or called to active duty status. For additional information, please contact the Human Resources Manager.

Eligibility: Employees who have 26 or more consecutive weeks of service with the Company and work at least 20 hours per week are eligible. Employees who regularly work a schedule of less than 20 hours per week are eligible after working 175 days, which need not be consecutive.

Definition: For purposes of this policy, child means your biological, adopted, foster, or stepchild, your legal ward, a child of your domestic partner, or a child to whom you stand in loco parentis. Family members include your child, parent, grandparent, grandchild, spouse, or domestic partner. Parents include your biological, foster or adoptive parent, a parent-in-law, a stepparent, a legal guardian, or another person who stood in loco parentis to you when you were a child.

Concurrent Exhaustion of FMLA Leave: NYPFL leave runs concurrently with any leave under the federal FMLA. However, if you are also eligible for disability benefits under New York law, you may take a combined maximum of 26 weeks of leave during any 52-week period.

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Notice of Leave: If you wish to take NYPFL and the need for your leave is foreseeable, you must give the Human Resources Manager at least 30 days' written notice before the date family leave is expected to begin. If your leave is foreseeable but must begin in less than 30 days, you must provide notice to the Human Resources Manager as is practicable. If the need for family leave is not foreseeable, you must provide written notice to the Human Resources Manager within 30 days after the period of disability begins.

Medical Certification: You must provide Reliable proof of the need for family leave within 30 days after the leave commences. Reliable may require additional proof from time to time but not more often than once a week. Proof must include a statement of disability from your family leave care recipient's health care provider.

Pay During Leave: While on leave, you will collect 50% of your average weekly wage (which shall be incrementally expanded to 67% by January 1, 2021), provided that it does not exceed 50% of the state's average weekly wage. Benefits payments will be administered by the

Substitution or Supplementation with Paid Time Off Benefits During Leave: Employees may elect to substitute or supplement NYPFL benefits, up to their full salary or wages, by using accrued PTO time while they are on leave.

Continuation of Employee Benefits: Company benefits that operate on an accrual basis will cease to accrue during any period of family/medical leave. All group health benefits (e.g., major medical, hospitalization and dental/vision insurance) will continue during the leave provided the employee continues his/her regular contributions to these plans.

Use of NYPFL cannot result in the loss of any employment benefit that accrued before the start of your family leave that was not used during your family leave. Other benefits, such as 401(k) plans, will be governed in accordance with the terms of the benefit plan.

Returning to Work: On your return from NYPFL the Company will reinstate you to your original position, or if no longer available, an equivalent position with equivalent terms and conditions of employment, including pay and employment benefits.

NEW YORK MILITARY SPOUSE LEAVE

Outerstuff provides up to ten (10) days of unpaid leave to employees whose spouse is a member of the US Armed Forces, National Guard, or Reserves and who has been deployed during a period of military conflict, to combat theater, or combat zone operations. Employees are eligible to take military spouse leave only when their spouse is on leave from military service.

For purposes of this policy, a period of military conflict means a period of war declared by the US Congress or a period during which a member of the Reserves is ordered to active duty under federal authority.

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To be eligible for military spouse leave, employees must work an average of 20 hours or more per week. Retaliation against an employee who requests or takes leave under this policy is strictly prohibited.

If you would like to take military spouse leave, please contact the Human Resources Manager as far in advance as possible. Reliable reserves the right to ask for documents supporting any leave taken under this policy.

Reasonable Accommodation for Victims of Domestic Leave

Under New York Law, employees associated with an act of domestic violence are entitled to a protected absence from work for a reasonable time, unless such accommodation would pose an “undue hardship” on the employer’s business.

Employees may take reasonable time off:

- To seek medical attention for injuries caused by domestic violence, including for a child who is the victim of domestic violence;
- To obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence;
- To obtain psychological counseling related to an incident or incidents of domestic violence, including for a child who is the victim of domestic violence;
- To participate in safety planning or other action taken to increase safety from future incidents of domestic violence (e.g., temporary or permanent relocation); or
- To obtain legal services, assist in the prosecution of an offense, or appear in court related to an incident of domestic violence.

A “victim of domestic violence” is defined as any person who is older than 16, married, or a parent accompanied by the parent’s minor child in a situation where the person or their minor child is the victim of an act committed by a family or household member that would violate the penal law. The act must have resulted in actual physical or emotional injury or created a substantial risk of physical or emotional harm to the person or their child.

ADDITIONAL LEAVE RIGHTS UNDER NEW YORK LAW

Employees have available leave rights for the purposes of blood and bone marrow donation. Employees who are a victim of a crime have additional leave rights to testify, meet with the District Attorney and other purposes. Please see the Senior Vice President of Human Resources for additional information.

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