

# J. Christopher Capital Employee Handbook

**J. Christopher Capital | C. Wonder | Monika Chiang | No. 9  
Christopher | Electric Love Army | 21<sup>st</sup> Century Survival**

**J. Christopher Capital, LLC  
Employee Handbook  
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## **WELCOME**

Welcome to the J. Christopher Capital Family of Companies.

We believe that outstanding people are the key to our success. J. Christopher Capital (“J. Christopher Capital” or “the Company”) prides itself on building successful businesses and helping our portfolio companies, which includes C. Wonder, LLC, Monika Chiang, LLC, No. 9 Christopher, LLC, Electric Love Army, LLC, and 21<sup>st</sup> Century Survival, LLC.

An interesting and challenging experience awaits you as an employee of a J. Christopher Capital Company. To answer some of the questions you may have concerning the Company and its policies, we have written this handbook. Please read it thoroughly and retain it for future reference.

If you have any suggestions or ideas that you feel would benefit J. Christopher Capital, we would encourage you to talk about them with your manager or a member of the HR Team. We are always looking for suggestions that improve methods, procedures and working conditions, reduce costs or errors, and benefit J. Christopher Capital and its employees.

We wish you the best of luck and success in your position and hope that your employment relationship with J. Christopher Capital will be a rewarding experience.

J. Christopher Burch

## **PURPOSE**

This Handbook is designed to provide employees with general information regarding employment with J. Christopher Capital, LLC. (Hereinafter referred to as “the Company”).

The policies, procedures, benefits and guidelines described in this Handbook are provided for informational purposes only and do not constitute an employment contract. The relationship between you and the Company is “At-Will” and can be dissolved at any time by either the Company or the employee, with or without cause.

It is your responsibility as an employee to read this Handbook carefully and keep it accessible for future reference. Should you have any questions regarding your employment, please contact your supervisor, a member of Management, or Human Resources.

The Company retains the right to modify, supplement, amend, suspend, or delete any or all of the provisions covered in this Handbook. This Handbook, issued July 2012, supersedes and replaces any and all prior written and oral communications or policies covering the same or similar subjects. Applicable State and Federal law supersedes any Company policy, including those in this Handbook.

## **INTRODUCTION**

### **EQUAL EMPLOYMENT OPPORTUNITY**

J. Christopher Capital, LLC. reaffirms its policy to be a fair and Equal Opportunity Employer for all, without regard to race, color, creed, religion, sex, sexual orientation, age, marital status, national origin, disability, or any other protected category.

All employment practices are designed to ensure that all individuals are recruited, hired, assigned, trained, promoted, advanced, compensated and retained on the basis of their qualification and treated equally in these and all other respects without regard to race, color, creed, gender, sexual orientation, age, marital status, religion, national origin, ancestry, alien or citizen status, veteran status, disability, or any other protected category by law.

As part of our Equal Employment Opportunity Policy, all employees should enjoy a working environment free from all forms of discrimination and harassment, including but not limited to sexual harassment and any other form of harassment based on race, color, national origin, sex, sexual orientation, religion, age, disability, or any other category protected by law.

It is against the Company's policy for any employee to unlawfully harass another employee. Therefore, the Company will treat harassment as it does any other form of employee misconduct and it will not be tolerated.

### **EMPLOYMENT AT WILL**

All employment relationships with J. Christopher Capital are on an "at-will" basis. Thus, although J. Christopher Capital hopes that our business relationships with all employees are long-term and mutually rewarding, J. Christopher Capital reserves the rights under the employment-at-will doctrine to terminate or have the employee terminate the employment relationship at any time, with or without cause or notice unless other written agreements govern the terms of your employment.

### **ANTI-DISCRIMINATION & ANTI-HARASSMENT POLICY**

Employees are not permitted to display or electronically send pictures, cartoons, posters, emails or jokes that may reasonably be deemed as offensive because of race, color, creed, religion, sex, sexual orientation, citizenship status, marital status, national origin, age, handicap, disability or any other characteristic protected by federal, state or local law. Similarly, employees are not to make comments, jokes, innuendos or gestures, or engage in any other form of conduct that may be deemed reasonably offensive because of race, color, creed, religion, sex, sexual orientation, citizenship status, marital status, national origin, age, handicap, disability or any other characteristic protected by federal, state, or local law.

Any employee found to be engaging in conduct prohibited under this policy will be subject to disciplinary action up to and including termination.

### **SEXUAL HARASSMENT POLICY**

The Company does not tolerate sexual harassment. Sexual harassment is unwanted sexual attention of a persistent or offensive nature made by a person who knows, or reasonably should know, that such attention is unwanted. Sexual harassment includes sexually-oriented conduct that is sufficiently pervasive or severe to unreasonably interfere with an employee's job performance or create an intimidating, hostile or offensive working environment. Sexual harassment can be physical and/or psychological in nature. An aggregation of a series of incidents can constitute sexual harassment even if one of the incidents considered on its own would not be harassing. Employees are prohibited from harassing other employees whether or not the incidents of harassment occur on employer premises and whether or not the incidents occur during working hours.

While sexual harassment encompasses a wide range of conduct, some examples of specifically prohibited conduct include, but are not limited to:

- Physical assaults of a sexual nature, such as rape, sexual battery, molestation or attempts to commit these assaults, and intentional physical conduct that is sexual in nature, such as touching, pinching, patting, grabbing, brushing against another employee's body or poking another employee's body.
- Unwanted sexual advances, propositions or other sexual comments, such as sexually-oriented gestures, noises, remarks, jokes, or comments about a person's sexuality or sexual experience (especially when directed at or made in the presence of any employee who indicates or has indicated in any way that such conduct in his or her presence is unwelcome).
- Preferential treatment or promises of preferential treatment to an employee for submitting to sexual conduct, including soliciting or attempting to solicit any employee to engage in sexual activity for compensation or reward.
- Subjecting, or threats of subjecting, an employee to unwelcome sexual attention or conduct or intentionally making performance of the employee's job more difficult because of that employee's sex.
- Sexual or discriminatory displays or publications anywhere in Company's workplace by Company employees,

Any employee found to be engaging in conduct prohibited under this policy will be subject to disciplinary action up to and including termination.

#### **REPORTING COMPLAINTS OF DISCRIMINATION OR HARASSMENT**

If an employee feels they have been subjected to offensive, hostile or discriminatory conduct because of race, color, creed, religion, sex, sexual orientation, citizenship status, marital status, national origin, age, handicap, disability or any other characteristic protected by federal, state or local law, the employee must report the issue immediately (verbally or in writing) to their supervisor or to the Human Resources Department.

Once the matter has been reported, a prompt investigation will be conducted, and to the extent that it does not compromise the integrity of the investigation, confidentiality will be maintained concerning the allegations. Should the investigation establish that an individual has engaged in conduct prohibited by the Anti-Discrimination, Anti-Harassment and Sexual Harassment policies, disciplinary action will be taken against the offending employee(s). Employees who fail to cooperate with an investigation, or who knowingly provide false information in connection with a complaint or an investigation, will be subject to disciplinary action up to and including termination.

#### **GLOBAL COMPLIANCE CONFIDENTIAL HOTLINE**

If an employee is uncomfortable talking with their direct manager, Human Resources or other members of Management, they can confidentially report claims to the C. Wonder/J. Christopher Capital Global Compliance Hotline.

This hotline is easy to use and can be used to report claims of discrimination, harassment, financial abuse, etc., 24 hours a day, 7 days a week by calling (888) 475-0606 or online at <https://cwonder.alertline.com>.

All reports are sent directly to the VP, Human Resources, for review and determination of next steps.

#### **OPEN DOOR POLICY**

Effective communication with all employees is an important objective and a factor contributing to our success. Employees are encouraged to discuss questions, issues, ideas or job-related concerns with their supervisor. If an employment issue arises, we urge employees to bring it to the attention of their



immediate supervisor. Should the employee not understand or disagree with a response, it is appropriate to present the issue to the next higher level of this process.

The Company does not tolerate any form of retaliation against employees availing themselves of this procedure. The procedure should not be construed as preventing, limiting, or delaying the Company from taking disciplinary action against any individual, up to and including termination, in circumstances (such as those involving problems of overall performance, conduct, or demeanor) where the Company deems disciplinary action appropriate.

#### **Levels of Process:**

First Level - Every employee is encouraged to promptly communicate with their immediate supervisor any questions or concerns regarding any aspects of their employment. Every effort will be made to resolve the issue(s) at this level, as the information is readily accessible and decisions can be made quickly.

Second Level - If an employee is not satisfied with a supervisor's answer, the employee and the supervisor should discuss the concerns with the next level supervisor (this person may vary by store and/or division).

Third Level - If the matter is not resolved at the Second Level, the employee may request a meeting with Human Resources or Senior Management.

This policy states that during any point in the process, an employee may skip a level of due process for any valid reason, or the employee may opt out completely and contact the Human Resources Department for assistance or as a substitute to one of the levels of the process. Should an employee feel the policy has been violated, they may raise this matter with the next level of management or the Human Resources Department.

#### **PROHIBITION AGAINST RETALIATION**

The Company prohibits any form of retaliation against an employee who has filed a complaint or an employee who has participated in an investigation of a complaint. If an employee has filed a complaint or participated in an investigation, and believes they are being retaliated against, they must report it to the Human Resources Department.

#### **AMERICANS WITH DISABILITIES ACT**

The Company complies with the Americans with Disabilities Act (ADA) and applicable state and local laws providing non-discrimination against employment of qualified individuals with disabilities. If an employee has a disability and requires reasonable accommodation to perform the essential functions of their job, a request must be made to the Human Resources Department. To the extent that the accommodation is reasonable and does not cause undue hardship, the Company will make such accommodations.

#### **PROCEDURE FOR REQUESTING AN ACCOMODATION**

Qualified individuals with disabilities may make requests for reasonable accommodation to the Human Resources Department. On receipt of an accommodation request, a representative of the Human Resources Department will meet with the individual to discuss and identify the precise limitations resulting from the disability and the potential accommodation that the Company might make to help overcome those limitations.

Appropriate management representatives identified as having a need to know, and, if necessary, Human Resources, (e.g., the individual's supervisor and/or department head), will determine the feasibility of the requested accommodation, considering various factors, including, but not limited to, the nature and cost of the accommodation, the availability of tax credits and deductions, outside

funding, the facility's overall financial resources and organization, and the accommodation's impact on the operation of the facility, including its impact on the ability of other employees to perform their duties and on the facility's ability to conduct business.

Human Resources will inform the individual of the Company's decision on the accommodation request or on how to make the accommodation. If the accommodation request is denied, the individual will be advised of their right to appeal.

### **NONDISCRIMINATION AGAINST AND ACCOMODATING RELIGIOUS REQUEST**

The Company is committed to respecting and acting upon requests for religious accommodation. Any request for reasonable accommodation made by an employee based on religious beliefs, shall be granted except where it is determined it will cause an undue hardship on the business or is deemed an unreasonable request. If an employee has a reasonable religious accommodation, a request must be made to the employee's supervisor and must comply with the Company's guidelines for requesting time off.

### **FEDERAL FAIR CREDIT REPORTING ACT**

The Federal Fair Credit Reporting Act (FCRA) is the law that governs the use of consumer reports for employment and other authorized purposes. The FCRA requires that whenever employment or promotion is denied or terminated based in whole or in part on information received from a consumer reporting agency, the employer must notify the prospective applicant or employee that the denial was based on information received from a consumer reporting agency and of the name and address of the consumer reporting agency (FCRA Notice) as well as a copy of the information obtained.

### **CONFIDENTIALITY POLICY**

It is the policy of J. Christopher Capital, LLC to ensure that the operations, activities and business affairs of the Company are kept confidential. If during the course of your employment, confidential or proprietary information is acquired about the Company and/or its employees, this information must be held in strict confidence. Information is only to be disclosed and discussed on a need to know basis for purposes of performing one's job. Company employees are not permitted to make statements regarding the Company and/or on behalf of the company. This includes but is not limited to the signing of petitions, surveys, verbal or written statements. All employees are expected to sign a Confidentiality and Proprietary Information Policy Acknowledgement upon completion of New Hire Orientation.

J. Christopher Capital places a high priority on the protection of its confidential information. It is the policy of the Company to ensure that the technology patents, products, operations, activities and affairs of the Company and our customers are kept confidential to the greatest possible extent. Conversely, it is important to be able to efficiently and quickly convey the necessary information to our customers, vendors and other parties outside of J. Christopher Capital. Therefore, J. Christopher Capital classifies all of its internal information into one of three categories: J. Christopher Capital Confidential, J. Christopher Capital Sensitive, or Non-Confidential.

The following items shall be considered "J. Christopher Capital Confidential" information:

- Inventions that may be patentable
- Inventions that have been filed as a provisional with the U.S Patent office but may damage J. Christopher Capital's competitive position in the marketplace if disclosed
- Any data related to R&D and /or patentable technology
- Business strategy
- Undisclosed Financial Information

- Other technical or technological “know-how”, learning or other proprietary knowledge, which has been developed by or arose in conjunction with research, development or experimentation at or by J. Christopher Capital or its employees
- Software Source Code

The best protection we can provide for our confidential or sensitive information is to use common sense. If you are unsure if a document, computer program, or other media can or should be disclosed to a particular party outside of J. Christopher Capital, please consult your manager before disclosure. Likewise, if a particular document or other media is confidential or sensitive and does not contain the proper confidential or sensitive information marking(s), please inform your manager immediately.

J. Christopher Capital Confidential information may only be disclosed, whether orally or in written form, to parties outside of J. Christopher Capital with:

- Prior written approval from the President and/or Chief Executive Officer; and
- The execution of a Non-Disclosure Agreement detailing the specific information with the outside party receiving J. Christopher Capital Confidential information.
  - The Non-Disclosure Agreement shall be specific to the items to be disclosed.
  - To coordinate the disclosure of confidential information, J. Christopher Capital and the receiving party will designate Confidential Information Coordinators. Typically, the person from J. Christopher Capital requesting the disclosure of the confidential information shall be the Confidential Information Coordinator for J. Christopher Capital. The name(s) and title(s) of the Confidential Information Coordinators shall be documented in the Non-Disclosure Agreement. Information shall only be considered confidential if disclosed between Confidential Information Coordinators.

## **PRESS INQUIRIES**

Employees are not permitted to speak to the press as a representative of the company, please direct all requests for Press Inquiries to the Brand’s Public Relations / Communications team or the Brand President.

## **INTELLECTUAL PROPERTY POLICY**

All J. Christopher Capital employees must be aware that all (i) ideas, methods, inventions, discoveries, improvements, work products or developments, whether patentable or unpatentable, and all related continuation, continuation-in-part, divisional, reissue, reexamination, utility model, certificate of invention and design patents, patent applications, registrations and applications for any of the foregoing; (ii) trademarks, service marks, trade dress, Internet domain names, logos, trade names and corporate names and registrations and applications for any of the foregoing; (iii) copyrights and copyrightable works and registrations and applications for any of the foregoing; (iv) mask works and registrations and applications for any of the foregoing; (v) computer software, data and documentation (including any and all e-mails wherever located); (vi) trade secrets and confidential business information, know-how, manufacturing and product processes and techniques, research and development information, financial, marketing and business data, pricing and cost information, business and marketing plans and customer and supplier lists and information; (vii) to the extent allowed by law, all rights of paternity, integrity, disclosure, and withdrawal and any other rights that may be known as or referred to as “moral rights,” “artist’s rights,” “droit moral,” or the like (“Moral Rights”) (viii) other proprietary rights relating to any of the foregoing (collectively, “Intellectual Property”) and copies and tangible embodiments of any of the foregoing that relate to the employee’s work with the Company, made or conceived by the employee, solely or jointly with others, either while performing the employee’s duties with the Company or on the employee’s own time, and whether or not made or conceived prior to, on or after the date of hire (the “Created Intellectual Property”), shall belong exclusively to the Company (or its designee). To the extent an employee retains any Moral

Rights in the Created Intellectual Property under applicable law, the employee must consent to any action that may be taken with respect to such Moral Rights by or authorized by the Company and agrees not to assert any Moral Rights with respect thereto.

All J. Christopher Capital employees must be aware that the Created Intellectual Property, together with all goodwill associated therewith and the right to file, in the name of the Company (or its designee), applications for registration (whether before, during or subsequent to the employee's employment with the Company) (the "Applications") are assigned to the Company. Employees are required, at any time during and subsequent to the employee's employment with the Company, to make such applications, sign such papers, take all rightful oaths, and perform all acts as may be requested from time to time by the employee with respect to the Created Intellectual Property. The employee will also execute assignments to the Company (or its designee) of the Applications, and give the employee and its attorneys all reasonable assistance (including the giving of testimony) to obtain the Created Intellectual Property for its benefit, all without additional compensation to the employee from the Company, but entirely at the Company's expense.

All Created Intellectual Property will be deemed "works made for hire", as such term is defined under the copyright laws of the United States, on behalf of the Company and the employee acknowledges and agrees that the Company will be deemed to be the sole owner of the Created Intellectual Property, and all underlying rights therein, in all media now known or hereinafter devised, throughout the universe and in perpetuity without any further obligations to the employee. If the Created Intellectual Property, or any portion thereof, are deemed not to be "works made for hire", the employee hereby irrevocably conveys, transfers and assigns to the Company, all rights, in all media now known or hereinafter devised, throughout the universe and in perpetuity, in and to the Created Intellectual Property, including, without limitation, all goodwill associated with such Created Intellectual Property, all of the employee's right, title and interest in the copyrights (and all renewals, revivals and extensions thereof), trademark and patent rights underlying the Created Intellectual Property, including, without limitation, all rights of any kind or any nature now or hereafter recognized, including without limitation, the unrestricted right to make modifications, adaptations and revisions to the Created Intellectual Property, to exploit and allow others to exploit the Created Intellectual Property, to reproduce and allow others to reproduce the Created Intellectual Property, either partially or totally, in any media now known or known in the future, to display and allow others to display the Created Intellectual Property either partially or totally, in any media now known or known in the future, and all rights to sue at law or in equity for any infringement, or other unauthorized use or conduct in derogation of the Created Intellectual Property, known or unknown, prior to the date hereof, including, without limitation, the right to receive all proceeds and damages therefrom. The employee hereby waives any and all currently existing and future monetary rights in and to the Created Intellectual Property and all patents that may issue thereon, including, without limitation, any rights that would otherwise accrue to the employee's benefit by virtue of the employee being an employee of or other service provider to the Company.

If employee has any rights to Created Intellectual Property that cannot be transferred and assigned to the Company in accordance with the foregoing, the employee will be required to unconditionally and irrevocably: (i) waive the enforcement of such rights; and (ii) grant to the Company during the term of such rights, an exclusive, irrevocable, perpetual, worldwide, royalty-free license to reproduce, create derivative works of, distribute, publicly perform and publicly display such Created Intellectual Property, by all means now known or later developed, with the right to sublicense such rights through multiple levels of sub-licensees.

Upon the termination of employment, all rights to Created Intellectual Property granted under this policy shall belong to the Company, and employee must give to Company all original and copies of works collected or created as a result of employment with the Company.

## **ASSET PROTECTION POLICY**

Asset protection is everyone's responsibility. All employees are held accountable to safeguard company assets and report any behavior that may indicate intent to defraud or steal from the company. If any employee is found to be guilty of damaging or allowing the theft of company property, that employee may be subject to disciplinary action up to and including termination and retribution for all loss or damages.

The Company's Assets include but are not limited to: Associates, Funds, Inventory, Physical Location, Furniture, Administrative supplies, Electronic equipment, Office equipment, Register equipment, Computer equipment, Phone equipment, Alarm equipment, Sound System and HVAC.

Asset protection includes but is not limited to the following: Protecting employee health and well-being by adhering to Safety at the Workplace Policy; accurate and timely processing of invoices, expense reports, shipping and other financially-related transactions; protecting all physical property by ensuring proper storage, maintenance and cleanliness.

Certain positions may require an employee to act as an agent of the Company. As a result, individual employees may be provided with specialized equipment. Equipment such as, but not limited to, laptops, computers, digital cameras, cell phones, photocopy machines, facsimile machines, telephones, security access cards and office keys, which are to be used for business purposes only. Employees are responsible for this equipment while it is in their possession and will, to the extent permitted by law, be held accountable for excessive wear, damage or loss. All employees who use company property for personal business are responsible for paying or reimbursing the Company for such indebtedness. All company equipment must be surrendered at the time of termination.

Employees are always encouraged to inform their direct supervisor of potential loss situations. All information given will be taken seriously and investigated. Employees should not fear reprisal for coming forward. All information will be held in the strictest confidence.

## **CONFLICT OF INTEREST AND OUTSIDE EMPLOYMENT**

The Company expects our employees to conduct business according to the highest ethical standards of conduct. Employees are expected to devote their best efforts to the interests of the Company. Business dealings that appear to create a conflict between the interests of the Company and an employee are unacceptable. The Company recognizes the right of employees to engage in activities outside of their employment which are of a private nature and unrelated to our business. However, the employee must disclose any possible conflicts so that the Company may assess and prevent potential conflicts of interest from arising. A potential or actual conflict of interest occurs whenever an employee is in a position to influence a decision that may result in a personal gain for the employee or an immediate family member (i.e., spouse or significant other, children, parents, siblings) as a result of the Company's business dealings.

Although it is not possible to specify every action that might create a conflict of interest, this policy sets forth the ones which most frequently present problems, including:

- Accepting a tip in any amount for services
- Working for a competitor while employed with the Company
- Using Company vendor accounts for personal use without authorization
- Receipt of gifts, entertainment, services, loans or anything of value, exceeding \$25.00.00 annually from a supplier, customer or person with whom the Company does business, or from a competitor of the Company
- Holding financial interest in more than 5% of the stock of a publicly held corporation of any supplier, customer or competitive business without prior approval of the company
- Acting as a director, officer, consultant, agent or employee for any supplier, customer, or competitor

If an employee has any question about whether an action or proposed course of conduct would create a conflict of interest, he or she should immediately contact the Human Resources Department to obtain advice on the issue. The purpose of this policy is to protect employees from any conflict of interest that might arise.

A violation of this policy will result in immediate and appropriate discipline, up to and including immediate termination.

### **EMPLOYEE GIFTS**

Managers should not purchase gifts for their employees that have “significant” retail value because of potential tax implications for both the company and the employee. As a general guideline, a total retail value of \$25.00 for any gifts is considered “significant”. No cash or any other vouchers that can be converted to cash are acceptable regardless of their retail value.

If you are unsure whether a gift is significant please contact the VP, Human Resources, or the SVP, Finance.

### **KICKBACKS, GRATUITIES AND CONFLICT OF INTEREST POLICY**

J. Christopher Capital expects its employees to observe the highest standards of business ethics.

No employee should take any action on behalf of the Company that they know, or can reasonably be expected to know, violates any applicable law or regulation. This obviously includes such activities as bribery, kickbacks, falsehoods, and misrepresentation.

#### **Gifts & Gratuities**

All employees and members of their immediate families are prohibited from requesting or accepting gifts, gratuities, or entertainment from individuals and firms with whom the Company does business, unless approval has been received from the Vice President of Human Resources. It is also a violation to give gifts to individuals or firms with whom Company does business unless approval has been received from the VP, Human Resources or the SVP, Finance. Excluded from this prohibition is the exchange of normal business courtesies such as luncheons or dinners, when they are proper and consistent with regular business practice. Also excluded are advertising or promotional materials and holiday or other gifts, which are of nominal value.

If an employee is unsure whether a gift is “significant”, he/she must seek guidance from the VP, Human Resources or the SVP, Finance. As a general guideline, a total retail value of \$25.00 for any gifts is considered a significant value. No cash, gift certificates or any other vouchers that can be converted to cash are acceptable, regardless of their retail value.

Failure to comply with the aforementioned provisions may result in corrective action, up to and including termination of employment.

Employees are bound by company policies to make a committed effort to do the right thing at all times and to be honest and fair in all of their business dealings. Compromising those values and standards by offering, soliciting or accepting Kickbacks, gratuities, or bribes to receive favorable treatment is prohibited by company policy and federal law.

#### **Bribery & Kickbacks**

The Anti-Kickback Act of 1986 prohibits providing, attempting to provide, or offering to provide a kickback or favorable treatment; and soliciting, accepting, or attempting to accept

any kickback, gratuity, or bribe. This law also imposes severe civil and criminal penalties for both the company and the individuals involved in such activities. A kickback is any money, fee, commission, credit, gift, gratuity, item of value, or compensation of any kind which is provided directly or indirectly, to any prime contractor, subcontractor, or employee for the purpose of improperly obtaining or rewarding favorable treatment in connection with either a prime or subcontract.

In order to comply with the Anti-Kickback Act of 1986, the Company requires that all employees report all of conflicts of interest, relationships with suppliers and any violations of standards of business conduct on an annual basis to Human Resources.

#### Conflict of Interest

In order to safeguard the activities and assets of the Company, Company employees should not have interests in outside businesses which conflict or appear to conflict with their ability to act and make independent decisions in the best interest of the Company.

An employee is considered to have an interest in an outside business if the employee or any member of his/her immediate family holds any ownership in the business or its property; furnishes goods or services to the business; is a creditor, employee, agent, officer, director, or consultant of the business. Outside businesses include any person, firm, corporation, or government agency that sells or provides a service to, purchases from, or competes with the Company.

All employees are expected to exercise good judgment and discretion in evaluating a particular activity so as to avoid any apparent or actual conflict of interest. If there is a doubt, the employee should discuss it with his/her manager and/or the Vice President of Human Resources.

Excluded are investments in the securities of a bank, public utilities, and transportation companies subject to regulations by government authority or a mutual fund or investment company registered under the Investment Company Act. Also excluded are securities listed on a national securities exchange or customarily bought and sold at least once a week in the over-the-counter market or in which the employee and/or his or her family have less than \$10,000 invested, at cost or market value, or hold less than one percent of such outstanding securities.

An employee who has a conflict of interest based on his/her own personal interest in an outside business or a family members' interest in an outside business, is required to advise his/her manager and disclose in writing the nature of the interest.

#### Employee Guidelines

Employees are accountable for performing every aspect of our work according to the highest standards and for behaving in an honest and fair manner. In order to carry out these responsibilities and obligations, an employee must:

- Report any offer of, or request for, a kickback, gratuity, or bribe to department management, the VP of Human Resources or the Global Compliance Hotline reference on page 8
- Follow company policies and procedures with regard to any contract solicitation or procurement involving an outside supplier or subcontractor
- Inform suppliers beforehand that Company employees cannot accept gifts or gratuities and thus avoid embarrassment
- Not accept gifts, entertainment, meals, favors, or other gratuities from a supplier except as expressly permitted by written company policies and procedures

- Promptly inform the company through management of a gift accepted or a courtesy received because a gracious refusal was culturally unacceptable
- Report conflicts or potential conflicts of interest to department management, the VP of Human Resources or the Global Compliance Hotline reference on page 8
- Be attentive to the potential for actual or perceived conflicts of interest and avoid even the appearance of a conflict of interest
- Report annually any conflicts of interest, relationships with suppliers and violations of standards of business conduct in accordance with company policy

#### Manager/Supervisor Guidelines

Managers or supervisors are responsible for ensuring that their departments abide by company policies and the law. Managers and supervisors must:

- Report to the VP of Human Resources an offer of a kickback, gratuity, or bribe which has come to their attention
- Report any potential conflicts of interest which have come to their attention to the VP of Human Resources or the Global Compliance Hotline reference on page 8.
- Ensure their department follows company policies and procedures with regard to any contract solicitation or procurement involving an outside supplier or subcontractor.

Employees are required to sign a Kickbacks, Gratuities and Conflicts of Interests Policy Acknowledgement upon hiring. Any employee found to be violating the Kickbacks, Gratuities and Conflicts of Interests Policy will be subject to disciplinary action up to and including termination

#### **PREVENTION OF INTERNATIONAL BRIBERY AND COMPLIANCE WITH THE FOREIGN CORRUPT PRACTICES ACT POLICY**

It is the policy of the Company to conduct its business in a lawful and ethical manner in full compliance with all anti-bribery laws, including the United States Foreign Corrupt Practices Act (the “FCPA”) and other applicable laws in the United States and wherever we do business. The FCPA makes it illegal to bribe a foreign official for an improper purpose. All payments or gifts are prohibited if their purpose is to influence any act or decision of a foreign official in his or her official capacity. An improper purpose also includes affecting or influencing any governmental act or decision in order to obtain any advantage or business for the Company, to keep any business that the Company already has, or to direct any business to any person, even outside the Company. Improper conduct by employees, agents, consultants and representatives of the Company could result in serious consequences to the Company as well as the individuals involved in the misconduct. Any employee who becomes aware of a potential violation of this provision must immediately report it to his or her manager. If the employee has concerns that his or her manager is involved in the conduct at issue, then the employee should report the concern to the VP of Human Resources or the Global Compliance Hotline reference on page 8.

While Company employees in certain positions will be required to review the Company’s Prevention of International Bribery and Compliance With the Foreign Corrupt Practices Act Policy and sign a policy acknowledgement upon hiring, all Company employees are prohibited from violating the FCPA. Violations of this Policy will subject employees to Company disciplinary measures and may result in immediate termination of employment.

#### **RIGHT TO SIGN ON BEHALF OF THE COMPANY**

It is company policy that only Officers of the company may enter into a legally binding contract with outside vendors, service providers, partners, etc. For definition of this policy, “Corporate Officer” refers to Founder & CEO, Brand President and Managing Director or any individual authorized by an officer to sign on behalf of the company.



## EMPLOYMENT

### CLASSIFICATION OF EMPLOYMENT

For purposes of salary administration and eligibility for overtime payments and employee benefits, the Company classifies its employees as follows:

#### **Full-time (Exempt) regular employees**

Employees who are not required to be paid overtime, in accordance with applicable federal wage and hour laws. Executives, professional employees, managers/supervisors, outside sales representatives, and certain employees in administrative positions are typically exempt. Full-time (Exempt) employees are eligible for benefits.

#### **Full-time (Salaried Nonexempt) regular employees**

Employees who are hired to work 32 or more hours per workweek on a regular basis are considered to be "full-time". These employees are paid a minimum of 40 hours per week and are required to be paid overtime at the rate of time and one half (i.e., one and one-half times) their regular rate of pay for all hours worked beyond 40 hours in a workweek, in accordance with applicable federal and state wage and hour law. Full-time (Salaried Nonexempt) regular employees are eligible for benefits.

#### **Full-time (Nonexempt) hourly employees**

Employees who are hired to work 32 or more hours per workweek on a regular basis are considered to be "full-time". These employees are paid only for hours worked and are required to be paid overtime at the rate of time and one half (i.e., one and one-half times) their regular rate of pay for all hours worked beyond forty hours in a workweek, in accordance with applicable federal and state wage and hour law. Full-time (Nonexempt) hourly employees are eligible for benefits.

#### **Part-time (Nonexempt) hourly employees**

Employees who are hired to work less than 32 hours per week on a regular basis are considered to be "part-time". These employees are required to be paid overtime at the rate of time and one half (i.e., one and one-half times) their regular rate of pay for all hours worked beyond forty hours in a workweek, in accordance with applicable federal and state wage and hour law. Part-time (Nonexempt) employees are not benefits-eligible. Part-time (Nonexempt) hourly employees may be eligible for certain benefits.

#### **Temporary (Nonexempt)**

Employees who are hired to work for a short period of time, or who work on an "as-needed" or "as available" basis, during sales periods, employee paid-time days, or days when additional staffing needs to occur are "temporary". Temporary employees are eligible to work up to 950 hours within a twelve month period. Temporary employees are eligible for overtime pay but do not accrue paid time off and are not benefits-eligible.

#### **Seasonal (Nonexempt)**

Employees who are hired to work for a specific period of time (i.e., holidays) not to exceed a 90-day period of time are classified as seasonal. Seasonal employees are eligible for overtime pay, but do not accrue paid time off and are not bonus-eligible.

You will be informed of your initial employment classification as an Exempt or Nonexempt employee when hired. If you change positions during your employment as a result of a promotion, transfer, or otherwise, you will be informed by the Human Resources Department of any change in your exemption status.

Please direct any questions regarding your employment classification or exemption status to the Human Resources Department.

## **TRANSFERS AND PROMOTIONS**

The Company encourages employees to assume higher-level positions or lateral transfers that they are qualified for. Generally, employees must be in their job for at least one year before applying for a change in position. In addition, employees must have a good performance and attendance record.

Employees who wish to apply for a transfer should discuss it first with their immediate manager and Human Resources. If the employee fits the criteria for the position, the Human Resources Department will make arrangements to set up interviews as appropriate.

Employees are encouraged to discuss their career aspirations with their managers and Human Resources.

## **INTRODUCTORY PERIOD**

Every new employee goes through an initial period of adjustment in order to learn about the Company and his/her job. During this time the employee will have an opportunity to find out if he/she is suited to, and likes, his/her new position.

Additionally, the introductory period gives the employee's supervisor a reasonable period of time to evaluate his/her performance. The introductory period is 90-days.

During this time, the new employee will be provided direction and guidance from his/her Manager. He/she may be discharged at any time during this period if his/her Manager concludes that he/she is not progressing or performing satisfactorily. Under appropriate circumstances, the introductory period may be extended. Additionally, as it is true at all times during an employee's employment with the Company, employment is not for any specific time and may be terminated at will, with or without cause and without prior notice.

At the end of the introductory period, the employee and his/her Manager will discuss his/her performance. Provided job performance is "satisfactory" at the end of introductory period, the employee will continue in his/her role as an at-will employee.

## **COMPENSATION**

### **PERFORMANCE MANAGEMENT**

Employees are evaluated on an ongoing basis and written performance reviews are conducted on an annual basis. Reviews for all employees will be conducted by managers in March for the preceding year. During the evaluation, the Employees' conduct, core competencies, and attendance will be reviewed. A performance review is not a contract or commitment to provide salary or other forms of compensation adjustments, promotion, bonus or continued retention.

### **SALARIES AND BONUSES**

The salary and bonus structures vary throughout the company. Therefore, information about these items may be obtained from a representative from the Human Resources and/or Payroll Departments or a Brand President.

Salary and bonus information are highly sensitive and should only be discussed with discretion; furthermore, it is against company policy for managers to discuss their employee's salary and bonus information with anyone other than the direct employee, Brand President or Human Resources.

Nothing in this policy or handbook is intended to prohibit employees from discussing with one another, or with third parties who are not competitors of the Company, wages, hours, or other terms and conditions of employment.

### **EQUAL PAY ACT**

The Equal Pay Act (EPA) prohibits differences in pay between men and women for the performance of "substantially equal jobs", unless the differences are due to a bona fide merit system, training program, seniority system, or some factor other than gender. Jobs are considered equal when they require substantially the same skill, effort, and responsibility under similar working conditions and in the same establishment.

The Equal Pay Act was passed as an amendment to the Fair Labor Standards Act. The Equal Employment Opportunity Commission administers it.

### **REGULAR PAY PROCEDURES**

All Company employees are normally paid by direct deposit or by check every other Friday for work performed through the previous Saturday. All required deductions, such as for federal, state, and local taxes, and all authorized voluntary deductions will be withheld automatically from your paycheck. Those employees who work more than five (5) consecutive days in a state other than their normal taxing state may have taxes withheld for that time period in the state in which they worked.

Please review your paycheck for errors. If you find a mistake, report it to a representative from the Human Resources or Payroll Department for assistance in taking the steps necessary to correct the error. Employees in overseas offices of J. Christopher Capital will receive locally modified paycheck and benefits information.

In the event that your paycheck is lost or stolen, please notify the Human Resources or Payroll Department immediately. The Company will attempt to put a stop-payment notice on your check and you will be issued a new one. Unfortunately, however, the Company is unable to take responsibility for lost or stolen paychecks which have been endorsed; you alone will be responsible for such loss. For this and other reasons, the Company highly recommends that employees take advantage of the direct deposit option offered to all employees, at no charge.

## **OVERTIME PAY PROCEDURES**

If you are classified as a nonexempt employee (see the classifications of employment policy section for the definition of nonexempt employee), you will receive compensation for approved overtime work as follows:

- You will be paid at straight time (i.e., your regular hourly rate of pay) for all hours reported up to and including the fortieth (40<sup>th</sup>) hour of work in any given workweek (state-specific overtime laws supersede this policy)
- You will be paid one and one-half times your regular hourly rate of pay for all hours reported beyond the fortieth (40<sup>th</sup>) hour in any given workweek; and
- You will be paid for all hours worked on a company-observed holiday in addition to receiving your regular holiday pay.

Your supervisor will attempt to provide you with reasonable notice when the need for overtime work arises. Please remember, however, that advance notice may not always be possible.

You will normally receive payment for overtime in the pay period following the period in which such overtime is worked, providing that your time record has been properly prepared, approved by your supervisor, and forwarded to payroll for processing in a timely manner.

Exempt employees do not receive overtime pay as per the overtime provisions of the Fair Labor Standards Act.

## **TIMEKEEPING**

It is the Company's policy to pay its employees all compensation they are entitled to receive in compliance with all applicable state and federal laws. To ensure that accurate records are kept of the days and/or hours Nonexempt employees work and to ensure that all employees earn appropriate paid-time-off credit, employees are required to use the timekeeping system at their location of employment.

Nonexempt employees must record each working day at the time they (1) commence work, (2) leave and return from lunch and/or dinner breaks, and (3) complete work. In addition, non-exempt employees are required to record any time spent working during meal periods or before or after a scheduled work day/shift. This includes, but is not limited to, time spent reading and responding to work related e-mails or fielding work related phone calls. It is an employee's responsibility to verify that the hours reported are accurate and complete. In the event that an employee inadvertently forgets to record time or notices an error in the time reported, it is the employee's responsibility to immediately report the matter to a Manager and/or the Payroll Manager.

Nonexempt employees are prohibited from working "off the clock" (i.e. without reporting the time worked). "Off the clock work" includes time worked during a meal period or before or after a scheduled work day/shift but not reported. Nonexempt employees are prohibited from working during their meal break or before or after their work day, unless instructed to do so, and any work performed must be recorded to ensure that proper compensation is paid. Both voluntary (by employee choice) and involuntary (my manager order, request or suggestion) off the clock work are strictly prohibited. It is a violation of Company policy for anyone, including a manager, to ask, request, encourage, or instruct another employee to work off the clock or to incorrectly report hours worked.

It is a violation of Company policy for anyone, including a manager, to alter another employee's time records. Employees are not permitted to have another employee use the timekeeping system on their behalf.

Any violation of the Company's timekeeping policy will result in disciplinary actions for all employees involved, up to and including termination.

## **REST AND MEAL BREAKS**

All employees are encouraged to take periodic breaks throughout the work day. Nonexempt employees are **required** to take meal breaks in accordance with their local/state laws and are encouraged to take rest breaks in accordance with their local/state laws. Information regarding specific laws can be found in addendum A in the back of this handbook. If you have any questions about your local/state laws regarding meal and rest breaks, please contact your location manager or Human Resources.

## **GARNISHMENT AND SUPPORT ORDERS**

J. Christopher Capital's policy is to comply with all court orders which require the wages of employees be withheld and remitted to a court. If a wage garnishment, child support order, or some other legally valid claim is received by J. Christopher Capital, you will be notified. The Company is required by law to comply with the provisions of the garnishment notice or wage order, as soon as practical after it is received.

## **PERSONNEL FILES**

The Company maintains an employment personnel file on each employee. This file contains documentation including new hire paperwork, personal information, performance appraisals, benefit information, beneficiary designation forms, payroll information, disciplinary warning notices, and letters of commendation. Personnel files are considered highly confidential and will be kept in a locked file in the Human Resources Department for Corporate employees and in the Manager's area for Store employees. All records are the property of J. Christopher Capital and are kept by the Company for at least seven years after an employee has left the Company or as required by record retention requirements.

Employees, who wish to, may review their employment personnel file on an annual basis. An employee requesting access into his/her file may contact the Human Resource Department to schedule an appointment. In addition, the employee's supervisor will have limited access to past performance reviews and other records directly related to employment issues on an "as needed" basis. Approval of a supervisor's access will be made by the Human Resource Department.

To ensure that your employment personnel file is up-to-date at all times, please inform the Human Resources Department of any changes in your name, telephone number, home address, marital status, number of dependents, beneficiary designations, scholastic achievements, or the individuals to notify in case of an emergency.

The Company will not disclose information in an employee's Personnel file to any party outside the Company except to comply with a court order, subpoena or other legal requirement or to confirm dates of employment and job title for verification of employment.

## **EMPLOYMENT VERIFICATION**

It is the company's policy that all requests for employment verification and references should be directed to the Payroll Manager in the Human Resources department. Employees are not permitted to give references on behalf of current or past employees without approval from Human Resources. The company will only provide dates of employment and last title held for any requests, for additional information such as rehired status, salary, etc. a written release with the employee/past employee's signature is required.

## TIME OFF

### **VACATION**

The Company grants annual, paid vacations to its U.S. full-time regular employees. Temporary employees and part-time employees are not eligible for vacation unless local and state law dictates otherwise.

Employees accrue vacation at a rate of 1/12<sup>th</sup> of total allowance per month. Employee must work the full month to be eligible for that month's accrual. J. Christopher Capital encourages employees to take their vacation. Accrued vacation must be used within the calendar year that it was accrued as it does not "roll over" to the next calendar year. In addition, this is a "use it or lose it" plan. As such, no payments will be made in lieu of taking accrued vacation, except for accrued unused vacation at the time of termination. Employees who have used more vacation than accrued at time of termination will be required to pay overage back to Company within 10 days of termination or opt to have it deducted from their final pay check.

Employees Annual and Monthly Accrual is as follows:

#### **Corporate Nonexempt (salaried & hourly) / All Store Employees**

<b>Length of Service with Company</b>	<b>Annual Eligibility</b>	<b>Monthly Accrual</b>
0-5 years	2 weeks (10 days)	.83 days per month
5+ years	3 weeks (15 days)	1.25 days per month

#### **Corporate Exempt / Field Leadership (DM and above)**

<b>Length of Service with Company</b>	<b>Annual Eligibility</b>	<b>Monthly Accrual</b>
0-5 years	3 weeks (15 days)	1.25 days per month
5+ years	4 weeks (20 days)	1.7 days per month

#### **Scheduling Vacations:**

Vacations may be taken at any time during the year, except that they must be scheduled to avoid conflicts with other employees' vacations and with busy periods of the year. Vacations may be taken as a weekly period or as individual days as long as the periods chosen meet departmental approval. Employees are encouraged to request vacation time as far in advance as possible. Vacation requests should be sent to employee's manager for approval. Once approval is received, request and approval should be forwarded to the Company's Payroll & Benefits Manager.

Vacation days cannot be used as ½ days, all vacation requests will be deducted as a full day from the total accrual. If the company has an early closing (i.e., Summer Friday) and an employee is on vacation they will be deducted for a full day.

#### **Store Black-Out Dates (Retail Stores)**

Due to holiday business our Retail Stores will have a vacation black out beginning on November 1 through December 31 each year. Any requests for an exception must be approved by the VP, Retail.

### Borrowing Vacations:

Employees, who use all accrued vacation time during a calendar year yet need additional time off, may “borrow” up to five vacation days from the time that will accrue during the following calendar year. If employment is terminated before the vacation time that is “borrowed” is accrued, the employee will be required to pay overage back to Company within 10 days of termination or opt to have it deducted from their final pay check.

### **PERSONAL DAYS**

Each full-time regular employee is entitled to seven personal days each year. Personal days are to be used for illness, family or household emergencies, inclement weather, civic or community service or other personal affairs.

Employees may not elect financial compensation in lieu of taking personal days and unused personal days will not be paid at the time of termination except where required by local and/or state law. Unused personal days do not “roll over” to the next calendar year, except where required by local and/or state law.

Employees who are out of work due to illness for more than three consecutive days are required to present a written note to Human Resources from the medical care provider who cared for them during their time out of work. The note must indicate the dates the employee was under medical care and that the medical care provider authorizes the employee’s ability to return to work.

### **COMPENSATORY TIME OFF (“Comp Time”)**

J. Christopher Capital does not grant compensatory time off to exempt employees who may work in excess of 40 hours per week or during weekends or any normally scheduled time off.

### **PAID HOLIDAYS (Corporate)**

The Company provides paid time off to all full-time regular employees for observed holidays. The list of holidays that are observed by the company will be published to all eligible employees prior to the beginning of the calendar year. The list is subject to change each year.

In order to be eligible to receive holiday pay, you are required to work your regularly scheduled hours the workday preceding and workday following the holiday. An approved vacation day or any other excused and paid day off is considered a day worked for purposes of holiday pay eligibility.

Employees may not elect financial compensation in lieu of taking time off for a holiday. If an exempt employee is requested to work on a holiday, an alternate day off will be allowed in lieu of taking the holiday. If a nonexempt employee is requested to work on a holiday, he/she will be paid at their base pay rate for hours worked.

### **PAID FLOATING HOLIDAYS (Retail Stores)**

The company provides paid time off to all full-time regular employees for company holidays. Because our business typically operates on days when a Corporate Holiday is observed, the Field organization will be allotted the same amount of total holidays as Corporate. The company will publish to all eligible employees prior to the beginning of each year the list of holidays and the allotment/deadline for field to use. Paid floating holidays cannot be used during Store Black-Out Dates (November 1-December 31).

## **BEREAVEMENT**

If you are a full-time regular or part-time regular employee and a death occurs in your family, you will be compensated for time lost at your base pay rate for your regularly scheduled work hours in accordance with the following guidelines.

Death in the immediate family: up to five (5) days. Immediate family includes mother, father, mother-in-law, father-in-law, stepmother, stepfather, sibling, spouse, life partner, child, or any other family member for whom the employee is the sole caretaker.

Death in the extended family: up to three (3) days. Extended family includes grandparent, brother-in-law, sister-in-law, aunt, uncle or cousin.

Time off for other funerals will be considered on an individual basis with the general rule that vacation time (and, if appropriate, personal days) may be used for this purpose. Requests for bereavement leave should be made to the employee's manager and Human Resources.

## **CIVIC DUTIES**

The Company recognizes the importance of granting employees time to fulfill civic duties, and provides the following allowances to assist in the process.

## **VOTING**

Employees should attempt to vote before or after a scheduled shift. However, if this is not possible, a Supervisor may require that the voting time is applied to the beginning or the end of a shift, and also may request a voter's receipt prior to paying for the time off.

## **WITNESS AND JURY DUTY**

If you are a full-time or part-time regular employee who is summoned to jury duty, the Company continues your salary during your active period of jury duty. You are permitted to retain the allowance you receive from the court for such service.

All employees are allowed unpaid time off, if summoned to appear in court as a witness.

To qualify for jury or witness duty leave, you must submit to your supervisor a copy of the summons to serve as soon as it is received. In addition, proof of service must be submitted to your supervisor when your period of jury or witness duty is completed.

## **MILITARY LEAVE**

The Company complies with all applicable laws pertaining to military leave. If an employee is called to active military duty, Reserve or National Guard training, or if the employee volunteers for the same, the employee must provide notice to his or her Supervisor as soon as possible. Eligibility for reinstatement after military duty or training is completed is determined in accordance with applicable federal and state laws.

Eligible employees required to attend military reserve training may qualify to receive compensation for the difference between their regular pay and the amount paid by the government for the length of time outlined in the salary continuance policy. (This does not apply to reserve weekends, which may be maintained by scheduling). Contact Payroll and Benefits Department for complete details.



## **FAMILY MEDICAL LEAVE ACT**

It is the policy of the Company to provide leave of absence to full and part-time employees under the Family and Medical Leave Act of 1993 (FMLA). An eligible employee is one who has worked for at least 12 total (but not necessarily consecutive) months and has completed at least 1250 hours of service with the Company during the previous 12 months (not necessarily consecutive).

This Federal Act allows for eligible employees to take up to 12 weeks of unpaid leave, or paid leave if it has been earned, in any 12-month period: For the birth of a child or the placement of a child with the employee for adoption or foster care, if the employee is needed to care for a family member with a serious health condition and/or if the employee's own serious health condition renders the employee unable to do his or her job. Covered family members include spouse, son, daughter, or parent. A son or daughter is defined as a biological, legally adopted, foster or stepchild, or legal ward who is under 18 years old, or is 18 or older and incapable of self-care because of mental or physical disability.

Employees will be required to use all earned, unused sick, vacation and personal days during their leave. The balance of the FMLA is unpaid for a combined total of 12 weeks of entitlement for FMLA leave. For more detailed information about the FMLA, and other state or local family and medical leave acts, contact the Payroll and Benefits Department.

### **RETURN TO WORK**

Employees who are out on leave are to contact their immediate manager at least 2 weeks in advance of their projected return date. Before being permitted to return from medical leave, the employee will be required to present the Company with a note (Return to Work Certification Form) from their physician indicating that they are capable of returning to work and performing the essential functions of their position with or without reasonable accommodation. Where required, the Company will consider making reasonable accommodation for any disability they may have in accordance with applicable laws.

### **WORKING WHILE ON LEAVE**

While out on FMLA or Personal Leave, Employees are prohibited from working another job or assignment. Employees found in violation of this policy will be subject to disciplinary action up to and including termination.

## **MATERNITY LEAVE**

Maternity leave is paid or unpaid leave associated with the birth of an employee's own child or the placement of a child with the employee in connection with adoption. The duration of the leave is dependent on the following circumstances:

- Vaginal delivery or placement of a child (adoption): 6 weeks from time of delivery/placement
- Cesarean section: 8 weeks from time of delivery

Employees who have been employed by the Company for a period of at least a year at the time that their leave begins are paid 100% of their salary during their maternity leave. Employees who have been employed by the Company for less than a year at the time that their leave begins do not receive compensation for Maternity Leave but may opt to use personal/sick time or accrued vacation.

Company Health insurance benefits will continue to be provided during paid maternity leave. Employee will continue to be responsible for the employee portion of the health insurance premiums. The employee must provide 30 days notice (or as much notice as practicable if the leave is not

foreseeable) to the department head of the request for maternity leave and complete the necessary forms filed with the Human Resource Department.

After the maternity leave has concluded, subsequent leave shall be covered under appropriate policies. The Family and Medical Leave Act (FMLA) allow employees up to 12 workweeks of unpaid leave annually. Maternity leave is considered time used against the maximum twelve weeks of family medical leave and runs concurrently with FMLA or any other leaves for which the employee is eligible. The balance of FMLA leave beyond the paid maternity leave is unpaid unless the employee chooses to use personal and/or vacation time.

Upon returning to work following Maternity leave, employee must provide Human Resources with a written note from the medical care provider. The note must indicate the dates the employee was under medical care and that the medical care provider authorizes the employee's ability to return to work.

### **PERSONAL LEAVE OF ABSENCE**

A Personal Leave of Absence is an unpaid leave and should only be considered when all other alternatives have been considered and exhausted.

A Personal Leave of Absence is discretionary and will be considered by the Company based on the circumstances requiring the leave and the impact it will have on the business.

An employee may request up to 4 weeks in a rolling calendar year and must exhaust all accrued, unused vacation and personal days prior to the leave.

To request a Personal Leave of Absence the employee must complete the Request for Leave form and submit it to their department head for approval. The Department Head, in partnership with Human Resources, will make the determination whether the requested Personal Leave of Absence can be approved.

A Personal Leave of Absence is available to all Regular Status employees (full or part time). Temporary, On-Call or Seasonal employees are not eligible for a Personal Leave of Absence.

If an employee fails to return to work at the end of the leave and/or fails to notify the Company of his / her status despite a request to do so, the employee may be terminated unless their leave has been extended as an accommodation under the ADA.

## **EMPLOYEE BENEFITS**

### **BENEFITS**

Benefits information is provided to employees at the commencement of employment. If an employee requires additional support or information, they should contact a representative from Human Resources. The Company provides the following benefits for eligible employees:

**401K Plan**  
**Medical Coverage**  
**Dental Coverage**  
**Vision Coverage**  
**Health Care Flexible Spending Account**  
**Dependent Care Spending Account**  
**Transit Account**  
**Employee Discount**  
**Employee Referral Bonus**

For more information please contact a member of the Human Resources team.

### **EMPLOYEE REFERRAL BONUS**

All employees are eligible for receiving a bonus for successfully referring candidates for employment with J. Christopher Capital. In order to be eligible for the referral bonus, referred candidates must indicate the name of the referring employee on their employment application. Bonus payments will be paid to the referring employee in the pay cycle following the completion of the referred employee's 90 day introductory period. In order to be eligible to receive such bonus, both the referring and referred employee must be employed by J. Christopher Capital at time of payout.

The amount awarded is determined by the level of the position the referred employee is hired into:

Store Employees	\$150
District Management and Corporate Employees (up to Director)	\$250
Corporate Employees (Director and Above)	\$500

### **COBRA – CONTINUATION OF BENEFITS**

The policy of the company is to comply with the Consolidated Budget Reconciliation Act of 1896 (COBRA) which permits most terminated employees and qualified dependents, the opportunity to continue medical coverage for a limited time after losing eligibility for coverage under the Medical plan.

If you resign or are terminated from the Company's employ or if your work hours are reduced, and if this event makes you or your dependents no longer eligible to participate in one of our group health insurance plans, you and your eligible dependents may have the right to continue to participate for up to eighteen months at your (or your dependents') expense. If you are determined to be disabled under the Social Security Act at the time your termination or reduction in hours occurs, you may be eligible to continue your coverage for up to eighteen months at your expense.

Your eligible dependents may also extend coverage, at their expense, for up to thirty-six months in our group health insurance plans in the event of your death, divorce, legal separation, or enrollment for Medicare benefits, or when a child ceases to be eligible for coverage as a dependent under the terms of the plan. The eighteen-month continuation coverage period provided in the event of your termination or reduction in working hours may be extended to thirty-six months for your spouse and dependent children if, within that eighteen-month period, you die or become divorced or legally separated, or if a child ceases to have dependent status. In addition, if you enroll in Medicare during

the eighteen-month period, your spouse and dependent children may be entitled to extend their continuation period to thirty-six months, starting on the date that you become eligible for Medicare.

For further details regarding continuing or converting your group health insurance benefits, please contact the Human Resources Department.

## EMPLOYEE DISCOUNT

We are so excited about our product and want our employees to be able to share in this excitement that the company extends a discount to eligible employees on most Company products. This policy applies to all employees (full-time, part-time and seasonal) who are employed by J. Christopher Capital or one of its companies, and is available in-store and online.

### Discount

If you are a **Corporate Employee**, any brand/business, you are eligible for:

Brand	Discount % (Full Price)	Discount % (Mark Down / Sale)	Extended Discount
C. Wonder	Apparel, Accessories, Home: 40% *Electronics: 20% **Showstoppers: 10%	Apparel, Accessories, Home: 30% *Electronics: 10%	Two Participants
Monika Chiang	30%	30%	Not eligible

If you are a **C. Wonder Store Employee** you are eligible for:

Brand	Discount % (Full Price)	Discount % (Mark Down / Sale)	Extended Discount
C. Wonder	Apparel, Accessories, Home: 40% *Electronics: 20% **Showstoppers: 10%	Apparel, Accessories, Home: 30% *Electronics: 10%	Two Participants
Monika Chiang	20%	20%	Not eligible

If you are a **Monika Chiang Store Employee** you are eligible for:

Brand	Discount % (Full Price)	Discount % (Mark Down / Sale)	Extended Discount
C. Wonder	Apparel, Accessories, Home: 40% *Electronics: 20% **Showstoppers: 10%	Apparel, Accessories, Home: 30% *Electronics: 10%	Two Participants
Monika Chiang	30%	30%	Not eligible

\* Electronics are defined as items that plug in or have a battery

\*\* "Showstoppers" currently includes the scooter

## **Extended Discount**

Each employee will be able to identify 2 (two) people to receive their discount at C. Wonder (as of this policy, Extended Discount is not available for Monika Chiang merchandise). Employees will be required to complete the Employee Discount Designation Form to make any changes, which will be accepted once a year. The Employee Discount Designation Form must be submitted to Human Resources at the time of hire.

## **Friends and Family**

The company will have Friends and Family events from time to time. Exclusions apply. Dates, discount and quantity are subject to change.

## **Policy**

Your employee discount is a privilege as an employee of J. Christopher Capital and its companies and may not be misused by you or your Extended Discount participants. It is your responsibility to read and understand this policy and to ensure full understanding by your Extended Discount participants.

All employees (full-time, part-time and seasonal) who are employed by J. Christopher Capital or one of its companies will become eligible for the Employee Discount on date of hire.

Employee Discount may be used for personal use or as a gift. Employees may not use their employee discount to make purchases if they are reimbursed. Reimbursement is defined as being paid back in full or part for the price of the product purchased with the discount; product may not be resold.

Abuse of the discount policy is a serious offense and may result in disciplinary action up to and including termination.

For in-store purchases, you will be required to show ID when using your discount outside of your home store. Extended Discount participants are required to identify themselves to the Sales Associate at checkout and provide the eligible employees name and show ID, employees will be on a master list in the POS system.

For online purchases Corporate Employees will be required to create an account online at [www.cwonder.com](http://www.cwonder.com) and [www.monikachiang.com](http://www.monikachiang.com) using their corporate email address; purchases must be made using these account(s). Store Employees who do not have a corporate email address, and all Extended Discount Participants, will be required to provide an email address at time of registration and this will be used to create your account. Once registered the employee will be provided with the appropriate discount code to use at check out.

Product purchased using the employee discount in-store or online may not be returned for a refund; it may be exchanged or store credit will be offered.

Employees are subject to shipping costs on all orders unless there is a promotion that is valid at the time of purchase for reduced shipping.

Employee discount privileges will be discontinued on date of termination.

J. Christopher Capital reserves the right to change, add, delete or make other modifications to the employee discount policy at any time.

For questions regarding the Employee Discount policy, please contact your manager or Human Resources.

## ON THE JOB

### **TIME & ATTENDANCE**

Please keep in mind the following issues as they relate to absenteeism and tardiness:

- Other employees rely on you and as a member of the team. Therefore, your absence or tardiness may affect their ability to do their jobs
- The work you do as an employee of J. Christopher Capital, LLC is very important to the success of the company and your absence or lateness has a negative effect on the company as a whole
- Being at work and on time is a condition of employment

Typical office hours are 9:00AM until 6:00PM. The Company expects all employees to be responsible for their attendance and promptness. Employees need to recognize that absenteeism and tardiness have an effect on every employee in their immediate work group and on the Company as a whole.

#### Store Policy:

Employees are required to show up for their scheduled shifts on time. If for some reason an employee is unable to work a scheduled shift, the employee must notify a manager as soon as possible so that the manager can attempt to find coverage in advance. The manager should be contacted *before* the scheduled shift, otherwise the employee will be considered a “no call–no show.” Excessive tardiness and undocumented/unexcused absences are unacceptable and will be grounds for corrective action, up to and including termination.

Excessive tardiness and undocumented/unexcused absences are defined as being more than 7 minutes late for a scheduled shift more than 3 times in a 6 month period.

#### Correction Action for Excessive Tardiness and Undocumented/Unexcused Absences:

Following Third Occurrence within a 6 Month Period	Verbal Warning
Following Fifth Occurrence within a 6 Month Period	Written Warning
Following Sixth Occurrence within a 6 Month Period	Final Warning
Following Seventh Occurrence within a 6 Month Period	Termination

#### Correction Action for No Call-No Show:

Corrective action will take place when an employee is a “no call–no show.” A written warning will be issued following the first “no call–no show” instance. Following the second consecutive instance, an employee will be placed on final warning and will be terminated for job abandonment (voluntary termination) following the third consecutive instance.

### **WORKPLACE CONDUCT**

As a member of the J. Christopher Capital team, you are expected to accept certain responsibilities, adhere to acceptable business principles in matters of personal conduct, and exhibit a high degree of personal integrity at all times. This not only involves sincere respect for the rights and feelings of others but also demands that both in your business and your personal life you refrain from any behavior that might be harmful to you, your coworkers, and/or the Company, or that might be viewed unfavorably by current or potential customers or by the public.

Whether you are on or off duty, your conduct reflects on the Company. You are, consequently, encouraged to observe the highest standards of professionalism at all times.

Types of behavior and conduct that the Company considers inappropriate include, but are not limited to, the following:

- Falsifying employment or other Company records
- Violating the Company's nondiscrimination or harassment policy
- Establishing a pattern of excessive absenteeism or tardiness
- Engaging in excessive, unnecessary, or unauthorized use of Company supplies or services, particularly for personal purposes
- Reporting to work intoxicated or under the influence of non-prescribed drugs
- Manufacturing, possessing, using, selling, distributing, or transporting drugs illegally
- Fighting or using obscene, abusive, or threatening language or gestures
- Theft of property from coworkers or the Company
- Bringing unauthorized firearms on Company premises or while on Company business
- Disregarding safety or security regulations
- Engaging in insubordination
- Failing to maintain confidentiality of Company information
- Gambling on Company premises
- Whistleblower abuse – falsely reporting information to outside sources

If your performance, work habits, overall attitude, conduct, or demeanor becomes unsatisfactory in the judgment of the Company, based on violations either of the above or any other the Company policies, rules, or regulations, you will be subject to disciplinary action, up to and including dismissal.

### **DRUG-FREE WORKPLACE**

It is the policy of the Company to create a drug-free workplace in keeping with the spirit and intent of the Drug-Free Workplace Act of 1988. The use of controlled substances is inconsistent with the behavior expected of employees, subjects all employees and visitors to our facilities to unacceptable safety risks, and undermines the Company's ability to operate effectively and efficiently. In this connection, the unlawful manufacture, distribution, dispensation, possession, sale, or use of a controlled substance in the workplace or while engaged in the Company business off the Company's premises is strictly prohibited. Such conduct is also prohibited during non-working time to the extent that in the opinion of the Company, it impairs an employee's ability to perform on the job or threatens the reputation or integrity of the Company.

This policy is applicable to all employees of J. Christopher Capital and its subsidiaries and branches. The purpose of this policy is as follows:

- To establish and maintain a safe, healthy working environment for all employees
- To assist employees who suffer from substance abuse
- To reduce the number of accidental injuries to persons or damage to property
- To reduce absenteeism and tardiness and improve productivity
- To reduce the cost of healthcare to the company and its employees
- To ensure the reputation of the company and its employees

### **SMOKING POLICY**

To maintain a safe and comfortable working environment and to ensure compliance with applicable laws, smoking in Company offices and facilities is strictly prohibited. Employees smoking in any nonsmoking area may be subject to disciplinary action.

Please contact the human resources department if you have any questions about the Company's smoking policy. Complaints about violations of this policy may be filed under the Company's complaint resolution procedure, which is described elsewhere in this section of the handbook



## **PERSONAL APPEARANCE**

Your appearance is a reflection on you and J. Christopher Capital. Appropriate business casual attire is always required in our office, but business casual is significantly different from recreational clothing. Please use good judgment. The following categories are considered inappropriate dress:

- Overalls
- Sweatshirts
- Athletic warm-up/track suits
- Team jerseys
- Hats/caps
- Excessively tight and/or short skirts/dresses/pants
- Halter tops
- Cropped tops

Each Brand may have their own Personal Appearance Guidelines for Store Employees; refer to the addendum for your specific Brand.

## **PERSONAL PROPERTY**

Working in a safe and secure environment is important to the Company and its employees. We encourage all corporate employees to lock their personal belongings in their filing cabinets during the work day. The Company is not responsible for any lost or stolen personal property that is stored on Company premises. Store employees and management are required to follow the Personal Property Policy, which is outlined below.

### **Store Policy:**

Each store location is equipped with a designated area and lockers for employee use. Upon hire, Employees are provided a lock. Personal items, such as coats and handbags, must be kept in the designated area or locker and are not permitted on the selling floor or back stock. All employee property considered valuable must be locked in a locker with the Company provided lock. Employees may only store personal property in lockers during their scheduled shift. Property may not be kept in lockers overnight. At no time may unpaid merchandise be stored in lockers. The closing manager will inspect employee lockers prior to exiting the store each night. All locks must be removed and all locker doors kept open at closing. Lockers and locks remain the property of the Company and are subject to inspection at any time by Company Management. Personal locks may not be used on the lockers.

Violation of this policy may result in corrective action, up to and including termination of employment.

## **WORKSPACE APPEARANCE**

Employees are required to keep their work environment clean and orderly. Before departing at the end of the workday, employees are required to lock all files and cabinets and clear all work materials from desk surfaces, especially materials of a sensitive or confidential nature.

## **NON-FRATERNIZATION & NEPOTISM POLICY**

### **Non- Fraternization:**

It is the policy of the Company to discourage the development and cultivation of intimate personal relationships (other than friendship) between managers and any employee within a manager's chain of command.

Intimate personal relationships are those relationships which go beyond friendship and include repetitive actions and/or intimate associations with select individuals of the work group, romantic affairs and cohabitation.

A manager shall be defined, for Company purposes, as any employee classified as or considered an officer, manager, official or supervisor with direct or indirect authority within the chain of command.

Managers and employees who are involved in an intimate personal relationship are required to disclose the relationship to Human Resources immediately.

### **Nepotism:**

It is the policy of the Company to prohibit the hiring of family members into the same work group. This policy is made to avoid having an employee with authority (direct or indirect) over a relative. Please contact Human Resources for questions or clarity on this policy.

## **WORKPLACE VIOLENCE**

It is the policy of the Company to expressly prohibit any acts or threats of violence by any Company employee against any other person in or about the Company's facilities or elsewhere at any time. The Company also will not condone any acts or threats of violence against the Company's employees or visitors on the Company's premises at any time while they are engaged in business with or on behalf of the Company, on or off the Company's premises.

The Company is committed to the following:

- To provide a safe and healthful work environment, in accordance with the Company's safety and health policy
- To take prompt remedial action, up to and including immediate termination, against any employee who engages in any threatening behavior or acts of violence or who uses any obscene, abusive, or threatening language or gestures
- To take appropriate action when dealing former employees, or visitors to the Company's facilities who engage in such behavior. Such action may include notifying the police or other law enforcement personnel and prosecuting violators of this policy to the maximum extent of the law

Any employee who displays a tendency to engage in violent, abusive, or threatening behavior, or who otherwise engages in behavior that the Company, in its sole discretion, deems offensive or inappropriate may be subject to disciplinary action, up to and including discharge.

In furtherance of this policy, employees have a "duty to warn" their supervisors, security personnel, or Human Resource representatives of any suspicious workplace activity or situations or incidents that they observe or that they are aware of. This includes, for example, threats or acts of violence, aggressive behavior, offensive acts, threatening or offensive comments or remarks. Employee reports made pursuant to this policy will be held in confidence to the maximum possible extent. The Company will not condone any form of retaliation against any employee for making a report under this policy.

The Workplace Violence Prevention and the Security Inspections Policies shall not be construed to create any duty or obligation on the part of the Company to take any actions beyond those required of an employer by existing law.

### **SOLICITATION AND DISTRIBUTION OF LITERATURE**

In the interest of maintaining a proper business environment and preventing interference with work and inconvenience to others, employees may not distribute literature or printed materials of any kind, sell merchandise, solicit financial contributions, or solicit for any other cause on company premises.

Non-employees are likewise prohibited from distributing material or soliciting employees on the Company premises at any time. Individuals who do not work for the company or are not approved vendors or visitors are prohibited from distributing literature of any kind or soliciting employees for any purpose at any given time on Company property.

### **COMMUNICATIONS AND INFORMATION SYSTEMS POLICY**

All electronic and communication systems and all communications and information transmitted by, received from, or stored in these systems is the property of the Company and are made available to employees for the sole purpose of performing their job responsibilities. Employees are prohibited from using a code, accessing a file, or retrieving stored communication unless authorized. Employees should have no expectation of privacy in connection with the use of these systems or with the transmission, receipt, or storage of information in these systems. Employees consent to the monitoring of these systems at any time at the Company's discretion, including printing and reading all e-mail or other files entering, leaving, or stored in these systems.

### **IMMIGRATION ACT COMPLIANCE**

In accordance with the Immigration Reform and Control Act of 1986, it is the policy for J. Christopher Capital to hire only individuals who are U.S. citizens or aliens authorized to work in the United States.

Upon hire, all new employees will be required to complete the government form (I-9) which will be used to verify employment eligibility. They will also be required to present documents that establish their identity and employment eligibility status. These forms will be maintained in the Human Resource Department.

It is the responsibility of the employee to notify Human Resources whenever a change in name or a change in immigration status occurs.

### **GENETIC INFORMATION NONDISCRIMINATION ACT (GINA)**

The Company complies with the Genetic Information Nondiscrimination Act of 2008 (GINA), which protects discrimination of employees' based on Genetic Information. GINA also prohibits employers from requesting or requiring genetic information of employees or their family members. In order to comply with this law, we ask that you not provide any personal or family genetic information to J. Christopher Capital, LLC or its representatives.

### **NURSING MOTHERS IN THE WORKPLACE**

In accordance with Federal, State laws and local laws, J. Christopher Capital provides reasonable break time for employees to express breast milk for her nursing child for up to three years following the child's birth. An employee may use paid break time or meal time or reasonable unpaid break time for such purposes. If an employee expects to need reasonable break time, employee should speak with Human Resources about developing a break schedule and a location where the employee can express milk in privacy. Discrimination against any employee who chooses to express breast milk in the work place will not be tolerated.

## **SAFETY AND HEALTH**

The Company is committed to providing a safe and healthful working environment. The Company makes every effort to comply with relevant federal and state occupational health and safety laws and to develop the best feasible operations, procedures, technologies, and programs conducive to such an environment.

This policy is aimed at minimizing the exposure of our employees, customers, and others visitors in our facilities to health or safety risks. To accomplish this objective, all the Company employees are expected to work diligently to maintain safe and healthful working conditions and to adhere to proper operating practices and procedures designed to prevent injuries and illnesses.

The responsibilities of all employees of the Company include:

- Exercising maximum care and good judgment at all times to prevent accidents and injuries
- Reporting to supervisors and seeking first aid for all injuries, regardless of how minor
- Reporting unsafe conditions, equipment, or practices to supervisory personnel
- Using safety equipment provided by the Company at all times
- Observing conscientiously all safety rules and regulations at all times; and
- Notifying their supervisors, before the beginning of the workday, of any medication they are taking that may cause drowsiness or other side effects that could lead to injury to them or their coworkers

## **WORKPLACE SEARCHES**

To safeguard the property of our employees and the Company, and to help prevent the possession, sale, and use of illegal drugs on the Company's premises, in keeping with the spirit and intent of the Company's drug-free workplace policy the Company reserves the right to question employees and all other persons entering and leaving our premises, and to inspect any packages, parcels, purses, handbags, briefcases, lunchboxes, or any other possessions or articles carried to and from the Company's property. In addition, the Company reserves the right to search any employee's office, desk, files or any other area or article on our premises. In this connection, it should be noted that all desks and files are the property of the Company, and are issued for the use of employees only during their employment with the Company. Inspections may be conducted at any time at the discretion of the Company.

Individuals who refuse to cooperate in an inspection conducted pursuant to this policy will not be permitted to enter the premises. Employees working on or entering or leaving the premises who refuse to cooperate in an inspections as well as employees who after the inspection are believed to be in possession of unauthorized property or illegal drugs, will be sent immediately to the Human Resources Department and will be subject to disciplinary action up to and including discharge if on investigation they are found to be in violation of the Company's security procedures or any other the Company rules and regulations.

## **TRAVEL & EXPENSE POLICY**

Employees are required to read and familiarize themselves with the Travel & Expense Policy, which outlines the Company standards and procedures regarding expenses, business travel and travel related expenses. Employees are required to sign the Travel & Expense Policies Acknowledgement.

Each employee is responsible for complying with these policies. Approvers are responsible for reviewing expense reports for compliance with the policies and ensuring that expenses are properly documented. The company will reimburse employees for all reasonable and necessary expenses while working on company business. Employees who do not comply with these policies may be subject to deductions, delay or withholding of reimbursement and possible disciplinary action. Questions regarding these policies and procedures should be directed to the Accounts Payable Department or your manager.

### **TRAVEL REQUESTS**

All employees who are required to travel must complete a travel profile with American Express Business Travel (AXIOM). All requests for travel arrangements must be approved by your manager prior to booking and, once approved, submitted via AXIOM no later than 2 (two) weeks in advance. All requests for travel will be submitted from AXIOM to the Company's Travel Administrator(s) for approval prior to any bookings. AXIOM will also notify the Company's Travel Administrator(s) of any changes after booking has been approved and made. Personal travel reservations cannot be made through AXIOM.

To complete a travel profile visit: <https://jchristophercapital.axo20.com>

Username: 1<sup>st</sup> initial Last Name (all run together and lower case, ex: jdoe)

Temp Password: travel2010 (lowercase)

### **GROUP TRAVEL**

When business requires travel of a group of 5 or more, your travel will be coordinated through the Travel Administrator(s), who will make all arrangements for and provide each employee with their individual itinerary.

When group travel is required, no more than 5 employees in total should travel on the same flight. Also, Brand Presidents are not permitted to travel on the same flight.

### **AIR & TRAIN TRAVEL**

All air and train travel must be booked through AXIOM. The lowest available fare will be negotiated within the time frame requested, regardless of carrier. All airfare will be booked Coach Class, regardless of destination, and trains will be booked unreserved Coach Class. To get the lowest rate, travel should be booked 14-21 days in advance. Employees may choose to upgrade to another class of service at their own expense and will be required to reimburse the company for the difference within 10 days of the booking; the Travel Administrator(s) will determine the difference in the flights and let the employee know prior to booking. Employee may retain any Travel Reward Benefits (i.e., frequent flyer miles, etc.) provided participation in such programs does not result in any incremental cost to the Company. Air and train travel will be billed directly to the Company.

All changes to Air & Train should be made by calling AXIOM directly.

### **MISCELLANEOUS AIRPORT EXPENSES (INTERNATIONAL TRAVEL ONLY)**

An allowance of \$25 for miscellaneous expenses is permitted for international flights. Receipts are required to be submitted with the expense report. Expenses in excess of the allowance or expenses associated with domestic flights will not be reimbursed.

## **CAR RENTAL**

All car rentals must be booked through AXIOM. When renting a car, employees are responsible for thoroughly inspecting for damage prior to leaving the lot and note any damage on the rental agreement. Employees are responsible for refueling the car before returning it and cannot accept the gas refueling option if offered by the rental car company, employees will not be reimbursed for fees / penalties associated with returning a vehicle below the required fuel limit. When selecting a car, employees are only permitted to select the Economy option. At time of rental employees must present a valid credit card to pick up the rental car. As part of the rental agreement employees should not accept the liability coverage offered through the rental car company as your primary auto or credit card provides such coverage. If you choose to accept the liability coverage, these fees will not be reimbursed. Employees must submit rental car charges on a Travel Expense Form for reimbursement. Fees incurred for GPS devices, traffic and parking violations are not reimbursable.

## **ZIPCAR®**

As an alternative to traditional rental car companies in major US Markets, the Company has signed an agreement with ZipCar® to provide an employee with discounted rates. ZipCar® may be reserved for business or personal trips anytime at the discounted rates. For more information or to sign up for ZipCar® visit [www.ZipCar.com/jchristophercapital](http://www.ZipCar.com/jchristophercapital). The Company will reimburse costs incurred for business purposes as well as the annual membership fee of \$25. All negotiated rates include gas, insurance and up to 180 miles/day and cover most vehicles (see website for exclusions). Fees incurred for GPS devices, traffic and parking violations are not reimbursable.

## **PERSONAL VEHICLE**

The company will reimburse employees traveling for business with their personal vehicle at the current IRS rate of \$0.55 per mile (as of January 1, 2012). Mileage reimbursement covers fuel and wear and tear to the vehicle. Employees will be reimbursed for all mileage outside of their regular commute and must submit a mileage reimbursement form along with your expense report. Regular commute mileage is calculated by deducting round trip mileage usually traveled to home base from actual mileage traveled. Employees will be reimbursed for all tolls. Fees incurred for traffic and parking violations are not reimbursable.

## **TAXI**

The cost of taxis to and from places of business, hotels, airports, railroad stations, etc. in connection with business travel is reimbursable. More economical transportation (i.e., hotel vans, airport shuttles, public transportation, etc.) should be used when feasible.

Taxis used as part of a regular commute or for trips to/from NYC stores will not be reimbursed.

For information regarding late night Taxi policy refer to page 36 and the After Hours section.

## **CAR SERVICES**

If employees must use a Car Service in New York for travel to/from an airport please contact the Travel Administrator(s) to arrange the reservation; employees will not be authorized to call and order car service directly. Brand President Approval is required for all Car Service requests for trips other than to/from NYC Airports. For travel to/from the airport Taxi service is preferred and should be used whenever possible.

When using a car service the following guidelines must be followed:

- **Tipping** – Tips for drivers are included in our base price and should not be added to the voucher by employees. Any tips will be charged back to the employee.

- Airport Pickup – “Meet & Greet” service (inside pickup) will no longer be scheduled unless the arriving flight lands between 11pm and 6am, all other pickups will be curbside and will require traveler to call upon arrival.
- Wait times – In an effort to reduce wait times and the costs associated with them, when scheduling airport pick up the Travel Administrator will add 15 minutes for Domestic Flights and 30 minutes for International Flights to the scheduled arrival time to allow traveler time to get off aircraft, claim baggage and clear immigration (if applicable).

## **AIRPORT PARKING**

Off-site airport long-term parking should be used for stays longer than one night. Parking will be reimbursed with a receipt submitted with your expense report.

## **LODGING**

All hotel reservations must be booked through AXIOM. J. Christopher Capital has negotiated preferred rates at specific hotels. If an employee would like to be booked at a hotel other than a recommended property, the employee will be responsible for paying the incremental amount. Employees will be responsible for all costs incurred and will be required to submit via expense report for reimbursement. Room Upgrade, Movie Rentals and Direct Dial calls will not be reimbursed.

## **LAUNDRY SERVICES**

Laundry services may be submitted for reimbursement for travel that exceeds 7 (seven) consecutive days.

## **MEALS**

When traveling, meal reimbursement allowances are in place for all travel as follows:

	<b>Total Day</b>	<b>Breakfast</b>	<b>Lunch</b>	<b>Dinner</b>
<b>Domestic</b>	\$75	\$15	\$20	\$40
<b>International</b>	\$100	\$20	\$25	\$55

Breakfast begins with the first morning stay after overnight or if flight departure is prior to 7am local time and ending with the last day of travel. Dinner expenses are allowed during days of overnight travel or when business travel prevents the employee from returning home prior to 9 pm when conducting business outside of the office.

Tips for meals are included as part of the daily allowance above.

Any charges exceeding the above rates will be at the personal expense of the employee and will not be reimbursed.

When traveling in a group the most senior level employee in attendance is responsible for paying for meals. Employees who are part of a group meal may not claim reimbursement for that specific meal (i.e., most senior employee pays for the group dinner; employee may not be reimbursed for dinner that day). Most senior employee is required to list all attendees on expense report.

## **AFTER HOURS (in office)**

When an employee is required to work in the office past 8:30 pm, dinner expenses up to \$15 may be expensed for meals delivered to the office. In addition, cab fare home (within the 5 boroughs) or to the nearest point of departure from Manhattan (train, bus or ferry terminal) may be expensed.

## **TIPS & GRATUITIES**

Tipping a porter, bellman, chambermaid or waiter should be based on quality of service rendered. Reasonable gratuities will be reimbursed. Tipping guidelines include:

- Airport porters up to \$2 per bag
- Hotel bellman up to \$2 per bag
- Restaurant waiters up to 20%
- Chambermaids up to \$5 per night
- Lavish and unreasonable tips will not be reimbursed

## **CASH ADVANCES**

Cash advances are given on a case by case basis. Employees who require a cash advance must submit a written letter with their direct supervisor's approval and Travel Request Form 2 weeks prior. The request must be submitted to the SVP, Finance for final approval. All cash advances must be reconciled within 5 days of the end of the trip. The reconciliation must be completed on an Expense Report, with receipts included and submitted to the employee's manager for review and approval. If the advance paperwork is not submitted and/or incomplete, the amount of the advance will be deducted from the employee's next paycheck.

## **EXPENSE REPORTS**

Expense reports must be submitted to a Department Head for approval; once approval is obtained it must be sent to the Accounts Payable Department for processing. Once the approved original has been sent to Accounts Payable for processing, send the Excel report to [expensereports@jchristophercapital.com](mailto:expensereports@jchristophercapital.com) (note: Accounts Payable will not process the expense report until they receive the approved original with receipts).

When completing an expense report keep the following in mind:

- Check the appropriate Brand expenses should be billed to
- Date ranges should not overlap for multiple expense reports
- Full descriptions are required
- Ensure the row and columns total match
- Itemized receipts are required for all expenses; receipts that are not itemized and expenses without receipts require a line item approval by the Department Head and are subject to additional documentation, as necessary
- Credit card statements are not accepted as a receipt
- Taxi receipts must indicate location start and stop and business purpose
- Hotel receipts need to break out room charges, meals and other expenses into the appropriate columns on the expense report
- When submitting China expenses, you must attach your credit card statement that shows the USD charged; conversions are only accepted for out-of-pocket cash expenses.
- Foreign Transaction Fee will be reimbursed based on your credit card statement
- Meal expenses must include the **detailed/itemized receipt** with the expense report as well as the credit card charge receipt, and indicate all in attendance and business purpose
- All receipts must be submitted taped to a separate piece of paper in the order they appear on the expense report
- Sign your expense report
- Must be signed by a VP or above in your department
- Approved expense reports are due to Accounts Payable by 4pm on Thursdays
- Retain a copy for your records



## **TELECOMMUNICATION**

### **Company Provided Blackberry**

Certain positions in the organization require the employee to be provided a Company Blackberry that is part of the Verizon Wireless account. For employees that are provided a Company Issued Blackberry there are three categories:

- Full Plan – data, voice and text service
- Voice/Data – data and voice service (please note that text is not included in basic data)
- Data Only – data only (email and internet only, text is not included)

With the exception of employees approved for a Full Plan, text messaging should not be used and any text messaging charges are subject to chargeback to the employee. An alternative to text messaging is Blackberry Messenger which is a standard feature for both the Voice/Data and Data Only plans.

### **Personal Phones Eligible for Reimbursement**

For certain positions that are not eligible for a company provided blackberry they may be eligible for reimbursement for the use of personal equipment. For these employees there are three categories:

- Full Plan – 80% of voice, data and text plans up to a cap of \$80 for the first line
- Voice/Data - 80% of voice and data plans up to a cap of \$80 for the first line (please note that charges for text messaging will not be reimbursed)
- Data Only - 80% of data plans up to a cap of \$50 for the first line (email and internet only, charges for text messaging will not be reimbursed)

Reimbursement should be submitted monthly via an expense report approved by your manager and submitted to Finance along with a copy of you wireless bill summary for processing. Employees who are part of a family plan and not the primary account holder must submit their bill to Finance for review and analysis to determine reimbursement amount. Equipment insurance, Hotspot plans, Roadside assistance and other non-basic voice and data services are not reimbursable.

### **No Reimbursement**

Certain positions that are determined not to be eligible for either a company provided blackberry or reimbursement may still gain access to email on a smartphone; however, no compensation or reimbursement will be provided. Non-exempt employees must record time spent accessing email as compensable work time, whether voluntary or requested by a manager.

### **International Travel**

When your position requires international travel it is important that you are familiar with your calling plans and any restrictions and costs tied to international calling and data usage. For certain positions that travel frequently they will have the option to have a Global Plan activated on their Company Provided Blackberry. If you are not authorized to use international voice or data services you will not be reimbursed. As an alternative for those employees traveling to one of our 9Kings offices you can reserve a China cell phone for local and international calls, please contact your Travel Administrator for more information.

## **INTERNATIONAL VISAS**

For all Visa and Passport needs please use It's Easy ([www.itseasy.com](http://www.itseasy.com)). All travelers must request a Business Traveler Visa. Expedited Service is not permitted and will not be reimbursed.

## **EQUIPMENT PURCHASES**

Purchasing equipment/office supplies and expensing these purchases on expense reports is discouraged. Equipment such as printers, digital cameras or laptops should be ordered through the Office Manager. Equipment that is purchased directly is subject to reimbursement at the lowest price available to the company.

## EMERGENCY ACTION PLAN

### **PURPOSE**

In the event of an emergency it is important that all employees are aware of the procedures to be followed and ensure that all employees are safeguarded from harm.

Please note that the following procedure applies to Corporate Employees at 1115 Broadway and 99 Madison. For other locations or stores, please refer to your local Emergency Action Plan.

### **PROCEDURE**

#### *Procedure for Reporting a Fire or Other Emergency*

If an employee notices a fire or other emergency, he/she should report it to the Fire Warden and Deputy when practical to do so. The names of the location's Fire Warden and Deputy are posted near the exits. If there is a fire and it is not safe or practical to notify the Fire Warden and Deputy, the employee should go to the nearest Fire Pull Station and pull the handle down; this will trigger the fire alarm and notify the Fire Department. Alternatively, the employee may also dial 911.

#### *Procedure for Emergency Communication*

If the office is closed due to inclement weather, natural or manmade disaster, or any other unforeseen circumstance, the Office Manager will notify all employees via the Employee Communication Hotline. Employees should call (646) 532-2199 for updated messages.

#### *Procedure for Emergency Evacuation*

Depending on the nature and severity of the emergency, the Fire Warden and Deputy may call into effect one of the following actions:

1. Shelter in-place: In the event hazardous conditions exist outside the office building, employees and visitors may be instructed to take shelter inside the office.
2. In-building relocation: In the event hazardous conditions exist within the office, but isolated to a specific part of the office, it may be directed that the employees and visitors stay away from the source of the hazard. In the event of containable fire, an employee may use a fire extinguisher to put out the fire.
3. Evacuation: In the event the conditions in the office are deemed unsafe for occupancy, it may be instructed that the employees and visitors evacuate the office. All employees must be familiar with the path of egress for their office. After evacuating the premises, office employees should meet at the pre-designated assembly area. The pre-designated assembly area for the 1115 Broadway and 99 Madison locations are: Shake Shack in Madison Square Park.

#### *Procedure to Account for All Employees After Evacuation*

In the event of an evacuation, the Fire Warden and Deputy are responsible for ensuring all employees are accounted for. The Fire Warden and Deputy should perform a sweep of all areas before being the last to evacuate the premises. Alternatively, the Fire Warden and Deputy may also designate an "evacuation warden" or "searcher" to conduct the sweep while the Fire Warden and Deputy lead the overall evacuation plan.

Once the evacuation has been completed and everyone is gathered at the assembly area, the current employee list can be used as a tool to conduct a roll call to ensure all employees are accounted for.

## **TRAINING**

The Fire Warden is responsible for ensuring that all employees are familiar with the Emergency Action Plan outlined here. New employees should be given a tour of the office and shown the location of the following:

- Egress/Exits
- Fire pull stations
- Fire extinguishers
- First aid kit
- Emergency evacuation kit
- Designated assembly area

## **OFFICE MANAGER'S RESPONSIBILITIES**

The Office Manager is responsible for the following:

- Ensuring the Fire Warden and Deputy are trained to implement the EAP
- Ensuring all employees are trained to follow the EAP during an emergency
- Ensuring all egress paths are clear
- Designating an assembly area in the event of an evacuation
- Ensuring the office has a first aid kit
- Ensuring the office has an emergency evacuation kit
- Ensuring the fire extinguishers are inspected and maintained in working order

## **LEAVING THE COMPANY**

### **TERMINATION OF EMPLOYMENT**

Employees desiring to terminate their employment relationship with the Company are urged to notify their supervisor at least two weeks in advance of their intended date of departure. Such notice should preferably be given in writing to your supervisor and department head. Proper notice allows the Company sufficient time to plan for your final paycheck. Without proper notice you may have to wait until after the end of the next normal pay period to receive some payments. In certain situations the company may decide not to have an employee work out their notice period (i.e., going to a competitor, etc.) however, the employee will be paid for the notice period given.

As mentioned elsewhere in this handbook, all employment relationships with the Company are on an "At-Will" basis. Thus, although the Company hopes that our relationships with employees are long-term and mutually rewarding, the Company reserves the right to terminate the employment relationship at any time.

Exit interviews with the Human Resources Department are normally scheduled for outgoing employees after a supervisor receives notice of resignation or intent to retire, and for employees whose termination is initiated by the Company. The purposes of these interviews are to review eligibility for benefit continuation and conversion, to ensure that all necessary forms are completed, to collect all the Company property that may be in the employee's possession (e.g., Company credit cards, equipment and keys), and to provide employees with an opportunity to discuss their job-related experiences. If an employee should lose or misplace a company key, there will be a charge of \$15. withdrawn from their paycheck and labeled as "Key Deduction."

### **COBRA – CONTINUATION OF BENEFITS**

The policy of the company is to comply with the Consolidated Budget Reconciliation Act of 1996 (COBRA), which permits most terminated employees and qualified dependents the opportunity to continue medical coverage for a limited time after losing eligibility for coverage under the Medical Plan.

If you resign or are terminated from the Company's employ or if your work hours are reduced, and if this event makes you or your dependents no longer eligible to participate in one of our group health insurance plans, you and your eligible dependents may have the right to continue to participate for up to eighteen months at your (or your dependents') expense. If you are determined to be disabled under the Social Security Act at the time that your termination or reduction in hours occurs, you may be eligible to continue your coverage for up to eighteen months at your expense.

Your eligible dependents may also extend coverage, at their expense, for up to thirty-six months in our group health insurance plans in the event of your death, divorce, legal separation, or enrollment for Medicare benefits, or when a child ceases to be eligible for coverage as a dependent under the terms of the plan. The eighteen-month continuation coverage period provided in the event of your termination or reduction in working hours may be extended to thirty-six months for your spouse and dependent children if, within that eighteen-month period, you die or become divorced or legally separated, or if a child ceases to have dependent status. In addition, if you enroll in Medicare during the eighteen-month period, your spouse and dependent children may be entitled to extend their continuation period to thirty-six months, starting on the date that you become eligible for Medicare.

For further details regarding continuing or converting your group health insurance benefits, please contact the Human Resources Department.

## Addendum A

### Table of Rest/Meal Period Requirements Under State Law

Jurisdiction*	Basic Standard
<b>CA</b>	<p>½ hour, after 5 hours, except when workday will be completed in 6 hours or less and there is mutual employer/employee consent to waive meal period. On-duty meal period counted as time worked and permitted only when nature of work prevents relief from all duties and there is written agreement between parties. Employee may revoke agreement at any time.</p> <p>An employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes, except that if the total hours worked is no more than 12 hours, the second meal period may be waived by mutual consent of the employer and employee only if the first meal period was not waived.</p> <p>The Industrial Welfare Commission may adopt working condition orders permitting a meal period to start after 6 hours of work if the commission determines that the order is consistent with the health and welfare of the affected employees.</p>
	<p>10 minutes of rest for shifts lasting 3.5 to 6 hours</p> <p>20 minutes of rest for shifts of more than 6 hours and up to 10 hours</p> <p>30 minutes of rest for shifts of more than 10 hours up to 14 hours</p>
<b>MA</b>	½ hour, if work is for more than 6 hours.
<b>NY</b>	<p>30 minute noonday period for employees who work shifts of more than 6 hours that extend over the noon day meal period.</p> <p>An additional 20 minutes between 5 p.m. and 7 p.m. for those employed on a shift starting before 11 a.m. and continuing after 7 p.m.</p>

#### NOTES

The following 35 jurisdictions also have separate provisions requiring meal periods specifically for minors (when minors are covered by two provisions, employer must observe the higher standard): Alabama, Alaska, California, Colorado, Delaware, Florida, Hawaii, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Nebraska, Nevada, New Hampshire, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Utah, Virginia, Washington, West Virginia, Wisconsin, Guam, and Puerto Rico.

**Of the 21 States or other jurisdictions with meal period requirements, 7 States also have rest periods requirements (California, Colorado, Kentucky, Minnesota, Nevada, Oregon, and Washington).**