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Trends[®]

International

EMPLOYEE HANDBOOK

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Welcome

The foundation of a company rests on outstanding associates that work together to create a successful and lasting legacy. And like the building that is constructed upon a strong foundation, Trends has persisted through the years while establishing a powerful record of consistent growth. Looking to the future, as the Company celebrates its twenty-fifth anniversary in 2012, we will continue to expect the best from our people, while offering them a safe, harmonious, and personally rewarding work experience.

This Employee Handbook will familiarize you with our policies and procedures. You will find it contains easily referenced guidelines pertaining to all aspects of your relationship with Trends. Many of the policies are unique to Trends while others were established by local, state, and/or federal statutes. You should read it thoroughly and keep it handy for reference in the future. If you have any questions, please feel free to direct them to your immediate supervisor, a member of senior management, or the HR department as you see fit.

Please accept my best wishes for a long and prosperous career here at Trends; I'm glad you decided to come on board!



Phil St. Jean
President & CEO
Trends International Group
Ext. 4072

POLICIES

OVERVIEW

The guidelines and policies contained in Trends International, LLC's ("Trends" or the "Company") Employee Handbook are intended to protect the rights of all Trends employees and ensure maximum understanding and cooperation within the Company. This document is not intended as a replacement for any of the source documents (e.g., Summary Plan Descriptions (SPD)). It is not a contract and should not be construed as creating contractual obligations. The Company reserves the right to amend, supplement, or rescind the provisions of this Handbook at any time at its sole and absolute discretion. Subsequent revisions to this document could cause conflicting statements. If such a situation arises, the actual policies, rules, regulations, and procedures will always be the official documents upon which a ruling will be based or an interpretation made. In addition to adhering to the policies set forth in this Handbook, all employees are expected to respect the following guidelines:

- Employees are to be careful and conscientious in the performance of their duties and accept responsibility for their work, actions, personal safety, and well-being
- Employees are expected to use good judgment in all work situations
- Employees are expected to be thoughtful and considerate of other people
- Employees should be courteous and helpful when dealing with customers, suppliers, and coworkers

The remainder of this Handbook will familiarize employees with the privileges, benefits, and responsibilities of being an employee at our Company. Please understand that this Handbook can only highlight and summarize our Company's policies and practices. For detailed information, employees will need to contact Human Resources.

BULLETIN BOARD—INDY OFFICE

Employees can find important information about Trends and their employment posted on the bulletin board located in the break room. This is also the place where we post information regarding legal rights, including information about equal employment opportunity laws and wage and hour laws. We expect all employees to read the information on the bulletin board periodically.

Because this bulletin board is our way of communicating with employees, we do not allow anyone but Human Resources and Company officials to post information without prior approval. Employee notices will ordinarily remain on the bulletin board for 30 days.

EMPLOYMENT AT WILL

An individual's employment relationship with Trends is terminable at will, with or without cause, and with or without notice, at any time, by either party, notwithstanding any other

oral or written statements made prior to, at, or following the original date of employment. Only the President of Trends has the authority to enter into an employment contract. Any such employment contract must be in writing, dated, and signed by the President of the Company and the employee.

EQUAL EMPLOYMENT OPPORTUNITY

Trends is fully committed to equal employment opportunity in both principle and as a matter of policy. We will recruit, hire, train, promote, compensate, and provide benefits to all applicants and employees without regard to race, color, religion, sex, national origin, veteran status, age, or any other legally protected characteristic. Furthermore, it is our policy to treat all applicants and employees fairly and without regard to any physical or mental disability that is unrelated to job functions or training qualifications. All qualified persons are given employment consideration, and those already employed may be assured of opportunities for advancement consistent with their skill set, abilities, qualifications, and demonstrated performance. It is in the best interest of Trends to develop and use its human resources to their fullest potential and to select the best-qualified person for every job.

In accordance with these principles, Trends is committed to maintaining an environment free from all forms of discrimination against any person on the basis of race, color, religion, sex, national origin, age, disability, veteran status, or any other legally protected characteristic.

The department manager is responsible for compliance with this policy. Any employee who believes this policy has been violated should immediately (1) identify the offensive behavior to the individual who engaged in the conduct and request that it stop, if the employee feels comfortable taking such action and believes it would be helpful, and (2) notify his or her manager and/or Human Resources representative.

If offensive behavior continues or resumes after an employee has reported it, the employee should report the additional offensive conduct. If the employee does not think that a reported complaint has been sufficiently addressed, then he or she should notify Human Resources.

All complaints will be investigated promptly. Company-deemed appropriate disciplinary action will be taken against any individual who is determined to have violated this policy. The Company will endeavor to treat complaints confidentially, although the enforcement of this policy will be the paramount consideration.

Trends will not tolerate retaliation in any form against any employee because that person has made a good-faith complaint about possible conduct that violates this policy or who has properly participated in an investigation. Any employee who believes such conduct has occurred should immediately report the conduct through the reporting mechanisms identified above.

This policy will apply to all recruiting, hiring, promotions, upgrades, layoffs, compensation, benefits, terminations, and all other privileges, terms, and conditions of employment. Overall, responsibility for the implementation of this policy is assigned to Human Resources. However, it is the duty of all personnel to cooperate in the enforcement of this policy.

INDIVIDUALS WITH DISABILITIES

Trends provides equal employment opportunity for employees and job applicants, and it provides reasonable accommodation for such individuals in accordance with applicable law. It is Trends' policy to ensure that individuals with disabilities are treated in a non-discriminatory manner throughout the employment application process, and that employees with disabilities are treated in a non-discriminatory manner with respect to all the terms, conditions, and privileges of their employment and with respect to their participation in programs offered to the public.

Trends also provides disabled job applicants with reasonable accommodations when necessary to allow them to fully participate in the application process on the same basis as non-disabled applicants. Trends will also provide reasonable accommodations to employees with disabilities who may require such accommodations. Employees who believe they need accommodations should contact Human Resources to engage in an interactive process to determine what accommodations are needed given the particular situation. Employees must cooperate in this interactive process and may be required to provide appropriate medical documentation in order to assist Trends in analyzing the particular situation.

Medical information obtained as a result of this process will be maintained in a separate and confidential file.

An employee who believes that he or she has been subjected to disability discrimination by anyone is encouraged to (1) promptly tell the person that the conduct is unwelcome and ask the person to stop the conduct, if the employee feels comfortable taking such action and believes it would be helpful, and (2) notify his or her manager, and/or Human Resources representative. Any manager who receives a report or believes that this policy has been violated shall immediately notify Human Resources.

If offensive behavior continues or resumes after an employee has reported it, the employee should report the additional offensive conduct. If the employee does not think that a reported complaint has been sufficiently addressed, then he or she should notify Human Resources.

All managers must report any complaints or suspicion of disability discrimination to the Human Resources Department regardless of how the manager became aware of the conduct.

All members of management are responsible for enforcing this policy consistently and fairly.

This policy will be applied in a manner consistent with the Americans with Disabilities Act (ADA) of 1990 as amended and the applicable state or local law. This policy is neither exhaustive nor exclusive. Trends is committed to taking all other actions necessary to ensure equal employment opportunity for persons with disabilities in accordance with the ADA and all other applicable federal, state, and local laws.

NO-TOLERANCE HARASSMENT POLICY

Trends is built upon the principle that success results from people of diverse heritage and background, blending their skills, talents, and perspectives through hard work toward a common goal. Nothing is more likely to detract from our success than for one person to harass another, and this is particularly true of harassment based on race, color, ethnicity, national origin, gender, age, religion, disability, veteran status, or any other legally protected characteristic. Trends will not tolerate employee harassment, verbal, sexual, or otherwise, and anyone witnessing such conduct should report it to his or her supervisor or to Human Resources.

Trends is committed to providing an environment that is free of sexual harassment as well as any other harassment, intimidation, threats, coercion, or discrimination based on factors such as race, color, ethnicity, national origin, gender, age, religion, mental or physical disability, veteran status, or any other legally protected characteristic. Harassing conduct may take many forms, including jokes, statements, slurs, gestures, notes, pictures, or other inappropriate actions or conduct. Trends strongly disapproves of and will not tolerate harassment of its employees by managers, supervisors, co-workers, or any other individual.

Any employee who engages in harassing conduct in violation of this policy will be subject to discipline. "Racial and ethnic harassment" refers to such conduct as threats, innuendos, racial or ethnic slurs, or other offensive statements or conduct based upon race or ethnicity. "Sexual harassment" refers to conduct of a sexual nature, which is unwelcome, offensive, and has the purpose or effect of unreasonably interfering with an employee's work performance or creating an intimidating, hostile, or offensive working environment. Examples include unwelcome sexual advances or flirtations, requests for sexual favors, unnecessary touching, displaying lewd or degrading pictures or sexual objects, jokes of a sexual nature, and other verbal or physical conduct of a sexual nature when:

- Submission to such conduct is made explicitly or implicitly a term or condition of employment (e.g., a supervisor tells an employee to commit a sexual act in exchange for a pay raise)
- Submission to or rejection of such conduct by an employee is used as a basis for employment decisions affecting such employee (e.g., a supervisor demotes an employee because the employee refused to engage in sexual behavior)
- Such conduct has the purpose or effect of unreasonably interfering with an employee's work performance or creating an intimidating, hostile, or offensive working environment (e.g., an employee is subject to repeated

and unwelcome sexual or derogatory jokes or unwelcome obscene or pornographic material or other forms of harassing conduct)

This policy prohibits, among other things, the types of behavior described above. Such behavior, and behavior of a similar kind, is unacceptable in the workplace and in other work-related settings such as business trips and business-related social events.

This policy applies to all employees of Trends, including supervisors and management. Trends will not tolerate, condone, or allow harassment, whether engaged in by management, supervisors, fellow employees, clients, or other non-employees who conduct business with Trends. Each employee of Trends is responsible for creating an atmosphere free of discrimination and harassment. Trends encourages and expects employees to report any incidents of sexual or other harassment in the manner set forth herein.

Any employee who believes this policy has been violated should immediately (1) identify the offensive behavior to the alleged harasser and request that it stop, if the employee feels comfortable taking such action and believes it would be helpful, and (2) notify his or her manager or Human Resources representative. Any manager who receives a report or believes that this policy has been violated shall immediately notify the Human Resources Manager.

Complaints will be investigated promptly. Appropriate disciplinary action will be taken against any individual who is determined to have violated this policy. Trends will endeavor to treat complaints confidentially, although the enforcement of this policy will be the paramount consideration. Post-corrective action will typically include follow-up to determine if the harassment has been effectively stopped.

DIVERSITY

Diversity is integral to the success of Trends. The principles of diversity reflect a broad range of values and practices, the overall goal of which is to make sure we take full advantage of the differing viewpoints, ideas, and backgrounds that each of us brings to the workplace.

The effectiveness of diversity, both from an individual and the Company's perspective, is clear. To be successful, Trends must have a diversity of views, ideas, and perspectives. This requires taking into account all the possible sets of training and experience that come from people of different backgrounds and life experiences.

Not only do we need diversity of thought and opinion, we need the freedom to express it. We, especially managers and supervisors, need to work to create an environment where the expression of honestly stated ideas and opinions is welcomed and encouraged.

Trends is fully committed to diversity as a model for helping to identify and develop the best talent, create effective teams, achieve excellence, and realize success. The

affirmation of diversity and full cooperation by all managers, supervisors, and employees is expected.

OPEN-DOOR POLICY

Employees are encouraged to share their work-related concerns, seek information, provide input, and resolve problems/issues through their immediate supervisor. If an employee has an issue that involves their immediate supervisor, he or she may, as appropriate, consult with any member of management up to and including the President. Likewise, managers and supervisors are expected to listen to employee concerns, encourage employee input, and seek appropriate resolution of employee problems/issues.

EMPLOYEE PRIVACY AND CONFIDENTIALITY

Trends holds employee privacy in the highest regard. The Company will not publish or disseminate personal information regarding an employee without that employee's prior consent unless required to do so by law. All employee records are considered confidential, as are all terms of employment. Employee personnel files shall not be removed from the Company office, and only authorized management personnel may access these files. When an employee or former employee wants to review his or her personnel file, the following procedures need to be followed:

A written request should be sent to Human Resources Manager. Since all records are viewed at the Indianapolis, Indiana, location, current employees who want to inspect their personnel files must make an appointment with the Human Resources Department. Appointments will typically take place Monday through Friday between 1:00 p.m. and 5:00 p.m. Although we will make every effort to give employees an appointment quickly, it may take up to 48 hours.

Former employees who would like to inspect their files must make a written request to do so. Upon receiving the written request, the Human Resources Department will call the former employee to schedule an appointment. We do not allow current or former employees to photocopy their file.

We understand the particularly sensitive nature of an employee's medical records, so we do not place any such records in the employee's personnel file. We keep all medical records in a separate and secure place.

Just as Trends holds employee privacy in highest regard, we believe that employees' interests are best served by keeping various aspects of the employment relationship private. For example, employees should use discretion when discussing disciplinary and performance issues. Additionally, while Trends in no way discourages employees to express opinions and views about their compensation, we ask that they use discretion when discussing these matters.

SAFETY & SECURITY

Trends is committed to providing a safe and secure workplace for our employees. Our employees' active participation is necessary to achieve and maintain this goal of a safe and secure workplace. Trends requires that all employees use good judgment and common sense in matters of safety. All employees must conduct themselves in a safe manner, observe any safety rules posted on Company premises, and follow all applicable OSHA and state safety regulations. Please refer to the Workers' Compensation section of this Employee Handbook for more information on injuries at work.

Should an unsafe or hazardous working condition arise, all employees shall immediately discontinue the task and report the condition to the management team. Additionally, all employees must immediately report any workplace accident or injury to Human Resources. Trends will investigate such matters promptly.

ALCOHOL AND DRUG-FREE WORKPLACE

Trends is fully committed to providing an alcohol and drug-free workplace. Alcohol and drug abuse in the workplace are threats not only to efficiency of operations but also to the safety and health of our employees. In accordance with the Drug-Free Workplace Act of 1988, it is Trends' policy to maintain an alcohol and drug-free workplace, thereby ensuring a safe, healthy, and productive work environment. Adherence to Trends' alcohol and drug-free workplace policy is a condition of continued employment.

The use of illegal drugs is inconsistent with law-abiding behavior expected of all citizens. The use of illegal drugs or alcohol by employees can impair the ability of those employees to perform tasks that are critical to proper performance and can also result in the potential for accidents on duty. Employees who are under the influence of drugs or alcohol in the workplace may pose a safety risk to everyone around them and jeopardize our ability to operate efficiently.

All employees are expected to report to work free of alcohol, illegal drugs, or the abuse of legal drugs or medication. For purposes of this policy, Trends shall follow threshold values established by the Department of Health and Human Services for associates covered by the Department of Transportation regulations to determine a positive test result for illegal drugs or controlled substances. For purposes of this policy, a blood alcohol content equal to or greater than that established as impaired by the state in which the employee is employed shall be considered a positive test.

Coverage

This policy covers all employees of Trends and all new employees post-offer, pre-hire.

Drug and Alcohol Prohibitions

Illegal Drugs/Controlled Substances. The unlawful manufacture, possession, sale, distribution, dispensation, or use of controlled substances or illegal drugs is inconsistent

with the Company's objective of maintaining a drug-free workplace and operating in a safe and efficient manner, and is prohibited. Accordingly, no employee shall use or have in his or her possession illegal drugs or controlled substances during working time or on Company property at any time. Additionally, no employee shall report to work under the influence of such substances. Any employee who engages in such conduct shall be subject to discipline up to and including discharge for the first offense. Possession of drug paraphernalia shall be evidence of violation of this rule. Searches of Company property or employee property located on Company property may be conducted at any time.

Alcoholic Beverages. Because alcohol use can interfere with an employee's productivity and pose a safety risk to others, the Company will not tolerate the unauthorized use of alcohol on Company property. No employee shall report to work under the influence of alcohol. Any employee who engages in such conduct shall be subject to appropriate disciplinary measures up to and including discharge for the first offense.

Drug and Alcohol Testing

Reasonable Suspicion Testing. Employees will be required to submit to alcohol and/or drug testing whenever their supervisor has a reasonable suspicion based on the employees' behavior or physical symptoms or reactions upon the supervisor's request. Examples of reasonable cause may include, but are not limited to: physical symptoms consistent with substance abuse; evidence of illegal substance use, possession, sale, or delivery; fights, assaults, or other violations of established safety, security, or other operating procedures. Refusal to consent will be construed as a positive result and the employee will be subject to discipline up to and including immediate dismissal.

Employees will also be required to submit to alcohol and/or drug testing when circumstances indicate that the employee may be impaired or in violation of this policy. For example, finding drug paraphernalia within the employee's possession and/or control would warrant testing.

Post-Accident Testing. An employee involved in a work-related accident may be required, at the discretion of Trends, to undergo post-accident testing if the accident results in personal injury requiring medical attention beyond first aid or damage to property. The employee involved should abstain from using alcohol until after the determination is made. Refusal to consent will be construed as a positive result and the employee will be subject to discipline up to and including immediate dismissal.

Employees who are involved in a vehicular accident while performing Company business must submit to an immediate drug and alcohol test and shall be placed on a leave of absence while waiting for the results. Should the results be negative, employees shall be paid for any scheduled hours missed at their regular rate of pay. Any employee, who because of serious injury, cannot voluntarily submit to testing is deemed to have consented to appropriate testing pursuant to this policy.

Return to Duty and Follow-Up Testing. These tests may also be done in appropriate situations at the Company's discretion, such as when an employee self-identifies and returns to work after a successful course of treatment. The employee will be subject to both return to duty and unannounced follow-up testing. Refusal to consent will be construed as a positive result and the employee will be subject to discipline up to and including immediate dismissal. Further, any confirmed positive test will result in immediate dismissal.

Employee Consent

All employees to be tested will be provided with a consent form authorizing the test and release of results to management. Refusal to sign the consent shall constitute an independent violation of this policy. Any employee who refuses to be tested or otherwise fails to cooperate in the implementation of this policy shall be subject to immediate discharge.

Confidentiality

All employee records pursuant to the alcohol and drug-free workplace policy will be maintained in a separate confidential file, in accordance with applicable statutory or regulatory requirements.

Law Enforcement

Law enforcement officers will be notified whenever suspected illegal drugs are found on the premises or the Company has reason to believe employees may be involved with selling, distributing, using, or purchasing illegal drugs or controlled substances while on Company property.

Test Results

Any employee who violates this policy shall be subject to disciplinary action for the first offense. Failure to report or refusal of a drug and/or alcohol test, or attempting to tamper with, spoil, or adulterate a sample or testing procedure, shall be considered by Trends to be equivalent to a confirmed "positive" test. All testing shall be conducted by an approved medical facility.

Convictions

Any employee who is convicted of violating any criminal drug statute regarding a violation occurring in the workplace must notify his or her immediate supervisor within five days of the conviction. An employee who fails to give this notice shall be subject to discharge.

Rehabilitation

Employees with any sort of alcohol or substance abuse problem are encouraged to come forward to seek counseling and rehabilitation. As explained more fully herein,

Trends offers the Employee Assistance Program to assist employees in seeking help. However, voluntary treatment for alcohol or drug abuse will not prevent disciplinary action for violation of the Company's alcohol and drug-free policy, or other policies.

Enforcement of the Policy

The manager carries the primary responsibility for implementing this policy. For questions regarding this policy, please contact Human Resources at 317-388-4007.

[DRUG AND ALCOHOL TESTING ACKNOWLEDGMENT FOLLOWS]

DRUG AND ALCOHOL TESTING ACKNOWLEDGMENT

This is to acknowledge my receipt of Trends' Alcohol and Drug-Free Workplace Policy. I hereby certify that I have read the policy and agree to abide by the terms of the alcohol and drug-free workplace statement. I further agree to notify the Company of any criminal drug statute conviction regarding a violation occurring in the workplace within five days after such conviction.

Date: _____

Employee: _____

Date: _____

Witness: _____

WORKPLACE VIOLENCE PREVENTION

Trends has a zero-tolerance policy for any form of workplace violence. Anyone displaying or threatening violence of any type in the workplace against an employee, an employee's family, a non-employee, an employee's personal property, or Company property is subject to immediate discipline.

"Violence" includes, but is not limited to, threats, jokes, or talk of violence, use of obscene, abusive, or threatening language or gestures, physically harming another, shoving, pushing, harassment, intimidation, and/or coercion. Additionally, the possession of unauthorized firearms (concealed or otherwise), knives, dangerous chemicals, explosives, or other weapons in the building or on Company property is prohibited. Carrying firearms on Trends property is not permitted. Any employee found to be carrying such items outside of his or her locked vehicle is subject to our discipline policy.

Everyone at Trends is responsible for preventing workplace violence. Employees must report any incident to Human Resources that may involve or have the potential to involve a violation of the Company's workplace violence policy. All reports will be investigated and treated in as confidential a manner as feasible in light of the need to take appropriate action. Employees shall inform Human Resources of any restraining orders or incidents of stalking or domestic violence involving themselves or other employees.

To ensure a safe workplace, access to our property is limited to those individuals with a legitimate business purpose. For information with respect to visitors, please see the "Access to Company Facilities" section below.

EMERGENCY SITUATIONS

Injury

Unfortunately, despite everyone's best efforts, employees are, from time to time, injured at work. The following procedures must be followed in the event an employee is injured:

- CALL 911 IF THE ACCIDENT IS LIFE THREATENING.
- Emergency care is located within minutes of our Indianapolis facility. Before paramedics arrive on the scene, only trained staff, at their discretion, should administer medical assistance.
- Report all non-life threatening accidents to the immediate supervisor. All accidents must be reported, no matter how minor the injury, to Human Resources.

Employees with non-life threatening injuries at the Indianapolis facility will be sent to Concentra Occupational Health Center, or another medical facility of the Company's choosing, for medical attention.

If an employee has questions regarding an on-the-job accident, he or she should contact his or her immediate supervisor and/or the Human Resources department. Employees should refer to the Workers' Compensation section of this Employee Handbook for more information on injuries at work.

Other Emergencies

In case of an emergency, such as a fire, tornadoes, or other severe weather, an employee's first priority should be his or her own safety and the safety of others. If an employee hears a fire alarm or in case of an emergency that requires evacuation, he or she should proceed quickly and calmly to the emergency exits and proceed to an area at least 100 feet from the building. The employee should not go back into the building until the "all clear" has been given. Employees should remember that every second may count and should not return to the workplace to retrieve personal belongings or work-related items.

Employees should familiarize themselves with primary and secondary exits from their work stations. An employee who may need help exiting the building should notify his or her supervisor so the supervisor is prepared to assist the employee during an emergency evacuation.

Employees who discover a fire must immediately take the following steps:

- Activate the nearest Fire Alarm Pull Station
- Call 911
- Only if a small fire, use available extinguishers to put out the fire

A tornado or severe thunderstorm watch indicates only that weather conditions are severe and could spawn a tornado or a severe storm. A tornado warning indicates that a tornado has been sighted and that employees should immediately seek tornado shelter in the conference rooms or bathrooms.

The Company keeps emergency supplies on hand. A first aid kit is located in the reception area.

Office Closings

Trends has a responsibility to its customers and employees to remain open during stated business hours (Distribution Center 7:00 a.m. to 3:30 p.m. and Administration 8:00 a.m. to 5:00 p.m.) whenever it is reasonable to do so. However, occasionally, because of weather and/or other unpredictable occurrences, conditions exist that

require Trends to close its facilities, or prevent large numbers of employees from coming to or remaining at work.

If such conditions arise, the Company President and/or Vice President of Finance & Operations are responsible for making the decision to close the facility or alter the hours of operation. In the President's absence, the Vice President of Finance & Operations or the Senior Manager of Human Resources will make these decisions. Announcements regarding a facility closing will be posted on our Employee Voice Mailbox (ext. 6666).

Loss of work, pay, or benefits due to emergency conditions* are not compensated. However, absences resulting from a shutdown announcement are covered by use of Paid Time Off (PTO). Non-exempt employees who wish to use PTO to cover an absence necessitated by an emergency condition should indicate this on their Time Card Report. Exempt employees who miss a scheduled workday due to emergency conditions may use PTO to cover the absence and should indicate this on their PTO Leave Sheet.

If employees wish to leave early, or if they arrive late due to travel conditions and no official shutdown or travel ban is imposed, all normal absenteeism policies remain in effect. All employees are expected to communicate with their supervisor regarding their desire/need to leave early or arrive late unless the entire facility is closed.

Bad weather creates uncertainty and stress for employers and employees alike. Under no circumstances will Trends jeopardize the safety of its employees. For that reason, during extreme inclement weather conditions (where an employee deems it unsafe for him/her to travel to/from the office), Trends has a liberal PTO-use policy. Should employees decide it is too dangerous to travel to/from Trends' office while Trends remains open for business, they should immediately notify their supervisor that they are unable to come to work. Employees will be charged one day of PTO for each day missed, and they must submit a PTO Leave Sheet to Human Resources upon their return to the office.

* Emergency conditions are defined as temporary or permanent suspension of operations at Trends or any of its departments because of conditions beyond the employer's direct control. These include, but are not limited to, blizzard, flood, explosion, fire, and power failure.

PERSONAL AND COMPANY PROPERTY

Respect and protection of Company property and employee personal property is essential to an efficient and amicable work environment. Damaged or missing Company property should be immediately reported to a supervisor.

Any employee found to be responsible for the theft or damage of Trends property or another employee's personal property may be subject to legal action, including notification of the proper authorities.

Removal and/or Reselling of Company Property

The removal of any equipment, supplies, or property of Trends without prior management approval is prohibited and will be treated as either a breach of security or theft. This does not include a Trends-issued laptop. When discontinued product is made available to employees, the items are not allowed to be resold to a general audience due to royalty and licensing agreements.

PROPERTY SEARCHES

Trends may furnish lockers for the convenience of storing employee personal possessions. The Company is not responsible for any theft or damage to the personal belongings of employees.

Searches of Company property or employee property located on Company property may be conducted at any time, and employees should have no expectation of privacy with regard to any property brought onto the premises. In the case of desks and lockers, searches may be conducted when the employee is not present. Trends also reserves the right to make a search of the Company's premises, including vehicles and equipment located on Company property.

Any packages, shopping bags, suitcases, or other containers brought into or taken out of the facility are subject to inspection by any member of management and/or the Human Resources Department.

TAPING AND EAVESDROPPING

Trends prohibits employees from openly or secretly tape-recording or videotaping any conversation, communication, activity, or event, without prior written authorization from Human Resources. This policy applies to any conversation, communication, activity, or event that in any way involves Trends, its employees, vendors, or any other person with whom Trends does business.

All such conversations or communications are subject to this policy, whether they take place in person, over the telephone, or via any other communication system, and whether they occur on Trends' premises or elsewhere.

In addition, Trends prohibits employees from eavesdropping on any conversation or communication of other employees, vendors, or any other person with whom Trends does business.

Violation of any aspect of this policy may result in disciplinary action, up to and including discharge.

Notwithstanding the above restrictions, Trends reserves the right to tape-record, videotape, or otherwise monitor conversations or other communications between employees and/or between employees and non-employees, for legitimate business

purposes such as service quality monitoring, protecting the integrity of business transactions, investigating suspected illegal or improper conduct, and other purposes.

ACCESS TO COMPANY FACILITIES

Visitors are always welcome at Trends. However, in order to maintain a safe and secure workplace and to minimize the potential for theft of Company and/or employee personal property, it is necessary for Trends to monitor access to its facilities. Consequently, Trends has established the following procedures regarding access to Company property:

Inactive Employees. Employees who are currently on a Leave of Absence, layoff, or suspension are not permitted to return to the workplace without first notifying the Human Resources Department. Upon arriving at the Company, inactive employees should report to the reception area.

Temporary Employees. If a department is using temporary employees or consultants, the hiring manager must ensure that the temporary employee/consultant signs in and out at the main entrance on a daily basis. During long-term assignments, temporary employees or consultants must sign in at the main entrance on the first day of each week they work. At that time, the temporary employee or consultant will be issued proper identification. Temporary employees must display a visitor's badge at all times while on Company property.

Suppliers. Suppliers are required to sign in at the reception area. Suppliers must display a visitor's badge at all times while on Company property, and are not allowed, without express permission, to move about the premises without a Company escort.

Visitors. All visitors are required to sign in and out at the main entrance. Visitors must display a visitor's badge at all times while in the building, and are not allowed, without express permission, to move about premises without a Company escort. This includes escorting visitors to and from the Company's entrance. Visitors will receive their badge from the receptionist once they have signed in. Visitors must return the badge when they leave the Company's premises.

Please note that, under normal circumstances, employees are not to bring their children into the workplace. Exceptions must be approved at the appropriate departmental level.

COMPANY-SPONSORED ACTIVITIES

Trends occasionally sponsors picnics, parties, and volunteer opportunities for employees/guests. Trends does not take any responsibility for any activity that an employee or guest participates in that is coordinated by Trends and is off Company property. Employees and guests participate in these activities at their own risk.

All employee-coordinated activities between the hours of 8:00 a.m. to 5:00 p.m. must first receive the approval of the organizing employee's department head. The approval

must then be forwarded to Human Resources for final approval. Trends will not take responsibility for any activity, or any employee who participates in an activity, that has not been pre-approved in accordance with this policy.

VEHICLE USE

This following policy applies to Company-owned, rented, or leased vehicles. Additionally, this policy addresses personally owned vehicles driven by U.S. employees on behalf of Trends.

The following has been established to encourage safe operation of vehicles and clarify insurance issues relating to drivers and the Company:

- All drivers must have a valid driver's license.
- Motor vehicle records will be checked periodically. Driving privileges may be suspended or terminated if an employee's record indicates an unacceptable number of accidents or violations. Should an employee be deemed an "unacceptable driver," as defined by our insurance carrier, he or she may be terminated.
- Employees must notify their immediate supervisor of any change in his or her license status or driving record.

When an employee is operating his/her own vehicle for Company business, his/her personal liability insurance carrier is the primary payer. The Company's insurance is in excess of the employee's coverage. He or she should carry at least \$300,000 per occurrence liability coverage.

Evidence of insurance coverage is to be provided to Trends at the beginning of each year, by either a copy of the Declaration page of the policy held by the employee or a Certificate of Insurance for the following positions:

- Director of Services
- Divisional Manager
- Regional Manager
- Sales Representatives
- Key Account Managers

If the employee is in an accident while driving for Company business, he or she should take the necessary steps to protect the lives of themselves and others. The employee should report the accident to the Company as soon as possible, contacting the Controller at 317-388-4046 and the Human Resources Department at 317-388-4007.

MEDIA INQUIRIES

Employees are not authorized to release any information to the news media. All media inquiries shall be directed to the Company President.

SALE OF GOODS

The sale of tangible goods for personal profit is not permitted in the facility without prior approval from the Manager of Human Resources.

JOB-POSTING GUIDELINES AND PROCEDURES

The goal of the job-posting policy is to ensure that all employees are made aware of and have the opportunity to apply for open positions either before or concurrent with the Company's consideration of external candidates for employment.

While it is the Company's philosophy to promote from within whenever possible, there are business conditions that could cause a position to be filled without posting, or to post the position while simultaneously recruiting from the outside. The business conditions that could cause a decision to bypass posting, or to post the position while simultaneously recruiting from the outside, include, but are not limited to: organizational restructuring; position requirements that include skills, education, and/or experience that are not known to match any existing employee; critical operational needs; etc. In addition to these business conditions, managers may request an exception when they have candidates within the same department or division who are qualified and/or already trained for the position.

Method of Posting

Managers should ask themselves the following questions:

- Is the position replacing someone, or is it a brand-new position? If it is a new position, the job must be classified. This process is initiated by contacting the Human Resources Department.
- Is the position full time, part time, temporary, or seasonal?
- Will the Company be hiring from within the department/Company?

The following represents the procedures for job posting:

Hiring Manager Responsibilities:

- The hiring manager notifies Human Resources to set up interviews (phone and/or in-person) with candidates
- Once the qualified candidate is identified, the hiring manager contacts Human Resources
- Hiring manager prepares the offer letter and forwards it to Human Resources for approval

Human Resources Responsibilities:

- Prepares and/or updates job descriptions
- Prepares job ads for approval
- Determines, along with the hiring manager, the advertising venue(s) for the position (each department pays the costs when advertising open positions)
- Emails the hiring manager the résumés submitted
- Sends approved offer letter to the candidate for review and signature
- After receipt of signed offer letter, sends the candidate information regarding the background check process
- Sends notification letters to candidates who were not selected

Interim Appointments are to provide an interim salary increase for employees who are serving in a temporary position until the vacant position is filled. The requesting department director (in consultation with the Vice President of Finance & Operations) will determine the salary for the interim classification on a case-by-case basis.

Consideration will be given using the entry-level base as a minimum up to, but not to exceed, the existing budgeted salary amount.

Any false, incomplete or incorrect statement, answer, or representation, given intentionally or unintentionally by any person, either orally or in writing, pertaining to availability, acceptability, or eligibility for employment in any department or position at the Company or pertaining to personal information or background which is elicited for any authorized form, record, or file, may result in refusal of employment by Trends. If such information is found after employment, appropriate disciplinary action will be taken.

INFECTIOUS DISEASE

The Company recognizes the need to analyze individual circumstances and respond to each person's infectious condition on a case-by-case basis. Responding to each case

individually rather than developing a “blanket policy” is in the interest of flexibility, sensitivity, simplicity, and the balancing of legitimate interests.

Victims of diseases will be permitted to work at the Company unless the employee’s personal physician or state or federal public health officials declare that the disease is infectious.

Paid Time Off is provided in an effort to make all reasonable attempts to ensure that employees not come into the workplace while ill or if subject to quarantine directives.

A flu pandemic may have an impact on any or all of the following:

- Cancellation of scheduled vacations
- Approval of overtime
- Re-assignment of staff to a different department

It is the goal of Trends, during any time period of quarantine or infectious disease outbreak, to strive to operate effectively and ensure that all essential services are continuously provided and the employees are safe within the workplace.

Pandemic status will be monitored and confirmed by the Human Resources Department.

FURNITURE-PURCHASING POLICY

The HR Department manages in-house furniture and outside vendor relationships for optimal utilization and distribution and for best quality and pricing.

To communicate furniture needs, employees should complete a Furniture Request Form. This form should be used to request any new furniture, relocation of existing furniture, or removal of furniture from the office. When evaluating furniture requests, all attempts will be made to utilize existing furniture and current inventory. Employees should allow a five to seven business-day turnaround to process their request.

General Provisions Regarding Furniture:

- Under no circumstances should any employee attempt to move furniture unless it is within one’s unique office. All furniture moves must be approved by Human Resources.
- Office furniture is permanently assigned to an office space and will not move if an employee is relocated to another office. All major office moves involving furniture must be approved by Human Resources.

SOLICITATION AND DISTRIBUTION OF LITERATURE

The Company subscribes to the position that it is important to create a working environment that allows employees to devote full-time attention to their duties. Employees may not solicit any person for any purpose during working time in any matter (e.g., flyers, publications, school sales of items, etc). "Working time" includes the working time of both the soliciting employee and the employee being solicited. Working time does not include authorized rest periods.

In a manner consistent with federal, state, and local law, Trends generally prohibits employees from distributing or posting literature except as provided for in the policy on bulletin boards. Employees may submit business-related items to the Human Resources Department for consideration for display on Trends' bulletin boards. Lost and found notices, items for sale or rent, and other items of general interest may be submitted to Human Resources for posting on Company bulletin boards as well.

CONFLICTS OF INTEREST—SUPPLIERS AND CUSTOMERS

Our Company's success depends on the hard work, dedication, and integrity of everyone who works here. In turn, our employees' livelihoods depend on the success of our Company.

Because we depend so much on our employees, and because they depend so much on us, we expect all employees to devote their energies and loyalties to our Company. We do not allow employees to engage in any activities or relationships that create either an actual conflict of interest or the potential for a conflict of interest.

With this in mind, employees shall avoid outside employment, activities, investments, and other interests that involve obligations which may compete with or be in conflict with the interests of the Company. A conflict of interest can arise in dealings with anyone that Trends transacts business with (i.e., customers, clients, owners, buyers, suppliers, banks, insurance companies, and people in other organizations with whom we contact and make agreements).

Conflicts of interest should be avoided and may include the following examples:

- Working for any group mentioned above for personal gain
- Engaging in a part-time activity for profit or gain in any field in which the Company is engaged
- Borrowing from, or lending money to, individuals representing organizations with whom business dealings are conducted

If employees are unsure about whether an activity might violate this policy, or if they have any questions about this policy, they should contact the Human Resources Department.

GIFTS AND GRATUITIES

Trends is committed to an environment that fosters open decision-making, practices, and policies. One business objective is to select vendors and suppliers on the basis of the quality of their respective products and services; and to do so in a manner that any interested vendor can see that we, in fact, live up to our stated principles.

Gifts, gratuities, and entertainment are defined as anything given as a result of a business relationship for which the recipient does not pay fair market value. Typically, business gifts, services, gratuities, and entertainment are forms of courtesies designed to build and/or enhance teamwork, partnerships, and goodwill between various business entities. Ethical problems arise when these items compromise an individual's ability to make objective and fair business decisions.

For these reasons, Trends employees, regardless of capacity, are not to request, encourage, or accept for their personal benefit, gifts, gratuities, trips, cash, samples, etc., from anyone buying from, selling to, or in any way serving Trends. This includes, but is not limited to, the solicitation of gifts for Trends employees' personal charitable causes. Gifts and gratuities include, but are not limited, "free goods," tickets to sporting events or entertainment events, kickbacks in the form of money or merchandise, trips, liquor, food, personal services, or any other form of compensation.

When practical, an employee must return any such item to the sender with a letter explaining Trends' policy. A copy of this letter should be forwarded to the employee's immediate supervisor. Any item not returned shall be considered the property of Trends and the employee's supervisor should be consulted for disposition. Any request from a Trends employee for a gift or gratuity of any kind should be reported to the President of Trends immediately. Vendor violation of this policy may result in the vendor being barred from doing business with Trends and/or a legal investigation. Employee violation of this policy can result in termination of employment and the possibility of civil or criminal penalties.

PROFESSIONAL LIABILITY POLICY STATEMENT

The Company provides coverage that insures all employees for actual or alleged "wrongful" acts, which are defined as any breach of duty, neglect, error, or misstatement, misleading statement, or act or omission by any employee in their capacity as such, committed solely in the course of their employment and of the activities of the Company. In the event that an employee is threatened with litigation by a third party, that employee should notify the Human Resources Department as soon as possible.

SMOKING POLICY

Trends is a tobacco-free Company. Smoking is not permitted inside the building or at front building entrances/exits. The West side of the building (temporary employee

entrance) is designated for smoking. All discarded cigarettes must be extinguished in the designated receptacle.

Employees may smoke during meal or rest breaks only. Employees may not take “smoking breaks” in addition to the regular breaks provided to every employee under our policies.

The use of chewing tobacco, snuff, or other tobacco products is prohibited while on Trends premises.

DRESS CODE

Trends maintains a business casual dress environment. The Company’s objective in establishing a business casual dress code is to allow our employees to work comfortably. Yet, we still need our employees to project a professional image for our customers, potential employees, and Company visitors. Business casual dress is the standard for this dress code.

Because all casual clothing is not suitable for the office, these guidelines will help employees determine what is appropriate to wear to work. Clothing that works well for the beach, yard work, dance clubs, exercise sessions, and sports is not appropriate for a professional appearance at work.

Clothing that reveals too much cleavage, the back, chest, stomach, or undergarments is not appropriate for a place of business, even in a business casual setting.

In a business casual work environment, clothing should be pressed and never wrinkled. Torn, dirty, or frayed clothing is unacceptable. Any clothing that has words, terms, or pictures that may be offensive to other employees is unacceptable. Clothing that has the Company logo is encouraged. No caps or hats are allowed at any time. Except for Fridays, only Distribution Center employees will be allowed to wear jeans, tennis shoes, and other casual clothing.

Clothing must not constitute a safety hazard. No employee or visitor is permitted to wear open-toed and/or opened-heel shoes in the Distribution Center at any time.

Fridays are designated as casual dress days, unless a business reason determines otherwise. On these days, jeans and other more casual clothing, although never clothing potentially offensive to others, are allowed.

Guide to Casual Fridays

This is a general overview of appropriate clothing for casual Fridays. This guide is not all-inclusive and is open to change. The guide will tell employees what is generally acceptable on casual Fridays and what is generally not acceptable.

Acceptable: Jeans

Not acceptable: Severely ripped jeans (no holes or fraying)

Acceptable: Leggings

Not acceptable: Shirts, tops, or skirts that are shorter than 4" above the knee (when paired with leggings)

Acceptable: Shorts

Not acceptable: Shorts that are shorter than 3" above the knee; running or jersey shorts; spandex, lycra, or biking shorts

Acceptable: Sandals

Not acceptable: Rubber beach flip flops and slippers. Note: Flip flop-style shoes must be dress shoes with a heel (not a wedge).

Acceptable: Tank tops

Not acceptable: Anything that reveals too much cleavage, the back, chest, stomach, or undergarments; tube tops or halter tops

Acceptable: Sweatshirts

Not acceptable: Sweatshirts with hoods

No dress code can cover all contingencies, so employees must exert a certain amount of judgment in their choice of clothing to wear to work. If employees experience uncertainty about acceptable professional business casual attire for work, they should contact Human Resources. A rule of thumb: If unsure that an article of clothing is acceptable, it most likely isn't. If in doubt, employees shouldn't wear it.

If clothing fails to meet these standards, as determined by the employee's supervisor and Human Resources staff, the employee will be asked not to wear the inappropriate item to work again. If the problem persists, the employee may be sent home to change clothes and will receive a verbal warning for the first offense. All other policies about personal time use will apply. Progressive disciplinary action will be applied if dress code violations continue. The business casual dress code and casual Friday dress is a privilege and must be adhered to in order to be retained.

PERSONAL USE OF MOBILE DEVICES ON COMPANY TIME

Employees are prohibited from the use of personal mobile communication devices while in the workplace, unless otherwise authorized by the Human Resources Department.

The following are exceptions to the above provision:

- Cell phone use in employee break areas during an employee's scheduled break or Trends-sponsored social events
- Use of mobile communication devices in connection with employees' duties

For more information on the use of mobile devices, employees should see the Information Systems Policies below.

INFORMATION SYSTEMS POLICIES

IT Department Policy Statement

The Company information and communication systems, data, and computing assets, which include, but are not limited to, computers, telephones, mobile devices, computer networks, printers, and other related pieces of equipment and/or systems, are the property of Trends and are valuable Company assets. Individuals using and having access to these Company assets must take reasonable and prudent steps to preserve the integrity of the systems and their data and to protect the assets. These assets are to be used for appropriate business-related functions only. At no time should these steps be breached, evaded, bypassed, or circumvented.

Access to Company data and Company information systems should conform with an individual's job function and/or description. Data security and client confidentiality procedures are an indispensable and integral part of the information system policies and procedures followed at Trends. Company data must be protected from negligent and intentional loss or damage. Recovery from this loss or damage is imperative if Trends is to operate without business interruption.

All communications emanating from Trends or made and transmitted within Trends shall be professional in nature as they represent the Company, its employees, board of directors, and those individuals it serves.

Prior to the use of Trends' data and telecommunication systems, the employee or Company/individual hired by Trends is required to read Trends' information systems policies and sign the acknowledgment statement contained herein.

Access/Security

Access to Trends' information and communication hardware and systems (Internet, email, voicemail, desk and laptop computers, etc.) is controlled through the use of individual accounts and passwords. It is the responsibility of the employee to protect the confidentiality of his/her account and password information. For security purposes, users may not share account or password information. User accounts are to be used only by the assigned user for authorized purposes. Attempting to obtain another user's account password is strictly prohibited. Users must reset their passwords or contact the IT department to obtain a password reset if they have reason to believe that any unauthorized person has learned one of their passwords. The IT Department may periodically require users to change their passwords.

Internet Use

Department managers are responsible for defining appropriate Internet access levels for the people in their department and conveying that information to the Director of IT & Communications.

Individual Internet use is a privilege. Internet use shall not interfere with others' productive use of Internet resources. Employees shall not violate the network policies of any network accessed through their account. For questions regarding use of the Internet while at work, employees should refer to the "Appropriate and Inappropriate Use of Trends' IT Department Equipment and Systems" section below.

Trends encourages employees to use the Internet responsibly. Employees should contact the Director of IT & Communications or the Vice President of Finance & Operations with any questions regarding this policy.

Social Networking

Trends recognizes that social media, professional networking sites, rapid-fire communications, blog sites, and personal Web sites can be useful technologies. Every employee has an opportunity to express him or herself and communicate online in many ways. While this creates new opportunities for communication and collaboration, it also creates new responsibilities for employees. The Company's expectations for its employees are set forth in this policy.

This policy applies to all online communications, including, but not limited to:

- Personal blogs
- LinkedIn
- Twitter
- Facebook
- MySpace
- Personal websites
- Wikis such as WikiLeaks, Wikipedia, and any other similar site where text can be posted
- Common sense is the best guide if employees decide to post information in any way relating to Trends. If an employee is unsure about any particular posting, he or she should contact Human Resources for guidance. For instance, if an employee is writing about Trends' business, the employee may wish to make sure his or her manager is comfortable with the post. Employees should remember that their online activity, both on and off duty, can have legal implications for both them and Trends.

If employees comment on or write about any aspect of Trends' business or any policy issue in which Trends is involved, they must clearly identify themselves as Trends employees in the postings or blog sites and include a disclaimer that the views are their own and not those of Trends. When employees are posting their points of view, they should neither claim nor imply that they are speaking on Trends' behalf, unless they are authorized in writing to do so from the President of Trends. Internet postings should not include Trends' logos or trademarks and should respect copyright, privacy, fair use, and other applicable laws.

Employees are generally prohibited from accessing these sites during working hours.

Email Use

Email is a critical mechanism for business communications at Trends. However, use of Trends' electronic mail systems and services is a privilege, and therefore must be used with respect and in accordance with the goals of the Company. The Company's email policy applies to all email systems and services owned by Trends, all email account users/holders at Trends (both temporary and permanent), and all Company email records.

Account Activation/Termination. All employees of Trends will receive an email account. Email accounts will be granted to third-party non-employees on a case-by-case basis. For example, Human Resources will determine whether individuals such as contractors or interns will be granted email access. Applications for these temporary accounts must be submitted to the Director of IT & Communications.

Email access will be terminated when the employee or third party terminates his or her association with Trends, unless other arrangements are made. Trends is under no obligation to store or forward the contents of an individual's email inbox/outbox after the term of his or her employment has ceased.

The Company often delivers official communications via email. As a result, employees of Trends with email accounts are expected to check their email in a consistent and timely manner so that they are aware of important Company announcements and updates, as well as for fulfilling business and role-oriented tasks.

Email users are responsible for mailbox management, including organization and cleaning. If a user subscribes to a mailing list, he or she must be aware of how to unsubscribe from the list, and is responsible for doing so in the event that his or her current email address changes.

Email users are expected to remember that email sent from the Company's email accounts reflects on the Company. Employees should comply with normal standards of professional and personal courtesy and conduct. For questions regarding appropriate and inappropriate use of the Trends' email, employees should refer to the section titled "Appropriate and Inappropriate Use of Trends' IT Department Equipment and Systems."

Mobile Devices

The purpose of this section is to define standards, procedures, and restrictions for end users who have legitimate business requirements to access Company data from a mobile device connected to an unmanaged network outside of the Company's direct control. The overriding goal of this policy is to protect the integrity of the private and confidential client and business data that resides within the Company's technology infrastructure. This policy intends to prevent this data from being stored insecurely, deliberately or inadvertently, on a mobile device or carried over an unsecure network where it can potentially be accessed by unsanctioned resources.

This mobile device policy applies to, but is not limited to, all devices and accompanying media that fit the following device classifications:

- Laptop/notebook/tablet computers
- Ultra-mobile PCs (UMPCs)
- Mobile/cellular phones
- Smartphones
- PDAs
- Home or personal computers used to access Company resources
- Any mobile device capable of storing Company data and connecting to an unmanaged network
- Any hardware and related software that could be used to access Company resources, even if said equipment is not Company sanctioned, owned, or supplied

In addition to all Trends employees, this section applies to contractors, freelancers, and other agents who utilize either Company-owned or personally owned mobile devices to access, store, back up, relocate, or access Company data. Any manager that utilizes the services of contractors, freelancers, and other agents is responsible for their adherence to this policy. Such access to this confidential data is a privilege, not a right, and forms the basis of trust that Trends has built with its licensors, customers, supply chain partners, and other constituents. Consequently, employment at Trends does not automatically guarantee the initial and ongoing ability to use these devices to gain access to Company networks and information.

Connectivity of all mobile devices will be centrally managed by the Company's IT department and will utilize authentication and strong encryption measures. Although IT is not able to directly manage external devices, such as home PCs, which may require connectivity to the Company network, end users are expected to adhere to the same security protocols when connected to non-Company equipment.

Access Control. IT reserves the right to refuse, by physical and non-physical means, the ability to connect mobile devices to Company and Company-connected infrastructure. IT will engage in such action if it feels such equipment is being used in such a way that puts the Company's systems, data, users, and clients at risk.

End users who wish to connect such devices to non-Company network infrastructure to gain access to Company data must employ, for their devices and related infrastructure, a Company-approved personal firewall and any other security measure deemed necessary by the IT department. Company data is not to be accessed on any hardware that fails to meet Trends' IT security standards.

All mobile devices attempting to connect to the Company network through an unmanaged network (i.e., the Internet) will be inspected using technology centrally managed by Trends' IT department. Devices that have not been approved by IT, are not in compliance with IT's security policies, or represent any potential threat to the Company network or data will not be allowed to connect.

Security. Employees using mobile devices and related software for network and data access will, without exception, use secure data management procedures. All mobile devices must be protected by a strong password, and all data stored on the device must be encrypted using strong encryption. Employees agree to never disclose their passwords to any unauthorized individual, particularly a family member if business work is conducted from home.

All users of mobile devices must employ reasonable physical security measures. End users are expected to secure all such devices used for this activity whether or not they are actually in use and/or being carried. Any non-Company computers used to synchronize with these devices must have up-to-date anti-virus and anti-malware software installed.

IT will manage security policies, network applications, and data access centrally using whatever technology solutions it deems suitable. Any attempt to contravene or bypass said security implementation will be deemed an intrusion attempt and will be dealt with in accordance with Trends' overarching security policy.

Employees, contractors, and temporary staff will follow all Company-sanctioned data-removal procedures to permanently erase Company-specific data from such devices once their use is no longer required. In the event of a lost or stolen mobile device, it is incumbent on the user to report this to IT immediately.

Help and Support. Trends' IT department will support its sanctioned hardware and software, but it is not accountable for conflicts or problems caused by the use of unsanctioned media, hardware, or software. This applies even to devices already known to the IT department.

Employees, contractors, and temporary staff will make no modifications of any kind to Company-owned and installed hardware or software without the express approval of Trends' Director of IT & Communications.

IT reserves the right, through policy enforcement and any other means it deems necessary, to limit the ability of end users to transfer data to and from specific resources on the Company network.

Organizational Protocol. IT can and will establish audit trails, and these will be accessed, published, and used without notice. Such trails will be able to track the attachment of an external device to a PC, and the resulting reports may be used for investigation of possible breaches and/or misuse. The end user agrees to and accepts that his or her access and/or connection to Trends' networks may be monitored to record dates, times, duration of access, etc. in order to identify unusual usage patterns or other suspicious activity. This is done in order to identify accounts or computers that may have been compromised by external parties. In all cases, data protection remains Trends' highest priority.

The end user agrees to immediately report to his or her manager and Trends' IT department any incident or suspected incident of unauthorized data access, data loss, and/or disclosure of Company resources, databases, networks, etc.

Trends will not reimburse employees if they choose to purchase their own mobile devices.

Telephony Services

Telephone communication is an essential part of the day-to-day operations at Trends. Telephone and voicemail services are provided to employees in order to facilitate performance of Trends work. The goal of this policy is to balance the business need for telephone and voicemail use by Trends with the costs involved. This policy applies to all employees of Trends, and all usage of Trends telephone and voicemail services.

All telephones, telephony equipment, voicemail boxes, and messages contained within voicemail boxes are the property of Trends. The IT Department is responsible for installation and repair of all Trends telephony equipment and administration of telephone and voicemail accounts. Department supervisors are responsible for overseeing telephone and voicemail use and ensuring policy compliance, as well as ensuring that IT is notified of any adds, moves, or changes required to telephone or voicemail services.

Voicemail is to be used as a backup in the event that an employee is not available to answer a call and should not be used to "screen" calls. Each user is expected to respond to voicemail messages in a timely manner. If an employee will be away from the office for more than one business day, he/she is expected to change his/her voicemail greeting to reflect this fact and direct callers to alternate contacts if applicable.

Use of directory assistance (i.e., 411) should be avoided since a fee is incurred with each use. If an employee is unsure of a number, he or she should first consult print or online telephone directories.

Service and Repair. The IT Department requires two days' notice to set up a standard telephone service and voicemail box. If an employee has a problem with an existing telephone or voicemail box, he or she should contact the IT Department immediately.

IT Equipment Move, Add, and Change Requests

This section of the policy provides guidelines for end users to request a move, add, or change to their desktop computing environments. This policy applies to all local and remote employees, management, contractors, and any other parties who rely on access to Trends' IT systems. Management is responsible for disseminating this section of the policy. Any questions with respect to this section should be directed to the Director of IT & Communications.

Goals. The goals of this section are as follows:

- To mitigate the risk associated with unauthorized changes
- To minimize disruption to the business, IT department, and end users
- To maintain consistent expectations

Procedure. The Trends helpdesk system must be used for the completion of any of the following:

- Moving a desktop system (e.g., PC, telephone) or peripheral (e.g., printer) to another location
- Adding/disabling an employee account (e.g., network, email, voicemail)
- Adding/removing a service to/from an existing employee account
- Adding a new employee desktop system
- Adding/removing/changing software or hardware to/from an existing desktop system
- Changing an employee's name or other personally identifiable information in the system

Although any employee may submit a move, add, or change request for his or her desktop environment, all requests must be approved by a direct manager before submission to the IT department. For the addition of a new employee account, HR approval is required.

All move, add, or change requests must be received a minimum of two business days in advance of the requested action date. However, to ensure that the preferred action date can be met, it is recommended that employees submit their requests as far in advance as possible

While all approved moves, adds, and/or changes will be carried out in as timely a manner as possible, they may be delayed in the event of an IT-related problem or emergency. In the event of an emergency request, advance notification is not required. These will be handled on a case-by case basis.

Details. Most moves, adds, or changes involve system downtime for the user. Outage windows will be minimized whenever possible.

Equipment Sign-Out Form

Employees borrowing IT equipment are required to complete the IT Equipment Sign-Out Form (contact IT for the form), which assigns primary responsibility for Trends' IT Department equipment to the borrower. The borrower will be responsible for taking the necessary precautions to protect the equipment and store it in a manner that provides protection when it is not in use, thus not subjecting the equipment to possible theft or damage.

Responsibilities of the borrower include:

- Return of the equipment in the condition it was received.
- If loss or damage of the equipment/property occurs and determination is made that the loss or damage is a result of negligence, the borrower may be held financially responsible for the repair or replacement of the item(s). Reimbursement to Trends by the borrower who checked out the equipment should be at the fair market value of the equipment/property at the time of loss.
- Equipment cannot be loaned or transferred to a third party.
- The borrower cannot modify the equipment in any way without written approval of the IT Department.
- The borrower will make the equipment available at any time as requested by the IT Department.

Appropriate and Inappropriate Use of Trends' IT Department Equipment and Systems

Appropriate Use

Internet/Email. Individuals at Trends are encouraged to use the Internet and email to further the goals and objectives of the Company. The types of activities that are acceptable include the following:

- Communicating with fellow employees, business partners of Trends, and customers within the context of an individual's assigned responsibilities

- Acquiring or sharing information necessary or related to the performance of an individual's assigned responsibilities
- Participating in educational or professional development activities
- Limited personal use for communication with family and friends, independent learning, and public service

Telephone. In general, personal use of telephone and voicemail services is allowable, but must be limited in number and duration and should not interfere with performance of official business duties. Any personal long-distance calls that must be made (excepting 1-800 calls) will be at the expense of the employee (e.g., billed to home phone number or credit card). Employees are expected to reimburse Trends for any personal long-distance calls billed to Trends account.

Inappropriate Use

Internet/Email:

- Use for unsolicited mass mailings, access for non-employees to Trends resources or network facilities, uploading and downloading of files for personal use, access to pornographic sites, gaming, competitive commercial activity unless pre-approved by Trends, and the dissemination of chain letters.
- Any use that establishes Company computers as participants in any peer-to-peer network, unless approved by management.
- Viewing, copying, altering, or destroying data, software, documentation, or data communications belonging to Trends or another individual without authorized permission.
- Sending unreasonably large email attachments or video files not needed for business purposes.
- Use of unauthorized services for voice communication over the Internet.
- Opening email attachments from unknown or unsigned sources. Attachments are the primary source of computer viruses and should be treated with utmost caution.
- Excessive personal use of Trends email resources. As stated, Trends allows limited personal use for communication with family and friends, independent learning, and public service, so long as it does not interfere with staff productivity, preempt any business activity, or consume more than a trivial amount of resources. Trends prohibits personal use of its email systems and services for unsolicited mass mailings, non-Trends commercial activity, political campaigning, dissemination of chain letters, and use by non-employees.

Telephone

- Using the telephone system or breaking into a voicemail box via unauthorized use of a PIN or other password
- Broadcasting unsolicited personal views on social, political, or other non-business-related matters
- Soliciting to buy or sell goods or services unrelated to Trends business
- Calling 1-900 phone numbers

Monitoring

Trends International's Right to Monitor Communications. Trends reserves the right to monitor, audit, screen, and preserve data as Trends deems necessary to maintain compliance with policy. Trends may monitor any Internet activity occurring on Trends equipment or accounts. Trends may monitor employee social networking activities routinely to detect violations of Trends' policies. Trends may, at its sole discretion, take disciplinary action against any employee if his or her social networking activity violates any of Trends' policies. Trends further reserves the right to request that employees engaged in social networking further refrain from online comments with regard to specific topics.

The email systems and services used at Trends are Company property. Trends reserves the right to monitor any and all email traffic passing through its email system. This monitoring may include, but is not limited to, inadvertent reading by IT staff during the normal course of managing the email system, review by the legal team during the email discovery phase of litigation, observation by management in cases of suspected abuse, or to monitor employee efficiency.

Archival and backup copies of email messages may exist, despite end-user deletion, in compliance with Trends' records retention policy. The goals of these backup and archiving procedures are to ensure system reliability, prevent business data loss, meet regulatory and litigation needs, and to provide business intelligence. If Trends discovers or has good reason to suspect activities that do not comply with applicable laws or this policy, email records may be retrieved and used to document the activity.

Consistent with federal, state, and local law, Trends reserves the right to monitor telephone and voicemail use, including telephone conversations and the contents of voicemail boxes. Monitoring of telephone and voicemail use will only be done for legitimate reasons, such as to assess customer service quality assurance, retrieve lost messages, recover from system failure, or comply with investigations of wrongful acts.

TRENDS' INFORMATION SYSTEMS POLICIES ACKNOWLEDGMENT

I agree to abide by these policies and ensure that persons working under my supervision abide by this policy. I understand that if I violate this policy, I may face legal or disciplinary action according to applicable law or departmental policy.

I hereby agree to indemnify and hold Trends and its officers, trustees, employees, and agents harmless for any loss, damage, expense, or liability resulting from any claim, action, or demand arising out of or related to my use of Trends-owned computer resources and the network, including reasonable attorney fees. Such claims shall include, without limitation, those based on trademark or service mark infringement, trade name infringement, copyright infringement, unfair competition, defamation, unlawful discrimination or harassment, and invasion of privacy.

Date: _____

Employee: _____

Date: _____

Witness: _____

COMPENSATION

EMPLOYER–EMPLOYEE RELATIONSHIP

General rule: Federal tax rules define an employee as an individual who performs services subject to control by an employer both as to what services shall be performed and how they shall be performed. If Trends has the legal right to control both the method and result of services, that person is considered an employee and therefore subject to income tax withholding.

EMPLOYMENT CATEGORIES

Employees are categorized within the payroll system according to the length of the appointment, the percentage of time worked, and the type of position they fill. These categories in combination affect eligibility for most employment benefits.

Length of Appointment. The following represents general guidelines only. All decisions pertaining to an individual's relationship with Trends is made on an individual basis.

- Continuing – Continuing employees are hired with the expectation that they will remain on the payroll for six months or more.
- Temporary – Temporary employees are hired with the expectation that the employment relationship will terminate in less than six months. Temporary employees are not eligible for employment benefits.
- Interns – Interns are not employees and are not eligible for employment benefits.
- Independent contractors – Independent contractors are not employees and are not eligible for employment benefits.

JOB CLASSIFICATIONS

The Human Resources Department shall determine and specify, subject to the provisions of the Fair Labor Standards Act, those classifications that shall be exempt and those that will be non-exempt.

Exempt: Exempt classifications are classifications that shall not be entitled to the earning of, accrual of, or credit for overtime. Exempt employees are salaried, and are paid the amount of their pay period salary (less authorized deductions) every pay period. Subject to exceptions, the gross amount of the paycheck is the same for each pay period, regardless of the number of hours worked or number of working days in a pay period.

Non-exempt: Non-exempt classifications encompass employees who are eligible for earning of and credit for, appropriately authorized overtime. Employees in positions classified as non-exempt must maintain a detailed time card reflecting actual hours of work.

Within these two classifications, Trends identifies employees as one of the following:

Regular full time. Employees working at least 30 hours per week and maintaining continuous regular employment status. Employees who work less than 40 hours per week on a regular basis will have certain benefits affected.

Regular part time. Employees working less than 30 hours per week and maintaining continuous regular employee status. Employees in this classification may work more than 30 hours per week on occasion, but should not average 30 hours per week or more.

Temporary employees. Employment that is expected to last less than six months. The six-month temporary assignment should not be extended without the prior approval of Human Resources.

Seasonal employees. Employment that may last for an undefined period of time but that requires work on a seasonal and uncertain schedule totaling less than full time.

Employees with questions regarding job classification should contact Human Resources.

COMPLIANCE WITH STATE AND FEDERAL EMPLOYMENT LAWS

Documentation of Eligibility for Employment:

- Completing Form I-9: Every employee, temporary worker, and intern is required to complete a Form I-9, Employment Eligibility Verification. Failure to do so will result in ineligibility for employment and/or immediate termination.
- Updating Form I-9: Eligibility to work in the United States may expire for certain types of temporary visitors. Documentation of continued eligibility to work must be provided before the work eligibility expiration date. Failure to comply with this requirement will result in ineligibility for employment and/or immediate termination.
- Re-verifying Form I-9: A new or re-verified Form I-9 must be completed after any break in employment.

Tax Requirements:

- Withholding tax information: New employees, temporary workers, and interns must complete a withholding declaration at hire. If the withholding declaration is not received before the deadline of the employee's first pay period, the payroll system will tax the employee as if the employee had claimed the "Single" status with no exemption on their W-4 and state withholding form (if applicable).

- Social Security number: New employees' wages or salaries cannot be paid until an employee's Social Security number has been received by the payroll department. If the employee has submitted an application for a Social Security number to the Social Security Administration, payroll will accept a copy of the application so pay may begin.

Wage Issues and Exempt Employees:

Company policy prohibits docking the pay of an exempt employee. That is, paying the employee less than his or her full regular salary, except in the following circumstances:

- The employee takes at least one full day off for personal reasons, sickness, or disability, and is not eligible for Paid Time Off and/or disability benefits
- The employee starts or ends employment with the Company midweek (that is, the employee does not start work first thing Monday morning, or finish employment at the end of the workday on Friday)
- The employee takes unpaid leave pursuant to the Family and Medical Leave Act
- The employee serves an unpaid disciplinary suspension of at least one full day, imposed in good faith for violating a workplace conduct rule and/or policy

PAYROLL ACCOUNTING

Semi-Monthly Payroll. There are 24 pay periods in a year. All employees are paid semi-monthly, on the 15th and last day of each month. If the payday falls on a weekend or bank holiday, checks will be distributed the prior working day.

Direct Deposit. Trends wants all employees to enroll in direct deposit. If an employee does not provide information about an established bank account, Trends will establish a pay card for that employee and his/her semi-monthly pay will be automatically deposited onto a debit pay card. All direct deposits and pay cards will be credited on the actual payroll date.

Paperless Pay System. Trends utilizes the Paperless Pay System, which means the Company does not provide paper pay stubs. Employees are able to access their pay stubs on our payroll provider's website. The employee may choose to print his or her pay stub. For those who do not have access to computers at the Indianapolis location, a kiosk is located in the break room. There is also a printer at the station for those who wish to print their paystubs. New employees will be provided with a letter from our payroll provider that will include that person's username and temporary password, as well as the website address.

PAYROLL ADVANCE POLICY

No payroll advances are permitted by Trends against paychecks or unaccrued vacation. For more information, please contact the HR Department.

TAXES ON SALARIES AND WAGES

Taxable Earnings. Trends withholds federal, state, and other applicable taxes from all taxable earnings paid to employees. Taxable earnings include regular pay, overtime pay, supplementary compensation, and any additional and miscellaneous payments for work performed for Trends. Below is a list of deductions required by federal and state law:

- Federal income tax
- State income tax
- Medicare tax
- Social Security tax
- State disability insurance (if applicable)
- County tax (if applicable)
- Garnishments/wage attachments
- Other taxes and/or deductions required by state and/or federal law

Tax Exemptions. Employees may not claim more withholding allowances than those allowed by the Internal Revenue Service or Franchise Tax Board. Fewer allowances may be claimed or an additional dollar amount of taxes may be withheld if an employee wishes to increase the amount of tax withheld.

W-2. At the end of each tax year, Trends compiles and distributes a form W-2 for each employee and intern.

PAYROLL DEDUCTIONS

Deductions for Benefits. Employees eligible for benefits may pay the employee's share of the cost of some insurance programs and benefits by payroll deduction. A list of these voluntary deductions is below:

Deductions authorized by employee:

- Health, Rx, Dental, and Vision insurance
- 401(k) and Roth 401(k) savings contributions

- Flexible/Limited Spending Account contributions
- Health Savings Account employee contributions
- Voluntary Life insurance
- Voluntary Accident and/or Critical Illness
- Trends charity contributions
- Reporting deductions – Deductions from each paycheck are itemized on the pay statement

Cessation of deductions. Payroll deductions of benefits cease during leaves of absence without pay. If that happens, the employee will receive information from Trends' Human Resources Department on how to pay for the employee's share of the costs for applicable insurance plans.

All questions about payroll deductions should be directed to Human Resources.

WAGE GARNISHMENT

A wage garnishment is an order from a court or a government agency directing the Company to withhold a certain amount of money from an employee's paycheck and send it to a person or agency. Wages can be garnished to pay child support, spousal support or alimony, tax debts, outstanding student loans, or money owed as a result of a judgment in a civil lawsuit. If Trends is instructed by a court or agency to garnish an employee's wages, the employee will be notified of the garnishment at once. Although Trends does not wish to become involved in an employee's private matters, the Company is compelled by law to administer a court's wage garnishment orders.

If an employee has a dispute or concerns about the amount of a garnishment, he or she must contact the court or agency that issued the order. Employees are encouraged to resolve these matters privately to avoid Trends' involvement in this mutually unpleasant situation.

CHILD SUPPORT-REPORTING REQUIREMENTS

Federal and state law requires the Company to report basic information about new employees, including the employee's name, address, and Social Security number, to a state agency called the State Director of New Hires. The state collects this information to enforce child support orders. If the state determines that an employee owes child support, it will send Trends an order requiring the Company to withhold money from that employee's paycheck to pay his or her child support obligations.

WAGE VERIFICATION REQUESTS

In order to safeguard against identity theft and to prevent unauthorized individuals from accessing sensitive personal information, Trends requires any wage verification requests to be in writing and signed by the employee whose information is being requested. Such requests should be submitted to the Human Resources Department.

WORKING HOURS

The standard workweek is five days. The standard workday is eight hours plus a one - hour unpaid meal break for exempt employees and 30-minute meal break for non-exempt employees. The workweek commences on Mondays and ends on Sundays.

Some departments may require alternative work schedules based upon the needs of the department. This may include weekends and/or holiday work schedules. Employees' supervisors will let them know their work schedules, including what time they will be expected to start and finish work each day.

OVERTIME

In accordance with federal and state law, non-exempt employees will receive overtime compensation at 1½ times their regular hourly rate for authorized work in excess of 40 hours in one workweek. Federal law states that overtime work must be accounted for in the week it is actually performed. Non-exempt employees are entitled to payment of overtime, according to the rules set forth below.

- All overtime work must be approved in writing, in advance, by the employee's supervisor. Working overtime without permission violates Company policy and may result in disciplinary action.
- For purposes of calculating how many hours an employee has worked in a day or week, the workweek begins at 12:01 a.m. on Monday and ends at midnight on Sunday.
- Only time actually worked is counted in determining eligibility for overtime compensation.
- Unpaid meal breaks are not counted as hours worked, nor are hours paid for Paid Time Off, bereavement leave, jury duty, and the like.
- Holidays (as defined by Trends) will be counted as hours worked.
- Exempt employees are not eligible for overtime pay.

WORK BREAKS

A brief break from work is extended to employees as a privilege and not a right. Breaks should be arranged with the supervisor or department director. The Company approves

two daily breaks of no more than 15 minutes each. Break time cannot be accumulated, added to lunch periods, or otherwise used to shorten the workday or workweek.

TIME KEEPING

All non-exempt employees are required to utilize Trends' time clock software. Employees are expected to keep accurate records of their work time and leave time. Unless overtime work has been approved in advance, employees should not begin work more than seven minutes before the scheduled starting time or end more than seven minutes after the end of the scheduled shift.

Exempt employees are required to complete a semi-monthly Paid Time Off (PTO) Leave Sheet if PTO has been utilized during that pay period. All PTO must be documented. PTO Leave Sheets for exempt employees must be turned in to Human Resources by 10:00 a.m. on the date provided by Human Resources each pay period.

Timesheets and proximity badges are considered Company property. No employee is allowed to clock in or out or record any other employee's time under any circumstance. Any notations on a Time Card Report must be made with the approval of, and initialed by, the employee's supervisor. Any falsification or misrepresentation of time and attendance information may result in disciplinary action.

SHIFT PREMIUM

Shift premium means the payment of additional compensation to an employee who works on another shift besides the day shift and is in a position that has been authorized to receive such payments.

- Current shift premium amounts are \$0.25/hour for regular hours and \$0.38/hour for overtime hours.
- An employee who is regularly scheduled to work a designated shift will not be eligible for the shift premium when utilizing Paid Time Off (PTO). However, the employee will be eligible for shift premium for holiday pay.

The following is an illustration:

Specifics:	
Regular Hours	40.00
Regular Shift Premium	$40 \times .25 = \$10.00$
Overtime Hours	10.00
Overtime Shift Premium	$10.00 \times .38 = \$3.80$

FLEXTIME WORK SCHEDULE

The flextime work schedule policy allows the manager and/or department head latitude to approve certain adjustments of the work hours of an employee to meet that employee's personal needs. Core hours of 9:00 a.m. to 3:00 p.m. must be worked by all employees, and all full-time employees must work eight hours each day of their scheduled workweek. The implementation, continuance, discontinuance, or modification of flextime is at the discretion of Trends. Authority to modify is given to the department managers, directors, Vice President, and President. Adequate staff coverage, as determined by the department head, must be sufficient to meet the operating requirements of Trends at all times.

Human Resources is responsible for ensuring that all flextime schedules conform to appropriate state laws and Company policies, and that flextime is administered consistently and equitably throughout Trends. Consequently, Human Resources must be notified of all flextime schedules.

The department head is responsible for ensuring that flextime is administered consistently and equitably within the department, that all flextime schedules within his or her department conform to Company policy, and that staffing is available at all times to meet the needs of the customers and Company. The department head must notify the Human Resources Department of his or her intent to approve the use of flextime by forwarding a copy of the proposed schedule to Human Resources. Approval of the schedule by the appropriate director is required.

Flex schedules cannot be altered on a daily or weekly basis. Once a weekly flextime schedule is established, it is expected that the employee will maintain the schedule until approval is received from the department director regarding changing the schedule.

Flextime is provided to employees on the basis of customer and job requirements; therefore, its use will vary among employees and departments. Some departments and positions are not suitable for flextime, and other departments may find flextime suitable only for certain periods during the year. Any indications that the use of flextime is resulting in a lack of productivity, abuse of time, or is causing disharmony within the department will result in the schedule being altered or terminated.

CHARITABLE CONTRIBUTIONS THROUGH PAYROLL

The primary purpose of Trends Cares (Trends International Charitable Foundation) is to assist worthwhile organizations that provide support and services to members of our local communities. We're proud to be working with Best Buddies, Champ Camp, Handi-Capable Hands, Inc., The Special Olympics of Boone County (IN), and TherAplay Foundation, Inc. These organizations help integrate persons with special needs (kids, young adults, and adults) by providing opportunities for recreation, socialization, and education. To learn more about Trends Cares and these individual groups, visit www.TrendsCares.com.

Contribution Rules. After employees calculate how much they wish to contribute, they need to remember a few rules in order to maximize the tax benefits of their gift. A payroll deduction is convenient in that employees do not need an acknowledgment from the charity to claim their tax deduction. There is, however, one exception. If an employee contributes \$250 or more from a single paycheck, then he/she must prove to the IRS that he/she (a) made the donation and (b) didn't receive anything in return for the donation. Simply keeping a copy of the pay stub fulfills the first requirement. To comply with the second, the Trends Pledge Card will specifically state that the employee did not receive any goods or services in return for the gift. So, for example, if an employee's contribution is \$300 throughout the course of a year through payroll deductions, this is treated as a separate contribution, which would not trigger the \$250 substantiation requirement.

Trends matches each dollar that employees donate. Employees should consult with a tax advisor to determine the extent to which the contribution is deductible.

Trends management does not monitor or make it a condition of employment to contribute to the Charity Foundation.

General Provisions:

- Changes to the amount being contributed may be made at any time during the year.
- It is the employee's responsibility to ensure that there will be sufficient wages to support the deduction. No partial deductions will be made.

Payroll Deduction Enrollment/Change Form. This form can be retrieved on the Trends website: See Human Resources, Trends Charity Forms.

TRAVEL AND EXPENSE POLICIES

It is Trends' policy to reimburse employees for ordinary, necessary, and reasonable travel expenses when directly connected with or pertaining to the transaction of Company business. Employees are expected to exercise prudent business judgment regarding travel expenses. Trends does not reimburse business expenses on a per diem basis. Travel expense and business expense reimbursement is based on actual expenses incurred. Estimates should not be submitted.

Employees who incur travel and entertainment expenses are responsible for complying with Trends' policies regarding travel expenses and expense reporting. Employees submitting expenses that are not in compliance with these policies may forfeit their reimbursement.

Department heads are responsible for assuring that all policies detailed herein, as well as applicable business unit policies, have been adhered to prior to approving an employee's expense reports.

Expenses for a spouse are not reimbursable unless it can be shown that the spouse's presence was both essential and directly related to the effective accomplishment of Company business. In these limited instances, the employee must obtain written approval in advance from an immediate supervisor, and from the next higher level of management. When allowed, spouse travel expenses are to be included on the employee's expense report.

When an employee is traveling and has an alcoholic beverage with his/her meal, the alcohol is not reimbursable. This does not mean that individuals cannot have alcohol with their evening meal; instead, it just means the employee is responsible for the cost. However, employees may not consume alcohol to the point of intoxication, nor may they consume alcohol if they are going to drive. In addition, employees must always conduct themselves professionally and appropriately while on Company business. The cost of alcohol cannot be on the itemized receipt, so the employee should request a separate receipt for the alcohol.

Passports

Passport expenses will not be reimbursed by the Company. Employees are responsible for ensuring they have a valid passport.

Airfare

All airline tickets must be booked and expensed at the lowest available airfare with an arrival and departure time after the workday is completed. One-stop or connecting flights may be required if savings of \$200 or more can be achieved.

Employees may not specify a preferred carrier. However, traveling employees may retain frequent flyer benefits, although reimbursement will not be allowed when booking a higher cost airline to accrue personal frequent flyer miles or to accommodate personal requests. Moreover, all employees are expected to travel in coach class. The cost of ticket upgrades or first-class accommodations are not reimbursable.

Lastly, no more than four employees are permitted to fly on the same aircraft.

Hotel Accommodations

The Company and its travel agency negotiate preferred rates with certain hotels. Employees are encouraged to utilize these hotels whenever feasible. In destinations where negotiated rates are not available, the Company's travel agency will recommend good quality, moderately priced hotels.

Room Type. A single room in a moderately priced business class hotel or motel is the corporate standard. If other accommodations are requested, the employee is responsible for paying the difference without showing it on the expense report, but with written explanation on the hotel billing.

Cancellation. All rooms will be guaranteed for late arrival. Employees must cancel room reservations by 6:00 p.m. on the day of arrival to avoid a “no-show” charge. If the cancellation is made directly with the hotel, employees are advised to request and retain a “cancellation number” as documentation of the transaction. “No-show” charges are not reimbursable.

Payment and Documentation. The hotel billing and charge card receipt must be attached to the expense report. Meals, telephone, parking, and other incidental charges must be separated from the room charge, have detail of all charges, and should appear in the designated columns. Gratuities for bell service should be reasonable and reported on actual dollars; estimates based on room charges are not acceptable.

Transportation

Rental Cars. The use of a rented car must be justified as a business need and not as a matter of personal convenience. Thus, cars should be rented only when other means of transportation are unavailable, more costly, or impractical. Employees should rent only mid-size or compact cars; larger cars and/or luxury cars are not allowed unless three or more employees are traveling together, or if transporting customers.

Employees are covered by Company insurance while traveling on Company business; thus, insurance offered by car rental agencies must be declined. Employees must refuel rental cars prior to returning them to the vendor. This practice can save as much as 50% of the gasoline cost. The car rental receipt must be attached to the expense report in order to receive reimbursement. Prior to renting a vehicle, the employee should obtain a Trends Auto Identification Card from Human Resources to carry with them when traveling for business. It identifies the Company’s policy number, effective date, and insurance carrier.

Personal Cars. Employees may utilize personal cars for business travel when other transportation is unavailable or not economical. The use of personal cars for business will be reimbursed at the standard rate as determined by Trends on January 1 of each year. The mileage reimbursement includes, but is not limited to, gasoline, oil, tires, repairs, insurance (including uninsured losses), license fees, depreciation costs, and expenses of any type. An employee’s use of his or her personal vehicle does not obligate the Company to pay for damages and normal wear and tear that may result from use.

Company auto insurance is not provided when using a personal car for business; therefore, it is the employee’s responsibility to provide adequate insurance coverage. It is recommended that all employees carry at least \$300,000 per occurrence on liability on their personal car insurance. The Company reserves the right to request proof of insurance prior to approving personal car use. Speeding and parking tickets are not reimbursable. If the employee does not provide proof of insurance, further disciplinary action could occur.

Proper mileage reimbursement forms and supervisor signatures must be obtained prior to reimbursement.

Taxis. The cost of a taxi to and from places of business, hotels, or airports in connection with business activities is reimbursable. Use of taxis is authorized only when more economical services (hotel van, shuttles, etc.) are not available. Receipts are required for all transportation expenses of \$5 or more.

Meals

Employee Meals. When an employee is traveling on out-of-town business, an employee's meals will be reimbursed up to \$50 per day plus 15% gratuities.

Meals are a claimable expense if the trip is overnight. Employees are allowed to expense the lunch and dinner for the initial day out and the breakfast and lunch the last day.

Employees must attach original detailed receipts for each meal to the expense report.

Casual meals with Company employees are not reimbursable.

Entertainment Expenses. Entertainment expenses are defined as meals and/or outings taken with clients, customers, prospective customers or employees, or current employees during which a business discussion takes place. This may include entertainment activities such as attending the theater, nightclub outings, golf, and other sporting events, when a business discussion takes place immediately before, during, or immediately after the event. Entertainment expenses must be approved in advance by the employee's immediate supervisor.

To be in compliance with IRS (U.S.) regulations, the following information must be included on the employee's expense report as support for all business meals and entertainment expenses:

- Name, title, and Company of all attendees
- Name and location of the establishment where the event took place
- Amount and date of expense
- Specific business topic discussed

Business meals attended solely by in-town employees are not reimbursable unless previously approved by the department manager. In cases where more than one employee attends a business meal or entertainment event, the senior employee present should pay the bill.

All receipts that are submitted for reimbursement on an expense report and Trends Visa Cards must have the detail of what was purchased. Trends will no longer accept the summary with just the total costs.

Please see the Alcohol and Drug-Free Workplace Policy for alcohol expenses.

Charges Incurred While Traveling in Foreign Countries

Employees who travel to foreign countries should figure cash expenses on that day's conversion rate, and should note on the expense report the rate used.

Expense Report Procedures

Submission Deadline. Expense reports must be submitted within 30 days of occurrence. If submitted after 30 days, the Company reserves the right to refuse reimbursement.

Expense report reimbursement will be made twice monthly at the regularly scheduled pay periods. Reports must be submitted by the 7th and 22nd of each month. Reports received after these dates will be paid on the following payday.

Authorizations. It is the employee's responsibility to ensure that all expense reports submitted for payment have proper authorization, including the employee's and supervisor's signatures. The immediate supervisor is responsible for reviewing and approving his/her staff's travel expenses. The accounting department will also review entries and the attached detailed receipts for accuracy and adherence to Company policy before submitting the report for reimbursement.

Expense reports deemed incomplete (e.g., improper or missing documentation, incomplete sections, missing totals or signatures, or if written or signed in pencil) will be returned to the employee for correction, and will delay processing.

Original receipts must be submitted for all travel expenses that are \$10 or more. If an employee loses a receipt, he or she must obtain a copy from the establishment and, if unable to provide, the employee will not be reimbursed. Expense reports that are scanned and emailed to Human Resource will not be reimbursed until the original expense report and receipts are submitted.

SALARY INCREASES AND BONUSES

Merit-Based Salary Increases

In deciding whether an employee will receive a merit increase, Trends takes into consideration an employee's sustained or improved performance, the relationship of an employee's current salary to the market base range, and the amount of time that has elapsed since the employee's last pay increase, as well as the overall budget and economic conditions for increases. While salary increases may continue for employees whose performance remains consistently good over time, if an employee approaches

the top pay for his/her salary range, future increases will depend primarily on the upward movement of the Trends salary structure along with the market base for that position. Pay increases will take effect on the first day of the fiscal year.

Bonuses

At the sole discretion of the Company, bonuses may be paid to employees in recognition of an employee's exemplary performance, sales goal achievement, or when management has determined it is otherwise appropriate. Payment of such bonuses is not an indication that a future bonus will be paid, even under the same circumstances. Bonuses are special recognitions and should not be considered as part of an employee's compensation package. All bonus payments are subject to federal, state, and any other applicable laws and/or taxes.

ANNUAL PROFIT-SHARING PLAN

Trends Annual Profit-Sharing Plan is a discretionary plan designed to allow full-time employees to share in the financial success of the Company.

Payments. Payments will be made annually after completion of the March 31st fiscal year-end financial audit and by the Company's outside auditors. This means the payment will generally be made on or around the July 15th pay period.

Eligibility. Employees who meet the following criteria are eligible to participate in the bonus plan:

- An employee must be a full-time employee with active employment during the bonus period. New full-time employees who begin employment with Trends during the last quarter of the fiscal year (January 1 to March 31) will not be eligible to participate in the plan until the next fiscal year.
- To receive an allocation of the bonus pool, an employee must have regular wages for the bonus period. Eligible wages include only regular earnings, overtime pay, Paid Time Off (PTO), and commissions. Items not included in wages under the plan are expense reimbursements, auto allowance payments, employer pension contributions, medical disability benefits, and quarterly or achievement/award bonus payments.
- Only employees of record on the date the bonus is paid are eligible to participate in the plan. Terminated employees, even though they were actively employed during the entire term of a bonus period, are not eligible. Employees who have resigned with notice prior to the date the bonus is paid will not receive a bonus payment, even if their last day of employment falls after the date bonus payments are made.

Bonus Pool. The amount of the bonus pool will be determined at the discretion of President.

Bonus Allocations. Once the bonus pool is determined, it is allocated to all eligible employees based on the pro rata regular compensation for the fiscal year and the rank of each employee within the Company. The profit-sharing bonus should be viewed as a possible supplement to employees' base compensation packages and will allow them to share in the financial success of Trends.

If employees have any questions regarding profit sharing, they should address them to the Vice President of Finance & Operations or the Senior Manager of Human Resources.

EMPLOYMENT

INTRODUCTORY PERIOD

The introductory period for all new and newly promoted or transferred employees shall be three months. Evaluations occur at the end of the three-month introductory period. The employee's manager, in consultation with the department head and Human Resources Department, will conduct the evaluation. Successful completion of our introductory period does not guarantee the employee a job for any period of time or in any way change the at-will employment relationship. (For an explanation of at-will employment, see next section of this Handbook). For more information on the Introductory Period, please see a member of management and/or Human Resources.

PERSONNEL FILES

Human Resources maintains up-to-date personnel files on all employees. It is important that employees help us keep records current as this information is used for benefit administration, continued insurance notices under COBRA, and notification in case of emergency. Employees are asked to contact Human Resources if there are changes in any of the following:

- Name
- Home address
- Home telephone number
- Emergency contact
- Marital status
- Number of dependents
- Status of dependents (i.e., when a dependent is no longer eligible for benefits)
- Military status

We respect and honor an employee's right to have the information treated confidentially. Only information relevant to an individual's employment with the Company shall be retained in these files. Examples of this type of information are:

- Information pertaining to bona fide occupational qualifications
- Behavior and discipline matters
- Personnel actions, such as appointment, change of status, pay, and performance reviews, etc.

Supervisors or administrators shall have access to the personnel files of persons employed or being considered for employment in their areas of responsibility on a need-to-know basis.

PROBLEM-RESOLUTION GUIDELINES

The interests of both employees and Trends are best served when any problems relating to the workplace are resolved as part of the regular communication between employees and between employees and supervisors. In order to ensure prompt and constructive problem solving, problems in the workplace should be resolved through the appropriate management chain, and whenever needed, with the assistance of the Human Resources Department. Although Trends seeks to resolve problems at the lowest possible level, sometimes the supervisor is not available or is not the desired contact. Employees may access successively higher levels of their management chain and/or the Human Resources Department at any time.

An employee who believes that he or she has not been treated fairly with respect to any term or condition of employment or believes a mistake has been made in the administration of a rule, plan, or Company policy, is encouraged to follow the procedures outlined below:

Step 1: Many problems can be resolved through communicating with the individual(s) with whom the complaint exists, whether it is with a fellow employee, subordinate, or supervisor. Employees are encouraged to discuss concerns at an early state with intent toward resolution. The employee's supervisor should normally be the first source of assistance.

Step 2: An employee who disagrees or is dissatisfied with a supervisor or manager's action should, if possible, discuss the concern with that individual. If preferred, or if the employee is unable to resolve the problem with the supervisor or manager, the employee should discuss the matter with the next-level supervisor or manager. The majority of misunderstandings can be resolved at this level. This discussion should be held promptly, typically within five days, to allow for a timely resolution. If the problem cannot be resolved in a satisfactory manner, it may be discussed with the next-level manager, up to and including the director and/or Vice President.

Step 3: If Steps 1 and 2 have not resulted in a timely resolution of the matter, the employee should submit a written complaint stating the relevant facts and desired remedy to Human Resources. Human Resources will attempt to find a timely and appropriate resolution to the matter at hand. Employees should include the names of all informed parties, dates of meetings, and reasons given for lack of action or resolution in their comments.

Please remember that these are only guidelines to aid employees in resolving issues quickly and amicably. Employees are in no way obligated to follow these steps precisely.

DISCIPLINARY PROCEDURES

Trends policy is designed to give each employee a full opportunity for work success. This objective is dependent upon good employee selection procedures, meaningful employee orientation, appropriate on-the-job training, performance evaluations, and a positive approach toward employee discipline by the Company supervisors. The principle objective of any positive disciplinary action shall be to improve the performance and efficiency of an employee. Any action by an employee that negatively impacts Trends' business, or is a direct hindrance to the effective performance of the employee's job functions, constitutes improper employee conduct and shall be considered cause for disciplinary action.

Disciplinary action is considered a dimension of performance evaluation. It is a corrective process to help employees overcome work-related shortcomings, strengthen work performance, and achieve success. When problems occur, they must be handled in a manner that jointly supports the concept of positive discipline and minimizes the interruption of Trends' services. Employee discipline may be needed and, as a corrective procedure, is an integral part of Trends' employment policy. The Company's expectation is that supervisors will direct their disciplinary efforts toward positive employee development and success.

When discipline is necessary, the positive guidelines below should be used to assure fairness and consistency throughout the Company. The guidelines are not expected to be rigidly applied, but will be suitable for most Company discipline situations. Depending upon the circumstances in individual cases, repeating a step, passing over a step, or moving to immediate discharge may be appropriate. All disciplinary action must be coordinated with the Human Resources Department.

During the disciplinary process, employees are encouraged to listen and understand the area(s) of concern and respond to the specific facts (as he or she knows them). This allows the employee to present his or her side, explaining circumstances and shedding light on the situation.

Disciplinary Procedure Process

Oral Reminder. An oral reminder is generally the first step in the discipline procedure. It involves a discussion between a supervisor and an employee about a minor work performance problem. The objective is to correct the problem by indicating in a friendly but serious manner how actual performance falls short of desired performance. This step ensures that no employee is disciplined for violation of a policy or procedure she/he might reasonably not know about. The supervisor will generally record and maintain on file the date of the discussion and a brief summary of the items discussed, including witnesses if appropriate. If the problem persists, a written reminder may be appropriate.

Written Reminder. This is usually the second step in the procedure if an oral reminder has not corrected the problem. If the offense is of a serious nature, a written reminder

would be an appropriate first step. The warning formalizes the discussion between the supervisor and employee, and it should include discussion as to how actual performance differed from that desired, how correction is to take place, and a definition of the expected time frame for correction. This could be considered a disciplinary probation period. The employee should sign the written summary of the discussion covered by the written reminder as acknowledgment and should receive a copy. Copies will be sent to the Human Resource Manager for record of the disciplinary action. If the employee refuses to sign the warning, this fact will be duly noted on the warning.

If an employee receives three warning letters for the same type of offense, the employee may be discharged. However, if an employee does not receive a warning letter for at least 12 months, the warning will be considered inactive. Inactive warnings will not be considered in determining employee promotion or transfer.

Suspension. This policy is for circumstances under which an employee may be suspended (with or without pay) when it is in the best interest of the Company to do so. Work suspension occurs when a manager or supervisor deems an action of an employee, whether intentional or unintentional, to be a violation of policy that should result in this course of discipline, and when the employee's absence during the suspension period will not negatively impact the Company. A letter will be given to the employee stating the reason for the suspension with or without pay. A decision to suspend is taken with care, in the light of the circumstances involved. For more information, employees should contact Trends' Human Resources Department.

Reduction in Pay. A temporary reduction in pay is usually an appropriate step to take after an employee has failed to heed a written reprimand. They are particularly appropriate for performance-related deficiencies in which a supervisor is attempting to improve the quality and/or quantity of work the employee performs. There are limited occasions when an employee's behavior is so egregious that a salary reduction is warranted in lieu of a written reprimand and a dismissal action is determined too severe for the situation. For more information, employees should contact the Human Resources Department.

Demotion/Reassignment. Demotion is a transfer to a position of lower rank and salary grade, resulting from either unsatisfactory performance or disciplinary action. Reassignment is a transfer to a position of lower rank and salary grade. The transfer results from a mutual agreement between the employee and employer. A reassignment may also result from organizational changes made to address needs within the department or Company. For more information, employees should contact the Human Resources Department.

Termination. This is not a step in the positive discipline procedure. It is one that may be taken when positive steps have been exhausted and performance has not changed, or when an employee has committed a major offense.

A major offense is one that involves dishonesty or seriously threatens Trends' operations and the safety and well-being of the individual or other employees. This represents behavior that is unacceptable to the Company. Examples would include theft or willful destruction of Trends property, threatening or effectuating unwanted physical contact with another person, fighting, falsifying Trends records, insubordination or other acts of misconduct, or any violation of state or federal statutes.

Recommendation for discharge will be documented in writing and a copy will be sent to Human Resources for review before any further action is taken. Documentation should include the employee's name, date of the incident, explanation of the circumstances resulting in the recommendation for discharge, and reference to all previous disciplinary steps taken, if any.

Appeal Procedure. An employee desiring to appeal a disciplinary action, taken for unsatisfactory work performance or work-related behavior, must file a written request with the HR department within 15 working days following receipt of notification of the disciplinary action. Oral and written warnings cannot be appealed; however, employees may respond in writing to written warnings placed in their personnel file. Trends reserves the right to not follow the progressive disciplinary system based upon the severity of the employee's conduct. Employees should direct any questions they have regarding disciplinary action and the appeals process to the Human Resources Department.

Note. Trends' disciplinary procedure policy does not constitute a guarantee that employment will continue for any specified period of time or end only under certain conditions. Once again, employment at the Company is a voluntary employment-at-will relationship, for no definite period of time. Nothing in this Handbook constitutes an expressed or an implied contract of employment. Trends may modify or depart from these procedures at any time and without notice.

EMPLOYEE PERFORMANCE APPRAISALS

Trends' Performance Evaluation System is designed to be an important part of an employee's career development. Employees receive performance evaluations in the first quarter of each year.

Purpose. Performance evaluations are a universally recognized management tool. Evaluations improve communication with employees by involving them in the process. They also provide a written record to support personnel decisions such as salary advancements, promotions, and demotions. Performance evaluations also help employees to clearly understand what their job duties are and what their managers expect of them.

PROMOTIONS

Trends believes that promoting individuals from within the Company strengthens Trends as a whole. Trends encourages the upward mobility of employees to positions for which

they are qualified and which meet their career interests and objectives. At the same time, Trends recognizes that some positions require special skills and expertise that cannot be learned with Trends. Trends is dedicated to balancing these two needs with awareness that long-term loyalty is built upon a sound foundation of employee development and promotion opportunities. Any Trends employee may apply for a posted job opening provided that he or she has been continuously employed in their current position by Trends for at least six months. Full consideration is given to all interested candidates meeting the requirements of the position.

ABSENTEEISM AND TARDINESS

Each job at Trends is essential to the production and delivery of our products to our customers. An employee's co-workers depend upon his or her contribution each day. An employee's absence or tardiness can slow down operations, causing costly and time-consuming delays, and jeopardizing Trends' customer relations.

Trends policy is that all employees must notify their supervisor of an absence as soon as practical, or within 30 minutes before the start of the workday. Lack of a telephone or absence from town is not an excuse for an employee to fail to notify his or her supervisor of absence or tardiness. An employee should call in every day that he or she is absent unless on an approved leave of absence. No one may call in on the employee's behalf.

In all cases of absence or tardiness, employees must provide their supervisor with an honest reason or explanation. Documentation of the reason may be required. Employees must also inform their supervisor of the expected duration of any absence. Repeated absenteeism and/or tardiness or failure to notify a supervisor of an absence may lead to disciplinary action.

NEPOTISM

Trends has no prohibition against hiring relatives. Being a relative of a Trends employee shall not prevent a person from being employed or advanced in employment. However, no two persons who are related within the third degree of kinship shall be given positions in which either one is directly responsible for making recommendations regarding hiring, promotion, salary, or retention of the other. For all purposes involving the application of the policy, a relative within the third degree is defined as a parent, spouse, child, brother, sister, the foregoing as in-laws, and other close relatives by birth or marriage, including, but not limited to, aunt, uncle, nephew, and niece.

OUTSIDE EMPLOYMENT

Trends makes every effort to keep its employees as fully employed as possible and at a competitive rate of compensation. When employees are on the job, this means that 100% of their effort is required. If employees choose to work outside of their job and the outside employment competes with what is expected of them as employees of Trends,

opportunities for promotion and advancement with Trends may be limited by this decision.

Employees engaged in outside employment, whether for compensation or otherwise, may not utilize Trends facilities, resources, property, telephones, equipment, or staff in support of such activities, nor may those activities be conducted on Trends premises.

If management feels that outside employment prevents an employee from fulfilling his/her obligations to the Company, the employee will be asked to resign from Trends or to leave the outside employment.

All supervisory personnel are expected to enforce this policy and, by example, refrain from conflicting outside employment.

RESIGNATION

All employees wishing to resign from their position should immediately submit written notification to the Human Resources Department.

Although an employee may terminate his or her employment at will, the Company requests that an employee give at least a 10-workday notice in writing.

The salary of an employee whose services are terminated before the end of a pay period will be prorated on the basis of workdays during the week of termination. All Company property (badges, keys, IT equipment, files, credit cards, and tools) must be returned to the Senior Manager of Human Resources by the last day of work. The termination date of any terminating employee will be the last day physically worked.

For more information about terminating employment, employees should refer to the Paid Time Off (PTO) and Holiday sections of this Handbook.

ABANDONING JOB

Employees who are absent from work for three consecutive working days, without proper notification to the immediate supervisor regarding the absence, will be considered as having abandoned their job and voluntarily resigned their employment at Trends “not in good standing.”

It will also be considered voluntary resignation if an employee walks out of his/her job without notifying his/her supervisor.

Prior to making a determination regarding job abandonment for employees, the employee’s immediate supervisor shall make a good faith effort to contact the employee to ensure there are no extenuating circumstances concerning the absence(s). If the supervisor is unable to make contact with that employee and/or no extenuating circumstances are identified, the job abandonment designation is then made.

The employment-separation decision is communicated to the employee by mail.

RETURN OF COMPANY PROPERTY

When an employee's employment with the Company ends, Trends expects the employee to return Company property in clean and good repair. This includes all manuals and guides, documents, phones, computers, equipment, keys, and tools.

The Company reserves the right to take any lawful action to recover or protect their property.

EMPLOYMENT REFERENCES

All employment verification inquiries from current or former employees, prospective employers of current or former employees, governmental agencies, or other organizations such as a financial or lending institution, are to be directed to Human Resources for an official Company response. Under no circumstances is any other employee authorized to provide a verbal, written, or official employment verification response for the Company. Only job titles and dates of employment will be released, unless the employee provides written consent.

BENEFITS

As part of our commitment to our employees and their well-being, Trends provides employees with a variety of benefit plans, which are listed below. Although we introduce employees to those plans in this section, we cannot provide the details of each plan here. Employees should receive official plan documents for each of the benefit plans that we offer. Those documents (along with any updates that we give employees) should be the primary resource for information about benefit plans. If an employee sees any conflict between those documents and the information in this Handbook, employees should rely on the official plan documents.

The benefits we provide are meant to help employees maintain a high quality of life, both professionally and personally. We sincerely hope that each employee will take full advantage of these benefits. If employees don't understand information in the plan documents or if they have specific questions about the benefits Trends offers, they should contact the Human Resources Department.

HOLIDAYS

Full-time and part-time employees working at least 1,000 hours per year are eligible for holiday pay effective on the employee's first day of employment at Trends. Temporary or seasonal employees and part-time employees working less than 1,000 hours per year are not eligible for holiday pay.

Trends currently observes the following eight holidays:

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Eve
- Christmas Day

Employees may not elect financial compensation in lieu of taking time off for a holiday, and no payment will be made if employment is terminated prior to using any of the holidays. If an exempt employee is asked to work on a holiday, an alternate day off will be allowed in lieu of taking the holiday. If a non-exempt employee is asked to work on a holiday, he/she will be paid at the applicable overtime rate (see Compensation policy). If an employee has submitted a resignation of employment, his/her last day of work may not be a holiday.

If a holiday falls on a weekend, the Company will inform employees when the holiday will be observed. Ordinarily, holidays falling on Saturday or Sunday will be observed on the day such holiday is observed by the federal banking system.

PAID TIME OFF

Paid Time Off (PTO) is earned by full-time employees each pay period. Hours of PTO may be scheduled throughout the year with the approval of an employee's direct supervisor. PTO requested in a block greater than 80 hours requires approval by the Vice President of Finance & Operations. Time may be utilized in blocks of four or more hours. As a guideline, at least half of an employee's annual PTO hours should be taken in blocks of 40 hours. Unanticipated PTO, such as absences due to sudden illnesses, must be approved by a direct supervisor after the employee returns to work, or will be considered unpaid leave.

PTO that is unused at the end of the calendar year may be used between January 1 and March 31 of the following year. On March 31, all unused PTO from the previous calendar year will expire.

PTO may be taken at any time; however, PTO will be scheduled to avoid conflicts with other employee's PTO and with busy periods of the year. Unless there is an emergency, an employee must request PTO at least 30 days prior to the requested time off.

Because employees are entitled to take PTO for any reason, employees should manage their PTO responsibly to ensure that they have time available for emergencies, such as personal or family illness. An employee who needs time off but has no accrued PTO may be eligible to take unpaid leave. The Company will decide these requests on a case-by-case basis.

Accrual of PTO

PTO will be accrued in accordance with the following guidelines:

- 6 months, but less than 3 years: 15 days, 120 hours, 5 hours per pay period
- 3 years, but less than 5 years: 20 days, 160 hours, 6.67 hours per pay period
- 5 or more years: 25 days, 200 hours, 8.33 hours per pay period

Employees will receive payment for earned and unused PTO upon termination. Once an employee has submitted a resignation of employment, PTO time may not be taken without consent from Human Resources and the department director.

FUNERAL LEAVE

The purpose of funeral leave is to provide regular full-time employees with time to attend funerals of family members and to handle related affairs.

The maximum amount of funeral leave granted for bereavement will be determined by the relationship of the employee to the deceased, as listed below.

- Regular full-time employees will be granted paid leave for a death in the immediate family as needed up to three days without the absence being charged against PTO. Immediate family is defined as parent, spouse, child, brother, sister, stepparent, stepbrother, stepsister, stepchildren, or grandchild.
- Regular full-time employees may be granted time off from work without loss of regular pay or charged against PTO for attending the funeral of a relative not a member of their immediate family, but not to exceed one work day of eight hours. This includes grandparents, uncles, aunts, nieces, nephews, first-generation cousins, and in-laws.
- Admittedly, some close friends may be more emotionally significant to an individual than those of whom paid leave is granted. However, it would be nearly impossible for the Company to judge or to write policy on all the various situations that can arise. Therefore, PTO must be taken for any situation that has not been covered by this policy statement.

Arrangements should be made with the manager of the department, by telephone if necessary, so that work may be planned. If the department is not notified, the employee may be required to take leave without pay.

JURY DUTY

If an employee is called to serve jury duty at the federal, state, or local level, Trends encourages that person to fulfill his or her rights and duties as a citizen. Time off will be granted for the duration of the jury duty. The employee should provide the jury duty summons to his or her supervisor as soon as possible so that proper arrangements can be made to cover the absence. The employee will receive his/her full straight-time wages plus any court fees received for time spent on jury duty for up to 10 business days per year, with no pay after that period. After exceeding the 10 days, it will be at the employee's discretion to use available PTO or take unpaid leave. Employees will also be eligible for employee benefits as if they were actively employed during an approved jury duty.

In the event that an employee is dismissed from jury duty early on any day, he or she must report to work for the remainder of the day. Employees who appear before a court or jury in a matter to which they are a party may use PTO leave. Examples of this include, but are not limited to, criminal or civil cases, traffic court, divorce proceedings, custody hearings, or other court-ordered appearances.

Employees will also be required to submit their daily Certificate of Attendance from the court to HR with dates and times of service.

COURT DUTY

An employee subpoenaed to appear in court must submit a copy of the subpoena to the Human Resources Department. Unless the subpoena is work related, time will be charged to PTO leave.

EMPLOYEE-ASSISTANCE PROGRAM

Trends strives to ensure that all employees are provided with an enriching and supportive work environment. It is in the best interest of both the Company and its employees to provide assistance for employees in dealing with work, home, personal, or family issues. This program is paid fully by the Company and is available to full-time employees and their family members. If employees are in need of assistance, they should contact the Human Resources Department for contact information.

LENGTH OF SERVICE AWARDS POLICY/RETIREMENT AWARDS POLICY

The purpose of this policy is to provide a mechanism to officially recognize associates for their length of service and to reward associates who choose their careers with Trends.

Eligibility. This policy applies to all full-time associates (which equals 2,080 hours a year) and associates who have at least worked 50% part-time (1,040 hours a year). The length of service milestone must occur between January 1 and December 31 of the subject year, based on the employment date in the Trends payroll system.

Length of Service. A gift selected from a list provided by HR will be presented to an associate for length of service contributions to Trends. Periods of leave with pay, military leave, maternity leave, short-term disability, and leave without pay due to work-incurred injury or illness are included when calculating length of service. Periods of leave for long-term disability and Family Medical Leave Act (FMLA; U.S. only) shall not be included when calculating length of service. Qualifying associates will receive a gift based on the following number of years of permanent service:

- 5 years
- 10 years
- 15 years
- 20 years
- 25 years
- 30 years

Retirement. A gift selected from a list provided by HR will be presented to an associate upon his or her retirement, subject to the number of years specified above.

Procedures. Length of Service and Retirement Awards shall be prepared by the Human Resources Department each year and shall be made ready for presentation at the annual Holiday Luncheon held each December for associates located in Indianapolis. The awards will be presented by the President of Trends. Awards for associates not present at the Holiday Luncheon shall be forwarded directly to the associate by Human Resources.

Review. This policy shall be reviewed annually by the Human Resources Department.

MILITARY LEAVE

The Company supports its employees who serve their country by participating in the uniformed services. It is Company policy to grant a leave of absence without pay to employees who participate in U.S. Armed Forces Reserve or National Guard training programs in accordance with the provisions of the Universal Military Training and Service Act and any applicable state law.

FAMILY AND MEDICAL LEAVE OF ABSENCE

Trends will grant family and medical leaves of absence in accordance with the Family and Medical Leave Act (FMLA) and applicable state or other laws. The law is complex, so we encourage employees to contact Human Resources if they are anticipating a need to take a leave and/or if they have questions about the law or this policy.

Eligibility

Employees may be eligible for FMLA leave if they meet the following criteria:

- Work at a company facility with at least 50 employees within a 75-mile radius
- Have worked for the company for at least 12 months
- Have worked for at least 1,250 hours during the 12 months preceding the commencement of the requested leave of absence

Note: Certain high-level salaried employees may be exempt from the law if granting a leave would cause the Company economic hardship.

Reasons for FMLA Leave. An employee may take FMLA leave for any of the following reasons:

- The birth or care of a newborn child
- The placement of a child with the employee for adoption or foster care, or the care of the newly placed child

- The care of a spouse, child, or parent (but not in-law) with a serious health condition
- An employee's own serious health condition
- Any qualifying exigency related to a spouse, child, or parent who is a member of the National Guard or Reserves or of a regular component of the Armed Forces when the covered military member is on covered active duty or called to covered active duty
- The care of a spouse, child, parent, or nearest blood relative recovering from an injury or illness sustained while on active duty in the Armed Forces

A serious health condition generally means an illness, injury, or other medical condition that renders the employee unable to perform his or her job, such as a period of hospitalization or a period of incapacity exceeding three days while under the continuing care or treatment of a health-care provider.

Leave Time Allowed:

- FMLA allows eligible employees to take up to 12 unpaid workweeks of leave during a 12-month period for the family and medical reasons listed above.
- Eligible employees with a spouse, son, daughter, or parent who either has been notified of an impending call or order to covered active military duty or who is already on covered active duty may use their 12-week leave entitlement for reasons related to or affected by the family member's call-up or service. The qualifying exigency must be one of the following: 1) short-notice deployment, 2) military events and activities, 3) child care and school activities, 4) financial and legal arrangements, 5) counseling, 6) rest and recuperation, 7) post-deployment activities, and 8) additional activities that arise out of active duty, provided that the employer and employee agree, including agreement on timing and duration of the leave.

For specific FMLA provisions (including members of the Armed Forces and National Guard or Reserves), employees should contact the Human Resources Department.

Employees can also find information on the United States Department of Labor website: www.dol.gov.

VOTING LEAVE

Employees are encouraged to participate in any electoral process (local, state, or national). Employees who exercise their right to vote are entitled to statutory protections (state laws).

NURSING DURING WORK TIME

Trends will provide unpaid breaks and a private lactation location for employees to pump breast milk during breaks and/or lunch breaks. Upon request, Trends will provide a cold storage space for keeping the milk until the end of the work day; otherwise, employees may use their own portable cold storage devices.

INTERNATIONAL TEMPORARY MEDICAL SERVICES

Trends has contracted with Seven Corners to provide temporary medical assistance for Trends employees while traveling to Canada on official Trends-related business. If an employee takes advantage of this benefit and enrolls while they are traveling on official business for Trends, the primary provider will be Seven Corners and the secondary provider will be the employee's primary provider.

In order to take advantage of this program, employees must enroll at least 24 hours in advance of each trip (weekends and holidays excluded). Temporary medical insurance cannot be obtained once travel has commenced. The final responsibility for obtaining these temporary medical services during travel assignments remains with the employee. Each time the employee travels, Seven Corners will assign a new Virtual ID number, which the employee will receive via email after his or her online enrollment has been completed by the HR Department.

How to enroll. The employee should send the following information via email to the HR Department prior to his/her travel schedule:

- Name of insured
- Dates of travel (leave date and return date)
- Date of birth

GROUP INSURANCE

As with all of the policies in this Handbook, Trends' insurance coverage may change at any time. Employees should refer to the Job Classifications section of this Handbook. For the most up-to-date information about coverage, employees should refer to the Summary Plan Descriptions (SPD), which can be found on Trends' website, or they can contact the Human Resources Department.

HEALTH, RX, DENTAL, & VISION INSURANCE

Eligibility to receive health care benefits depends on employee classification. All regular full-time employees are eligible for group insurance, which includes health, Rx, dental, and vision coverage. Temporary and part-time employees are not eligible for benefits under the plan. Benefits begin on the 61st day of employment.

SHORT-TERM DISABILITY (STD) INSURANCE

After completing six months of employment, all regular full-time employees who become unable to work because of a non-work-related accident or illness, including disability caused by, or contributed to by, pregnancy, miscarriage, and childbirth and recovery there from, are eligible for short-term disability (STD) coverage. It is necessary for the employee to be under the care of a licensed physician in order to receive STD insurance benefits.

Benefit payments begin for a disability after a continuous period of disability exceeds seven calendar days, and payments will continue as long as the employee is disabled, up to a maximum of 12 weeks. During the seven-day waiting period, employees are required to utilize accrued PTO. STD is paid at the rate of 100% of base salary for each day missed up to 12 weeks.

Periods of disability due to the same cause will be considered the same period of disability unless they are separated by at least two weeks. Periods of disability due to different causes will be considered different periods of disability if they are separated by a return to work of at least five working days.

Employees are required to present satisfactory proof of continuing disability each week the employee is on STD. If proof of continuing disability is not provided as set forth above, leave may be denied or discontinued until it is provided. A written release from the employee's physician is required in order to return to work.

Employees absent on STD are not eligible for any salary increases, which occur during their absence. When the employee returns to work, he/she is eligible for the general increases, if any, that occur during his/her absence (retroactive based on effective date of pay increase).

LONG-TERM DISABILITY (LTD) INSURANCE

Regular full-time employees are eligible for Company-paid group long-term disability (LTD) upon completion of six months of employment. Following the 12 weeks of STD insurance coverage, group LTD benefits will provide 60% of a qualified employee's monthly wages up to age 65. Benefits are integrated with workers' compensation insurance, Social Security, and any other sources of LTD income.

Employees and their covered dependents are eligible to continue health insurance through provisions of COBRA, a federally mandated program.

GROUP LIFE INSURANCE

Regular full-time employees are eligible for Group Life Insurance on the 61st day of employment. Group Life is Company-paid and is twice the employee's annual salary up to \$50,000 a year.

SUPPLEMENTAL/DEPENDENT VOLUNTARY LIFE INSURANCE

Regular full-time employees are eligible for Supplemental/Dependent Voluntary Life Insurance on the 61st day of employment. Term Life and/or Accidental Death and Dismemberment insurance are also available.

VOLUNTARY ACCIDENT AND/OR CRITICAL ILLNESS INSURANCE

Regular full-time employees are eligible for Accident and Critical Illness insurance on the 61st day of employment.

COBRA

When an employee or his or her enrolled dependents are no longer eligible for regular coverage under the Company's medical plan, he or she may be eligible for continued coverage by paying the monthly premium for the coverage. This is guaranteed under the Consolidated Omnibus Budget Reconciliation Act (COBRA) if the following conditions are met:

- The employee was covered under the group plan at the time of a qualifying event (see "Qualifying Events" below)
- The employee is not eligible for Medicare
- The employee is not eligible for coverage under another employer's group plan
- The employee has not applied to convert his or her group coverage to an individual health/life insurance policy

Qualifying Events

Employees have the right to choose continuation coverage (COBRA) if they lose group insurance because of a reduction of hours in employment or the termination of employment (voluntary or involuntary) for reasons other than gross misconduct. A covered family member or dependent child has the right to choose continuation coverage (COBRA) if coverage is lost for any of the following reasons:

- The employee dies
- The employee is terminated (voluntarily or involuntarily) or his or her hours of employment are reduced
- The employee becomes eligible for Medicare
- The employee's child is no longer considered a "dependent child" under the terms of the Company's insurance policies

Employees must inform Trends as soon as possible in the case of a qualifying event. If the employee has questions regarding continuation coverage (COBRA) or the responsibilities to obtain and maintain it, he or she should contact Human Resources.

FLEXIBLE SPENDING ACCOUNT PROGRAM

To help employees with out-of-pocket health care and dependent care costs, Trends offers a Flexible Spending Account (FSA) program that allows employees to pay for certain health care and dependent care expenses with tax-free dollars. All regular full-time employees are eligible for Trends' FSA program on the 61st day of employment. Eligible new employees must submit an election form in order to enroll in the FSA program. Current employees must resubmit an election form prior to each plan year in order to continue participation.

According to IRS regulations, any funds left in an employee's FSA at the end of the plan year cannot be returned to the employee.

HEALTH, RX, DENTAL, & VISION FLEXIBLE SPENDING ACCOUNT (Traditional Plan Only)

To enroll in the Flexible Spending Account (FSA), an employee determines the amount he/she expects to spend for health care-related expenses for the coming plan year, up to \$2,000. This amount is then deducted in equal installments each payroll during the plan year. No changes can be made unless there are qualifying events; employees should contact Human Resources for a list of these events. Employees can then be reimbursed throughout the plan year for eligible expenses incurred by themselves or their eligible dependents. Eligible expenses generally include health, Rx, dental, or vision care expenses that are not covered, or only partly covered, by Trends' Employee Benefit Plan or by the healthcare plan provided by the employee's spouse. Some examples of eligible expenses include:

- Deductibles and co-pays under any health, dental, vision, or prescription drug plan
- Expenses for medical, dental, or vision services not covered by the employee's health plan
- Expenses in excess of medical or dental limits (for example, orthodontic expenses greater than the limit set by the dental plan)
- Any other health care expense an employee could deduct on their federal income tax return

Employees should contact Human Resources for a complete list of eligible and non-eligible expenses.

DENTAL & VISION LIMITED FLEXIBLE SPENDING ACCOUNT (Health Savings Account Only)

Employees enrolled in a Health Savings Account (HSA) are not eligible to participate in a traditional Flexible Spending Account (FSA). In order to maximize the benefits of employee HSAs, Trends offers a limited-purpose FSA to reimburse eligible dental and vision care expenses. This type of flexible spending program is designed for employees who have an HSA and are not permitted to be covered by a traditional FSA while contributing to that HSA.

DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT

Like the Health, Rx, Dental, and Vision Flexible Spending Account (FSA), the Dependent Care FSA allows employees to set aside up to \$5,000 from their pay on a pre-tax basis. This tax-free money can be used to pay day care expenses for the employee's dependent(s). The dependent care must be necessary for the employee (or the employee and their spouse) to work or in order for the spouse to attend school full-time. To enroll, an employee determines the amount he/she expects to spend for dependent care-related expenses for the coming plan year. This amount is then deducted in equal installments each payroll during the plan year. Employees can then be reimbursed throughout the plan year for eligible expenses incurred for day care for their eligible dependents.

Eligible dependents for the Dependent Care FSA include children under the age of 13, and any other person who is the employee's dependent for federal income tax purposes who is physically or mentally incapable of caring for himself or herself (including a spouse, parent, or grandparent).

If the care is provided outside the employee's home, the dependent(s) must spend at least eight hours each day in the employee's home. The employee will have to report the Social Security number or Federal Identification Number of the caregiver on his/her federal income tax return.

WORKERS' COMPENSATION

All Company employees are covered by workers' compensation insurance. Enrollment is not required. The cost of the premium is paid entirely by the Company.

The Company provides a safe and healthy work environment. When a work-related illness or injury occurs, the Company will provide immediate medical attention and manage cases to minimize workers' compensation costs. The Company is committed to returning employees to work, either on light or regular duty, as appropriate, following a work-related illness or injury after the physician releases them to return to work.

An employee who becomes ill or injured as the result of a job-related incident is authorized to obtain medical attention from Trends-authorized injury clinics, walk-in clinics, or hospitals. The supervisor is responsible for immediately reporting work-

related illnesses or injuries to the Human Resources Department and taking corrective action to prevent the same or similar injury from occurring. The supervisor is also responsible for completing the First Report of Injury or Illness form.

When an employee is out of work due to a work-related illness or injury and the absence meets the criteria, the absence counts toward the employee's Family and Medical Leave Act (FMLA) entitlement.

Supervisor Responsibilities

All supervisory personnel are expected to provide a safe work environment for their employees. By providing a safe work environment, costs incurred by workers' compensation claims and absenteeism will be reduced. In order to achieve this objective, all supervisors are to adhere to certain procedures with regard to safety matters.

Supervisors are to make every effort to improve communication and awareness of safety and workers' compensation issues among their employees. This will be done by:

- Ensuring that all employees are aware of and are trained in the current Company and departmental safety practices and procedures
- Developing additional safety procedures, as appropriate, for the work being performed in his or her respective work units and providing employees with instructions regarding proper use of equipment and ensuring that safety practices are regularly followed
- Developing job-specific performance standards relating to safety
- Making all necessary and relevant safety practices part of a new employee's orientation
- Ensuring that employees have and use all equipment necessary to perform their duties safely at all times
- Ensuring that all employees have been fully instructed in the proper and safe use of all job-related equipment and in the general performance of their duties in a safe manner
- Taking appropriate disciplinary action for all willful violations of safety practices and for failure to use required safety equipment
- Soliciting suggestions from employees and encouraging their participation in making the workplace safer and responding promptly to any employee safety concern for himself or herself or another employee that may require training, re-training, or disciplinary action

- Reviewing job descriptions of all employees to determine if work being routinely performed has a higher-than-normal potential of causing injury or disability and exploring ways of eliminating that risk
- Ensuring employees have appropriate licensure where required

If a work-related injury occurs, supervisors, along with the Human Resources Department, are to do the following:

- Promptly report all problems that present a potential risk for causing injuries and/or harm because of equipment and/or property and request that any risks/problems be corrected immediately
- Promptly report all accidents/incidents that occur in their work area
- Investigate the circumstances of all injuries that occur in their work area and use them as learning opportunities to prevent future injuries
- Confirm all claims of injury and provide all needed assistance to Company personnel responsible for investigating workplace injuries and related claims
- At earliest convenience, review the employee's rights and provide the employee with a copy of his or her Official Injury Report form
- Maintain communication with the injured employee at least once per week to determine his or her condition and anticipated return-to-work date if unable to return immediately
- As soon as possible, request that the employee sign the Authorization to Release Medical Information form
- Provide light-duty work to the employee within the restrictions determined by the physician where feasible

When an employee has sustained a work-related injury and is unable to return to work, supervisors are to do the following:

- Ensure that attendance and leave records are accurately maintained
- Maintain contact with and provide updated information to the Human Resources Department
- Review the employee's prognosis at least every doctor's visit in order to be prepared for:
 - The employee's return to full duty
 - The employee's resignation or retirement

- The termination of the employee for being physically unable to perform his or duties
- When the employee is released to full-time or part-time duty with or without restrictions, supervisors are to do the following:
 - Make every reasonable effort to facilitate the injured employee's return to work.
 - Work with the employee to determine the most effective way to carry out job tasks so as to prevent any re-injury. This may include additional training, purchase and use of related safety equipment, etc.
 - Take appropriate disciplinary action when the employee does not follow safety procedures, use prescribed safety equipment or devices, or other related issues.

Employee Responsibilities

Employees are required to learn the proper use of safety devices and observe safety rules and practices. Employees must do the following:

- Immediately report all job-related illnesses or injuries to the supervisor or department head; failure to report an illness or injury and to complete the Official Injury Report within 30 days of the injury may result in denial of benefits under the Company's Workman's Compensation Policy
- When treatment is ongoing, maintain contact with the Human Resources Department regarding claim status and scheduled physician's appointments and submit regular reports from the physician to the Human Resources Department
- Provide the Human Resources Department with receipts for drugs, documentation of visits to a physician, and future medical appointments
- Prepare written request for use of leave when unable to return to work as a result of a work-related illness or injury; follow Company practices for reporting absences to ensure receipt of benefits

Emergency Steps to Follow

The supervisor will:

- First call 911; then contact the Human Resources Department about the severity of the injury or illness.
- Complete the entire claim package in accordance with the accompanying instructions, sign forms, and submit to the Human Resources Department

within one workday after the incident. If the supervisor is unavailable to sign the form, another department employee may sign it. Do not delay forwarding the First Report of Injury or Illness to the Human Resources Department due to an employee's inability to sign the form.

- Forward any medical or physician's statements to the Human Resources Department.

Non-Emergency Steps to Follow

The supervisor will:

- Request that the employee complete the employee information section of the First Report of Injury or Illness. Complete the employer information section of the First Report of Injury or Illness, sign forms, and submit to the Human Resources Department within one workday after being notified of the incident.
- Provide the employee with a copy of the First Report of Injury or Illness form and review the employee's rights and responsibilities. If the employee requests medical treatment, this copy should be used to provide proof to the physician/pharmacy that the injury/illness is work-related.
- Determine if the employee wants or needs medical treatment.
 - If the employee requests or needs medical treatment, the supervisor, appropriate authority, or employee is to select one of the authorized medical facilities.
 - Depending on the injury or illness and time of day, the supervisor should do the following:
 - Call the selected medical facility and make an appointment for the employee
 - Arrange transportation for the employee, due to an emergency or due to employee's physical needs, if necessary
 - Forward any medical or physician's statements to the Human Resources Department
 - If the employee accepts medical treatment, request that the employee complete the Authorization to Release Medical Information form.
 - If the employee refuses medical treatment, document the refusal and instruct the employee to notify the supervisor immediately if medical treatment is needed later. The supervisor should then forward this information to the Human Resources Department.

LIGHT-DUTY ASSIGNMENTS POLICY

Trends does not have permanent light-duty positions. However, in the event that an employee is able to return to work following an injury, disability, or other medical leave of absence before he or she is otherwise able to perform the essential functions of the employee's regular position, Trends may offer a temporary light-duty assignment. By definition, such assignments are temporary in nature and are not intended to create a permanent position. Accordingly, employees may only perform such temporary assignments for the lesser of the following periods: (1) the time necessary for the employee to return to his or her regular position (with or without reasonable accommodations); (2) the time necessary to complete the temporary assignment; or (3) three months. If an employee is unable to return to his or her regular position after three months, such employee may request to be placed in any vacant position for which he or she is qualified, with or without reasonable accommodation, consistent with any restrictions imposed by the employee's doctor. If no such position is available, the employee will be returned to medical leave of absence. The nature and availability of temporary work assignments will generally fluctuate and will be determined based on the needs and discretion of Trends. Employees will be assigned any available temporary work on a first-come, first-serve basis.

Trends and its insurance carrier shall not be responsible for the payment of workers' compensation benefits for any injury that arises out of an employee's voluntary participation in any off-duty recreational, social, or athletic activity which are not part of the employee's work-related duties.

STATE DISABILITY INSURANCE POLICY

There are several states that provide statutory disability programs, which are California, Hawaii, New Jersey, New York, and Rhode Island. If the employee is unable to work because of an illness or injury that is not related to work, then he or she might be eligible for state disability insurance instead of workers' compensation. Employees should contact the Human Resources Department for more information.

UNEMPLOYMENT INSURANCE

If an employee's employment with the Company ends, he or she may be eligible for unemployment benefits. These benefits provide the employee with a percentage of his or her wages while unemployed and looking for work. To find out more, employees should contact their local unemployment office.

401(K) SAVINGS PLAN

The Company has established a 401(k) savings plan to provide employees with the potential for future financial security for retirement.

To be eligible to join the 401(k) savings plan, employees must complete three months of service and be 21 years of age or older. Eligible employees may participate in the 401(k) plan subject to all terms and conditions of the plan.

The Company also contributes an additional matching amount to each employee's 401(k) contribution, which is 50% up to 6%.

Complete details of the 401(k) savings plan are described in the Summary Plan Description (SPD) provided to eligible employees and can be accessed on Trends' website.

TRENDS-ISSUED CREDIT CARD

Management may decide that certain positions within Trends warrant the need for a Company-issued credit card. The privilege of using a corporate credit card also comes with the obligation to submit a related expense form in a timely fashion. Each month cardholders will receive a statement from the issuing bank with business-related charges. Employees should follow the procedures listed below:

- Accumulate the detailed receipts throughout the month for all purchases made on the credit card.
- Review the statement sent at the 1st of each month, and attach the detailed receipts in the same order as they appear on the statement. If the detailed receipts are not in order, the statement will be returned to the cardholder to correct. Credit card expense forms received without all detailed receipts attached will be returned to the manager.
- Use the Excel spreadsheet found under HR documents on the Associates side of Trends' website to break down charges; employees should be sure to sign the spreadsheet.
- Email and/or give a copy of statement, Excel spreadsheet breakdown, and receipts to the manager for approval.
- After manager approval, please send to the Human Resources/Payroll Specialist for review before the 10th of each month.

If a cardholder has charges and has not submitted the expense form, statement, and receipts by the 15th of the following month, that cardholder's Trends corporate credit card account will be cancelled until the information is received. At that time, the cardholder will have to submit any business expenses incurred for Trends on an expense report.

RECEIPT AND ACKNOWLEDGMENT OF THE TRENDS INTERNATIONAL, LLC EMPLOYEE HANDBOOK

I understand that my signature below indicates that I have received the Trends International, LLC Employee Handbook. I also understand that it is my responsibility to read the Handbook. I also understand that the policies and/or procedures in this Handbook may be changed by the Company at any time, with or without notice. Furthermore, I understand that the policies and procedures contained in this Handbook do not constitute a contract or a guarantee of employment. My employment with Trends is not for any fixed or guaranteed period of time and may be terminated at will. I understand that violations of any of the aforementioned policies may result in Company-deemed appropriate disciplinary action, up to and including separation of employment.

(The signed original copy of this agreement will be filed in your personnel file.)

Employee Signature

Date

Name (please print)

TRENDS INTERNATIONAL, LLC CONFIDENTIAL INFORMATION AGREEMENT

In consideration for continued employment with TRENDS INTERNATIONAL, LLC (Trends) and in connection with such employment, and for other good and valuable consideration received, I agree as follows:

1. I acknowledge that during the course of my employment, I may be exposed to confidential or proprietary information, which is the exclusive property of Trends. I agree that I will not disclose such information to third persons without first having obtained written permission from the President of Trends. I further agree that all proprietary or confidential information and products, inventions, or discoveries that I develop or assist to develop during or as a result of my employment will become the property of Trends unless written release thereof is given by Trends.
2. This agreement supersedes all previous agreements, written or oral, relating to confidential or proprietary information, and inventions, discoveries, or products and cannot be changed orally.
3. I understand that damages for violations of this agreement would be extremely difficult to compute and agree, therefore, that Trends would be entitled to obtain injunctive relief to prevent violation of this agreement.
4. This agreement shall be construed according to the laws of the State of Indiana.

(The signed original copy of this agreement will be filed in your personnel file.)

Employee Signature

Date

Name (please print)

EQUAL EMPLOYMENT OPPORTUNITY AND NON-HARASSMENT POLICY ACKNOWLEDGMENT OF RECEIPT

I hereby acknowledge that I have received TRENDS INTERNATIONAL, LLC's policies regarding non-discrimination, equal employment opportunity, sexual harassment, and computer usage, and that I have been advised to read them carefully and bring any questions that I have to the attention of the Human Resources Department. The policies:

Set forth the Company's commitment to a policy of equal employment opportunity and to maintaining a workplace free of discrimination and harassment;

Identify examples of the types of discrimination and harassment prohibited by the policy;

Require employees to report discrimination and harassment and tell employees who to contact to make a complaint of harassment or discrimination;

Describe the various steps the Company will take to respond to reported incidents; and

Prohibit retaliation against persons who report alleged discrimination or harassment.

Employee Signature

Date

Name (please print)