

**J.CREW GROUP, INC.**

**SHORT-TERM DISABILITY PLAN**

**PLAN SUMMARY**

## Introduction

This Plan Summary describes the Plan's current rules on eligibility and other administrative procedures. However, it does not provide all the details of the Plan. These can be found in the documents and/or official contracts. In any case of conflict between the description contained in this summary and the provisions of the Plan documents and/or official contracts, the Plan document and/or official contract will govern.

To the extent that this summary provides any description of state disability benefits or Social Security benefits, it is only intended as an outline of current law, but in no way represents authoritative legal advice. If you have questions about your state disability benefits or Social Security benefits, please contact your state disability office or the Social Security Administration or your personal legal advisor.

Benefits under the Plan are administered by PRUDENTIAL. If you have any questions about the J.CREW Short-Term Disability Plan, please contact Human Resources or PRUDENTIAL.

## Benefits at a Glance

The Short-Term Disability Plan replaces part of your pay for up to 26 weeks beginning on the first day you are unable to work due to pregnancy or a non-work-related illness or injury. If you are injured at work, you may be able to procure benefits under the terms of this Plan if your injury is work-related and you are not eligible for workers' compensation benefits of any kind.

The following chart highlights some key features of the Short-Term Disability Plan. Be sure to read this summary carefully for a more detailed description of the program and how it works.

Feature	Highlights
<b>Eligibility</b>	<p>You are eligible for Short-Term Disability benefits if:</p> <ul style="list-style-type: none"><li>• You are a regular part-time or full-time active associate and</li><li>• You are regularly scheduled to work 20 hours or more per week.</li></ul> <p>Additional eligibility requirements can be found on page 3.</p>
<b>Enrollment and Participation</b>	<ul style="list-style-type: none"><li>• If you are eligible, your enrollment is automatic. You are not required to enroll.</li><li>• Participation in the Plan begins the first day of the month following the completion of 90 days of active employment.</li></ul>
<b>Contributions</b>	<ul style="list-style-type: none"><li>• The Company pays the full cost of coverage.</li></ul>
<b>Benefits</b>	<ul style="list-style-type: none"><li>• Benefit begins after you have been unable to work due to an illness and under the care of a physician for 7 consecutive calendar days or immediately after giving birth.</li><li>• Benefits begin immediately for a disability due to injury.</li><li>• If you become eligible for benefits, the Plan will pay you a disability benefit up to 70% of your base weekly salary.</li><li>• This benefit will continue for up to a maximum of 26 weeks from the date that you are unable to work due to a non-work-related illness or injury.</li></ul>

<b>Special Rules</b>	<ul style="list-style-type: none"> <li>• The amount of your benefit will be offset by benefits provided by any state or government disability benefit.</li> </ul>
<b>Termination of Employment</b>	<ul style="list-style-type: none"> <li>• If you exhaust your STD benefit and remain disabled, your employment with the Company may be terminated. If you are eligible and meet the requirements, you may apply for Long-Term Disability benefits.</li> </ul>

### Short-Term Disability Benefits

If you have an injury, illness, or are pregnant and are unable to work, you may be eligible for STD benefits. Currently, STD coverage is provided at no cost to you. You may begin to receive STD benefits following seven consecutive days of disability, if you are under the care of a physician. The seven-day waiting period is called the Qualifying Week or the Elimination Period.

The Qualifying Week does not apply if your disability is the result of a non-work-related injury. If an employee gives birth during the Elimination Period, the Elimination Period is satisfied and benefits begin immediately.

### *Important Definitions*

For purposes of the STD Plan:

**Disabled** means that you are unable to perform the “material and substantial” duties of your “regular occupation” with the Company because of a non-work-related injury or illness. **Material and substantial duties** means duties that are normally required for the performance of your regular occupation and that cannot be reasonably omitted or modified.

**Regular occupation** means the occupation that you are routinely performing when your disability begins. The claims administrator will look at your occupation as it is normally performed in the national economy, instead of how the work tasks are performed for a specific employer or at a specific location.

### Eligibility

You are eligible for coverage under the J.CREW Short-Term Disability Plan if you are a regular active part-time or full-time associate of the Company and are regularly scheduled to work 20 hours or more per week.

The following persons are not eligible for coverage under this Plan: (i) leased employees as defined in Internal Revenue Code section 414(n); (ii) individuals classified by J.CREW as temporary employees or seasonal employees; and (iii) individuals classified by J.CREW as independent contractors or leased employees (including those who are at any time reclassified as employees by the Internal Revenue Service or a court of competent jurisdiction).

You are not eligible for benefits under the STD program if your disability is the result of a job-related injury or illness covered by Workers’ Compensation. If your disability is due to a job-related injury or illness, you must file a claim for Workers’ Compensation benefits. Please contact Human Resources for

more information on filing a claim for Workers' Compensation benefits.

### **Enrollment and Effective Date of Coverage**

You are not required to complete an enrollment form

If you are an active associate employed by the Company and are eligible for coverage under the Plan, you are automatically enrolled under the Short-Term Disability Plan.

**An active associate** is an eligible associate who is not a temporary or seasonal associate who is regularly scheduled to work 20 hours or more per week and is performing all the material responsibilities of his/her occupation. Normal vacation and holidays are considered active employment.

- ◆ Except as required by state law, your coverage will begin the first day of the month following the completion of 90 days of active employment.
- ◆ If you are a temporary or seasonal employee and are hired by the Company as a part-time or full-time associate, you must complete 90 days of active employment before you are eligible for coverage under the Plan.

### **Actively At Work**

You must be actively at work for disability coverage to take effect. If you are absent from work because of injury or sickness, temporary layoff, or leave of absence on the day your coverage would take effect, coverage will begin on the day you return to active employment.

### **Claiming Short-Term Disability Benefits**

If you are absent (or expect to be absent) for eight or more consecutive days, you are eligible to file a claim for disability benefits.

- ◆ If your disability is expected (such as a pregnancy or elective surgery), it is best to notify the Company and request an application at least three (3) weeks in advance.
- ◆ If your disability is unexpected (such as an illness or accident), you must notify the Company within 1-2 business days.

You will receive a package including your application for STD benefits and any other materials that may be needed. When you complete the forms, be sure to submit them to PRUDENTIAL, the claims administrator. Do not return the forms to Human Resources.

- ◆ PRUDENTIAL may require you to have a medical evaluation by a physician of its own choosing to ascertain the accuracy of information provided by your physician.
- ◆ If your claim is approved, PRUDENTIAL may request information verifying your disability from time to time.
- ◆ If you do not provide medical verification when requested, or if you refuse to participate in obtaining medical verification, your STD benefits may be denied, suspended, or terminated.
- ◆ If you are injured at work in connection with a work-related injury, you will need to submit proof that your injury is not eligible for coverage under applicable workers' compensation laws.

### **The Amount of Your Short-Term Disability Benefit**

The amount of your Short-Term Disability benefit is 70% of your base weekly salary.

**Base weekly salary** is defined as your gross pay as of the day before you become disabled due to illness

or injury. It includes: any contributions to a 401(k) or other qualified deferred compensation plan, and any amounts contributed to any benefits programs on a before-tax basis under IRC Section 125. Base pay does not include awards, commissions, bonuses; overtime pay the Company's contributions to any qualified or nonqualified deferred compensation or pension plan or any other compensation. In order for benefits to be paid, you must be under the care of a physician during the entire period of your disability.

- ◆ Your benefit may be offset by other wage replacement benefits you may be eligible to receive.
- ◆ Your STD benefit is paid weekly and mailed directly to your home.

### Example of How STD Benefits Work

If your base weekly salary is \$750, your benefit from the STD Plan would be determined as follows:

Example of STD Benefit	
Your base weekly salary	\$750
70% of \$750	\$525 weekly benefit from STD Plan*

\* This represents your base benefit and is subject to all federal, state and local taxes and deductions for your elected benefit plans.

Special circumstances apply for associates who work in California, Hawaii, New Jersey, New York and Rhode Island. Please see "Integrating with State Disability Programs" on page 6.

### The Qualifying Week

#### Illness or Pregnancy

If your disability is the result of an illness (including pregnancy), you are not eligible to receive STD benefits until you have been disabled for 7 consecutive calendar days. However, if you are eligible for PTO, your PTO benefit can provide coverage during all or part of the Qualifying Week. **Additionally, if you give birth on or after June 1, 2019 during the Qualifying Week the Elimination Period is satisfied and benefits begin immediately.**

PTO benefits provide for continuation of your base pay at 100%. When you complete the Qualifying Week, your PTO benefits will cease. If you have no remaining PTO at the time you become disabled, you will not be paid during Qualifying Week. Any remaining PTO benefits you may be eligible to receive for the year will be restored when you return to work.

If you remain disabled at the end of the Qualifying Week, your PTO benefits end. If you are eligible, you will receive continued disability benefits under the Short-Term Disability (STD) program.

#### For Associates who give birth on or after June 1, 2019:

STD benefits are payable for 8 weeks at 100% of an associate's base pay beginning with the date of delivery for those associates. (In J.Crew's Leave of Absence Summary this is referred to as "Post-Partum Disability Leave".) If an associate's medical condition requires STD to be paid beyond 8 weeks after birth, then benefits may be extended but will be reduced to 70% of the associate's base salary.

The 26-week benefit period is calculated from the first day you are unable to work due to your approved disability. It runs concurrently with any period of Paid Time Off and/or Family Leave.

You cannot receive PTO benefits and STD benefits at the same time. The PTO benefits that you receive during the Qualifying Week will also count toward the 26-week maximum benefit period under the STD Plan. For the time that you receive PTO, benefits are paid through regular payroll.

### **Injury**

If your disability is due to a non-work-related injury, no Qualifying Week applies and you may be eligible to receive STD benefits from the first day you are unable to work due to that injury.

No PTO benefits will be paid. Any remaining PTO benefits you may be eligible to receive for the year will be restored when you return to work.

### **Maximum Benefit Period**

Beginning with your original date of disability (*first day your physician authorizes you to be out of work*), benefits under the Plan will be paid for a maximum period of 26 weeks.

- ◆ If you return to work and go back out due to the same disability within 14 calendar days, it is considered a continuation of the initial disability.
  - The actual days that you return to work will not count toward the 26-week maximum and
  - You are not required to complete a new Qualifying Week.
- ◆ If you return to work for more than 14 calendar days and then go back out due to the same disability or a new disability,
  - You will begin a new 26-week period of disability and
  - You will have to satisfy a new Qualifying Week, if applicable.

### **Coordination with Family and Medical Leave**

If your disability would also qualify you for leave under the Family and Medical Leave Act (FMLA), the length of time you receive STD benefits will be included as part of your total FMLA leave. You must complete an FMLA application.

For example, if you are pregnant and your total FMLA leave is 12 weeks and you are disabled for 6 weeks, you would have 6 weeks where FMLA and STD would run concurrently and then another 6 weeks of FMLA leave only, for a total leave of 12 weeks.

Any absence that qualifies under the STD Plan and the FMLA policy will be counted concurrently under both programs.

### **Integrating with State Disability Programs**

Associates who work in California, Hawaii, New Jersey, New York, or Rhode Island are eligible to claim temporary disability benefits from the state in which they work.

Benefits are based on the state where you work, not where you live. For example:

- ◆ You may work at a New Jersey location and live in Pennsylvania and be eligible to apply for New Jersey temporary disability benefits.

#### **Associates Working in California, Hawaii, New Jersey, and Rhode Island**

If you work in California, Hawaii, New Jersey, or Rhode Island you must complete two applications for disability benefits:

- ◆ You must contact PRUDENTIAL directly at 877-367-7781 to apply for STD benefits and

- ◆ You must complete a separate application for state temporary disability benefits. You can get a copy of the appropriate state application directly from the state
- ◆ Be certain to notify PRUDENTIAL that you have made application for state disability benefits. Be sure to make copies of your applications and any attachments before you mail them. When you complete the appropriate state application you must send it to the appropriate state using the instructions on the application.

Determination of eligibility for state disability benefits is made by the state and is entirely separate from your J.CREW Short-Term Disability Plan. While it is unlikely, it is possible that you may be approved for benefits from one plan and not from the other.

- ◆ If you are approved for state temporary disability benefits, payment will be made to you directly from the state.
- ◆ The STD Plan will offset your state-provided benefit and you will receive a separate benefit payment from the J.CREW STD Plan. This will bring your total disability benefit (state disability benefit plus J.CREW STD benefit) to 70% of your base weekly salary (100% for disability after birth). For example, if your base weekly salary is \$750 and your state temporary disability benefit is \$250; your disability benefit might be paid as follows:

<b>Example of STD Benefit for Associates in New Jersey, Rhode Island, Hawaii, or California</b>		
<b>A</b>	<b>Your base weekly salary</b>	\$750
<b>B</b>	<b>Maximum weekly benefit from STD Plan (70% of \$750)</b>	\$525
<b>C</b>	<b>State Temporary Disability Benefit (Paid directly from the state)</b>	\$250
	<b>J.CREW STD Plan Benefit (Row B Minus Row C) (Paid directly from PRUDENTIAL)</b>	\$275
	<b>Total Disability Benefit (from both sources)</b>	\$525
You will receive two benefit payments: one in the amount of \$250 from the state and one in the amount of \$275 from the Plan. Together they total your maximum benefit of \$525.		

\* This represents your base benefit and is subject to all federal, state and local taxes and deductions for your elected benefit plans.

### **Associates Working In New York**

If you work in New York, it is not necessary to file a separate application for state disability benefits. The amount of your state disability benefit will be taken into account and used to offset your J.CREW STD

benefit. You will receive a single check representing both the J.CREW disability benefit and your New York State Temporary Disability Benefit.

For example, if your base weekly salary is \$750 and your New York State disability benefit is \$170; your disability benefit might be paid as follows:

Example of STD Benefit for Associate in New York		
A	Your base weekly salary	\$750
B	Maximum weekly benefit from STD Plan (70% of \$750)	\$525

C	New York State Temporary Disability Benefit	\$170
	J.CREW STD Plan Benefit (Row B minus Row C)	\$355
	Total Disability Benefit (from both sources)	\$525
Your benefit is paid in a single payment combining your New York Disability Benefit and the J.CREW STD benefit.		

\* This represents your base benefit and is subject to all federal, state and local taxes and deductions for your elected benefit plans.

If you work in New York you may be eligible for Paid Family Leave benefits (NY PFL) to provide care for a family member due to their serious health condition, to provide care in connection with the birth, adoption or placement in foster care of a child, or to provide care in connection with a family member in active military service. NY PFL benefits are not available in connection with an Associate's own serious health condition, and associates are not eligible to receive NY PFL benefits for any period in which they receive NY state disability benefits or STD benefits. Similarly, associates may not receive NY State disability or STD benefits for any period in which they receive NY PFL benefits. Please refer to the Company's Paid Family Leave policy for more information regarding Paid Family Leave in New York.

**Please Note:** Each state has different rules regarding the calculation of temporary disability benefits. The example above is intended only for purposes of illustration and does not represent any state's actual benefit.

### Questions

If you have questions about your state temporary disability benefits or if your state temporary disability benefits are denied or you have questions or complaints, you must address these to the appropriate state agency.

If you have questions about the J.CREW Short-Term Disability Plan, please contact Human Resources.

### Taxability of Your Short-Term Disability Benefit

Your Short-Term Disability benefits are subject to regular income taxes. Taxes will be deducted from your STD benefit in the same manner as from your regular paycheck before your disability.



## Paying for Your Other Benefits

You may elect to continue or suspend your medical (including dental and vision) coverage and/or Flexible Spending Account (Healthcare and/or Dependent Care) contributions for the duration of your leave.

- ◆ If you continue your benefits, payroll deductions for your medical, Flexible Spending Accounts and other benefit elections will continue to be deducted from your pay while you are eligible for and receiving PTO benefits. If your PTO benefits end and you remain disabled and eligible to receive STD benefits, your medical, Flexible Spending Accounts and other benefit elections will be deducted from your STD benefit while you are eligible for and receiving STD benefits.
- ◆ If you elect to suspend your coverage, when you return to work, your coverage and contributions will be reinstated to the coverage that was in effect before your leave, effectively immediately.

Please note that if you elect to suspend your medical coverage, you and your covered dependents will no longer have coverage under the J.CREW Plan until your coverage is reinstated when you return to work. Before you elect to suspend your coverage during your leave, be sure that you have access to other coverage during this period.

- ◆ If your Flexible Spending Account is suspended, you will not be able to file claims for expenses incurred during the period the account is suspended.

If you have any questions about your benefits and contributions during your leave, please contact Human Resources.

## How Long J.CREW STD Benefits Continue

For each period of disability, you may receive benefit payments for up to a maximum of 26 weeks from your approved date of disability.

If you reach the maximum benefit period of 26 weeks under the J.CREW STD Plan and remain disabled, your employment with the Company may be terminated. However, if you meet the requirements, you may be eligible to apply for disability benefits under the Long-Term Disability Plan.

## When Benefits End

Your STD benefit will end on the earliest of:

- ◆ The date that you return to work in any capacity
- ◆ The date that you die
- ◆ The date that you do not provide any information required by the Plan for initial determination of disability or verification of continuing disability
- ◆ The date that the maximum period of payment is reached
- ◆ The date you are no longer disabled under the Plan.

If your STD benefits are terminated because you are no longer disabled under the Plan, you must return to work immediately. Failure to do so will be considered a voluntarily resignation with the exception of approved leaves of absence taken under FMLA.

**Please Note:** Some states may provide benefits for a longer period than the 26-week maximum benefit

period of the STD Plan. If you are receiving a state and a Plan benefit; your state benefit will continue to be paid under the rules of the relevant state plan.

If you work in New York, that benefit will be paid by PRUDENTIAL. If you work in California, Hawaii, New Jersey, or Rhode Island and are eligible for any extended benefit payment, your payment will be made directly from that state.

### **Deductible Sources of Income**

The sections above discuss the amount of your STD benefit. If you are eligible to or do receive additional disability income from other sources, such as a state disability benefit, your STD benefit may be offset or reduced by these amounts.

While many sources of income are not offset under this Plan, you must notify PRUDENTIAL whenever you receive additional income while you are disabled. PRUDENTIAL will determine whether the income is eligible for offset under the Plan.

### **Estimating Deductible Sources of Income**

The Plan reserves the right to estimate the amount of your state disability or any other benefit and reduce your STD benefit under the Plan by that estimated amount.

For example, if you work in New Jersey and are eligible to apply for and receive New Jersey temporary disability benefits, but you do not apply for these benefits, your STD benefit under the Plan will be reduced by the estimated amount of your New Jersey disability benefit.

### **Other Important Plan Information**

#### **Exclusions**

The J.CREW STD Plan pays no benefits:

- ◆ For more than 26 weeks during any one period of disability.
- ◆ For the first seven days of disability if the disability is the result of pre-birth pregnancy or a non-work-related illness. If the employee gives birth during the first seven days of disability, benefits may begin immediately.
- ◆ For any period of disability that you are receiving or entitled to receive benefits under Workers' Compensation or occupational disease or any other law of any state or the federal government.
- ◆ For any period of disability when you are not under the care of a licensed physician or other eligible provider.
- ◆ For any day or partial day of disability during which you are performing work and receiving compensation or profit.
- ◆ For any day of disability during which you are eligible to receive PTO benefits or any compensation that is equal to or greater than the benefit provided by this Plan.
- ◆ For any disability due to any act of war, declared or undeclared.
- ◆ For any disability due to or resulting from unnecessary cosmetic surgery.
- ◆ For any disability that is the result of an injury sustained due to intentional self-inflicted injury or during the commission of a felony or high misdemeanor.

## Appealing a Claim

If a Short-Term Disability claim is denied, you will be notified in writing. If you do not agree with the reason for the denial, you must respond in writing within 180 days of the date you receive the notice (address your response to the person who sent you the denial notice).

### First Level of Appeal

In your response, you must state the reason you believe the claim was improperly denied and submit relevant data, questions or comments. The claim will be reviewed by PRUDENTIAL and you will be notified in writing of the decision.

### Second Level of Appeal

If the original decision to deny your claim is upheld, you have 180 days from receipt of the claim denial to appeal in writing to PRUDENTIAL. You must send the following information with your written appeal:

- The specific reason(s) for the appeal
- Copies of all past correspondence with PRUDENTIAL and
- Any applicable information that you have not yet sent to PRUDENTIAL.

Your appeal will be reviewed by PRUDENTIAL and a response will be made in writing within a reasonable period after receiving the request. PRUDENTIAL has discretion to interpret the Short-Term Disability Plan and make determinations regarding eligibility for benefits based on individual circumstances.

Determinations of PRUDENTIAL are final and binding on all parties.

You are required to exhaust these claims procedures before initiating legal action regarding benefit payments under the STD Plan.

During the appeals period, or any period during which benefits are in dispute, benefits will not be paid.

If, on appeal, it is determined that the denial was improper and that you are entitled to benefits, benefits will be payable retroactive to the beginning of the approved disability period under the STD Plan.

### If Your Disability Extends Beyond 26 Weeks

If it is likely that your disability will continue past the 26-week STD Plan maximum benefit period and you are eligible, you will receive a notice from PRUDENTIAL, the STD Claim Administrator, to initiate application for Long-Term Disability benefits.

If you remain disabled when you have reach the maximum benefit period under the Plan, your employment with the Company may terminate.

If you want more information about the Long-Term Disability Plan, please contact Human Resources.

### Assignment of Benefits

You may not assign your STD benefit. This means that you may not give, sell, or transfer your benefit to any other person. In the event that it is determined that you are incompetent, the amount of your benefit will be paid to you and sent to a legal guardian who holds power of attorney on your behalf.

### Right to Recover Overpayments

The claims administrator has the right to recover any amount considered an overpayment. Overpayments could result from:

- ◆ Claims processing errors
- ◆ Your receipt of deductible sources of income or
- ◆ Fraud

Overpayments must be reimbursed in full.

**Remember:** It is fraudulent to submit a false claim. Submitting a fraudulent claim may be grounds for termination of coverage or termination of employment with the Company and can also result in criminal or civil penalties.

### Plan Amendments and Discontinuance

Although the Company expects to continue the Plan, it reserves the right, in its sole discretion, to change or discontinue the Plan, in whole or in part, at any time. Such changes or discontinuation may apply, without limitation, to any or all of the benefit coverages or required contributions described in this summary. The right to amend and terminate the Plan applies regardless of whether you are active, disabled or retired.

No one has or acquires, at any time, a vested right to continuing benefit coverage under any part of the Plan as a result of his or her length of service, disability, retirement, or any other circumstances. In the case of a conflict between the description contained in this summary and the plan documents or contracts, the plan documents or contracts will govern. If you have any questions about any of the information in this summary, please contact Human Resources.

### Other Plan Limitations

Being a participant in the Plan does not give an associate the right to remain employed with the Company.

### Other Plan Information

- **Plan Sponsor:** J.Crew Group, Inc.
- **Plan Name:** Short Term Disability Plan
- **Claims Administrator:** Prudential
- **Policy Number:** 50251

