



EMPLOYEE HANDBOOK



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Welcome

Welcome to Simply Southern! We are delighted that you have chosen to join our organization and hope that you will enjoy a long and successful career with us.

We would like to extend our personal best wishes for success and happiness here at Simply Southern. We understand that it is our employees who provide the services that our customers rely upon, and who will enable us to create new opportunities in the years to come.

Please take time to review the policies contained in this handbook. If you have questions, feel free to ask your manager or to contact the Human Resources (HR) department.

Sincerely,

A handwritten signature in green ink that reads "Lingu".A handwritten signature in green ink that reads "Georgio" followed by a smiley face emoji "😊".

Employment at Will

Employment at Simply Southern is on an at-will basis unless otherwise stated in a written individual employment agreement signed by the CEO of the company.

This means that either the employee or the company may terminate the employment relationship at any time, for any reason, with or without notice.

Nothing in this employee handbook creates or is intended to create an employment agreement, express or implied. Nothing contained in this, or any other document provided to the employee is intended to be, nor should it be, construed as a contract that employment or any benefit will be continued for any period of time. In addition, no company representative is authorized to modify this policy for any employee or to enter into any agreement, oral or written, that changes the at-will relationship.

Any salary figures provided to an employee in annual or monthly terms are stated for the sake of convenience or to facilitate comparisons and are not intended to and do not create an employment contract for any specific period of time.

Nothing in this statement is intended to interfere with, restrain, or prevent concerted activity as protected by the National Labor Relations Act (NLRA). Such activity includes employee communications regarding wages, hours, or other terms or conditions of employment. Simply Southern employees have the right to engage in or refrain from such activities.

Equal Opportunity and Commitment to Diversity

Equal Opportunity

Simply Southern provides equal employment opportunities to all employees and applicants for employment without regard to race, color, creed, ancestry, national origin, citizenship, sex or gender (including pregnancy, childbirth, and pregnancy-related conditions), gender identity or expression (including transgender status), sexual orientation, marital status, religion, age, disability, genetic information, service in the military, or any other characteristic protected by applicable federal, state, or local laws and ordinances. Equal employment opportunity applies to all terms and conditions of employment, including hiring, placement, promotion, termination, layoff, recall, transfer, leave of absence, compensation, and training.

Simply Southern expressly prohibits any form of unlawful employee harassment or discrimination based on any of the characteristics mentioned above. Improper interference with the ability of other employees to perform their expected job duties is absolutely not tolerated.

Simply Southern will endeavor to make a reasonable accommodation of an otherwise qualified applicant or employee related to an individual's physical or mental disability, sincerely held religious beliefs and practices, and/or any other reason required by applicable law, unless doing so would impose an undue hardship upon Simply Southern's business operations.

Any employees with questions or concerns about equal employment opportunities in the workplace are encouraged to bring these issues to the attention of the HR department. The company will not allow any form of retaliation against individuals who raise issues of equal employment opportunity. Employees who feel they have been subjected to any such retaliation should bring it to the attention of the HR department.

Retaliation means adverse conduct taken because an individual reported an actual or a perceived violation of this policy, opposed practices prohibited by this policy, or participated in the reporting and investigation process described below. "Adverse conduct" includes but is not limited to:

- (1) Shunning and avoiding an individual who reports harassment, discrimination, or retaliation.
- (2) Express or implied threats or intimidation intended to prevent an individual from reporting harassment, discrimination, or retaliation; *or*
- (3) Denying employment benefits because an applicant or employee reported harassment, discrimination, or retaliation or participated in the reporting and investigation process.

Other examples of retaliation include firing, demotion, denial of promotion, unjustified negative evaluations, increased surveillance, harassment, and assault.

Complaints of discrimination should be filed according to the procedures described in the Harassment and Complaint Procedure.

Americans with Disabilities Act (ADA) and Reasonable Accommodation

Simply Southern is committed to the fair and equal employment of individuals with disabilities under the ADA. It is Simply Southern's policy to provide reasonable accommodation to qualified individuals with disabilities unless the accommodation would impose an undue hardship on the company. Simply Southern prohibits any harassment of, or discriminatory treatment of, employees based on a disability or because an employee has requested a reasonable accommodation.

In accordance with the ADA, reasonable accommodations will be provided to qualified individuals with disabilities to enable them to perform the essential functions of their jobs or to enjoy the equal benefits and privileges of employment. An employee with a disability may request an accommodation from the HR department and engage in an informal process to clarify what the employee needs and to identify possible accommodations. If requested, the employee is responsible for providing medical documentation regarding the disability and possible accommodations. All information obtained concerning the medical condition or history of an applicant or employee will be treated as confidential information, maintained in separate medical files, and disclosed only as permitted by law.

It is the policy of Simply Southern to prohibit harassment or discrimination based on disability or because an employee has requested a reasonable accommodation.

Simply Southern prohibits retaliation against employees for exercising their rights under the ADA or other applicable civil rights laws. Employees should use the procedures described in the Harassment and Complaint Procedure to report any harassment, discrimination, or retaliation they have experienced or witnessed.

Commitment to Diversity

Simply Southern is committed to creating and maintaining a workplace in which all employees have an opportunity to participate and contribute to the success of the business and are valued for their skills, experience, and unique perspectives. This commitment is embodied in company policy and the way we do business at Simply Southern and is an important principle of sound business management.

Harassment and Complaint Procedure

It is Simply Southern's policy to prohibit intentional and unintentional harassment of or against job applicants, contractors, interns, volunteers, or employees by another employee, supervisor, vendor, customer, or third party based on actual or perceived race, color, creed, religion, national origin, ancestry, citizenship status, age, sex or gender (including pregnancy, childbirth, and pregnancy-related conditions), gender identity or expression (including transgender status), sexual orientation, marital status, military service and veteran status, physical or mental disability, genetic information, or any other characteristic protected by applicable federal, state, or local laws. Such conduct will not be tolerated by Simply Southern.

Furthermore, any retaliation against an individual who has complained about sexual or other harassment or retaliation against individuals for cooperating with an investigation of a harassment complaint is similarly unlawful and will not be tolerated. Simply Southern will take all reasonable steps necessary to prevent and eliminate unlawful harassment.

Definition of "unlawful harassment." "Unlawful harassment" is conduct that has the purpose or effect of creating an intimidating, a hostile, or an offensive work environment; has the purpose or effect of substantially and unreasonably interfering with an individual's work performance; or otherwise adversely affects an individual's employment opportunities because of the individual's membership in a protected class.

Unlawful harassment includes, but is not limited to, epithets; slurs; jokes; pranks; innuendo; comments; written or graphic material; stereotyping; or other threatening, hostile, or intimidating acts based on race, color, ancestry, national origin, gender, sex, sexual orientation, marital status, religion, age, disability, veteran status, or another characteristic protected by state or federal law.

Definition of “sexual harassment.” While all forms of harassment are prohibited, special attention should be paid to sexual harassment. “Sexual harassment” can include all of the above actions, as well as other unwelcome conduct, and is generally defined under both state and federal law as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature whereby:

- Submission to or rejection of such conduct is made either explicitly or implicitly a term or condition of any individual’s employment or as a basis for employment decisions.
- Such conduct has the purpose or effect of unreasonably interfering with an individual’s work performance or creating an intimidating, a hostile, or an offensive work environment.

Other sexually oriented conduct, whether intended or not, that is unwelcome and has the effect of creating a work environment that is hostile, offensive, intimidating, or humiliating to workers may also constitute sexual harassment.

While it is not possible to list all those additional circumstances that may constitute sexual harassment, the following are some examples of conduct that, if unwelcome, may constitute sexual harassment depending on the totality of the circumstances, including the severity of the conduct and its pervasiveness:

- Unwanted sexual advances, whether they involve physical touching or not.
- Sexual epithets; jokes; written or oral references to sexual conduct; gossip regarding one’s sex life; comments about an individual’s body; and comments about an individual’s sexual activity, deficiencies, or prowess.
- Displaying sexually suggestive objects, pictures, or cartoons.
- Unwelcome leering, whistling, brushing up against the body, sexual gestures, or suggestive or insulting comments.
- Inquiries into one’s sexual experiences; *and*
- Discussion of one’s sexual activities.

All employees should take special note that, as stated above, retaliation against an individual who has complained about sexual or other harassment and retaliation against individuals for cooperating with an investigation of sexual or other harassment complaints violate Simply Southern's policy.

Complaint procedure. If you believe you have been subject to or have witnessed unlawful discrimination, including sexual or other forms of unlawful harassment, or other inappropriate conduct, you are requested and encouraged to make a complaint. You may complain directly to your immediate supervisor or department manager, the HR department, or any other member of management with whom you feel comfortable bringing such a complaint. Similarly, if you observe acts of discrimination toward or harassment of another employee, you are requested and encouraged to report this to one of the individuals listed above.

All complaints will be investigated promptly, and confidentiality will be protected to the extent possible. A timely resolution of each complaint should be reached and communicated to the parties involved.

If the investigation confirms conduct that violates this policy has occurred, Simply Southern will take immediate, appropriate, corrective action, including discipline, up to and including immediate termination.

No reprisal, retaliation, or other adverse action will be taken against an employee for making a complaint or report of discrimination or harassment or for assisting in the investigation of any such complaint or report. Any suspected retaliation or intimidation should be reported immediately to one of the persons identified above.

Conflicts of Interest and Confidentiality

Conflicts of Interest

Simply Southern expects all employees to conduct themselves and company business in a manner that reflects the highest standards of ethical conduct and in accordance with all federal, state, and local laws and regulations. This includes avoiding real and potential conflicts of interests.

Exactly what constitutes a conflict of interest, or an unethical business practice is both a moral and a legal question. Simply Southern recognizes and respects the individual employee's right to engage in activities outside of employment that are private in nature and do not in any way conflict with or reflect poorly on the company.

It is not possible to define all the circumstances and relationships that might create a conflict of interest. If a situation arises in which there is a potential conflict of interest, the employee should discuss this with a manager for advice and guidance on how to proceed. The list below suggests some of the types of activities that indicate improper behavior, unacceptable personal integrity, or unacceptable ethics:

1. Simultaneous employment by another firm that is a competitor of or supplier to Simply Southern.
2. Carrying on company business with a firm in which the employee, or a close relative of the employee, has a substantial ownership or interest.
3. Holding a substantial interest in, or participating in the management of, a firm to which the company makes sales or from which it makes purchases.
4. Borrowing money from customers or firms, other than recognized loan institutions, from which our company buys services, materials, equipment, or supplies.
5. Accepting substantial gifts or excessive entertainment from an outside organization or agency.
6. Speculating or dealing in materials, equipment, supplies, services, or property purchased by the company.
7. Participating in civic or professional organization activities in a manner that divulges confidential company information.
8. Misusing privileged information or revealing confidential data to outsiders.

9. Using one's position in the company or knowledge of its affairs for personal gains; *and*

10. Engaging in practices or procedures that violate antitrust laws, commercial bribery laws, copyright laws, discrimination laws, campaign contribution laws, or other laws regulating the conduct of company business.

Confidential Information

The protection of confidential business information and trade secrets is vital to the interests and success of Simply Southern. Confidential information is any and all information disclosed to or known by you because of employment with the company that is not generally known to people outside the company about its business.

An employee who improperly uses or discloses trade secrets or confidential business information will be subject to disciplinary action up to and including termination of employment and legal action, even if the employee does not actually benefit from the disclosed information. This provision is not intended to, and should not be interpreted to, prohibit employees from discussing wages and other terms and conditions of employment if they so choose.

All inquiries from the media must be referred to the employee's immediate supervisor.

Employment Relationship

Employee Privacy

It is Simply Southern's goal to respect the individual privacy of its employees and at the same time maintain a safe and secure workplace. When issues of safety and security arise, you may be requested to cooperate with an investigation. The investigation may include the following procedures to safeguard the company and its employees: searches of personal belongings, searches of work areas, searches of private vehicles on company premises, medical examinations, and the like. Failure to cooperate with an investigation is grounds for termination. Providing false information during any investigation may lead to discipline, including termination.

Employees are expected to make use of company facilities only for the business purposes of the company. Accordingly, materials that appear on company hardware or networks are presumed to be for business purposes, and all such materials are subject to review by the company at any time without notice to the employees. Employees do not have to have any expectation of privacy with respect to any material on company property. Simply Southern regularly monitors its communications systems and networks as allowed by law. Monitored activity may include voice, e-mail, and text communications, as well as Internet search and browsing history. Employees who make excessive use of the communications system for personal matters are subject to discipline. Employees are expected to keep personal communication to a minimum and to emergency situations.

Video surveillance. As part of its security measures and to help ensure a safe workplace, Simply Southern has positioned video cameras to monitor various areas of its facilities. Video cameras will not be used in private areas, such as restrooms, dressing rooms, etc.

Privacy—Social Security Numbers

Policy and Procedure Regarding Use and Disclosure of Social Security Numbers

Purpose. This policy and procedure explain Simply Southern's general standards and practices for how Social Security numbers are gathered, stored, disclosed, and ultimately disposed of.

Policy. It is Simply Southern’s policy that Social Security numbers obtained from employees, vendors, contractors, customers, or others are confidential information.

Social Security numbers will be obtained, retained, used, and disposed of only for legitimate business reasons and in accordance with the law and this policy.

Procedure. Documents or other records containing employee Social Security numbers generally will be requested, obtained, or created only for legitimate business reasons consistent with this policy. For example, Social Security numbers may be requested from employees for tax reporting purposes (i.e., Internal Revenue Service (IRS) Form W-4), for new hire reporting, or for purposes of enrollment in the company’s employee benefit plans.

Retention and access to Social Security numbers. All records containing Social Security numbers (whether partial or complete) will be maintained in secure, confidential files with limited access.

Unauthorized use/disclosure of Social Security numbers. Any employee who obtains, uses, or discloses Social Security numbers for unauthorized purposes or contrary to the requirements of this policy and procedure may be disciplined, up to and including discharge. The company will cooperate with government investigations of any person alleged to have obtained, used, or disclosed Social Security numbers for unlawful purposes.

Employment Classification

In order to determine eligibility for benefits and overtime status and to ensure compliance with federal and state laws and regulations, Simply Southern classifies its employees as shown below. Simply Southern may review or change employee classifications at any time.

Exempt. Exempt employees are typically paid on a salary basis and are not eligible to receive overtime pay.

Nonexempt. Nonexempt employees are paid on an hourly basis and are eligible to receive overtime pay for overtime hours worked.

Regular, full time. Employees who are not in a temporary status and work a minimum of 30 hours weekly and maintain continuous employment status.

Generally, these employees are eligible for the full-time benefits package and are subject to the terms, conditions, and limitations of each benefits program.

Regular, part time. Employees who are not in a temporary status and who are regularly scheduled to work less than 30 hours weekly but at least 20 hours weekly and who maintain continuous employment status. Part-time employees are eligible for some of the benefits offered by the company and are subject to the terms, conditions, and limitations of each benefits program.

Temporary, full time. Employees who are hired as interim replacements to temporarily supplement the workforce or to assist in the completion of a specific project and who are temporarily scheduled to work the company's full-time schedule for a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status.

Temporary, part time. Employees who are hired as interim replacements to temporarily supplement the workforce or to assist in the completion of a specific project and who are temporarily scheduled to work less than 30 hours weekly for a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status.

Seasonal employees. Employees who are hired to temporarily supplement the workforce or to assist in the completion of a specific project or busy season. Employment beyond any initially stated period does not in any way imply a change in employment status. Full time or part time status will be based on employees' weekly hours worked.

Workweek and Hours of Work

The standard workweek is from Monday morning to Sunday evening and generally consist of 40 work hours. Individual work schedules may vary depending on the needs of each department and store.

Corporate office hours are 8:30 a.m. to 5:30 p.m. Monday – Friday and generally consists of 40 work hours. Individual work schedules may vary depending on the needs of each department.

Salaried employees are expected to work an average of 45 hours within a workweek and 90 hours within a pay period. Hours may vary by department or store.

Meal and Rest Breaks

Employees are entitled to a 30-minute unpaid meal break each day. Any nonexempt employee who is required to work through a meal break will be paid for the 30-minute period. All meals and breaks should be taken away from the designated workspace and food may not be eaten within the workspace. Employees are also entitled to a 15-minute rest period each day. Meal and rest breaks will be scheduled by the department or store manager.

Lactation Breaks

As part of our family-friendly policies and benefits, Simply Southern supports breastfeeding mothers by accommodating the mother who wishes to express breast milk during her workday when separated from her newborn child.

Accommodation for Lactating Mothers

For up to one year after the child's birth, any employee who is breastfeeding her child will be provided reasonable break times to express breast milk for her baby. The break time, if possible, should run concurrently with rest and meal breaks already provided to the employee. If the break time cannot run concurrently with rest and meal periods, Simply Southern will do its best to accommodate additional time and will be unpaid, subject to applicable law. Simply Southern will make reasonable efforts to provide a designated room other than a toilet stall for this purpose. Employee is welcome to store breast milk in the break room refrigerators and must label it with the name of the employee and the date of expressing the breast milk. Any nonconforming products stored in the refrigerator may be disposed of. Employees storing milk in the refrigerator assume all responsibility for the safety of the milk and the risk of harm for any reason, including improper storage, refrigeration, and tampering. Nursing mothers wishing to use this room must request/reserve the room by contacting the HR department.

Breaks of more than 20 minutes in length will be unpaid, and the employee should indicate this break period on her time record.

Time Records

All nonexempt employees and all exempt store employees are required to complete accurate weekly time reports showing all time actually worked. These records are required by governmental regulations and are used to calculate regular, and overtime pay.

It is the employee's responsibility to monitor their timesheets to certify the accuracy of all time recorded. Any errors in the timesheet should be reported immediately to their manager or Human Resources, who will attempt to correct legitimate errors. Not utilizing the time clock could result in errors to an employee's timecard and paycheck, which may not be fixable until the next pay period.

Altering, falsifying, or tampering with time records, whether your own or another employee, is prohibited and subjects the employee to discipline, up to and including termination. Improper time keeping is also subject to an investigation.

Employees are required to report full days of absence from work for reasons such as leaves of absence, sick leave, or personal business. Non-exempt employees may not start work until their scheduled starting time without prior approval from their manager.

Overtime

When required due to the needs of the business, you may be asked to work overtime. Overtime is actual hours worked in excess of 40 in a single workweek. Nonexempt employees will be paid overtime compensation at the rate of one and one-half their regular rate of pay for all hours over 40 actually worked in a single workweek. Paid leave, such as holiday, paid time off (PTO), bereavement time, and jury duty, does not apply toward work time. All overtime work must be approved in advance by a manager.

Deductions from Pay/Safe Harbor Exempt Employees

Simply Southern does not make improper deductions from the salaries of exempt employees and complies with the salary basis requirements of the Fair Labor Standards Act (FLSA). Employees classified as exempt from the overtime pay requirements of the FLSA will be notified of this classification at the time of hire or change in position.

Permitted deductions. The FLSA limits the types of deductions that may be made from the pay of an exempt employee. Deductions that are permitted include:

- Deductions that are required by law, e.g., income taxes.
- Deductions for employee benefits when authorized by the employee.
- Absence from work for 1 or more full days for personal reasons other than sickness or disability.

- Absence from work for 1 or more full days due to sickness or disability if the deduction is made in accordance with a bona fide plan, policy, or practice of providing compensation for salary lost due to illness.
- Offset for amounts received as witness or jury fees or for military pay.
- Unpaid disciplinary suspensions of 1 or more full days imposed in good faith for workplace conduct rule infractions; *and*
- Any full workweek in which the employee does not perform any work.

During the week an exempt employee begins work for the company or during the last week of employment, the employee will only be paid for actual hours worked. In addition, an employee may be paid only for hours worked during a period when the employee is using unpaid leave under the Family and Medical Leave Act (FMLA).

Improper deductions. If an employee classified as exempt believes that an improper deduction has been taken from the employee's pay, the employee should immediately report the deduction to the HR department. The report will be promptly investigated, and if it is found that an improper deduction has been made, the company will reimburse the employee for the improper deduction.

Paychecks

Simply Southern's pay period for all employees is biweekly on Thursday. If payday falls on a federal holiday, employees will receive their paycheck on the preceding workday. Paychecks are directly deposited into your checking and/or savings accounts.

Access to Personnel Files

Employee files are maintained electronically by the HR department and are considered confidential. Managers may only have access to personnel file information on a need-to-know basis. Employees may inspect their own personnel files and may print copies but may not remove documents from their file. Inspections by employees must be requested in writing to the HR department and will be scheduled at a mutually convenient time or as required under state law. Personnel files are to be reviewed in the HR department. Representatives of government or law enforcement agencies, in the course of their duties, may be allowed access to file information.

Employment of Relatives and Domestic Partners

Relatives and domestic partners may be hired by the company if (1) the persons concerned will not work in a direct supervisory relationship, and (2) the employment will not pose difficulties for supervision, security, safety, or morale. For the purposes of this policy, “relatives” are defined as spouses, children, siblings, parents, or grandparents. A “domestic partnership” is generally defined as a committed relationship between two individuals who are sharing a home or living arrangements.

Current employees who marry each other or become involved in a domestic partnership will be permitted to continue employment with the company provided they don’t work in a direct supervisory relationship with each other or otherwise pose difficulties as mentioned above. If employees who marry or live together do work in a direct supervisory relationship with each other, the company will attempt to reassign one of the employees to another position for which the employee is qualified if such a position is available. If no such position is available, the employees will be permitted to determine which one of them will resign from the company.

Separation from Employment

In all cases of voluntary resignation (one initiated by the employee), employees are asked to provide a written notice to their managers at least 10 working days in advance of the last day of work. The 10 days must be actual working days. Holidays and PTO will not be counted toward the 10-day notice. Employees who provide the requested amount of notice will be considered to have resigned in good standing and generally will be eligible for rehire.

In most cases, HR may conduct an exit meeting on or before the last day of employment to collect all company property and to discuss final pay. If applicable, information regarding benefits continuation through the Consolidated Omnibus Budget Reconciliation Act (COBRA) will be sent to the employee’s home address.

Should it become necessary because of business conditions to reduce the number of employees or work hours, this will be done at the discretion of the company.

Simply Southern will respond to reference requests through the Human Resources Department. The company will provide general information concerning the employee such as date of hire, date of termination, and positions held. Requests for reference information must be in writing.

Workplace Safety

Drug-Free and Alcohol-Free Workplace

It is the policy of Simply Southern to maintain a drug- and alcohol-free work environment that is safe and productive for employees and others having business with the company.

The unlawful use, possession, purchase, sale, or distribution of or being under the influence of any illegal drug or controlled substance (including medical marijuana) while on company or client premises or while performing services for the company is strictly prohibited. Simply Southern also prohibits reporting to work or performing services under the influence of alcohol or consuming alcohol while on duty or during work hours. In addition, Simply Southern prohibits off-premises abuse of alcohol and controlled substances (including medical marijuana), as well as the possession, use, or sale of illegal drugs, when these activities adversely affect job performance, job safety, or the company's reputation in the community.

To ensure compliance with this policy, substance abuse screening may be conducted in the following situations:

Preemployment: as required by the company for all prospective employees who receive a conditional offer of employment.

For cause: upon reasonable suspicion that the employee is under the influence of alcohol or drugs that could affect or have adversely affected the employee's job performance.

Random: as authorized or required by federal or state law.

Compliance with this policy is a condition of employment. Employees who test positive or who refuse to submit to substance abuse screening will be subject to termination. Notwithstanding any provision herein, this policy will be enforced at all times in accordance with applicable state and local law.

Any employee violating this policy is subject to discipline, up to and including termination, for the first offense.

Smoking at the Workplace

Smoking is only permitted during break times in designated outdoor areas. Employees using these areas are expected to dispose of any smoking debris safely and properly. "Smoking" includes the use of any tobacco products (including chewing tobacco), electronic smoking devices, and e-cigarettes.

Workplace Violence Prevention

Simply Southern is committed to providing a safe, violence-free workplace for our employees. Due to this commitment, we discourage employees from engaging in any physical confrontation with a violent or potentially violent individual or from behaving in a threatening or violent manner. Threats, threatening language, or any other acts of aggression or violence made toward or by any employee will not be tolerated. A threat may include any verbal or physical harassment or abuse; attempts to intimidate others; menacing gestures; stalking; or any other hostile, aggressive, and/or destructive actions taken for the purposes of intimidation. This policy covers any violent or potentially violent behavior that occurs in the workplace or at company-sponsored functions.

All Simply Southern employees bear the responsibility of keeping our work environment free from violence or potential violence. Any employee who witnesses or is the recipient of violent behavior should promptly inform their supervisor, manager, or HR department. All threats will be promptly investigated. No employee will be subject to retaliation, intimidation, or discipline as a result of reporting a threat in good faith under this guideline.

Any individual engaging in violence against the company, its employees, or its property will be prosecuted to the full extent of the law. All acts will be investigated, and the appropriate action will be taken. Any such act or threatening behavior may result in disciplinary action up to and including termination.

Simply Southern prohibits the possession of weapons in all of its buildings and stores. Weapons include, but are not limited to, handguns, rifles, automatic weapons, knives that can be used as weapons (excluding pocketknives, utility knives, and other instruments that are used to open packages or cut string and for other miscellaneous tasks), martial arts paraphernalia, stun guns, and tear gas. Any employee violating this policy is subject to discipline up to and including dismissal for the first offense.

The company reserves the right to inspect all belongings of employees on its premises, including packages, briefcases, purses and handbags, gym bags, and personal vehicles on company property. In addition, Simply Southern may inspect the contents of lockers, storage areas, file cabinets, desks, and workstations at any time and may remove all company property and other items that are in violation of company rules and policies.

Commitment to Safety

Protecting the safety of our employees and visitors is the most important aspect of running our business.

All employees have the opportunity and responsibility to contribute to a safe work environment by using commonsense rules and safe practices and by notifying management when any health or safety issues are present. All employees are encouraged to partner with management to ensure maximum safety for all.

In the event of an emergency, notify the appropriate emergency personnel by dialing 6 for an outside line, then dialing 911 to activate the medical emergency services.

Any workplace injury, accident, or illness must be reported to the employee's supervisor as soon as possible, regardless of the severity of the injury or accident.

Emergency Closings

Simply Southern will always make every attempt to be open for business. In situations in which some employees are concerned about their safety, management may advise supervisors to notify their departments or stores that the company is not officially closed, but employees may choose to leave the office, warehouse, or store if they feel uncomfortable.

If the company is officially closed during the course of the day to permit employees to leave early, nonexempt employees who are working on-site as of the time of the closing may be paid for a full day. If you leave earlier than the official closing time, you will be paid only for actual hours worked, or you can take PTO time. Exempt employees may be paid for a normal full day and are expected to complete their work at another time.

Visitors

In order to maintain security and safety for our employees, Simply Southern has the following policy with respect to visitors: All visitors must check in with the receptionist, must wear a visitor's badge, and must be escorted by an employee.

This policy applies to anyone who is not an active employee, including employees on leave, former employees, vendors, and suppliers.

Generally, friends and family members are not permitted to visit employees at the workplace.

When employees have any doubt whether a person can visit, they should contact the HR department.

Phone Use

Disruptions during work time can lead to errors and delays. Therefore, we ask that personal telephone calls be kept to a minimum and only be made or received before or after work, during lunch or break.

In case of emergency, you may give our company phone number out as needed.
(336) 274-7889

Workplace Guidelines

Attendance

All employees are expected to arrive on time, ready to work, every day they are scheduled to work.

If unable to arrive at work on time, or if an employee will be absent for an entire day, the employee must contact your manager as soon as possible. Excessive absenteeism or tardiness will result in discipline up to and including termination. Failure to show up or call in for a scheduled shift without prior approval also may result in discipline up to and including termination. If an employee fails to report to work or call in to inform the supervisor of the absence for 3 consecutive days or more, the employee will be considered to have voluntarily resigned employment.

Job Performance

Communication between employees and supervisors or managers is very important. Discussions regarding job performance are ongoing and often informal. Employees should initiate conversations with their supervisors if they feel additional ongoing feedback is needed.

Generally, formal performance reviews are conducted annually. These reviews include a written performance appraisal and discussion between the employee and the manager about job performance and expectations for the coming year.

Workplace Conduct

Simply Southern endeavors to maintain a positive work environment. Each employee plays a role in fostering this environment. Accordingly, we all must abide by certain rules of conduct, based on honesty, common sense, and fair play.

Because everyone may not have the same idea about proper workplace conduct, it is helpful to adopt and enforce rules all can follow. Unacceptable conduct may subject the offender to disciplinary action, up to and including termination, in the Company's sole discretion. The following are examples of some, but not all, conduct which can be considered unacceptable:

1. Obtaining employment based on false or misleading information.
2. Stealing, removing or defacing Simply Southern property or a co-worker's property, and/or disclosure of confidential information.
3. Failure to follow lawful instructions of a manager.

4. Failure to perform assigned job duties.
5. Gambling on company property.
6. Unsatisfactory job performance.
7. Any other violation of company policy as listed in this handbook.

The observance of these rules will help to ensure that our workplace remains a safe and desirable place to work.

Outside Employment

Employees generally are permitted to work a second job as long as it does not interfere with their job performance or create a conflict of interest with Simply Southern. All employees, including part-time employees, must obtain prior approval from the HR department before undertaking any outside employment or other work activity.

Employees with a second job are expected to work their assigned schedules. A second job will not be considered an excuse for poor job performance, absenteeism, tardiness, leaving early, refusal to travel, or refusal to work overtime or different hours. In addition, employees who have accepted outside employment may not use paid time off to work on the outside job. However, an employee on a leave of absence may continue to work in the outside job if this employment has been approved by the company under this policy and the employee's reason for leave does not preclude the outside employment.

If outside work activity causes or contributes to job-related problems, it must be discontinued, or the employee may be subject to disciplinary action up to and including termination.

Dress and Grooming

Simply Southern provides a casual yet professional work environment for its employees. Even though the dress code is casual, it is important to project a professional image to our customers, visitors, and coworkers. All employees are expected to dress in a manner consistent with good hygiene, safety, and good taste. Please use common sense.

Certain employees may be required to meet special dress and grooming, such as wearing uniforms or safety equipment/clothing, depending on the nature of their job. Any questions or complaints regarding the appropriateness of attire should

be directed to the HR department. Decisions regarding attire will be made by the HR department and not by individual departments or managers.

Please refer to the dress code policy at the end of this handbook.

Social Media Acceptable Use

Simply Southern encourages employees to share information with coworkers and with those outside the company for the purposes of gathering information, generating new ideas, and learning from the work of others. Social media provides inexpensive, informal, and timely ways to participate in an exchange of ideas and information. However, information posted on a website is available to the public, and therefore, the company has established the following guidelines for employee participation in social media.

Note: As used in this policy, “social media” refers to blogs, forums, and social networking sites, such as Twitter, Facebook, LinkedIn, YouTube, Instagram, Tik Tok, and Snapchat, among others.

Off-duty use of social media. Employees may maintain personal websites or weblogs on their own time using their own facilities. Employees must ensure that social media activity does not interfere with their work. In general, the company considers social media activities to be personal endeavors, and employees may use them to express their thoughts or promote their ideas. In addition, employees may not post on a personal blog or webpage or participate on a social networking platform for personal purposes during work time or at any time with Simply Southern equipment or property.

On-duty use of social media. Certain employees may be required to engage in social media activity during work time when it is directly related to their work and approved by their manager and does not identify or reference company clients, customers, or vendors without express permission. The company monitors employee use of company computers and the Internet, including employee blogging and social networking activity.

Respect. Demonstrate respect for the dignity of the company, its owners, its customers, its vendors, and its employees. A social media site is a public place, and employees should avoid inappropriate comments. For example, employees should not divulge Simply Southern confidential information such as trade secrets, client

lists, or information restricted from disclosure by law on social media sites. Similarly, employees should not engage in harassing or discriminatory behavior that targets other employees or individuals because of their protected class status or make defamatory comments or engage in other behavior that violates the company's policies.

Post disclaimers. Employees who identify themselves as company employees or discuss matters related to the company on a social media site must include a disclaimer on the front page stating that it does not express the views of the company and that the employees are expressing only personal views—for example: “The views expressed on this website/Weblog are mine alone and do not necessarily reflect the views of my employer.” Place the disclaimer in a prominent position and repeat it for each posting expressing an opinion related to the company or the company's business. Employees must keep in mind that if they post information on a social media site that is in violation of company policy and/or federal, state, or local law, the disclaimer will not shield them from disciplinary action.

Competition. Employees should not use social media to criticize the company's competition and should not use it to compete with the company.

Confidentiality. Do not identify or reference company clients, customers, or vendors without express permission. Employees may write about their jobs in general but may not disclose any confidential or proprietary information. For examples of confidential information, please refer to the confidentiality policy. When in doubt, ask before publishing.

New ideas. Please remember that new ideas related to work, or the company's business belong to the company. Do not post them on a social media site without the company's permission.

Trademarks and copyrights. Do not use the company's or others' trademarks on a social media site or reproduce the company's or others' material without first obtaining permission.

Avoid statements about the company's future. Writing about projected growth, sales and profits, future products or services, marketing plans, is in direct violation of Simply Southern's confidentiality rules.

Legal. Employees are expected to comply with all applicable laws, including, but not limited to, Federal Trade Commission (FTC) guidelines and copyright, trademark, and harassment laws.

Company restrictions. Simply Southern may require that employees temporarily confine social media commentary to topics unrelated to the company or that employees temporarily suspend such activity to ensure compliance with company policies, regulations or laws. The company may also require employees to delete references to it on a website or Web log and to stop identifying themselves as employees of the company.

Discipline. Violations of this policy may result in discipline up to and including immediate termination of employment.

Nothing in this policy is meant to, nor should it be interpreted to, in any way limit your rights under any applicable federal, state, or local laws, including your rights under the NLRA to engage in protected concerted activities with other employees to improve or discuss terms and conditions of employment, such as wages, working conditions, and benefits. Employees have the right to engage in or refrain from such activities.

Bulletin Boards

All required governmental postings are posted on the boards located in the break room. These boards may also contain general announcements. Employees should make it a practice to review it frequently. To avoid confusion, employees should not post or remove any material from the bulletin board. The bulletin board is for company information, HR information, and announcements only.

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Solicitation

Employees should be able to work in an environment that is free from unnecessary annoyances and interference with their work. In order to protect our employees and visitors, solicitation by employees is strictly prohibited while either the

employee being solicited or the employee doing the soliciting is on “working time.” “Working time” is defined as time during which an employee is not at a meal, on break, or on the premises immediately before or after a shift.

Employees are also prohibited from distributing written materials, handbills, or any other type of literature on working time and, at all times, in “working areas,” which include all office and warehouse areas. “Working areas” do not include break rooms, parking lots, or common areas shared by employees during nonworking time.

Nonemployees may not trespass or solicit or distribute materials anywhere on company property at any time.

Nothing in this policy is meant to, nor should it be interpreted to, in any way limit your rights under any applicable federal, state, or local laws, including your rights under the NLRA to engage in protected concerted activities with other employees to improve or discuss terms and conditions of employment, such as wages, working conditions, and benefits. Employees have the right to engage in or refrain from such activities.

Computers, Internet, E-Mail, and Other Resources

The company provides a wide variety of communication tools and resources to employees for use in running day-to-day business activities. Whether it is the telephone, voicemail, scanner, Internet, intranet, e-mail, text messaging, portable electronic devices, or any other company-provided technology, use should be reserved for business-related matters during working hours. All communication using these tools should be handled in a professional and respectful manner.

Employees should not have any expectation of privacy in their use of company computer, phone, portable electronic devices, or other communication tools. All communications made using company-provided equipment or services, including e-mail and Internet activity, are subject to inspection by the company. Employees should keep in mind that even if they delete an e-mail, a voicemail, or another communication, a copy may be archived on the company’s systems.

Employee use of company-provided communication systems, including personal e-mail and Internet use, that is not job-related has the potential to drain, rather than enhance, productivity and system performance. You should also be aware that information transmitted through e-mail and the Internet is not completely secure

or may contain viruses or malware, and information you transmit and receive could damage the company's systems, as well as the reputation and/or competitiveness of the company. To protect against possible problems, delete any e-mail messages before opening that are received from unknown senders and advertisers. It also is against company policy to turn off antivirus protection software or make unauthorized changes to system configurations installed on company computers. Violations of this policy may result in termination for a first offense.

The company encourages employees to use e-mail only to communicate with fellow employees, suppliers, customers, or potential customers regarding company business. Internal and external e-mails are considered business records and may be subject to federal and state recordkeeping requirements, as well as to discovery in the event of litigation. Be aware of this possibility when sending e-mails within and outside the company.

All use of company-provided communications systems, including e-mail and Internet use, should conform to our company guidelines/policies, including but not limited to the Equal Opportunity, Harassment, Confidential Information, and Conflicts of Interest. So, for example, employees should not engage in harassing or discriminatory behavior that targets other employees or individuals because of their protected class status or make defamatory comments. Similarly, employees should not divulge confidential information such as trade secrets, client lists, or information restricted from disclosure by law on social media sites.

Because e-mail, telephone and voicemail, and Internet communication equipment are provided for company business purposes and are critical to the company's success, your communications may be accessed without further notice by IT department administrators and company management to ensure compliance with this guideline.

The electronic communication systems are not secure and may allow inadvertent disclosure, accidental transmission to third parties, etc. Sensitive information should not be sent via unsecured electronic means.

Employees should pay particular care to the use and security of portable electronic devices when used for business-related purposes, such as laptops, tablets, smartphones, and other data storage media, whether provided by the employer or the employee. Lost or stolen portable electronic devices containing company information may cause breaches of security that result in the loss of company

confidential commercial data, the loss of vital research data, the unauthorized disclosure of sensitive employee data, lawsuits against the individual, and lawsuits against the company. Employees should use appropriate password protections for such devices and physically secure them as recommended by IT department administrators.

Office telephones are for business purposes. While the company recognizes that some personal calls are necessary, these should be kept as brief as possible and to a minimum. Personal use of the company's cell phones, long-distance account, or toll-free numbers is strictly prohibited. Abuse of these privileges is subject to corrective action up to and including termination.

The company reserves the right to monitor customer calls to ensure employees abide by company quality guidelines and provide appropriate levels of customer service. Should the subject matter of any telephone conversation become personal while monitoring is taking place, monitoring of the call will immediately be discontinued.

Nothing in this policy is meant to, nor should it be interpreted to, in any way limit your rights under any applicable federal, state, or local laws, including your rights under the NLRA to engage in protected concerted activities with other employees to improve or discuss terms and conditions of employment, such as wages, working conditions, and benefits. Employees have the right to engage in or refrain from such activities.

Credit Card and Reimbursement Policy

This policy will act as an overall guide on expenses, this includes the use of a company credit card or personal card for work related expenses. You should get with your direct supervisor before utilizing your company credit card or expecting reimbursement.

Some employees may be given a credit card to use for authorized company purchases. These employees must read and sign the Simply Southern credit card policy and submit receipts to the Accounts Payable department.

When needed, you may need to use your personal card for work related expenses. These must be approved before purchase is made. Please refer to the reimbursement policy for more details. Only approved purchases will be reimbursed. Receipts need to be submitted to the HR department.

For more information see your manager or the HR department.

Driver Policy

The company provides vehicles for business use to allow employees to drive on company-designated business and to reimburse employees for business use of personal vehicles according to the guidelines below. The company retains the right to amend or terminate this policy at any time. (The term "vehicle," as used in these guidelines, includes, but is not limited to, Jeeps, cars, trucks, and vans.)

1. Employees may not drive any business vehicles without prior approval of their manager. Prior to approving a driver and periodically thereafter, the Human Resources Department may check the employee's driving record. Employees approved to drive on company business are required to inform their manager of any changes that may affect either their legal or physical ability to drive or their continued insurability.
2. Employees holding jobs requiring regular driving for business as an essential job function must, as a condition of employment, be able to meet the driver approval standards of this policy at all times.
3. If possible, company vehicles will be permanently assigned to departments that have demonstrated a continued need for them. Additional vehicles are maintained in a motor pool for use by individual employees, as needed.
4. Employees who need transportation in the course of their normal work may be assigned a company vehicle for their use. All other employees needing transportation for company business may use vehicles assigned to their department or those drawn from the motor pool. As a last alternative, when no company vehicles are available, employees may use their own vehicles for business purposes with prior approval of their manager.
5. Employees who drive a vehicle on company business must, in addition to meeting the approval requirements above, exercise due diligence to drive safely and to maintain the security of the vehicle and its contents. Use of handheld cell phones (including texting) while behind the wheel of a moving vehicle being used on company business is strictly prohibited. Employees are responsible for any driving infractions or fines as a result of their driving.
6. Nonemployees and nonbusiness passengers (i.e., family and friends) are prohibited from riding in company vehicles.

7. Employees who use their personal vehicles for approved business purposes will receive a mileage allowance equal to the Internal Revenue Service optional mileage allowance for such usage. This allowance is to compensate for the cost of gasoline, oil, depreciation, and insurance. Employees who operate personal vehicles for company business should obtain auto liability coverage for bodily injury and property damage with a special endorsement for business use, when necessary, as determined by their personal insurance agent.
8. Employees must report any accident, theft or malicious damage involving a company vehicle to their manager and the Human Resources Department, regardless of the extent of damage or lack of injuries. Such reports must be made as soon as possible but no later than 48 hours after the incident. Employees are expected to cooperate fully with authorities in the event of an accident. However, employees should make no voluntary statement other than in reply to questions of investigating officers.
9. Employees are not permitted, under any circumstances, to operate a company vehicle or a personal vehicle for company business when any physical or mental impairment causes the employee to be unable to drive safely. Additionally, employees shall not operate any company vehicle at any time or operate any personal vehicle while on company business while using or consuming alcohol, illegal drugs or prescription medications that may affect their ability to drive. These prohibitions include circumstances in which the employee is temporarily unable to operate a vehicle safely or legally because of impairment, illness, medication, or intoxication.
10. Employees are expected to take a 30-minute break for every 8 hours of driving time and an 8-hour break for every 14 hours of driving/work related activity.

In addition, any employee who has been authorized to drive a company vehicle on a regular basis must complete the Simply Southern driver's policy agreement. See the HR department for details.

Disciplinary Procedure

Simply Southern expects employees to comply with the company's standards of behavior and performance and to correct any noncompliance with these standards.

Under normal circumstances, the company endorses a policy of progressive discipline in which it attempts to provide employees with notice of deficiencies and an opportunity to improve. It does, however, retain the right to administer discipline in any manner it sees fit. This policy does not modify the status of employees as employees at will or in any way restrict the company's right to bypass the disciplinary procedures suggested.

The following steps provide an outline for the discipline procedure. All steps should be documented in the employee's personnel file.

Step 1: Informal Discussion. When a performance problem is first identified, the nature of the problem and the action necessary to correct it should be thoroughly discussed with the employee.

Step 2: 1st Verbal Warning. If a private informal discussion with the employee has not resulted in corrective action, the manager should meet with the employee and (a) review the problem, (b) permit the employee to present information regarding the problem, (c) advise the employee that the problem must be corrected, (d) and inform the employee that failure to correct the problem will result in further disciplinary action that may include discharge.

Step 3: 1st Written. If satisfactory performance and corrective action are not achieved under Steps 1 and 2, the manager should meet with the employee in private and proceed via (a) through (d) above and issue a reprimand notice to the employee.

Step 4: 2nd Written/Final. Failure to improve performance or behavior after the verbal warning or written incident can result in termination. Managers have the authority to terminate employees, as needed, under these guidelines.

The progressive disciplinary procedures described above also may be applied to an employee who is experiencing a series of unrelated problems involving job performance or behavior.

In cases involving serious misconduct, or any time the manager determines it is necessary, such as a major breach of policy or violation of law, the procedures contained above may be disregarded.

Time Off and Leaves of Absence

Holidays

The company observes and allows time off with pay for the following holidays:

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

Any additional holidays will be designated by the company at the start of each calendar year.

If one of these holidays falls on a Sunday, it will be observed on the following Monday. If the holiday falls on a Saturday, it will be observed on the preceding Friday. The company reserves the right to pay eligible employees in lieu of time off if the holiday falls on Saturday.

Holiday pay. Full-time regular employees are eligible for holiday pay immediately upon joining the company. Part-time and temporary employees, including summer and seasonal employees, are not eligible for holiday pay.

Holiday pay shall be at the employee's regular straight-time rate, inclusive of shift premiums, times the employee's regularly scheduled hours (not to exceed 8 hours).

To receive holiday pay, an eligible nonexempt employee must be at work or taking an approved absence on the workdays immediately preceding and immediately following the day on which the holiday is observed. An approved absence is a day of paid time off. If an employee is absent on 1 or both of these days because of an illness or injury, the company may require verification of the reason for the absence before approving holiday pay.

If a non-exempt employee is asked to work on a holiday, they will be paid for actual hours work in addition to 8 hours of holiday pay. If an exempt employee is asked to work on a holiday, they will be given 8 hours of compensation time to be used at the discretion of their manager.

Paid Time Off

Simply Southern recognizes the importance of time off from work to relax, spend time with family, and enjoy leisure activities. The company provides paid time off to full-time employees for this purpose and employees are encouraged to take time off during the year.

New, full-time, hourly employees start to accrue paid time off at the end of 60 days. Paid time off should be used in the year it is earned. Full-time, hourly employees will be paid out for unused time off at the end of the year. ****Employees may request up to 40 hours of time off not yet earned.****

Full-time employees will accrue paid time off according to the following schedule

Length of Employment	PTO Accrued
1-4 years	96 hours
At the end of 5 years	104 hours
At the end of 6 years	112 hours
At the end of 7 years	120 hours
At the end of 8 years	128 hours
At the end of 9 years	136 hours
At the end of 10 years	144 hours
At the end of 11 years	152 hours
At the end of 12 years	160 hours

(For example, if you are a new, hourly, employee on January 1st, you will need to work the entire months of January and February to start accruing PTO and the entire month of March to earn PTO – on April 1st, you will have earned 8 hours of PTO. You will be allowed to request up to 40 hours of PTO and it will be recorded as 8 hours used and -32 hours used. If you are terminated or leave the company by choice before you have earned those hours, they will be taken out of your last check.)

Salaried employees will start accruing PTO immediately. Salaried employees are permitted to carry over up to 40 hours of accrued time off to the following calendar year. Unused PTO will be forfeited.

Generally, employees should submit PTO plans to their manager at least 2 weeks in advance of the requested time off date. Paid time off may be scheduled in increments of ½ day or 1 full workday. Managers have the right to designate when some or all time off must be taken.

Employees whose employment terminates will be paid for unused vacation time that has accrued during the calendar year of the termination. Time used that was not earned will be deducted from the employee's last check.

Paid time off must be used before time off without pay will be approved. Unpaid time use is at the discretion of the department or store manager.

School Attendance Leave

Simply Southern will grant employees who are parents or guardians of school-age children up to 4 hours of unpaid leave during any 12-month period to participate in activities at their children's school. 48 hours' written advance notice may be required. The leave shall be at a mutually agreed upon time between the employee and their manager. Simply Southern may require verification of the employee's participation in the school activities.

Family and Medical Leave

Simply Southern complies with the federal FMLA, which requires employers to grant unpaid leaves of absence to qualified workers for certain medical and family-related reasons. The company also abides by any state and local leave laws. The more generous of the laws will apply to the employee if the employee is eligible under both federal and state laws.

Please note there are many requirements, qualifications, and exceptions under these laws, and each employee's situation is different. Contact the HR department to discuss options for leave.

The FMLA requires private employers with 50 or more employees and all public agencies, including state, local, and federal employers, and local education agencies (schools) to provide eligible employees up to 12 weeks of unpaid, job-protected leave in any 12-month period for certain family and medical reasons. The 12-month period is a rolling period measured backward from the date an employee

uses any FMLA leave, except for leaves to care for a covered servicemember with a serious illness or injury. For those leaves, the leave entitlement is 26 weeks in a single 12-month period measured forward from the date an employee first takes that type of leave.

Basic leave entitlement. The FMLA requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for the following reasons: (1) for incapacity due to pregnancy, prenatal medical care, or childbirth; (2) to care for the employee's child after birth or placement for adoption or foster care; (3) to care for the employee's spouse, child, or parent who has a serious health condition; or (4) for a serious health condition that makes the employee unable to work.

Military family leave entitlements. Eligible employees with a spouse, child, or parent on active duty or called to active-duty status in the National Guard or Reserves in support of a contingency operation may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include addressing issues that arise from (1) short notice of deployment (limited to up to 7 days of leave); (2) attending certain military events and related activity; (3) arranging child care and school activities; (4) addressing certain financial and legal arrangements; (5) attending certain counseling sessions; (6) spending time with covered military family members on short-term temporary rest and recuperation leave (limited to up to 5 days of leave); (7) attending post deployment reintegration briefings; (8) arranging care for or providing care to a parent who is incapable of self-care; and (9) any additional activities agreed upon by the employer and employee that arise out of the military member's active duty or call to active duty.

The FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered servicemember during a single 12-month period. A covered servicemember is a current member of the armed forces, including a member of the National Guard or reserves, who has a serious injury or illness incurred in the line of duty on active duty that may render the servicemember medically unfit to perform the duties of the servicemember's office, grade, rank, or rating and for which the servicemember is undergoing medical treatment, recuperation, or therapy; is in outpatient status; or is on the temporary disability retired list.

Benefits and protections during FMLA leave. During FMLA leave, the company will maintain the employee's health coverage under any "group health plan" on the same terms as if the employee had continued to work. Upon return from FMLA leave, most employees will be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms. However, an employee on FMLA leave does not have any greater right to reinstatement or to other benefits and conditions of employment than if the employee had been continuously employed during the FMLA leave period.

Certain highly compensated key employees also may be denied reinstatement when necessary to prevent "substantial and grievous economic injury" to the company's operations. A "key" employee is an eligible salaried employee who is among the highest-paid 10 percent of the company's employees within 75 miles of the worksite. Employees will be notified of their status as key employees, when applicable, after they request FMLA leave.

Use of FMLA leave cannot result in the loss of any employment benefit that accrued before the start of an employee's leave.

Employee eligibility. The FMLA defines eligible employees as employees who (1) have worked for the company for at least 12 months; (2) have worked for the company for at least 1,250 hours in the previous 12 months; and (3) work at or report to a worksite that has 50 or more employees or is within 75 miles of company worksites that, taken together, have a total of 50 or more employees.

Definition of "serious health condition." A serious health condition is an illness, an injury, an impairment, or a physical or mental condition that involves either an overnight stay in a medical care facility or continuing treatment by a healthcare provider for a condition that either prevents the employee from performing the functions of the employee's job or prevents the qualified family member from participating in school, work, or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than 3 consecutive calendar days combined with at least 2 visits to a healthcare provider or 1 visit and a regimen of continuing treatment, incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of "continuing treatment."

Use of leave. An employee does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced work schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the employer's operations. Leave due to qualifying exigencies also may be taken on an intermittent or a reduced work schedule basis.

Substitution of paid leave for unpaid leave. Employees may choose or employers may require the use of accrued paid leave while taking FMLA leave. Accordingly, the company requires employees to use any accrued paid vacation, personal, and sick days during an unpaid FMLA leave taken because of the employees' own serious health condition or the serious health condition of a family member or to care for a seriously ill or injured family member in the military. In addition, employees must use any accrued paid vacation or personal days (but not sick days) during FMLA leave taken to care for a newborn or newly placed child or for a qualifying exigency arising out of a family member's active duty or call to active-duty status in support of a contingency operation. In order to use paid leave for FMLA leave, employees must comply with the company's normal paid leave procedures found in its Vacation and Sick Leave policies.

Employee responsibilities. Employees must provide 30 days' advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days' notice is not possible, employees must provide notice as soon as practicable and generally must comply with the company's normal call-in procedures. The company may delay leave to employees who do not provide proper advance notice of the foreseeable need for leave, absent unusual circumstances preventing the notice.

Employees must provide sufficient information for the company to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a healthcare provider, or circumstances supporting the need for military family leave. Employees also must inform the company if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees also are required to provide a certification and periodic recertification supporting the need for leave. The

company also may require a second and, if necessary, a third opinion (at the company's expense) and, when the leave is a result of the employee's own serious health condition, a fitness-for-duty report to return to work. The company also may delay or deny approval of leave for lack of proper medical certification.

Company responsibilities. The company will inform employees requesting leave whether they are eligible under the FMLA. If they are, the notice will specify any additional information required, as well as the employees' rights and responsibilities. If employees are not eligible, the company will provide a reason for the ineligibility.

The company will inform employees if leave will be designated as FMLA-protected and the amount of leave counted against the employees' FMLA leave entitlement. If the company determines that the leave is not FMLA-protected, the company will notify the employees.

Other provisions. Under an exception to the FLSA in the FMLA regulations, hourly amounts may be deducted for unpaid leave from the salary of executive, administrative, and professional employees; outside sales representatives; certain highly skilled computer professionals; and certain highly compensated employees who are exempt from the minimum wage and overtime requirements of the FLSA, without affecting the employees' exempt status. This special exception to the "salary basis" requirements for the FLSA's exemptions extends only to eligible employees' use of FMLA leave.

Employees may not perform work for self-employment or for any other employer during an approved leave of absence, except when the leave is for military or public service or when the company has approved the employment under its Outside Employment policy and the employees' reason for FMLA leave does not preclude the outside employment.

Unlawful acts by employers. The FMLA makes it unlawful for any employer (1) to interfere with, restrain, or deny the exercise of any right provided under the FMLA or (2) to discharge or discriminate against any person for opposing any practice made unlawful by the FMLA or for involvement in any proceeding under or relating to the FMLA.

Enforcement. An employee may file a complaint with the U.S. Department of Labor or may bring a private lawsuit against an employer.

The FMLA does not affect any federal or state law prohibiting discrimination or supersede any state or local law or collective bargaining agreement that provides greater family or medical leave rights.

Military Leave

Simply Southern supports the military obligations of all employees and grants leaves for uniformed service in accordance with applicable federal and state laws. Any employee who needs time off for uniformed service should immediately notify the HR department and the employee's manager, who will provide details regarding the leave. If an employee is unable to provide notice before leaving for uniformed service, a family member should notify the manager as soon as possible.

Upon return from military leave, employees will be granted the same seniority, pay, and benefits as if they had worked continuously. Failure to report for work within the prescribed time after completion of military service will be considered a voluntary termination.

All employees who enter military service may accumulate a total absence of 5 years and still retain employment rights.

Bereavement Leave

All regular, full-time employees may take up to 1 day of paid bereavement leave upon the death of a member of their immediate family. "Immediate family members" are defined as an employee's spouse, domestic partner, parents, stepparents, siblings, children, stepchildren, grandparent, parent-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, or grandchild.

The company may require verification of the need for the leave. The employee's manager and HR department will consider this time off on a case-by-case basis.

Payment for bereavement leave is computed at the regular hourly rate to a maximum of 8 hours for 1 day. Time off granted in accordance with this policy shall not be credited as time worked for the purpose of computing overtime.

Additional unpaid time off is at the discretion of the department or store manager.

Jury Duty/Court Appearance

The company supports employees in their civic duty to serve on a jury. Employees must present any summons to jury duty to their manager as soon as possible after receiving the notice to allow advance planning for an employee's absence.

Employees will be paid for 1 day of jury duty service at their regular rate of pay. All employees may use any accrued time off if required to serve more than 2 weeks on a jury.

If an employee is released from jury duty after 4 hours or less of service, the employee is expected to report to work for the remainder of that workday.

Time for appearance in court for personal business will be the individual employee's responsibility. Normally, paid time off will be used for this purpose.

Time Off for Voting

Simply Southern recognizes that voting is a right and privilege of being a citizen of the United States and encourages employees to exercise their right to vote. In almost all cases, you will have sufficient time outside working hours to vote. If for any reason you think this won't be the case, contact your manager to discuss scheduling accommodations.

Employee Benefits

Simply Southern recognizes the value of benefits to employees and their families. The company supports employees by offering a comprehensive and competitive benefits program. For more information regarding benefit programs, please contact the HR department. To the extent the information provided here conflicts with the Summary Plan Description or full plan document, the full plan document will control.

Medical, Dental, and Vision Insurance

Full-time employees working 30 hours or more per week are eligible for insurance on the first of the month following 60 days of service. To keep coverage in force, every insured employee must work a minimum of 30 hours per week.

Group Life Insurance

Simply Southern provides life insurance for full-time employees who work a minimum of 30 hours per week. Employees are eligible for this benefit on the first of the month following 60 days of service. The life benefit is \$25,000.00. The cost of this coverage is paid for in full by the company.

Short-Term Disability

Short-term disability is offered to full-time employees working a minimum of 30 hours per week. Employees are eligible for this benefit on the first of the month following 60 days of service. Short-term disability is meant to bridge the 90-day period until long-term disability can cover an employee. If an employee becomes disabled and cannot work for a short period of time, this coverage pays 60 percent of the employee's salary, up to the policy limits. This is a guaranteed benefit, and the cost of this coverage is paid for in full by the company. In addition, employees will not be paid for approved absences covered by the company's program, except to supplement the short-term disability benefits.

Short-term disability benefits may run concurrently with FMLA leave and/or any other leave where permitted by state and federal law.

Long-Term Disability

Long-term disability benefits are offered to full-time employees working a minimum of 30 hours per week. If an employee becomes totally disabled and cannot work for an extended period of time, this coverage pays 60 percent of the employee's salary, up to the policy limits. This is a guaranteed benefit, and the cost of this coverage is paid for in full by the company.

Long-term disability benefits will run concurrently with FMLA leave and/or any other leave where permitted by state and federal law.

Voluntary Life Insurance

Simply Southern provides voluntary life insurance for full-time employees who work a minimum of 30 hours per week. Employees are eligible for this benefit on the first of the month following 60 days of service. This is a voluntary benefit and is funded solely by the employee.

401(k) Plan

Simply Southern recognizes the importance of saving for retirement and offers eligible employees a 401(k) plan.

Eligibility, vesting, and all other matters relating to these plans are explained in the SPD that can be obtained from HR.

Workers' Compensation

Workers' compensation is a "no-fault" system that provides compensation for medical expenses and wage losses to employees who are injured or who become ill because of employment. Simply Southern pays the entire cost of workers' compensation insurance. The insurance provides coverage for related medical and rehabilitation expenses and a portion of lost wages to employees who sustain an injury on the job.

The company abides by all applicable state workers' compensation laws and regulations. If an employee sustains a job-related injury or illness, it is important to notify the supervisor and HR immediately. The supervisor will complete an injury report with input from the employee and return the form to the HR department. HR will file the claim with the insurance company. In cases of true medical emergencies, report to the nearest emergency room.

Workers' compensation benefits (paid or unpaid) will run concurrently with FMLA leave, if applicable, where permitted by state and federal law. In addition, employees will not be paid for approved absences covered by the company's workers' compensation program, except to supplement the workers' compensation benefits such as when the plan only covers a portion of the employees' salary as allowed by state law.

Employee Assistance Program

The employee assistance program (EAP) is a resource designed to provide highly confidential and experienced help for employees in dealing with issues that affect their lives and the quality of their job performance. Simply Southern wants employees to be able to maintain a healthy balance of work and family that allows them to enjoy life. The EAP is a confidential counseling and referral service that can help employees successfully deal with life's challenges.

This free, comprehensive counseling service offers employees three visits per issue each year and a 24-hour hotline answered by professional, degreed counselors. For legal or financial issues, employees receive a 25 percent discount on any services that might be needed.

The company encourages employees to use this valuable service whenever they have such a need. Employees who choose to use these counseling services are assured the information disclosed in their sessions is confidential and not available to the company, and the company is not given any information on who chooses to use the services. For questions or additional information about this program, employees may contact the HR department.

EMPLOYEE HANDBOOK ACKNOWLEDGMENT AND RECEIPT

I hereby acknowledge receipt of the employee handbook of Simply Southern. I understand and agree that it is my responsibility to read and comply with the policies in the handbook.

I understand that the handbook and all other written and oral materials provided to me are intended for informational purposes only. The handbook, company practices, and other communications do not create an employment contract or term. I understand that the policies and benefits, both in the handbook and those communicated to me in any other fashion, are subject to interpretation, review, removal, and change by management at any time without notice.

I further understand that I am an at-will employee and that neither this document nor any other communication shall bind the company to employ me now or hereafter and that my employment may be terminated by me or the company without reason at any time. I understand that no representative of the company has any authority to enter into any agreement for employment for any specified period of time or to assure any other personnel action or to assure any benefits or terms or conditions of employment or make any agreement contrary to the foregoing.

I also understand and agree that this agreement may not be modified orally and that only the president of the company may make a commitment for employment. I also understand that if such an agreement is made, it must be in writing and signed by the president of the company.

Employee's Name in Print

Signature of Employee

Date Signed by Employee

TO BE PLACED IN EMPLOYEE'S PERSONNEL FILE

EMPLOYEE ACKNOWLEDGMENT AND RECEIPT OF HARASSMENT POLICY

I have read and understand the company's Harassment Policy. My signature below confirms my knowledge, acceptance, and agreement to comply with the policy.

Employee's Name in Print

Signature of Employee

Date Signed by Employee

TO BE PLACED IN EMPLOYEE'S PERSONNEL FILE