



WELCOME to LifeStyles Stores, Inc. We believe that each employee contributes directly to LifeStyles' growth and success and we hope that you will take pride in being a member of our team.

This Personnel Manual was developed to describe some of the expectations we have of our employees and to outline the policies, programs and benefits available to eligible employees. You should familiarize yourself with the contents of this manual, for it will answer many of the questions you may have about LifeStyles Stores, Inc.

We hope that your experience with LifeStyles will be challenging, enjoyable and rewarding.



Employee Relations

We believe that the work conditions, wages, and benefits we offer to Lifestyles employees are competitive with those offered by other employers in this area and in this industry. If you have concerns about work conditions or compensation, we strongly encourage you to express these concerns openly and directly to your supervisor.

Your wages and payroll information are confidential and should not be shared with others. In the event an employee shares, or in anyway makes known, payroll information about themselves or others, that employee may be subject to immediate termination.

Our experience has shown that when employees deal openly and directly with management, the work environment can be excellent, communications can be clear, and attitudes can be positive. We believe that Lifestyles fully demonstrates its commitment to employees by responding effectively to employee concerns.

Equal Employment Opportunity

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at Lifestyles will be based on performance, qualifications, and abilities. Lifestyles does not discriminate in employment opportunities or practices on the basis of race, color, religion, sex, national origin, age, or any other characteristic protected by law.

Our Equal Employment Opportunity policy governs all employment practices, including selection, job assignment, compensation, discipline, termination, and access to benefits and training.

Any employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of their immediate supervisor. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including termination of employment.

Business Ethics and Conduct

The successful business operation and reputation of Lifestyles Stores, Inc. is built upon the principles of fair dealing and ethical conduct of our employees. Our reputation for integrity and excellence requires careful observance of the spirit and letter of all applicable laws and regulations, as well as the scrupulous regard for the highest standards of conduct and personal integrity.

Our continued success depends on our customers' trust. Employees owe a duty to Lifestyles, our customers, and owners to act in ways that will earn the continued trust and confidence of the public.

Lifestyles will comply with all applicable laws and regulations. We expect all directors, officers, and employees to conduct business in accordance with the letter, spirit, and intent of all relevant laws and to not do anything that is illegal, dishonest, or unethical.

In general, the use of good judgment, based on high ethical principles, will guide you with respect to lines of acceptable conduct. However, if you are not sure if an action is ethical or proper, you should discuss the matter openly with your supervisor.

It is the responsibility of every Lifestyles' employee to comply with our policy of business ethics and conduct. Employees, who ignore or do not comply with this standard of business ethics and

conduct, may be subject to disciplinary action, up to and including possible termination of employment.

Outside Employment

An employee may hold a job with another organization as long as he or she satisfactorily performs his or her job responsibilities with LifeStyles Stores, Inc. All employees will be judged by the same performance standards and will be subject to LifeStyles' scheduling demands, regardless of any existing outside work requirements.

If LifeStyles determines that an employee's outside work interferes with performance and or the ability to meet the requirements of the company, as they are modified from time to time, the employee may be asked to terminate the outside employment if he or she wishes to remain with LifeStyles Stores, Inc.

Outside employment in a field or industry similar to LifeStyles' will present a conflict of interest. Therefore, this type of outside employment is prohibited while employed by LifeStyles Stores, Inc.

Employment Categories

It is the intent of Lifestyles to clarify the definitions of employment classifications so that employees understand their employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time. You became an employee at Lifestyles voluntarily and your employment is at will. "At will" means that you may terminate your employment at any time, with or without cause or advance notice. Likewise, "at will" means that Lifestyles may terminate your employment at any time, with or without cause or advance notice, as long as we do not violate federal or state laws.

Depending on your job, you are either NONEXEMPT or EXEMPT from federal and state wage and hour laws. If you are a NONEXEMPT employee, you are entitled to overtime pay under the specific provisions of federal and state laws. If you are an EXEMPT employee, you are excluded from specific provisions of federal and state wage and hour laws. Your EXEMPT or NONEXEMPT classification may be changed only with written notification by Lifestyles management.

In addition to being a Nonexempt or Exempt employee, you also belong to one of the following employment categories:

REGULAR FULL-TIME employees are employees who are not in a probationary status AND who are regularly scheduled to work at least 35 hours per week. In most cases, regular full-time employees are eligible for all of Lifestyles' benefit programs, subject to the terms, conditions, and limitations of each benefit program.

REGULAR PART-TIME employees are those that are not in a probationary status AND are regularly scheduled to work less than 35 hours per week but more than 25. Regular part-time employees maybe eligible for some of Lifestyles' benefit programs, subject to the terms, conditions, and limitations of each benefit program. Part-time employees who are scheduled or actually work and average of 25 hours or less per week are not entitled to any of LifeStyles benefits beyond those required by law.

PROBATIONARY employees are those whose performance is being evaluated to determine whether further employment in a specific position or with Lifestyles is appropriate. All new employees initially are on PROBATION for a period of 90 days. Employees, whose performance or conduct is in question, upon being informed of such, may be put on

probationary status of a period to be determined by their supervisor.

Personnel Data Changes

It is important that Lifestyles have certain personal information about you in our records. You need to tell us as soon as there is a change to your mailing address, telephone numbers, marital status, dependents' information, educational accomplishments, and other possibly related information. We also need to have information about who to contact in case of an emergency. To change your personal information or if you have questions about what information is required, contact the Accounting Manager.

Probationary Period

Lifestyles has a probationary period for all new or rehired employees including those acquired employees through merger or acquisition. During the probationary period, we will evaluate your work habits and abilities to make sure that you can perform your job satisfactorily. The probationary period also gives you time to decide if the new job meets your expectations.

Your employment with Lifestyles is voluntary and at will, you may terminate your employment at any time during or after the probationary period, with or without cause or advance notice. Likewise, Lifestyles may also terminate your employment at any time during or after the probationary period, with or without cause or advance notice.

The probationary period for all new, rehired or acquired employees is the first 90 calendar days after their hire date. If you are promoted or transferred within Lifestyles, you will be asked to complete a secondary probationary period of the same length when you start the new position.

If you are absent for a significant amount of time during your probationary period, the length of the absence will automatically extend the probationary period. We may also extend the probationary period if we decide it was not long enough to evaluate your performance. This could happen either during or at the end of the probationary period.

If you go through a secondary probationary period because of a promotion or transfer, and it appears that you are not performing satisfactorily in the new job, you may be removed from the new job. If this happens, you may be allowed to return to your former job or to a comparable job for which you are qualified. This will depend on our business needs and whether a comparable job is available.

When employees satisfactorily complete the first probationary period, they are assigned to the "regular" employment classification.

Employment Applications

We rely on the accuracy of the information you put on your employment application. We also expect that you and your references give accurate and true information during the hiring process and employment. If we find that any information is misleading, false, or was left out on purpose, we may reject an applicant from further consideration. If the person was already hired, it could result in termination of employment.

Performance Evaluations

We encourage you and your supervisor to discuss job performance and goals on an informal, day-to-day basis. In addition, from time to time, you and your supervisor will have formal performance evaluations to discuss your work and goals, to identify and correct weaknesses, and to encourage and recognize your strengths.

Merit-based and cost of living pay adjustments are occasionally awarded by LifeStyles Stores, Inc. in an effort to recognize truly superior employee performance. The decision to award such adjustments is dependent upon numerous factors and never guaranteed.

Employee Benefits

Eligible employees at Lifestyles are provided a wide range of benefits. Some benefits are required by law and cover all employees. The legally required benefits include Social Security, workers' compensation, state disability, and unemployment insurance.

Benefits eligibility is dependent upon a variety of factors including employee classification. Your supervisor can identify the programs for which you are eligible.

The following benefit programs are available to REGULAR FULL-TIME EMPLOYEES:

- Simple IRA
- Bereavement Leave
- Health Insurance
- Holiday Pay
- Jury Duty Leave
- Paid Time off (PTO)
- Voting Time Off
- Employee Purchase Discounts

Some benefit programs require contributions from the employee, but most are fully paid by Lifestyles. LifeStyles Stores, Inc. reserves the right to change these benefits at any time.

Holidays

Lifestyles will grant holiday time off to all non-probationary employees on the holidays listed below:

- Easter, if your location is usually open on Sundays.
- New Year's Day (January 1)
- Independence Day (July 4)
- Thanksgiving (fourth Thursday in November)
- Christmas (December 25)

Holiday pay will be calculated at your straight-time pay rate as of that holiday multiplied by the number of hours you would normally have worked that day.

Employees in the following employment classifications are eligible for holiday time off after 90 days of employment:

- Regular full-time employees.
- Regular part-time employees who work an average of 25 hours or more.

If a recognized holiday falls during an eligible employee's paid absence (such as paid time-off), holiday pay will be provided instead of the paid time off benefit that would have otherwise have applied

If eligible nonexempt employees work on a recognized holiday, they will receive holiday pay plus their wages at their straight-time rate for the hours they worked on the holiday.

If a holiday falls on an employee's "regularly" scheduled day off, the employee will be paid for the holiday at their straight-time rate. Although Memorial Day and Labor Day are not paid

holidays, employees, will be paid time-and-a-half (1-1/2) their regular wage rate for working on these days. In all cases, commissioned employees will NOT receive additional compensation for working these holidays.

We do not count holiday paid time off as hours worked when calculating overtime.

Workers' Compensation Insurance

Lifestyles provides a comprehensive workers' compensation insurance program at no cost to employees. This program covers any injury or illness sustained in the course of employment that requires medical, surgical, or hospital treatment. Subject to legal requirements, workers' compensation insurance begins after a short waiting period, or if you are hospitalized, the benefits begin immediately.

It is mandatory that you tell your supervisor immediately about any work-related injury or illness, regardless of how minor it might seem at the time. Prompt reporting helps to make sure that you qualify for coverage as quickly as possible.

Workers' compensation covers only work-related injuries and illnesses. Neither Lifestyles nor its insurance carrier will pay workers' compensation benefits for injuries that might happen if you voluntarily participate in an off-duty recreational, social, or athletic activity that we might sponsor.

Time Off to Vote

Lifestyles encourages employees to fulfill their civic responsibilities by participating in elections. If it is impossible for you to vote before work or after work, we will give you up to 1.5 hours non-paid time off to vote during working hours. If you need time off to vote, see your supervisor for the time off at least two days before the Election Day.

Bereavement Leave

Lifestyles provides bereavement leave to employees who need to take time off because an immediate family member died. To ask for bereavement leave, see your supervisor.

Up to 16 hours of paid bereavement leave will be provided to eligible regular full-time employees and up to 8 hours to eligible regular part-time employees who work at least 25 hours per week.

Bereavement pay is calculated based on the base pay rate at the time of absence and will not include any special forms of pay, such as incentives, commissions, bonuses, or shift differentials.

Bereavement leave will normally be granted unless there are unusual business needs or staffing requirements. Employees may, with their supervisor's approval, use any available paid leave for additional time off as necessary.

Lifestyles defines "immediate family" as the employees' spouse, parent, child, grandparent, and sibling; the employee's spouse's parent, child, grandparent or sibling; the employee's child's spouse, grandparent or grandchildren.

Jury Duty

Lifestyles encourages you to fulfill your civic responsibilities by serving jury duty when required. Employees who have completed a minimum 90 calendar days of service in an eligible classification may request up to 1 week of paid jury duty leave over any 1-year period.

Jury duty pay will be calculated on the employee's base rate of pay times the number of hours you would otherwise have worked on the day of absence. Employees in the following classifications are eligible for paid jury duty leave:

- Regular full-time employees
- Regular part-time employees who work an average of 25 hours or more.

If employees are required to serve jury duty beyond the period of paid jury duty leave, they may use any available paid time off or may request an unpaid jury duty leave of absence.

Employees must show the jury duty summons to their supervisor as soon as possible so that the supervisor can make arrangements to accommodate their absence. Of course, employees are expected to report for work whenever the court schedule permits.

Subject to the terms, conditions, and limitations of the applicable plans, Lifestyles will continue to provide health insurance benefits for the full period of unpaid jury duty leave.

Benefits Continuation (COBRA)

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) helps employees and their dependents to continue their health insurance even if they are no longer eligible under our health plan. There are strict rules about when you can use COBRA. COBRA lets an eligible employee and dependents choose to continue their health insurance when a "qualifying event" happens. Qualifying events include the employee's resignation, termination, leave of absence, shorter work hours, divorce, legal separation, or death. Another qualifying event is when a dependent child stops being eligible for coverage under your health insurance.

If you continue your insurance under COBRA, you will pay the full cost of the insurance at Lifestyles' group rates plus an administration fee of 2%. Lifestyles provides each eligible employee with a written notice describing your COBRA rights.

Paid Time Off (PTO)

Paid Time Off (PTO) is an all-purpose time-off policy for eligible employees to use for vacation, illness or injury, and personal business. It combines traditional vacation and sick leave plans into one flexible, paid time-off policy. Regular full-time employees are eligible to earn and use PTO as described in this policy.

Once employees enter an eligible employment classification, they begin to earn PTO according to the schedule below. Earned PTO is available for use in the period following its accrual.

Regular full-time employees:

- After 1 year of continued service, a regular full-time employee is entitled to two weeks of PTO.
- After 2 years of continued service a regular full-time employee is entitled to three weeks of PTO.
- After 8 years of continued service a regular full-time employee is entitled to four weeks of PTO.
- After 15 years of continued service a regular full-time employee is entitled to five weeks of PTO.

Employees' PTO will be calculated based on the average number of hours worked over the previous benefit year.

Regular part-time employees who work an average less than 25 hours per week are not offered PTO benefits.

The length of service is calculated on the basis of a "benefit" year. This is the 12-month period

that begins when the employee begins employment. An employee's benefit year may be extended for any significant leave of absence except military leave. Military leave has no effect on this calculation.

PTO can be used in minimum increments of 1 hour. Employees who have an unexpected need to be absent from work should notify their direct supervisor before the scheduled start of their workday. The direct supervisor must also be contacted on each additional day of unexpected absence.

PTO is paid at the employee's base rate at the time of absence. It does not include overtime or any special forms of compensation such as incentives, commissions, bonuses or shift differentials.

In the event that an employee is scheduled to work but is unable to work, any available PTO hours will be paid for those missed hours, regardless of whether the PTO was requested.

In the event that available PTO is not used by the end of each benefit year, employees will be compensated for the remaining (unused) PTO hours calculated at their straight-time rate. Terminated employees, or employees who voluntarily resign without giving a minimum of two week's advance notice of resignation, will be paid for unused PTO that has been earned at a rate equal to one-half (50%) of the remaining (unused) PTO hours calculated at their straight-time rate.

It is the employee's responsibility to inform their manager when PTO hours are used.

Snow Day Updated January, 2024

Occasionally it may be necessary to close the store(s) early or not open at all due to the weather. In the event employee incurs a loss of work hours as a result of this, the employees shall be entitled to "make up" the hours by working additional hours during the next two time periods. However, at no time should the employee make up additional hours that would require the company to pay overtime.

Disability Pay

Under certain circumstances, employees in good standing and with at least 15 years of ongoing employment with the company may be eligible to receive continued pay with limited benefits for a period of up to six months' during a disability leave of absence. Disability Pay is calculated at the employee's base rate of pay, exclusive of any commissions, bonuses or benefits' value.

Health Insurance

Our health insurance plan offers medical benefits to eligible employees. Employees in the following employment classifications are eligible to enroll in the health insurance plan:

- Regular full-time employees

The eligible employees can enroll in the health insurance plan subject to the terms and conditions of the agreement between Lifestyles and its insurance carrier. In general, LifeStyles will pay, on the employee's behalf, his or her individual medical insurance premium as long as the employee remains in good status with the company and works at least 35 hours per week. If the employee so chooses, dependent coverage is available through the company's insurance carrier. The dependent premium will be deducted from the employee's paycheck.

- Regular part-time employees who work at least 25 hours or more per week

The eligible employees can enroll in the health insurance plan subject to the terms and conditions of the agreement between Lifestyles and its insurance carrier. In general, LifeStyles will pay, on the employee's behalf, one-half (50%) of his or her individual medical insurance premiums as long as the employee remains in good status with the company. If the employee so chooses, dependent coverage is available through the company's insurance carrier. The any premiums will be deducted from the employee's paycheck.

If you are enrolled in the health insurance plan and change to an employment classification that would make you no longer eligible, you may be able to continue your health care benefits under the Consolidated Omnibus Budget Reconciliation Act (COBRA). See the Benefits Continuation (COBRA) Policy in this handbook for more information.

LifeStyles Stores, Inc. may, on occasion, change insurance underwriters (companies), which may or may not affect the specific terms of coverage, deductibles, co-pays and premiums. Under such circumstances, LifeStyles is NOT responsible for any additional employee-paid costs that occur. In addition, LifeStyles Stores, Inc. reserves the right to reduce or eliminate medical benefits at will, upon providing all affected employees 60 days written notice of such.

Simple IRA

Lifestyles offers a Simple IRA savings plan to help Regular full-time employees save for the future retirement years.

To be eligible to join our Simple IRA savings plan, you must have completed 12 months of service and be 21 years of age or older. Once you have completed the 12 months of service, you will only be able to join the plan during the open enrollment period. When you are eligible, you may participate in the Simple IRA plan subject to all the terms and conditions of the plan.

Contributions to the Simple IRA are at the individual discretion of each eligible employee, not to exceed the current federal tax limit. Decisions on plan investments are also at the discretion of each eligible employee. Currently, Lifestyles will contribute dollar for dollar matching amounts to each employee's Simple IRA up to a limit of 3% of gross, not to exceed the current federal tax limit. From time to time, and without notice, LifeStyles retains the right to decrease the employer contribution rate down to 1%.

Employee Purchases

Employees may purchase merchandise from LifeStyles Stores, Inc. at a price that is significantly below retail. All purchases must be processed through the "Employee Purchase" account and is intended for employees and their immediate family only. Employees are not allowed to "write-up" their own sales, nor are they allowed to apply payment to their own sale. In all cases, a second employee should handle the invoice process. Any misuse of employee purchases may result in the discontinuance of said benefit as well as disciplinary action, up to and including termination of employment. Resale of merchandise purchased using this benefit is grounds for immediate termination.

Timekeeping

All employees, including store and department managers are responsible for accurately recording the hours they work. Federal and state laws require Lifestyles to keep accurate records of "time worked" in order to correctly calculate employee pay and benefits. "Time worked" means all the time that nonexempt employees spend performing their assigned work.

Employees are required in all cases to accurately record via time clock, the time they begin and

end their work, as well as the beginning and ending time of each meal period. Departure from work for personal reasons must also be documented. Overtime hours must always be approved prior to it being performed.

Altering, falsifying, tampering with time records, failure to punch-in or punch-out accurately, or recording time on another employee's time record will result in disciplinary action, up to and including termination of employment.

If corrections or changes are made to the time record, both employee and immediate supervisor must initial the changes on the time record.

Work Schedules

There are different work schedules at Lifestyles. Your supervisor will tell you about your work schedule. Our staffing needs and work demands may require that we change the starting and ending times of work schedules. We may also need to change the number of work hours that are scheduled each day and week.

At no time are employees "guaranteed" a specific work schedule or number of hours.

Paydays

All employees are paid biweekly. Each paycheck will include earnings for all work performed through the end of the previous payroll pay period. In the event, a regular payday falls during an employee's paid time off (PTO); the employee's paycheck will be available upon his return from PTO. If a pay period falls on a weekend or holiday, paychecks will be available on the first day of work after that payday.

LifeStyles Stores, Inc. does NOT advance employee's pay. In the event an employee, for compelling reasons, needs to be paid between regularly scheduled pay periods, the company, at its discretion, may issue a paycheck for a partial pay period limited to the amount of actual time worked.

Pay Corrections

LifeStyles takes all reasonable steps to ensure that employees receive the correct amount of pay in each paycheck and those employees are paid promptly on the scheduled payday. In the unlikely event that there is an error in the amount of pay, the employee should promptly bring the discrepancy to the attention of the payroll department so that corrections can be made.

Unless the pay discrepancy is significant, the correction will be made on the employee's next scheduled paycheck.

Safety

Our workplace safety is a top priority at Lifestyles. We want Lifestyles to be a safe and healthy place for employees, customers, and visitors. The Operations Manager is responsible for implementing, administering, monitoring, and evaluating the safety program. A successful safety program depends on everyone being alert and committed to safety.

Some of the best safety improvement ideas come from employees. If you have an idea, concern, or suggestion on how to improve safety in the workplace, tell your supervisor, another supervisor, or the Operations Manager. Employees can report any concerns about workplace safety anonymously and without fear of reprisal.

You are expected to obey all safety rules. You must immediately report any unsafe condition to

the appropriate supervisor. If you violate Lifestyles safety standards, you may be subject to disciplinary action, up to and including termination of employment. Violations include causing a hazardous or dangerous situation, not reporting a hazardous or dangerous situation, and not correcting a problem even though you could have corrected it.

It is very important that you tell your supervisor immediately about any accident that causes an injury, no matter how minor.

Employment Termination

There can be many reasons why employment may terminate. The following are examples of infractions of rules of conduct that may result in disciplinary action, up to and including termination of employment:

- Dishonesty
- Theft or inappropriate removal or possession of company property
- Delivering store merchandise to individuals without proper sales documentation or payment.
- Falsification of timekeeping records.
- Working under the influence of alcohol or illegal drugs.
- Fighting or threatening violence in the workplace.
- Negligence or improper conduct leading to damage of company or customer owned property.
- Insubordination or other disrespectful conduct.
- Excessive absenteeism or any absence without notice.
- Sexual Harassment.
- Unauthorized use of phones, email, mail, computer or other company owned equipment.
- Unauthorized disclosure of business "secrets" or confidential information.
- Violation of personnel policies.
- Unsatisfactory performance or conduct.

Your employment with Lifestyles is voluntary and at will, you may terminate your employment at any time, with or without cause or advance notice. Likewise, Lifestyles may terminate your employment at any time, with or without cause or advance notice.

Sexual Harassment

LifeStyles recognizes the dignity of the individual employee and the right of employees to work in an environment that is free of intimidation and harassment. Such intimidation or harassment based on sex, race, color, religion, national origin, age, physical or mental disability is not only a violation company policy, but also constitutes illegal employment discrimination. Because sexual harassment seriously undermines the integrity of the work place and adversely affects employee morale, it is unacceptable and will not be tolerated. In addition, it is considered grounds for disciplinary action up to and including immediate termination of employment.

Unwelcome sexual conduct is sexual harassment when submission to such conduct is expressly or implicitly made a term or condition of employment. In addition, sexual harassment is unwelcome sexual conduct that unreasonably interferes with an individual's work performance or creates an intimidating, hostile or offensive working environment. Some conduct, which is not sexual in nature, may still create a sexually hostile work environment if it is based on the victim's gender.

As an employee of the company, you are required to report any possible sexual harassment that you may have experienced or to which you have witnessed to your supervisor. In the event your supervisor is involved in the sexual harassment, you should report it to his/her supervisor.

Drug and Alcohol

Lifestyles Stores, Inc. desires to provide a safe and drug free environment to its customers and employees. With this goal in mind, and in recognition of the serious problems associated with alcohol and drug abuse in the workplace, Lifestyles has adopted for its current and future employees a drug and alcohol testing policy. Lifestyles' policy prohibits any employee from reporting to work, or remaining on duty, with ANY detectable level of alcohol or illicit drugs in their bodies.

Lifestyles has chosen to adopt a "no detectable level" standard - rather than a standard based upon perceived intoxication and/or levels above a certain permissible limit. All employees should be on notice that, if they choose to use illicit drugs or engage in the habitual use of alcohol (even during off-duty hours), they are likely to report to work with detectable levels of such substances - and severe disciplinary action will be taken against them for violation of Lifestyles' drug/alcohol policy.

To ensure worker and customer safety, all employees who take prescribed drugs which may affect their mental or physical alertness are required to report such information to their supervisor, in order to obtain clearance to work while using such prescribed medications. Details of this policy are set forth below.

It is the policy of Lifestyles to immediately discharge any employee who has any non-prescribed controlled substance in his/her possession on Company property; who transfers or sells any such substance to another person on Company property; or who accepts or purchases any such substance on Company property. It likewise is the policy of Lifestyles to discharge any employee who has alcohol in his possession on Company property (except for unopened containers kept at all times in trunk of the employee's locked personal vehicle). For the purposes of this Policy, Company property includes any vehicle owned by Lifestyles or used by a Lifestyle employee while working on behalf of Lifestyles.

Drug and Alcohol Testing*

Lifestyles will conduct testing of employees and applicants under the following circumstances. Refusal of any employee or applicant to participate in such testing shall be considered grounds for termination

All applicants are offered employment conditioned upon their successful passing of a drug/alcohol test. Failure to submit to such testing shall be grounds for refusal of employment. If the test shows a positive result for presence of drugs or alcohol, and such test results are confirmed, then such test results shall be grounds for refusal of employment.

Whenever Lifestyles' management has a reasonable suspicion that an employee has violated this policy of the Company, Lifestyles reserves the right to insist that the employee submit to a drug/alcohol test as a condition of employment. "Reasonable suspicion" means a belief that the employee has used, or is using, drugs/alcohol in violation of this Company policy, based upon such factors as: observable phenomena, such as display of physical symptoms of usage of such substances while on duty or actual observation of such usage; reliable and corroborated reports by others.

Whenever the employee has been involved in a work-related injury to himself or a coworker or has damaged Company property, Lifestyles reserves the right to require that the employee submit to a drug/alcohol test as a condition of continued employment.

In addition to testing based upon reasonable suspicion, Lifestyles reserves the right to randomly test employees for compliance with its policy. Lifestyles further reserves the right to conduct periodic drug/alcohol testing on a regularly scheduled basis for employees in designated departments, classifications or work groups. Normally, such testing will not be scheduled more often than annually.

* More details about your rights as an employee, testing methods, and LifeStyles' employee assistance program can be obtained from the payroll department.

Smoking

Lifestyles prohibits smoking, vaping and the use of other tobacco products throughout the workplace. This policy applies equally to all employees as well as to our customers and visitors. From time to time, cigar smoking within designated areas of the office may be permitted.

Rest and Meal Periods

If you are a full-time nonexempt employee, you will have 2 rest periods of 10 minutes in length each workday. When possible, rest periods will be scheduled in the middle of work periods. Because rest time is counted and paid as time you worked, you must not be absent from your workstation longer than the rest period allows.

All regular full-time employees will have one meal period of 30 - 60 minutes in length each workday. Your supervisor will schedule your meal period to accommodate operating requirements. During meal periods, you are not subject to any work responsibilities or restrictions. Unless otherwise authorized by your supervisor, all employees who work more than 7 hours in one day are required to take a 30 minute, off the clock, meal breaks. All meal periods must be recorded on the employee's timecard, unrecorded meal breaks will be counted as 60 minutes.

Overtime

There may be times when Lifestyles cannot meet its operating requirements or other needs during regular working hours. If this happens, we may schedule employees to work overtime hours. When possible, we will try to give you advance warning of a mandatory overtime assignment.

It is our policy that no overtime can be worked without the approval and authorization of the supervisor. From time to time, it may be necessary for an employee to adjust their schedule to make up (reduce time worked) for overtime hours that may accrue during a pay period. We try to distribute overtime assignments fairly among all employees who are qualified to perform the required work.

Nonexempt employees will receive overtime pay in accordance with the federal and state wage and hour laws. Overtime pay is based on the actual hours worked. For this reason, time off for PTO, holidays and other paid or unpaid leaves of absence is not counted as hours worked when calculating overtime pay.

Use of Equipment and Vehicles

Equipment and vehicles essential in accomplishing your job duties are expensive and may be difficult to replace. When you use Lifestyles property, you should be careful, perform required maintenance, and follow all operating instructions, safety standards, and guidelines.

Company equipment and vehicles are not to be used for personal business.

Employees are required to tell their supervisor if any equipment, machines, tools, or vehicles appear to be damaged, defective, or in need of repair. When you promptly report damages, defects, and the need for repairs, you can prevent deterioration of equipment and possible injury to employees or other people.

See your supervisor if you have questions about your responsibility for maintenance and care of equipment or vehicles you use on the job. Generally, it is the responsibility of the user to arrange for any scheduled or needed maintenance. All truck drivers are required to follow proper maintenance schedules for the vehicles they generally drive.

The improper, careless, negligent, destructive, or unsafe use or operation of equipment or vehicles, as well as excessive or avoidable traffic and parking violations, may result in disciplinary action, up to and including termination of employment. In the event an employee damages company property or vehicle as a result of negligent or illegal behavior, that employee shall be held financially responsible for such damages. In some cases, the company may withhold or deduct reimbursement of damages from the employee's pay.

Injuries or damages that may occur as a result of an employee knowingly using unsafe or defective equipment, machines, tools or vehicles are the full responsibility of that employee. LifeStyles Stores Inc. will not be held liable or responsible for such actions or consequences resulting thereof.

Visitors in the Workplace

As a family-owned business, we understand the value of friends and relatives, however family and friends of employees are discouraged from visiting on a regular basis.

All visitors should enter Lifestyles through the front door. If you have visitors, you are responsible for their conduct and to watch out for their safety.

Telephone, Computer and Email Usage

Personal use of the telephone for long-distance and toll calls is not permitted. Employees should practice discretion when making personal calls on company equipment. We understand the need to communicate periodically with family members; however personal phone calls should be kept to a minimum and brief.

The use of LifeStyles' paid postage (stamps and envelopes) for personal correspondence is prohibited.

To help you do your job, Lifestyles may give you access to computers, computer files, the email system, and software. You should not use a password, access a file, or retrieve any stored communication without authorization. To make sure that all employees follow this policy, we may monitor computer and email usage. At Lifestyles, you may not display, download, or email sexually explicit images, messages, and cartoons. You also may not use computers and email for ethnic slurs, racial comments, off-color jokes, or anything that another person might take as harassment or disrespectful. Email systems are for LifeStyles business use only.

Cell phones: Personal cell phones are not to be used while on the clock, this includes texting, checking Facebook, email and any other type of cell phone use. In case of an emergency, you should advise friends and family to call the store's business phone number. In addition,

customer communications should never be done on your personal cell phone. Every employee has been assigned a LifeStyles email account, or has access to a company email account and telephone; therefore, all correspondence with customers should be done through official company channels. Employees who have been provided with a company cell phone or cell phone allowance are exempt from this policy.

Internet Usage

Lifestyles may provide you with Internet access to help you do your job. You may only use the Internet for job-related activities. We do not allow personal use of the Internet.

All Internet data that is written, sent, or received through our computer systems is part of official Lifestyles records. That means that we can be legally required to show that information to law enforcement or other parties. Therefore, you should always make sure that the business information contained in Internet email messages and other transmissions are accurate, appropriate, ethical, and legal.

The Company, reserves the right to monitor how you use the Internet. We also reserve the right to find and read any data that you write, send, or receive through our online connections or is stored in our computer systems. You may not write, send, read, or receive data through the Internet that contains content that could be considered discriminatory, offensive, obscene, threatening, harassing, intimidating, or disruptive to any employee or other person.

Employees MAY NOT download programs, play games, music, photos, etc. on to company owned computers without the express permission of upper management. Violation of this policy may result in the termination of employment.

If you use the Internet in a way that violates the law or Lifestyles policies, you will be subject to disciplinary action, up to and including termination of employment. You may also be held personally liable for violating this policy.

Business Travel Expenses

Lifestyles will reimburse employees for reasonable business travel expenses incurred while on assignments away from the normal work location. All business travel must be approved in advance by the employee's supervisor or store manager. Your supervisor will supply the necessary forms for reimbursement as well as review specific actual costs that are acceptable. Requests for reimbursement must be made within 30 days of the travel expense. Hours paid for business travel will be limited to actual hours at the work place plus reasonable travel time to and from. It is the employee's full responsibility to maintain adequate and current insurance coverage on their personal vehicle while in use for company business. Automobile expenses per mile will follow the federal (IRS) guidelines. It is the responsibility of the employee to accurately document mileage during company related travel.

Abuse of this business travel expenses policy, including falsifying expense reports to reflect costs not incurred by the employee, are grounds for termination of employment.

Family Leave

Lifestyles provides unpaid family leave of absence to all eligible employees who need to take time off from work duties. This leave may be used for the following items:

- the birth and care of a newborn child of the employee
- to take medical leave when the employee is unable to work due to a serious health condition
- to care for an immediate family member (spouse, child, or parent) with a serious health

condition

Employees in the following employment classifications are eligible to request family leave:

- Regular full-time employees
- Regular part-time employees who work at least 25 hours per week.

Eligible employees may request family leave only after they have completed 120 calendar days of service. If you think you will need a family leave, give your request to your supervisor at least 30 days in advance of the date the leave would start. This will help us plan for your possible absence. If it is an unexpected situation, make your request as soon as possible.

If you request family leave due to the serious health condition of a child, spouse, or parent, you may be required to submit a health care provider's statement verifying the need for a family leave, the start and expected end dates, and the estimated time required.

An eligible employee may request up to a maximum of 12 weeks of family leave within any 12-month period. If this initial period of leave is not enough, we will consider your written request for one extension of no more than 30 calendar days. Before beginning an unpaid family leave, you must first use any available paid leave you may have. If your spouse is also employed by Lifestyles, as a couple you may be restricted to a combined total of 12 weeks leave within any 12-month period.

Subject to the terms, conditions, and limitations of the applicable plans, Lifestyles will provide health insurance benefits until the end of the month in which a family leave begins. At that time, you will be responsible for the full cost of those benefits in order for your coverage to continue. When you return from family leave, Lifestyles will again provide those benefits according to the applicable plans.

Your benefits, such as PTO or holiday benefits will not accrue during a family leave. When you return from leave, the benefits will start accruing again.

Please give us at least two weeks advance notice before you plan to return. When you return from family leave, you will go back to the same job if it is still available. If that job is no longer available, we will place you in an equivalent job that you are qualified for.

If you do not come back to work promptly at the end of a family leave, we will assume that you have resigned.

Attendance

To maintain a safe and productive work environment, LifeStyles expects employees to be reliable and to be punctual in reporting for scheduled work. In the rare instances when an employee cannot avoid being late to work or are unable to work as scheduled, they should notify their supervisor as soon as possible in advance of the anticipated tardiness or absence.

Each nonexempt employee is required to punch in and out correctly as explained in the section titled "Timekeeping". Poor attendance and excessive tardiness are disruptive. Either may lead to disciplinary action, up to and including termination of employment.

Donations

To be impartial, the company would prefer that employees not request donations from LifeStyles on behalf of a cause or charity that they may be representing or involved with.

LifeStyles generally will not make donations to individuals or entities that represent a small

number of recipients or beneficiaries. For example, the company is unlikely to make a donation to a local high school football team, marching band or to sponsor an individual in a 10K run. In addition, the company generally will not make a donation to any specific religious charity where such donations may be used to promote a belief or idea. The company does however, donate thousands of dollars each year to national charities like Habitat for Humanity, St. Jude's Hospital along with local and regional charities like Pepper's Ranch and The Jesus House (a homeless shelter).

Personal Appearance Updated February, 2025

Dress, grooming and personal cleanliness standards contribute to the morale of all employees and affect the business image LifeStyles Stores, Inc presents to customers and visitors.

During business hours, employees are expected to present a clean and neat appearance and to dress according to the requirements of their positions. Employees who appear for work inappropriately dressed will be sent home and directed to return to work in proper attire. Under such circumstances, employees will not be compensated for the time away from work. Jewelry should be conservative with limited body piercings. Excessive or unusual body piercing or tattooing that is visible to the public is not acceptable.

Managers, Sales Associates, Clerical – Generally, we require that these associates be dressed at a “business casual” or “business professional” level. It is always better to be overdressed or more formal than underdressed. Clothing should NOT be skin tight or tightly fitted. LifeStyles does NOT consider leggings, joggers, athletic pants, yoga pants, etc. to be “business casual”. Clothing is to be clean, pressed and conservative in nature. Denim material of any kind is not permitted. Jeans or denim pants are not to be worn, khakis or dress pants are suggested. Shirt or blouses are to be tucked in with belts. Shirts should have a finished neckline or collar. Tee shirts or similar style shirts are not allowed. Graphic patterns/clothing, unless extremely formal like a three-piece suit, should not be worn. Tennis shoes, hiking boots, cowboy boots, or work boots are not permitted. On cold days, employees are discouraged from wearing outdoor coats or jackets on the sales floor. Appropriate sweaters or sport coats are preferred. Hair should be clean and combed at all times.

Warehouse, Delivery, Display – Jeans or denim pants are acceptable provided that they are in good condition. Closed toe shoes are required, no sandals or thongs. Shirts are required to display the LifeStyles logo; undershirts are unacceptable as are any garments that feature team logos, advertisements or novelty artwork. During summer months, casual shorts may be worn that they are clean, wrinkle free and in good condition. “Cut-offs” are not permitted. Hair should be clean and combed at all times. Delivery and Service personnel are required to wear approved LifeStyles logo apparel on customer calls.

Workstations & Desks Updated May, 2025

Just like our personal appearance, the appearance of our work areas (desks) are important to the overall perception our customers get about LifeStyles. Our design team and housekeeping staff work hard to keep the store looking its best and that standard must extend to each work station. Toward that goal, please adhere to the following rules:

- Limit your desk accessories to essential tools like, computer, note pad, pens, etc.
- Limit your personal items to just one, like a small photo or plant.
- Limit your refreshments to one drink with a lid. However, no food should be consumed on the salesfloor or at workstations.
- Please reframe from any clutter or non-work related materials.
- Always keep your work area free from dust and dirt.



