

ZUMIEZ

CALIFORNIA SUPPLEMENTAL HANDBOOK

*THIS HANDBOOK SUPPLEMENTS ZUMIEZ EMPLOYEE HANDBOOK AND
APPLIES ONLY TO EMPLOYEES WHO WORK IN CALIFORNIA*

March 2015

THIS SUPPLEMENTAL HANDBOOK IS PROVIDED AS A GUIDE YOU MAY USE TO FAMILIARIZE YOURSELF WITH ZUMIEZ. IT IS PROVIDED AND INTENDED ONLY AS A HELPFUL GUIDE. THE SUPPLEMENTAL HANDBOOK IS NOT, NOR SHOULD IT BE CONSIDERED TO BE, AN AGREEMENT OR CONTRACT OF EMPLOYMENT, EXPRESS OR IMPLIED, OR A PROMISE OF TREATMENT IN ANY PARTICULAR MANNER IN ANY GIVEN SITUATION. THIS SUPPLEMENTAL HANDBOOK STATES ONLY GENERAL COMPANY GUIDELINES. THE COMPANY MAY, AT ANY TIME, IN ITS SOLE DISCRETION, MODIFY OR VARY ANYTHING STATED IN THIS SUPPLEMENTAL HANDBOOK, EXCEPT AS REQUIRED BY LAW, AND EXCEPT FOR THE RIGHTS OF THE PARTIES TO TERMINATE EMPLOYMENT AT WILL, WHICH MAY ONLY BE MODIFIED INDIVIDUALLY OR COLLECTIVELY BY AN EXPRESS WRITTEN AGREEMENT SIGNED BY YOU OR YOUR REPRESENTATIVE AND THE CEO OR EXPRESSLY APPROVED BY THE BOARD.

THIS SUPPLEMENTAL HANDBOOK SUPERSEDES ALL PRIOR SUPPLEMENTAL CALIFORNIA HANDBOOKS. ANY VIOLATION OF THE POLICIES AND/OR PROCEDURES SET FORTH IN THIS SUPPLEMENTAL HANDBOOK MAY RESULT IN DISCIPLINARY ACTION, UP TO AND INCLUDING TERMINATION.

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CHAPTER 1 INTRODUCTION

In addition to the policies outlined in the Zumiez Employee Handbook, employees in California should be aware of the content in this supplement. This supplement:

- IS applicable to all of our California employees. We fully intend to comply with all laws in all locations in which we operate. We have attempted to take those laws into consideration in preparing this document. But, if for any reasons, this document is inconsistent with a law, we will follow the law.
- IS NOT a contract of employment, express or implied. We hope our employment relationship with you will be ongoing and rewarding for you and us. However, the length of employment is not for a fixed term and may be terminated by either you or The Company at any time, with or without notice and with or without cause or reason, or for no reason. This means you are an “at-will” employee. No one other than the President of The Company has the authority to change this at-will relationship or enter into an agreement for employment for a specified length of time or to make any other representation or agreement inconsistent with the at-will policy. Any agreement that modifies the at-will policy must be in writing and signed by the CEO of The Company.

CHAPTER 2 LEAVES OF ABSENCE AND TIME OFF FROM WORK

Pregnancy Disability Leave

If you are disabled by pregnancy, childbirth or related medical conditions, you are eligible to take a pregnancy disability leave (“PDL”). If you are affected by pregnancy or a related medical condition, you also are eligible to transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties, if such a transfer is medically advisable and can be reasonably accommodated. Employees disabled by qualifying conditions may also be entitled to other reasonable accommodations where doing so is medically necessary. In addition, if it is medically advisable for you to take intermittent leave or work a reduced leave schedule, the Company may require you to transfer temporarily to an alternative position with equivalent pay and benefits that can better accommodate recurring periods of leave.

Reasons for Leave. PDL is for any period(s) of actual disability caused by the employee’s pregnancy, childbirth, or related medical condition. Time off needed for prenatal or postnatal care; doctor-ordered bed rest; gestational diabetes; pregnancy-induced hypertension; preeclampsia; childbirth; postpartum depression; loss or end of pregnancy; or recovery from childbirth or loss or end of pregnancy are all covered by this PDL policy.

Duration of Leave. An employee is entitled to up to four months of PDL while the employee is disabled by pregnancy, childbirth or related medical condition per pregnancy. For purposes of this policy, “four months” means time off for the number of days the employee would normally work within the four calendar months (one-third of a year, or 17.3 weeks or 122 days), following the commencement date of taking a pregnancy disability leave. For a full time employee who works five eight-hour days per week, or 40 hours per week, “four months” means 88 working and/or paid eight-hour days (693 hours of leave entitlement), based on an average of 22 working days per month for 17.3 weeks in four months times 40 hours per week. Employees working a part-time schedule will have their PDL calculated on a pro-rata basis. If an employee remains disabled after using all of her PDL, she may request additional time off under the CFRA leave policy, if eligible, or she may request a personal leave of absence.

Employee Notice Requirements. To receive a reasonable accommodation, obtain a transfer, or take a PDL, you must provide sufficient notice so the Company can make appropriate plans – 30 days’ advance

notice if the need for the reasonable accommodation, transfer or PDL is foreseeable, otherwise as soon as practicable if the need is an emergency or unforeseeable.

Medical Certification. You are required to obtain a certification from your health care provider of your need for pregnancy disability leave or the medical advisability of an accommodation or a transfer. The certification should include: (1) the date on which you became disabled due to pregnancy or the date of the medical advisability of a transfer or accommodation; (2) the probable duration of the period(s) of disability or the period(s) for the advisability of a transfer or accommodation; and, (3) a statement that, due to the disability, you are either unable to work at all or to perform any one or more of the essential functions of your position without undue risk to yourself or to other persons, or a statement that, due to your pregnancy, a transfer to a less strenuous or hazardous position or duties is medically advisable.

As a condition of your return from PDL, the Company requires you to obtain a release to return to work from your health care provider stating you are able to resume your original job duties.

Leave is Unpaid. PDL leave is unpaid by the Company. However, at your option, you may use any accrued vacation time or other accrued paid time off as part of your PDL before taking the remainder of your leave on an unpaid basis. We will supplement any payments you receive from California's State Disability Insurance program ("SDI") with available vacation and sick time if you elect to do so. You cannot be paid more than your usual wage when using paid time off to supplement the SDI payments. We require, however, that you use any available sick time (and vacation if you run out of sick time) during the unpaid portion of your PDL, including the seven-day waiting period before you are eligible for SDI. The use of any sick and/or vacation time off will not extend the duration of your PDL. We encourage you to contact the Employment Development Department regarding your eligibility for SDI.

Leave Concurrent with Family and Medical Leave. If you are eligible for leave under the federal Family and Medical Leave Act, your PDL will also be designated as time off under the Family and Medical Leave Act. Please refer to the "Family and Medical Leave" policy in the Employee Handbook for additional information.

Return to Work. If you do not return to work on the originally-scheduled return date or request in advance an extension of the agreed upon leave with appropriate medical documentation, you may be deemed to have voluntarily resigned your employment with the Company. Failure to notify the Company of your ability to return to work when it occurs may be deemed a voluntary resignation of your employment with the Company. Upon your return from PDL, you will be reinstated to your same position in most instances.

Taking a PDL may impact certain benefits and seniority dates. If you want more information regarding your eligibility for a leave and the impact of the leave on your seniority and benefits, please contact the Human Resources Department.

Request for Additional Time Off. Any request for leave after your disability has ended will be treated as a request leave under the California Family Rights Act and the federal Family and Medical Leave Act, if eligible. If not eligible for CFRA or FMLA, you may request a personal leave of absence. Please refer to the Family and Medical Leave and Personal Leave of Absence policies in the Employee Handbook and the California Family Rights Act Leave policy in this Supplemental Handbook for additional information.

Continuation of Health Insurance Benefits. Employees who participate in the Company's group health insurance plan shall continue to participate in the plan while on PDL under the same terms and conditions as if they were working. Employees should make arrangements with the Human Resources Department for payment of their share of the insurance premiums.

California Family Rights Act Leave

(Supplements FMLA Policy in the Employee Handbook)

Employees may be eligible for a leave of absence under the federal Family and Medical Leave Act (“FMLA”), which is described in the Employee Handbook, and California’s family and medical leave law, known as the California Family Rights Act. This policy describes how the California Family Rights Act applies.

Eligibility Requirements

The California Family Rights Act of 1993 (“CFRA”) applies to you if:

- (1) you have worked at least 1,250 hours in the 12-month period before the date you want to begin your leave; and
- (2) you have more than 12 months of service with the Company; and
- (3) you work at a worksite (a) with 50 or more employees; or (b) where 50 or more employees are located within 75 miles of the worksite.

Reasons for Leave

If you are eligible, you have a right to an unpaid family care or medical leave (CFRA leave) of up to 12 workweeks in a 12-month period for the following reasons:

- (1) new child bonding related to the birth, adoption, or foster care placement of your or your registered domestic partner’s child;
- (2) your own serious health condition the renders you unable to perform the essential functions of your position (excluding any medical condition related to pregnancy, childbirth or related conditions, which is covered by Pregnancy Disability Leave); or
- (3) the serious health condition of your child, parent, spouse or registered domestic partner.

Interaction between FMLA, CFRA and PDL

There are some differences between FMLA, CFRA and Pregnancy Disability Leave (“PDL”) and this policy addendum explains how such leaves will be administered for California employees. In most situations, FMLA and CFRA run together and the employee is entitled to 12 weeks of combined FMLA and CFRA leave. There are exceptions, however, including when the employee is disabled by pregnancy and when parents of a new child both work for the Company. When both parents work for the Company and request new child bonding leave, they must share the 12 weeks of new child bonding leave.

Pregnancy Disability Leave and CFRA Leave

PDL and CFRA leave are separate leave entitlements and do not run concurrently. However, PDL and FMLA (see FMLA policy in the Employee Handbook) typically run together if you are eligible for both. If you are CFRA-eligible, you have certain rights to take BOTH a PDL and a CFRA leave for reason of the birth of your child.

In a typical pregnancy, an employee uses PDL during her period(s) of disability and uses her 12 weeks of CFRA leave for baby bonding after her disability period ends, which is usually about six to eight weeks after the birth of the child in uncomplicated deliveries. For example, an employee might use four weeks of PDL for the four-week period before her due date if her medical provider states she is unable to work during that time. She will use six to eight weeks of PDL after delivery to recover from childbirth. She then has the option, if eligible, to use her 12 weeks of CFRA leave for baby bonding. Employees with very complicated pregnancies who use up all of their PDL and are still disabled from working may use their CFRA leave time to cover any additional disability period. However, if they use the entire 12 weeks of CFRA for that purpose, they will not have any time remaining for baby bonding.

The CFRA contains a guarantee of reinstatement to the same or to a comparable position at the end of the leave, subject to any defense allowed under the law. The PDL contains a guarantee of reinstatement to the same position in most instances, subject to defenses under the law. Where PDL is also FMLA-qualifying, the leave will count against both FMLA and PDL leave entitlements. In general, PDL leave is separate from, and does not count against, an employee’s CFRA leave entitlement.

New Child Bonding Leave

Employees may take intermittent leave for bonding with a child following birth or placement for adoption or foster care. New child bonding leave must be taken within one year after the child's birth or placement. Intermittent leave for bonding purposes generally must be taken in two-week increments, but the Company permits two occasions where the leave may be for less than two weeks. Bonding leave is in addition to any time off taken for pregnancy disability unless the employee used her CFRA bonding leave to cover an extended period of disability beyond the four months of leave provided by a PDL or for another purpose. New child bonding leave under the CFRA typically runs concurrently with FMLA new child bonding leave.

Military Leaves

Military exigency leave (available under the FMLA, see the Employee Handbook) does not count against an employee's CFRA leave entitlement. Leave to care for a military service member with a serious illness or injury counts against an employee's CFRA leave entitlement when the servicemember is the employee's spouse, parent or child, as provided for under CFRA.

Registered Domestic Partners

Leave to care for a registered domestic partner with a serious health condition is covered by the CFRA but not the FMLA.

Notice of Eligibility for, and Designation, of CFRA Leave

Employees requesting CFRA leave are entitled to receive written notice from the Company telling them whether they are eligible for CFRA leave and, if not eligible, the reasons why they are not eligible. When eligible for CFRA leave employees will be provided written notice of: (1) their rights and responsibilities; (2) the Company's designation of leave as CFRA-qualifying or non-qualifying, and if not qualifying, the reasons why; and (3) the amount of leave, if known, that will be counted against the employee's leave entitlement.

Health Insurance

During a CFRA leave, eligible employees are entitled to continue group health insurance coverage for up to 12 weeks. Employees must make arrangements to pay for their share of the premiums. Employees who are unable to return to work within the 12 week period will be notified of their rights to continue group health insurance benefits at the employees' cost under COBRA.

Intermittent Leave and Reduced Leave Schedules

CFRA leave usually will be taken for a period of consecutive days, weeks or months. However, employees are also entitled to take CFRA leave intermittently or on a reduced leave schedule when medically necessary due to a serious health condition of the employee or a family member.

Use of Sick and Vacation Time

An employee taking CFRA leave (and FMLA leave as described in the Employee Handbook) due to his or her own serious health condition is required to use any available sick and vacation time during the unpaid portion of the CFRA leave. An employee taking CFRA leave due to a covered family member's serious health condition is required to use paid vacation time for any unpaid CFRA leave, but has the option of whether to use paid sick time during the unpaid leave period (after vacation time is exhausted). An employee taking PDL leave will be required to use any accrued sick time during unpaid period of her PDL. At her option, an employee taking unpaid PDL may use accrued vacation time. An employee may elect to use accrued sick time for unpaid baby bonding leave, but accrued vacation or other paid time off must be used for that purpose. At their request, employees may use accrued sick and vacation time to supplement any California disability insurance payments and Paid Family leave payments. Using paid time off such as vacation or sick time during a CFRA leave does not extend your leave entitlement.

For purposes of this policy, leave is "unpaid" if the employee is not receiving any payments from the California SDI program, worker's compensation, or the California Paid Family Leave program or any similar program or any other disability wage replacement program or insurance. If the employee is

receiving payments from any of these programs, the leave is considered paid and the employee is not required to use vacation or sick time, but can elect to use available sick or vacation time to supplement those payments, depending on the reason for leave.

Taking CFRA or PDL may impact certain benefits and seniority dates. If you want more information regarding your eligibility for a leave and/or the impact of the leave on your seniority and benefits, please contact the Human Resources Department.

Restoration of Employment and Benefits

At the end of CFRA leave, subject to some exceptions including situations where job restoration of “key employees” will cause the Company substantial and grievous injury, employees generally have the right to return to the same or equivalent positions they held before the CFRA leave. The Company will notify employees if they qualify as “key employees,” if the Company intends to deny reinstatement, and of their rights in such instances.

Employee Obligations During CFRA Leave

Timing of Employee Notice. Employees must provide 30 days advance notice of the need to take CFRA leave when the need is foreseeable. When 30-days’ notice is not possible, or the approximate timing of the need for leave is not foreseeable, employees must provide the Company notice of the need for leave as soon as practicable under the facts and circumstances of their situation. Employees who fail to provide adequate notice as required under this policy without a reasonable explanation or who otherwise fail to satisfy CFRA notice obligations may have their CFRA leave delayed or denied.

Content of Employee Notice. To trigger CFRA leave protections, employees must inform the Human Resources Department of the need for CFRA-qualifying leave and the anticipated duration and timing of the leave, if known. Employees may do this by either specifically requesting CFRA leave or explaining the reasons for the leave so as to allow the Company to determine that the leave is CFRA-qualifying. For example, employees might explain that:

- a medical condition renders them unable to perform the functions of their job;
- they have been hospitalized overnight;
- they or a covered family member are under the continuing care of a health care provider; or
- if the leave is for a family member, that the condition renders the family member unable to perform daily activities or the family member needs psychological support because of the health condition.

Calling in sick without providing the reasons for the need for leave will not be considered sufficient notice of a need for CFRA leave. Employees must respond to the Company’s lawful questions to determine if absences are potentially CFRA-qualifying.

Cooperating with Scheduling of Leave. When planning medical treatment for the employee or family member or requesting to take leave on an intermittent basis, employees must consult with their Manager and the Human Resources Department and make a reasonable effort to schedule treatment so as to not unduly disrupt the Company’s operations. Employees must consult with their Manager and the Human Resources Department prior to the scheduling of treatment to work out a treatment schedule which suits the needs of both the Company and the employees, subject to the approval of the applicable health care provider. When employees take intermittent or reduced-schedule leave for foreseeable planned medical treatment for the employee or a family member, including a period of recovery from a serious health condition, the Company may temporarily transfer employees to alternative positions with equivalent pay and benefits for which the employees are qualified and which better accommodate recurring periods of leave.

Supporting Need for Leave. Depending on the nature of the CFRA leave sought, with the employee’s permission, the Company, through Human Resources, may contact the employee’s health care provider to clarify the request for leave. If an employee chooses not to provide the Company with

authorization allowing it to clarify with the health care provider, the Company may deny CFRA leave if certifications are unclear. Should this be necessary, the Company will follow the requirements of the Confidentiality of Medical Information Act and any other applicable laws.

Initial Medical Certification. If the Company has reason to doubt the initial medical certification regarding an employee's own serious health condition, it may require employees to obtain a second opinion at the Company's expense. If the opinions of the initial and second health care providers differ, the Company may, at its expense, require employees to obtain a third, final and binding certification from a health care provider designated or approved by both the Company and the employee. The Company will reimburse the employee for any reasonable expenses incurred to obtain the second or third opinions. Except in very rare circumstances, the Company will not require employees to travel outside their normal commuting distance for purposes of obtaining second or third medical opinions.

Medical Recertification. Depending on the circumstances and duration of CFRA leave, the Company may require employees to provide recertification of medical conditions giving rise to the need for leave. In general, this will happen when the original certification expires. The Company will notify employees if recertification is required and will give employees at least 15 days calendar days to provide medical recertification.

Return to Work Certification. Unless notified that providing such certifications is not necessary, employees returning to work from CFRA leaves that were taken because of their own serious health conditions must provide the Company a medical certification confirming they are able to return to work and whether they are able to perform the essential functions of their positions with or without reasonable accommodations. The Company may delay and/or deny the return to work until the employee provides a return to work certification.

Reporting Changes to Anticipated Return Date. If an employee's anticipated return to work date changes and it becomes necessary for the employee to take more or less leave than originally anticipated, the employee must provide the Company with reasonable notice (generally two business days) of the employee's changed circumstances and new return to work date. If the employee gives the Company unequivocal notice of their intent not to return to work, they will be considered to have voluntarily resigned and the Company's obligation to provide leave and to maintain group health insurance benefits ceases (subject to benefit continuation under COBRA).

Coordination of CFRA Leave with Other Leaves or Time Off. Whenever permissible by law, the Company will run CFRA leave concurrently with any other leave provide under state, federal or local law. For additional information concerning leave entitlements and obligations that might arise when CFRA leave is either not available or exhausted, please consult the Company's other leave policies in this supplemental handbook and the Employee Handbook or contact the Human Resources Department.

Questions and/or Complaints about CFRA Leave. If you have questions about this policy, please contact the Human Resources Department. The Company is committed to complying with the CFRA and, whenever necessary, shall interpret and apply this policy in a manner consistent with the CFRA.

Definitions

"Spouse" means a husband or wife as defined or recognized under State law for purposes of marriage in the State where the employee resides, including common law marriage in States where it is recognized.

"Parent" means a biological, adoptive, step or foster father or mother, or any other individual who stood in loco parentis to the employee when the employee was a child, son or daughter. This term does not include parents "in law."

"Child, son or daughter" means, for purposes of FMLA/CFRA leave taken for birth or adoption, or to care for a family member with a serious health condition, a biological, adopted, or foster child, a stepchild (including children of a registered domestic partners), a legal ward, or a child of a person standing in loco

parentis, who is either under age 18, or age 18 or older and “incapable of self-care because of a mental or physical disability” or an adult dependent child at the time that FMLA/CFRA leave is to commence. The age the disability occurs is irrelevant to determine whether an adult son or daughter has a mental or physical disability.

“Adoption” means legally and permanently assuming the responsibility of raising a child as one’s own. The source of an adopted child (e.g., whether from a licensed placement agency or otherwise) is not a factor in determining eligibility for FMLA/CFRA leave.

“Foster care” is 24 hour care for children in substitution for, and away from, their parents or guardian. Such placement is made by or with the agreement of the State as a result of a voluntary agreement between the parent or guardian that the child be removed from the home, or pursuant to a judicial determination of the necessity for foster care, and involves agreement between the State and foster family that the foster family will take care of the child. Although foster care may be with relatives of the child, State action is involved in the removal of the child from parental custody.

“Domestic Partner” means two adults who have established a registered domestic partnership in accordance with the requirements of California law.

School-Related Activities Leave

Parents, guardians, or grandparents with school children from kindergarten through Grade 12, or who attend licensed child daycare facilities, are provided unpaid time off (up to a maximum of eight (8) hours in one (1) calendar month and 40 hours in one (1) calendar year) to participate in school or day care activities. We may require proof of an employee’s participation in these activities. You must provide reasonable advance notice to your manager before taking any time off under this policy. In addition, parents, guardians, or grandparents with custody of schoolchildren who have been suspended also are allowed to take unpaid time off to appear at the school pursuant to the school’s request. You must use any accrued vacation for the unpaid leave provided under this policy.

Time Off for Victims of Domestic Violence, Sexual Assault, and Stalking

Victims of domestic violence, stalking or sexual assault may take unpaid time off work for up to 12 weeks to obtain help from a court, seek medical attention, obtain services from an appropriate shelter, program, or crisis center, obtain psychological counseling, or participate in safety planning, such as permanent or temporary relocation. The Company may require proof of an employee’s participation in these activities. Whenever possible, the employee must provide his or her Manager reasonable notice before taking any time off under this policy. An employee may substitute any accrued vacation or sick time off for the unpaid leave provided under this policy.

The Company also will not discipline, discriminate or retaliate against an employee because the employee is a known victim of domestic violence, stalking or sexual assault.

An employee who is the victim of domestic violence, stalking or sexual assault may request reasonable accommodation with respect to his or her safety while at work. Reasonable accommodation may include the implementation of safety measures, including a transfer, reassignment, modified schedule, changed work telephone, changed work station, installed lock, assistance in documenting domestic violence, sexual assault, or stalking that occurs in the workplace, an implemented safety procedure, or another adjustment to a job structure, workplace facility, or work requirement in response to domestic violence, sexual assault, or stalking, or referral to a victim assistance organization. Eligible employees desiring an accommodation should notify their Manager and the Human Resources Department. The Human Resources Department will then engage in an interactive process with the employee to determine possible effective reasonable accommodations. As part of the interactive process, an employee may be required to provide appropriate certification. An employee who no longer needs an accommodation must notify their Manager and the Human Resources Department of his/her change in circumstance. Similarly,

an employee who has been provided an accommodation must notify their Manager and the Human Resources Department if he or she requires a new accommodation.

Time Off For Crime Victims

Employees who have been victims of serious or violent felonies, as specified under California law, or felonies relating to theft or embezzlement, may take time off work to attend judicial proceedings related to the crime. Employees also may take time off if an immediate family member has been a victim of such crimes and the employee needs to attend judicial proceedings related to the crime. "Immediate family member" is defined as spouse, registered domestic partner, child, child of registered domestic partner, stepchild, brother, stepbrother, sister, stepsister, mother, stepmother, father, or stepfather.

Employees must give their Manager and the Human Resources Department a copy of the court notice given to the victim of each scheduled proceeding before taking time off, unless advance notice to the Company of any of the need for time off is not feasible. When advance notice is not feasible, the employee must provide documentation evidencing the judicial proceeding, within a reasonable time after the absence. The documentation may be from the court or government agency setting the hearing, the district attorney or prosecuting attorney's office, or the victim/witness office that is advocating on behalf of the victim.

Employees may elect to use accrued sick and/or vacation time for the absence. If the employee does not elect to use sick or vacation time off, the absence will be unpaid. However, exempt employees will be paid, up to one week, their full salary for any workweek interrupted by the need for time off under this policy.

Civil Air Patrol Leave

An employee who has been employed 90 days or more is permitted to request up to 10 calendar days of unpaid leave per year to respond to an emergency operational mission of the California Wing of the Civil Air Patrol. Such leave is limited to three days for each emergency operational mission, unless the government entity that authorized the mission extends it and the Company approves the additional time off. Upon expiration of the leave, an employee will generally be reinstated to his or her position with equivalent seniority, benefits, pay and other terms and conditions of employment.

Employees requesting time off must notify their Manager as soon as possible after learning the intended dates upon which such leave will begin and end. Approval of any leave request is conditioned upon certification from the proper Civil Air Patrol Authority of the employee's eligibility to take such leave. Failure to provide the required certification may result in denial of leave.

Employees may, but are not required to, elect to substitute any accrued vacation time for otherwise unpaid Civil Air Patrol Leave.

Time Off For Volunteer Firefighters, Law Enforcement or Emergency Rescue Personnel

An employee is permitted unpaid time off, not to exceed 14 days per calendar year, for the purpose of engaging in volunteer firefighting, law enforcement or emergency rescue training. If you request time off under the policy you must notify your Manager immediately after the need for the leave becomes known.

An employee is permitted unpaid time off from work to perform emergency duty as a volunteer firefighter, reserve law enforcement officer or volunteer emergency rescue personnel. Employees may use vacation for this time off.

Time Off for Bone Marrow Donation

An employee who has been employed for at least 90 days may request a leave of absence for up to five business days in any one-year period to undergo a medical procedure to donate bone marrow. Employees must provide a certification from their physician regarding the purpose and length of each leave requested. An employee must use any accrued vacation time for this leave, but the use of vacation does not extend the term of this leave. If accrued vacation is not available, the time off for such procedure shall be paid, but the paid time off shall not exceed five days. Employees will continue to receive health benefits for the duration of their Bone Marrow Donation Leave if they participated in the health benefits prior to the leave. Upon returning from such leave, employees will have a right to return to the same or equivalent position they held before such leave.

Time off for Organ Donation

An employee who has been employed for at least 90 days may request a leave of absence for up to 30 business days in any one-year period to undergo a medical procedure to donate an organ. Employees must provide a certification from their physician regarding the purpose and length of each leave requested. An employee must use up to two weeks of accrued vacation for this leave, but the use of accrued vacation does not extend the term of the leave. If accrued vacation is not available, the time off for such procedure shall be paid; however the paid time off shall not exceed 30 days. Employees will receive health benefits for the duration of their organ donation leave if they participated in the health benefits prior to the leave. Upon returning from such leave, employees will have a right to return to the same or equivalent positions they held before such leave.

Time off for Rehabilitation

We are committed to providing assistance to our employees to overcome substance abuse problems. Our Company will reasonably accommodate any employee who wishes to voluntarily enter and participate in an alcohol or drug rehabilitation program. This accommodation may include an adjusted work schedule or time off without pay, provided the accommodation does not impose an undue hardship on the Company. Employees may use any accrued sick or vacation benefits while on leave under this policy. However, additional benefits will not be earned during the unpaid portion of the leave of absence. A leave of absence under this policy will be subject to the same provisions and rules as apply to medical leaves of absence. The Company will attempt to safeguard the privacy of an employee's participation in a rehabilitation program. Employees should notify their Manager or the Human Resources Department if they need to request an accommodation under this policy.

Time Off for Voting

Employees are provided up to two paid hours of time off to vote in statewide elections. The paid time off is limited to the beginning or end of the employee's regular work shift. The employee shall provide notification to their manager at least two days in advance to arrange a mutually agreed upon schedule for voting day. Time spent serving as an election official will be unpaid.

Time Off for Military Duty

If an employee is called to active duty in the U.S. military, Reserves, or California National Guard, they are eligible for unpaid military leave of absence in accordance with state and federal law. Employees must present a copy of their service papers as soon as they are received.

During the absence, length of service accumulates, and benefits will continue as required by applicable law. Upon application within the appropriate time period after date of discharge from military service, the employee will receive the then-current rate of pay and the then-current benefits.

If the employee is required to attend yearly Reserves or National Guard duty, they may apply for an unpaid temporary military leave of absence not to exceed 17 days (including travel). However, if they prefer, they may use earned vacation time for this purpose. Employees should give as much advance notice as possible so we can ensure proper coverage while they are away.

CHAPTER 3 PARTIAL WAGE REPLACEMENT PROGRAMS

Please contact California's Employment Development Department for information about these programs.

California Paid Family Leave Benefits

An employee who is off work to care for a child, spouse, parent, registered domestic partner grandparent, grandchild, sibling or parent-in-law (including a domestic partner's parents) with a serious health condition, or to bond with a new child, may be eligible to receive benefits through the California "Paid Family Leave" ("PFL") program, which is administered by the Employment Development Department ("EDD").

These benefits solely are financed through employee contributions to the PFL program. That program is solely responsible for determining if an employee is eligible for such benefits. There generally is a waiting period during which time no PFL benefits are available. The EDD can provide additional information about any applicable waiting period.

If you need to take time off work to care for a child, spouse, parent, registered domestic partner grandparent, grandchild, sibling or parent-in-law with a serious health condition or to bond with a new child please inform Human Resources, and you will be given information about the EDD's PFL program and how to apply for benefits. Employees also may contact their local Employment Development Department Office for further information.

When an employee applies for PFL benefits, Human Resources will determine if the employee has any accrued but unused paid time off, other than sick time, available. If the employee has accrued but unused paid time off, other than sick time, available, then the employee will be required to use up to two (2) weeks of such time before becoming eligible for PFL benefits.

Please note, employees taking time off work to care for a child, spouse, parent, registered domestic partner, grandparent, grandchild, sibling or parent-in-law with a serious health condition or to bond with a new child are not guaranteed job reinstatement unless they qualify for such reinstatement under applicable federal or state family and medical leave laws. Despite its name, Paid Family Leave is a payment entitlement, not a leave program. Therefore, employees who need to take time off for the purposes covered by the Paid Family Leave program must request a leave of absence under the Company's leave policies. Please see the leaves of absence policies in the Employee Handbook and this Supplemental Handbook for more information.

California State Disability Insurance (SDI)

Like California's Paid Family Leave program, California's state disability insurance ("SDI") program provides for state-mandated, partial wage replacement benefits funded through employee payroll deductions. SDI is a partial wage replacement program to provide short-term benefits to eligible employees who lose pay related to a non-work-related illness or injury or when they are medically disabled due to pregnancy.

There is a seven-day waiting period before benefits begin. Employees are required to use available sick leave (and vacation if sick leave is exhausted) during the waiting period. If you are eligible for benefits, you may supplement your SDI payments with available sick leave and vacation. The combination of SDI and sick/vacation time cannot be greater than your usual wages.

You must request a leave of absence if you need to take time off for an illness or injury covered by SDI. Please see the leave of absence policies in the Employee Handbook and this Supplemental Handbook. In addition, you should contact the Human Resources Department when you are able or permitted by a physician to return to work as required under the leave of absence policy which covers your absence.

Employees may contact their local Employment Development Department Office for further information about the SDI program and to apply for benefits.

CHAPTER 4 COMPENSATION

Split-Shift Pay

A split shift occurs when an employee works two distinct work times in one day. An example of this would occur when the employee's schedule is 10am-12pm and then again from 5pm-7pm. If an employee earns the minimum wage rate and when there is an unpaid interruption of more than one hour in the workday, the employee will be paid according to state requirements. Managers may not schedule employees to work split shifts unless pre-approved by the District Manager and may only be done in rare circumstances. If an employee works a split shift, the closing manager must report it at day end to Payroll and their District Manager.

Consecutive Workdays

Employees may not work more than 6 consecutive days in a row. Managers may not schedule employees to work more than 6 consecutive days unless pre-approved by the District Manager and may only be done in rare circumstances. If an employee works more than 6 consecutive days, the manager must report it at day end to Payroll and their District Manager.

Show-up Pay

If the employee reports to work at the required starting time and there is not enough work for the employee, The Company will pay the employee at least 2 hours of pay. If the employee is required to work a second time in the same day, the employee will receive 2 hours of pay for the additional appearance. If the employee is on paid standby and has been called to work outside their normal schedule, then the 2 hours of pay will not be paid.

Final Pay

An employee who is involuntarily terminated or who gives at least 72 hours notice of resignation will be paid all wages due, including accrued vacation time, at the time of separation. An employee who voluntarily resigns without prior notice or less than 72 hours notice may request the final wages to be mailed to the employee's primary store location for pick up. If the resigning employee requests final payment by mail, the date payment is mailed is deemed the date of payment. Employees will not receive waiting-time pay if the employee avoids or refuses to receive their final pay.

Overtime

When operating requirements or other needs cannot be met during regular working hours, employees will be required to work overtime assignments. All overtime work must receive prior authorization. Overtime assignments will be distributed as equitably as practical to all employees qualified to perform the required work.

Any non-exempt employee who works overtime will be compensated in accordance with state and federal

overtime requirements. For all hours worked in excess of eight (8) hours in one day or forty (40) hours in one week, or for the first eight (8) hours on the seventh consecutive day in the same workweek, you will be paid at one and one-half times your regular rate of pay. You will be paid double-time for hours worked in excess of twelve (12) in any workday or in excess of eight (8) on the seventh consecutive day of the workweek. There may be exceptions to these standards where allowed by law.

Overtime pay is based on actual hours worked. Vacations, holidays, sick days or any leave of absence will not be considered hours worked for purposes of performing overtime calculations.

Failure to work scheduled overtime or overtime worked without prior authorization from the manager may result in disciplinary action, up to and including termination.

CHAPTER 5 REST BREAKS & MEAL BREAKS

Rest Breaks

Non-exempt employees who work 3½ or more hours per day are provided one 10-minute rest break for every four hours or major fraction thereof worked. For purposes of this policy, “major fraction” means any time greater than two hours. For example, if you work more than six hours, but no more than 10 hours in a workday, you are provided and should take two 10-minute rest breaks: one during the first half of your shift and a second rest break during the second half of your shift. If you work more than 10 hours but no more than 14 hours in a day, you are provided and should take three 10-minute rest breaks, and so on.

Rest breaks should be taken as close to the middle of each work period as is practical. Your manager will advise you when to schedule your rest breaks.

Employees are encouraged to take their rest breaks; they are not expected to and should not work during their rest breaks. Nonexempt employees are paid for all rest break periods. Accordingly, you do not need to clock out when taking a rest break.

Meal Breaks

If you work more than 5 hours in a workday, you are provided an unpaid, off-duty meal break of at least 30 minutes. If six (6) hours of work will complete the day’s work, you may voluntarily waive your meal break. Employees who work more than 10 hours in a day are entitled to a second unpaid, off-duty 30 minute meal break. If an employee works no more than 12 hours, the employee can waive his or her second meal break, but only if the first one was not waived in any manner. If you work more than 12 hours you may not waive and should take your second unpaid, off-duty 30 minute meal break.

You are responsible for scheduling your own meal break, but it should begin no later than the end of your fifth hour of work. For example, an employee who begins working at 8 a.m. must begin his or her meal break no later than 1:00 p.m. When scheduling your meal break, you should try to anticipate your work flow and deadlines. Employees are encouraged to take their meal breaks; they are not expected to work during their meal breaks.

During your meal break, you are relieved of all duty and you should not work during this time. When taking your meal break, you should be completely off work for at least 30 minutes. Employees are prohibited from working “off the clock” during their meal break. Those employees who use a time clock must clock out for their meal breaks. These employees are expected to clock back in and then promptly return to work at the end of any meal break. Those employees who record their time manually must accurately record their meal breaks by recording the beginning and end of each work period.

Unless otherwise directed by your manager in writing, you do not need to obtain your manager’s approval or notify your manager when you take your meal break.

General Requirements for Rest Breaks and Meal Breaks

All rest breaks and meal breaks must be taken outside your work area. You should not visit or socialize with employees who are working while you are taking your rest break or meal period. You may leave the premises for your meal breaks.

Employees are required to immediately notify the Human Resources Department if they believe they are being pressured or coerced by any manager, supervisor, or other employee to not take any portion of a provided rest break or meal break.

If you are required to miss a break during a shift due to legitimate business reasons, you are responsible for reporting your missed break by following the instructions on the “Missed a Meal Break?” link located on the Zumiez’ Infosite. If you have any questions regarding the policy, please contact your manager or the Human Resources Department at (425) 551-1500.

Summary Chart

Below is a chart that summarizes the rest breaks and meal breaks provided to employees:

| Hours of Work | Meal Breaks and Rest Breaks |
|-----------------------------------|---|
| 0 to 3.4 (<i>less than 3.5</i>) | 0 |
| 3.5 to 4.0 | One 10 minute paid rest break |
| More than 4.0 up to 5.0 | One 10 minute paid rest break |
| More than 5.0 up to 6.0 | One 10 minute paid rest break and one 30 minute unpaid meal break (unless first meal period is mutually waived) |
| More than 6.0 up to 10.0 | Two 10 minute paid rest breaks and one 30 minute unpaid meal break |
| More than 10.0 up to 12.0 | Three 10 minute paid rest breaks and two 30 minute unpaid meal breaks (unless second meal break is mutually waived) |
| More than 12.0 up to 14.0 | Three 10 minute paid rest breaks and two 30 minute unpaid meal breaks |

CHAPTER 6 BENEFITS

Domestic Partners

Registered same-sex couples, or an opposite sex couple in which one member is at least 62 years old, have the same rights as spouses for benefits provided under California law. Some examples are listed below.

- An eligible employee is entitled to up to 12 weeks of leave under the CFRA to care for a domestic partner with a serious health condition.
- Employee rights are extended to use paid leave, time off, sick time, and kin-care time to take care of a domestic partner or children.

- Availability of unemployment insurance, if an employee quits to move with a domestic partner due to employment.

Health Insurance Premium Payment Program (HIPP)

Health Insurance Premium Payment program is a California-state program that will pay the private insurance premiums for certain state residents who are enrolled in Medi-Cal (the California state Medicaid program). Terminated employees will receive a notice of the availability of this program with their COBRA paperwork.

Kin Care

(Supplements Sick Time Policy in the Employee Handbook), which is only in effect until June 30, 2015.

Employees may use up to one-half of their annual sick time to care for an ill or injured spouse, domestic partner, child, child of a domestic partner, or parent. Child for purposes of this policy includes any child for whom the employee acts as a parent.

New Paid Sick Time Policy Effective July 1, 2015

(Substitutes for the Sick Time Policy in the Employee Handbook)

Amount of Sick Time. All employees earn sick time at the rate of one hour for every 30 hours worked. Exempt employees are deemed to work 40 hours per week for purposes of calculating sick time unless their regular schedule is less than 40 hours per week. New employees start earning sick time at the time of hire, but cannot use earned sick time until their 90th day of employment. Unused, earned sick time carries over from one year to the next.

Maximum Earning. Employees stop earning sick time once they have 48 hours in their sick time bank.

Maximum Use Per Year. Employees cannot use more than 24 hours of sick time during each year.

Not Paid at Separation from Employment. Unlike vacation, unused sick time is not paid out at the time an employee separates from employment.

Notice Requirements. You must notify your manager before your shift starts unless it is not practicable to do so.

Reasons for Use of Sick Time. Earned sick time may be used for the following purposes:

- Absence for employee's illness or injury
- Diagnosis, care or treatment of an existing health condition of, or preventative care for, an employee or an employee's family member
- For an employee who is the victim of domestic violence, sexual assault, or stalking

For purposes of this policy, "family member" means:

- A biological, adopted or foster child of the employee; the stepchild or child of a domestic partner of the employee; legal ward of the employee or employee's spouse or domestic partner; or a child to whom the employee stands as in loco parentis. A child can be any age.
- A biological, adoptive, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child.

- A spouse or domestic partner.
- A grandparent.
- A grandchild.
- A sibling.

Release to Return to Work. If you are absent due to your own illness for three (3) or more consecutive working days, you must present a certificate from your medical practitioner stating the leave was necessitated by your illness or injury, releasing you to return to work, and setting forth any restrictions or limitations on your ability to perform your job.

CHAPTER 7 OTHER POLICIES

Literacy Assistance

We are committed to providing assistance to employees who require time off to participate in an adult education program for literacy assistance. If an employee needs time off to attend such a program, they should inform their manager or Human Resources. The Company will attempt to make reasonable accommodations by providing unpaid time off or an adjusted work schedule, provided the accommodation does not impose an undue hardship on the Company. The Company will attempt to safeguard the privacy of enrollment in an adult education program.