Saks Global

SHORT TERM DISABILITY PLAN

Effective Date of Plan: January 1, 2020

The provisions of this restatement of the Plan will apply to periods of Disability commencing on or after January 1, 2022

For the administration of policy # 516410

SAKS GLOBAL

MATRIX
ABSENCE MANAGEMENT
A MEMBER OF THE TOKIO MARINE GROUP

Saks Global

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I. DEFINITIONS

A. *Active Employment* "Active Employment" means performance by the Associate of the regular duties of his or her work on any day that is one of the Company's scheduled workdays. A period of Active Employment will also include (i) day(s) of paid time off that have been scheduled by an Associate, and (ii) days that are not the Company's scheduled workdays, provided the Associate is in Active Employment on the preceding scheduled workday.

B. *Associate* "Associate" means a person who is an active full-time Employee of the Company who is regularly scheduled to work at least thirty (30) or more hours per week and whose employment with the Company is characterized by one of the following two Employee classes:

Class 1: Salaried Associates.

Class 2: Hourly Associates

Interns, contractors, part-time, temporary or leased Employees are not eligible to participate in the Plan.

C. *Claims Administrator* "Claims Administrator" means Matrix Absence Management, Inc. a third-party claims administration company acting on behalf of Saks Global in the initial determination and administration of claims, including appeals, under this Plan. Matrix can be contacted by calling 1-877-202-0055 or online at www.matrixabsence.com to report a claim for benefits.

D. *Company* "Company" means Saks Global and any successor thereto. In addition, for the purpose of determining eligibility to participate in the Plan, "Company" also means any subsidiary or affiliate of Saks Global which the officers of Saks Global, in their sole discretion, authorize to participate in the Plan.

E. *Disability* "Disability" means any physical or mental condition arising from a non-occupational illness, pregnancy or injury which renders a Participant incapable of performing the material duties of his or her regular job or any reasonably related job. A Participant will also be considered to have sustained a Disability if:

1. he or she is ordered not to work by written order from a state or local health officer because he or she is infected with, or suspected of being infected with, a communicable disease; or

2. he or she has been referred or recommended by competent medical authority to participate as a resident in either an alcohol abuse treatment program or drug abuse treatment program.

A Participant will not be considered disabled if (i) he or she is performing work of any kind for remuneration or profit unless with the prior approval of the Plan Administrator, or (ii) he or she declines alternative employment by the Company which is within the Participant's capabilities and, as determined solely by the Company, has status and compensation comparable to the Participant's previous job.

F. *Earnings* "Earnings" for Class 1 Associates means the Participant's annual base salary in effect on the date immediately preceding the onset of Disability. Earnings do not include bonuses, commissions, overtime, or any other forms of additional compensation.

"Earnings" for hourly non-commissioned Class 2 Associates means the Participant's base hourly rate as of the pay period immediately prior to the onset of Disability.

"Earnings" for hourly commissioned Class 2 Associates with more than one (1) year of service on the date that his or her Disability begins means the Participant's base/draw hourly rate as of the pay period immediately prior to the onset of Disability multiplied by 38.5 then by 52 weeks plus the Participant's prior 52 weeks of commissions.

"Earnings" for hourly commissioned Class 2 Associates with less than one (1) year of service on the date that his or her Disability begins means the Participant's base/draw hourly rate as of the pay period immediately prior to the onset of Disability multiplied by 38.5 then by 52 weeks.

G. *Effective Date* "Effective Date" of the Plan means January 1, 2020. The "Effective Date" of this restatement of the Plan means January 1, 2022.

H. *Health Care Professional* "Health Care Professional" means a Physician or other Health Care Professional licensed, accredited, or certified to perform specified health services consistent with State law.

I. *Hospital and Hospital Confinement* "Hospital" means an institution with organized facilities for diagnosis and surgery, twenty-four (24) hour nursing service for the care and treatment of sick or injured persons. Such institution must be licensed as a hospital pursuant to the statutes or laws of the state or foreign country in which it operates unless such state or foreign country does not have statutes or laws concerning requirements for licensing hospitals. "Hospital Confinement" means confinement as a registered bed patient in a hospital for a twenty-four (24) hour period of time.

J. *Objective Medical Evidence* "Objective Medical Evidence" means a measurable abnormality which is evidenced by one or more standard medical diagnostic procedures including laboratory tests, physical examination findings, X-rays, MRIs, EEGs, ECGs, CAT scans or similar tests that support the presence of a Disability or indicate a functional limitation. Objective Medical Evidence does not include Physician's opinions based solely on the acceptance of subjective complaints (e.g. headache, fatigue, pain, nausea), age, transportation, local labor market and other non-medical factors. To be considered an abnormality, the test result must be clearly recognizable as out of the range of normal for a healthy population; the significance of the abnormality must be understood and accepted in the medical community and the abnormality must support and correlate to the disability and not be merely an incidental finding.

K. *Occupational Injury or Illness* "Occupational Injury or Illness" means an injury or sickness that was caused by or aggravated by any employment for pay or profit or any injury or sickness which the Participant alleges was caused by any employment for pay or profit.

L. *Outpatient Surgery and Outpatient Treatment* "Outpatient Surgery and Outpatient Treatment" means surgery or treatment performed in an ambulatory surgical center, a surgical clinic or the surgical unit of a Hospital requiring a stay of less than twenty-four (24) hours.

M. *Participant* "Participant" means an Associate who satisfies the requirements for participation in the Plan as hereinafter specified.

N. *Physician* "Physician" means a physician, physicians' assistant, surgeon, dentist, podiatrist, practitioner, psychiatrist, psychologist, or other Health Care Professional who is duly licensed and acting within the scope of his or her practice. "Psychologist" means a licensed psychologist in the state of practice, with a doctorate degree in psychology and who either (1) has at least two years clinical experience in a recognized health setting, or (2) has met the standards of the National Register of the Health Service Providers in Psychology. For the purpose of disability related to normal pregnancy or childbirth, a midwife, nurse-midwife and a nurse practitioner duly licensed and acting within the scope of his or her practice, are physicians. The Physician may not be the Participant, a relative by blood or marriage, or a domestic partner.

O. *Plan* "Plan" means the Saks Global Short Term Disability Plan, as herein set forth and as it may be amended from time to time.

P. *Plan Administrator* "Plan Administrator" means the Company.

Q. *Plan Year* "Plan Year" means the twelve (12) month period ending each December 31st.

II. PARTICIPATION

A. *Eligibility for Participation* A person who is a Class 1 Associate on the Effective Date of the Plan is eligible to participate on the later of (1) the Effective Date of the Plan or (2) the first day of the month coinciding with or next following his or her completion of thirty (30) days of Active Employment with the Company. A person who becomes a Class 1 Associate after the Effective Date of the Plan will become eligible to participate in the Plan on the first day of the month coinciding with or next following his or her completion of thirty (30) days of Active Employment with the Company.

A person who is a Class 2 Associate on the Effective Date of the Plan is eligible to participate on the later of (1) the Effective Date of the Plan or (2) the first day of the month coinciding with or next following his or her completion of six (6) months of Active Employment with the Company. A person who becomes a Class 2 Associate after the Effective Date of the Plan will become eligible to participate in the Plan on the first day of the month coinciding with or next following his or her completion of six (6) months of Active Employment with the Company.

Any Service Waiting Period will be waived if an Associate is terminated but is rehired by the Company within ninety (90) days of his or her original termination date.

B. *Effective Date of Participation* An Associate becomes a Participant on the date he or she becomes eligible, provided, however, that if an Associate is not in Active Employment on the date that his or her participation would otherwise become effective, his or her participation will be deferred until the date on which he or she returns to Active Employment.

C. *Cessation of Participation* A Participant will automatically cease to participate on the earliest of the following:

1. the date on which the Participant ceases to be an Associate;

2. the date on which the Participant commences an unpaid leave of absence, other than one approved in accordance with the Family and Medical Leave Act (FMLA) of 1993 or other Company-approved leave;

3. the date on which this Plan terminates.

III. ELIGIBILITY FOR BENEFITS

A. *Elimination Period* A Class 1 Associate who sustains a Disability will, subject to the provisions of the Plan, become eligible to receive benefits on the later of:

1. his or her sixth (6^{th}) calendar day of Disability, provided the Participant has been examined by or is under the care of a Physician during that period. If a Participant's Disability continues for more than five (5) days, his or her initial Elimination Period will be waived and his or her benefits will be paid retroactive to his or her first (1^{st}) day of Disability; or

2. his or her first (1^{st}) day of Disability due to Injury or his or her first (1^{st}) day of Hospital Confinement or his or her first (1^{st}) day of Outpatient Surgery or Outpatient Treatment as a result of his or her Disability.

A Class 2 Associate who sustains a Disability will, subject to the provisions of the Plan, become eligible to receive benefits on the later of:

1. his or her eighth (8^{th}) calendar day of Disability, provided the Participant has been examined by or is under the care of a Physician during that period; or

2. his or her first (1^{st}) day of Hospital Confinement.

A Class 2 Associate may use his or her PTO during the Elimination Period.

Subsequent periods of Disability separated by fourteen (14) days of continuous Active Employment at the Participant's normal work schedule will be considered one period of Disability, unless the subsequent Disability is due to an illness or injury found by the Claims Administrator to be entirely unrelated to the cause of the previous Disability and commences after return to Active Employment with the Company for at least one (1) day.

B. *Disability Determination* The Claims Administrator will determine whether a Disability exists with respect to a Participant on the basis of (i) Objective Medical Evidence, (ii) a certificate from the Participant's Physician, or (iii) any such other information as the Claims Administrator, in its sole discretion, deems relevant to such determination.

Certificates from the Participant's Physician must contain (i) a diagnosis and diagnostic code prescribed in the International Classification of Diseases, or, where no diagnosis has yet been obtained, a detailed statement of symptoms, (ii) a statement of the medical facts within the Physician's knowledge, based on a physical examination and a documented medical history of the Participant by the Physician, (iii) the Physician's conclusion as to the Participant's disability, and (iv) a statement of the Physician's opinion as to the expected duration of the disability.

C. *Exclusions* No Participant will be entitled to a benefit under this Plan if:

1. his or her Disability arises out of, relates to, is caused by or results from an intentionally self-inflicted injury or illness;

2. his or her Disability arises out of, relates to, is caused by or results from an illness or injury to which a contributing cause was the Participant's commission or attempted commission of a felony, or the Participant's engagement in an illegal occupation;

3. his or her Disability arises out of, relates to, is caused by or results from an injury or illness due to war or any act of war, declared or undeclared, insurrection, rebellion, participation in a riot, or service in the armed forces of any country or international authority;

4. his or her Disability arises out of, relates to, is caused by or results from an Occupational Injury or Illness, or while the Participant is working for wages or profit with an employer other than the Company;

5. his or her Disability arises out of, relates to, is caused by or results from the Participant's loss of a professional license, occupational license or certification, unless the loss of such license or certification is a direct result of the Participant's medical condition;

6. his or her Disability arises out of, relates to, is caused by or results from a Disability due to elective or cosmetic surgery, unless determined to be medically necessary due to the Participant's original injury or illness;

7. the Participant is not under the regular and continuous care and treatment of a Physician, unless the Claims Administrator determines that such regular and continuous care and treatment are not medically indicated given the nature of the Disability;

8. the Participant is incarcerated in any federal, state or municipal penal institution, jail, medical facility, hospital (public or private) or in any other place because of a criminal conviction under a federal, state or municipal law or ordinance; or

9. the period of Disability begins when the Associate is not a Participant in the Plan.

IV. DISABILITY BENEFITS

A. *Amount of Benefit* Subject to reduction as hereinafter provided, the amount of monthly benefit for which a Class 1 Associate is covered under the Plan will be equal to 100% of his or her Earnings during his or her first eight (8) weeks of Disability benefits, then equal to 75% of his or her Earnings for the next eight (8) weeks of Disability benefits, and then equal to 50% of his or her Earnings for the remaining ten (10) weeks of Disability benefits.

Following his or her Elimination Period and subject to reduction as hereinafter provided, the amount of benefit for which a Class 2 Associate is covered under the Plan will be equal to 60% of his or her Earnings.

For each day of any period of Disability for which benefits are payable and which is less than a full week, the amount of benefit payable will be one-fifth ($1/5^{th}$) of the amount of the weekly benefit.

B. *Benefits During Partial Disability* A Participant who has returned to work for the Company on a modified or reduced schedule, and who is working fewer hours than he or she is regularly scheduled to work, may receive benefits under this Plan. Such benefits will be equal to the benefit which the Participant would otherwise be entitled, reduced by the amount that such income plus benefits exceed the Participant's Earnings. In no event will a Participant receive benefits under the Plan in an amount greater than 100% of the Participant's pre-Disability Earnings. A Class 2 Participant will only be eligible to return to work or receive partial Disability benefits after he or she has served their full 7-day Elimination Period.

C. *Reductions to the Amount of Benefit* The Disability benefit will be reduced by any of the following which are available to the Participant, or to the Participant's spouse or child(ren) if applicable, for the same period for which the Disability benefit is payable hereunder:

1. primary and dependent disability or retirement benefits under the Federal Social Security Act, or any similar plan or act; provided, however, that any cost-of-living increases in such benefits, effective after the initial reduction in the Plan benefit, will not serve to further reduce the Plan benefit;

2. benefits under any plan, fund or other arrangement, by whatever name called, providing disability benefits pursuant to any compulsory benefit act or law of any government;

3. disability or retirement benefits, including any formal or informal severance pay, sick pay or salary continuation pay, under any other Company-sponsored or Company-funded plan;

4. benefits under a State disability plan or a Company plan established in lieu thereof; and

5. any work loss provision in mandatory "No-Fault" automobile insurance.

If a Participant is or might be entitled to the above benefit, the full Plan benefit will be paid upon receipt by the Claims Administrator of (i) evidence that the Participant has applied for such benefits and (ii) an executed agreement to reimburse the Plan, up to the amount of payments made, immediately upon receipt of such benefits.

If a Participant fails to apply for any of the above-itemized benefits to which he or she might be entitled, the Plan benefit will be reduced by the amount of the benefit which the Participant would have received had application been made. Determination of the amount of such benefit will be made by the Claims Administrator.

D. *Acts of Third Parties* In the event that a Participant is injured through the acts or omissions of another person or organization, benefits under the Plan will be provided only on condition that the Participant agrees to the provisions set forth below. Acceptance of benefits shall constitute the participant's agreement to do the following:

1. to reimburse the Plan, for the full amount of payments made under the terms of the Plan, immediately upon receipt of the proceeds of any settlement of, or judgment in, an action at law, arbitration, claim, or other proceeding to determine his or her rights of recovery arising out of his or her injury, net of his or her reasonable expenses in collecting such amount including reasonable attorney's fees, and net of any amounts which are allocated by terms of any judgment for the payment of unreimbursed medical expenses; he or she will execute and deliver instruments and papers and do whatever else is reasonably necessary to secure the rights of the Plan to reimbursement out of such proceeds, and he or she will do nothing to prejudice such rights;

2. to provide the Plan with a lien on the proceeds described in the preceding paragraph, to the extent of the full amount of payments made under the terms of the Plan;

3. to provide the Plan with a credit against payments to be made in the future under the Plan equal to the proceeds described above, less any amount paid to the Plan by way of reimbursement; and

4. to execute any documents necessary to effectuate paragraphs 1 through 3 above.

E. *Commencement and Duration of Benefits* Benefits will be payable as of the first day that a Participant becomes eligible to receive benefits and applies for these benefits. Thereafter, benefits will be payable until the earliest of the following:

1. the date following a period of twenty-six (26) weeks of Disability within a rolling fifty-two (52) week period.

2. the date the Participant's Disability ceases to exist; or

3. the date of the Participant's death.

F. *Discontinuance and Resumption of Benefits* Benefits will be discontinued on the date, as determined by the Claims Administrator, that any of the following has occurred:

1. the Participant has refused to undergo a medical examination; failure by the Participant to undergo a scheduled medical examination following a written request by the Claims Administrator to do so will be considered a refusal;

2. the Participant has refused to provide information requested in writing by the Claims Administrator for the purpose of determining whether the Participant is entitled to benefits under the Plan; failure to furnish such information within twenty (20) days after such information has been requested will be considered a refusal;

3. the Participant has refused to follow or has rejected the treatment plan recommended by his or her Physician, unless the Participant disputes such treatment plan in good faith and on the advice of another Physician;

4. the Participant is no longer under the regular and continuous care and treatment of a Physician, unless such regular and continuous care and treatment are not medically indicated, given the nature of the Disability; or

5. the Participant has misstated or provided false information or materials to the Plan or Claims Administrator.

Benefits, which have been discontinued in accordance with the above, may resume if the reason for discontinuance ceases to apply. In no event, however, will benefits be paid for the period during which the Participant was not in compliance with the Plan unless the Claims Administrator determines that the Participant's failure to comply was due to reasonable cause.

G. *Suspension and Reinstatement of Benefits* Benefits will be suspended as of the date of any medical examination conducted pursuant to Section V.F. If the Claims Administrator, on the basis of the results of such examination, determines that eligibility for benefits continues, benefits will be reinstated as of the date of the medical examination.

H. *Overpayments* In the event the calculation of a benefit under the Plan results in an overpayment to the Participant, the Participant will be required to repay such overpayment. The Company will make reasonable arrangements with the Participant or his or her legal representative(s) for the repayment to the Plan, including, but not limited to, the reduction of future benefits under the Plan or the reduction of future pay from the Company.

V. PAYMENT OF BENEFITS

A. *Application for Benefits* To be entitled to any benefits under the Plan, a Participant must comply with such procedures and requirements as the Claims Administrator may have prescribed with respect to the completion and filing of an application for such benefits and submission of evidence that the Participant is entitled to such benefits. The Claims Administrator may require information with respect to the Participant's age, address, marital status, dependents, employment record, medical history and evidence that the Participant has applied for any benefits which would serve to reduce benefits under this Plan.

The Claims Administrator may require any other information reasonably relevant to a determination of whether the Participant is eligible to receive benefits and may also require written authorization to obtain:

1. information from the Participant's Physician or Physicians with respect to his or her physical condition, diagnosis, prognosis, date of expected return to work and related matters;

2. relevant medical records on file in any hospital, Physician's or government office; and

3. such other records from any company having information reasonably relevant to a determination.

B. *Time Limit for Application for Benefits* An application for benefits must be filed no later than twenty (20) days after the date benefits may become payable under the Plan unless it is not reasonably possible for the Participant or his or her representative to do so.

If the Participant or his or her representative fails to provide the information as required above, benefits will not be paid for the period during which the Participant was not in compliance with the Plan unless the Claims Administrator determines that the Participant's failure to comply was due to reasonable cause. However, in no event will an application be accepted by the Claims Administrator if such application or certificate is filed more than six (6) months after the date benefits may become payable.

C. *Claim Processing* Upon receipt of the Participant's application, the Claims Administrator will make a determination as to the eligibility of the Participant for benefits. If the Claims Administrator determines that a Participant is not eligible for benefits, the Participant will be provided with written notification of the denial within forty-five (45) days after receipt of the application. The notice will be written in a style and manner calculated to be understood by the Participant. The notice of denial will set forth:

1. the specific reason or reasons for the denial;

2. specific references to pertinent Plan provisions on which the denial is based;

3. a description of any additional material or information necessary for the claimant to perfect the claim and an explanation as to why such material or information is necessary; and

4. an explanation of the Plan's claim review and appeal procedure.

D. *Claim Review and Appeal Procedure*

First Level of Appeal Any Participant or the representative of a Participant whose claim has been denied will have the right to request a review of the decision made on his or her claim. Such request must:

1. be in writing and submitted to the Claims Administrator at the following address:

   Matrix Absence Management Quality Assurance Review
   c/o RSLI
   PO Box 13498
   Philadelphia, PA 19101

2. be filed within one hundred eighty (180) days after receipt of the written decision;

3. set forth all of the grounds upon which the request for review is based and any facts in support thereof; and

4. set forth any issues or comments, which the Participant deems pertinent to his or her claim.

The Participant or his or her representative may review documents pertinent to his or her claim.

Upon receipt of the request for review of the decision, the Claims Administrator will consider the written request and provide the Participant with a written decision within forty-five (45) days after receipt of the request for review. This review:

1. shall give no weight to the initial adverse benefit determination;

2. will be rendered *de novo,* with a review of the entire file, including any new materials and arguments submitted since the initial adverse benefit determination;

3. will be rendered by an appropriately named individual who neither made the adverse benefit determination that is the subject of the appeal, nor is the subordinate of that individual;

4. will be rendered in consultation with a Health Care Professional who has appropriate training and expertise in the field of medicine involved in the medical judgment, if the initial adverse benefit determination was made in consultation with a Health Care Professional and if the adverse benefit determination is based in whole or in part on a medical judgment; and

5. will be rendered with the consultation of a Health Care Professional who was not the individual consulted during the adverse benefit determination that is the subject of the appeal, nor the subordinate of that individual, if the initial adverse benefit determination was made in consultation with a Health Care Professional.

Should additional time be required in which to review the Participant's request, the Participant will be notified on or before the date the forty-five (45) day period expires. The extension notification sent to the Participant will indicate (i) the special circumstances requiring an extension, and (ii) the date and time by which the Claims Administrator expects to render a determination on review. In no event, however, will the written decision be issued more than ninety (90) days after the request for review is received.

Second Level of Appeal: The Company has the discretion to decide if a Participant whose initial appeal has been denied, warrants a second review of his or her claim. If the Company determines that an additional appeal is warranted, such request must:

1. be in writing and submitted to the Claims Administrator at the following address:

   Matrix Absence Management Quality Assurance Review
   c/o RSLI
   PO Box 13498
   Philadelphia, PA 19101

2. be filed within one hundred eighty (180) days after receipt of the written decision;

3. set forth all of the grounds upon which the request for review is based and any facts in support thereof; and

4. set forth any issues or comments, which the Participant deems pertinent to his or her claim.

The Participant or his or her representative may review documents pertinent to his or her claim.

Upon receipt of the request for review of the decision, the Claims Administrator will consider the written request and provide the Participant with a written decision within forty-five (45) days after receipt of the request for review. This review:

1. shall give no weight to the initial adverse benefit determination;

2. will be rendered *de novo,* with a review of the entire file, including any new materials and arguments submitted since the initial adverse benefit determination;

3. will be rendered by an appropriately named individual who neither made the adverse benefit determination that is the subject of the appeal, nor is the subordinate of that individual;

4. will be rendered in consultation with a Health Care Professional who has appropriate training and expertise in the field of medicine involved in the medical judgment, if the initial adverse benefit determination was made in consultation with a Health Care Professional and if the adverse benefit determination is based in whole or in part on a medical judgment; and

5. will be rendered with the consultation of a Health Care Professional who was not the individual consulted during the adverse benefit determination that is the subject of the appeal, nor the subordinate of that individual, if the initial adverse benefit determination was made in consultation with a Health Care Professional.

Should additional time be required in which to review the Participant's request, the Participant will be notified on or before the date the forty-five (45) day period expires. The extension notification sent to the Participant will indicate (i) the special circumstances requiring an extension, and (ii) the date and time by which the Claims Administrator expects to render a determination on review. In no event, however, will the written decision be issued more than ninety (90) days after the request for review is received. The decision of the Claims Administrator on any benefit claim will be final and conclusive upon all persons.

E. *Notification of Benefit Determination Upon Review* If, on review, the Claims Administrator determines that a claimant is not eligible for benefits, the claimant will be notified in writing within the time frames set forth in Section V. D. above. The notification will be written in a manner designed to be understood by the claimant and will set forth the following:

1. the specific reason or reasons for the denial;

2. specific references to pertinent Plan provisions on which the denial is based;

3. a statement that the claimant is entitled to receive, upon request, reasonable access to, and copies of, all documents, records, and other information relevant to the claim;

4. if applicable, the rule, guideline, protocol or similar criterion on which the denial was based (or a statement that a copy of such is available, on request); and

5. if applicable, the identity of any medical or vocational expert(s) whose advice was obtained on behalf of the Plan in connection with the adverse benefit determination, whether or not the advice was relied upon in making the determination.

F. *Medical Examinations* The Claims Administrator may require that a Participant applying for benefits submit to an examination by a Physician designated by the Claims Administrator, for his or her medical opinion as to whether the Participant is disabled so as to meet the eligibility requirements under the Plan for benefits. Re-examinations of a Participant receiving benefits may be directed by the Claims Administrator from time to time for the purpose of assisting the Claims Administrator in determining whether continued eligibility for such benefits exists. The fees of such Physician and the expenses of such examination will be paid by the Plan.

G. *Non-Alienation of Benefits* To the extent permitted by law, no benefit payable at any time under the Plan will be assignable or transferable, or subject to any lien, in whole or in part, either directly or by operation of law or otherwise, including, but not limited to, execution, levy, garnishment, attachment, pledge, bankruptcy, or in any other manner. No benefit payable under the Plan will be liable for, or be subject to, any obligation or liability of any Participant.

H. *Payment to Representative* In the event that a guardian, conservator, committee or other legal representative has been duly appointed for a Participant entitled to any payment under the Plan, any such payment due may be made to the legal representative making claim therefor. Any such payment so made will be in complete discharge of the liabilities of the Plan therefor, and the obligations of the Claims Administrator and the Company.

I. *Payment In the Event of Death* In the event of the death of the Participant, any payments due under this Plan as a result of the Participant's Disability will be made to his or her beneficiary as noted in the Participant's group life insurance policy or, if no such policy exists, to the Participant's spouse. If payments cannot be made under either of the above methods, payment will be made to the Participant's estate.

VI. PLAN FINANCING

A. *Participant Contributions* Participants will not be required to make contributions to the Plan.

B. *Company Contributions* Disability benefit payments and such other costs as are determined necessary to properly maintain and operate the Plan will be paid out of the Company's general assets.

VII. ADMINISTRATION AND RESPONSIBILITY

A. *Duties of the Plan Administrator* The Plan Administrator will have, at its discretion, exclusive authority and responsibility for all matters in connection with the operation and administration of the Plan. Specifically, the Plan Administrator will:

1. be responsible for the compilation and maintenance of all records necessary in connection with the Plan;

2. determine eligibility for benefits under the Plan, and compute and authorize the payment of such benefits as they become payable;

3. decide questions relating to the eligibility of Associates to become Participants;

4. engage such legal, actuarial, accounting and other professional and clerical services as may be necessary or proper; and

5. interpret this instrument and make and publish such uniform and non-discriminatory rules for administration of the Plan as are not inconsistent with the provisions of this instrument.

B. *Duties of the Claims Administrator* The Plan Administrator has assigned a Claims Administrator, Matrix, to provide certain administrative claims handling services. The Plan Administrator delegates to Matrix the discretionary authority to determine the validity of claims under the Plan. This delegation is subject to Plan Administrator's retention of full responsibility as a Plan Administrator for the final review of claims, and Plan Administrator has the discretionary authority to administer, construe and interpret the terms of the Plans and to make final, binding determinations concerning the availability of Plan benefits.

C. *Delegation of Duties* The Plan Administrator may, from time to time, delegate any of the rights, powers, and duties of the Plan Administrator (including fiduciary responsibilities) with respect to the operation and administration of the Plan to one or more committees, individuals or entities. If the Plan Administrator delegates any rights, powers or duties to any person, such person may from time to time further delegate such rights, powers and duties to any other person. If any right, power or duty is delegated to more than one person, such persons may from time to time allocate among themselves any such right, power or duty. Any allocation or delegation of fiduciary responsibilities under the Plan will be terminable upon such notice as the Plan Administrator, in its sole discretion, deems reasonable and prudent.

D. *Decisions and Rules* The decisions of the Plan Administrator made in good faith upon any matter within the scope of its authority will be final, but the Plan Administrator at all times in carrying out its decisions will act in a uniform and nondiscriminatory manner.

E. *Fiduciary Duties* In performing its duties, the Plan Administrator will act solely in the interest of the Participants:

1. for the exclusive purpose of providing benefits to Participants and defraying reasonable expenses of administering the Plan;

2. with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; and

3. in accordance with the documents and instruments governing the Plan, insofar as such documents and instruments are consistent with the provisions of the Plan.

F. *Liability; Indemnification* The Plan Administrator will not be liable for any act, omission, determination, or construction made by itself or by its designated counsel, agents, or other employees, except for willful misconduct. The Company will indemnify and hold harmless any person to whom any fiduciary duty is delegated from and against any and all liabilities, claims, demands, costs and expenses (including attorneys' fees) arising out of an alleged breach in the performance of its fiduciary duties under the Plan, other than such liabilities, claims, demands, costs and expenses as may result from the gross negligence or willful misconduct of such person. The Company will have the right, but not the obligation, to conduct the defense of such person in any proceeding to which this Section applies.

VIII. MISCELLANEOUS

A. *Permanence of the Plan* The Company intends to continue the Plan indefinitely, but will not be under any obligation or liability whatsoever to continue to maintain the Plan for any given length of time. The Company may, in its sole discretion, terminate the Plan any time without any liability whatsoever for such action.

B. *Right to Amend* The Company reserves the power and right, at any time or times to amend any or all of the provisions of the Plan to any extent and in any manner it will deem advisable.

C. *Non-Guarantee of Employment* The adoption and maintenance of the Plan will not be considered to be a contract between the Company and any Associate. Therefore, no provision of the Plan will give any Associate the right to be retained in the employ of the Company or to interfere with the right of the Company to discharge any Associate at any time, irrespective of the effect such discharge may have upon an Associate as a Participant or prospective Participant under the Plan. In addition, no provision of the Plan will be considered to give the Company the right to require any Associate to remain in its employ, or to interfere with any Associate's right to terminate his or her employment at any time.

D. *Governing Law* The Plan will be construed, administered and governed in all respects in accordance with pertinent state and federal laws. If any provision of this Plan will be held by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions of the Plan will continue to be fully effective.

E. *Titles* Titles are for reference only. In the event of a conflict between a title and the content of a Section, the content will control.

F. *Gender and Number* Wherever used in this Plan, the masculine gender will include the feminine gender and the singular will include the plural, unless the context indicates otherwise.

Saks Global

BY: _____

NAME: _____

TITLE: _____

DATE: _____