

Stewart's

VERMONT PERSONNEL MANUAL | We are Closer to You with our customers, shops, and partners.

Stewart's is an employee and family owned company operating over 330 convenience stores in upstate New York and Vermont, along with a dairy/ice cream plant, a distribution center and offices in Saratoga Springs, NY.

We are a stable and successful company in a growing industry because our 1/3 employee ownership, strong market position, and owning most of our real estate, gives us the control to take a long-term approach to our business. Having our own plant and distribution center integrated with our shops allows us to be more effective and creates a more rational environment where we don't have to pretend or avoid issues, putting us in a position to do what we want to versus what we have to.

With a billion and a half dollars in annual sales and approximately 5,000 partners, we are viewed as a large company but we are really 400 small groups in shops or departments that can function very effectively. This allows us to balance the market sensitivity and efficiency of a small operation with the support of a larger organization. In this Small Is Nicer environment (SIN), everybody knows who is effective and what is going on. We use awareness rather than following a set of rules so we can be fair and react to various situations, which creates a more enjoyable atmosphere for both partners and customers. It is what makes us so different from companies that are big, structured, and impersonal.

Our personnel manual is a single piece of paper, simply written so you can understand how to interact and grow most efficiently with Stewart's. "We are here for our customers" who make our business possible. That is why it is so important that we are courteous to our customers and our fellow partners. The power of being courteous creates trust while building a pleasant and fun atmosphere. We are able to share with our customers Stewart's quality, service, and value, while giving back to our communities. The customers in return do a lot to help us run the business and make our shop a true part of the community.

As a partner, you should understand "why" we do things not just be do them because someone said so. We use the SHARE acronym below to review both yours and your supervisor's performance.

Sell is the ability to influence people positively in many ways.

Honest is about being open and candid, so people trust both your intent and ability.

Activity is the physical and mental energy to be effective.

Reasons are your ability to understand, accept, and teach logical solutions versus being confined by a lot of rules.

Externals are understanding the impact our personal issues, family, and friends have on our job and fellow partners

	ESOP	Death Benefit Only Plan	Health Insurance	Dental Insurance	Paid Vacation	Maternity Benefit
Able to apply after	* Age 19 * 500 hrs/qtr or 1000 hrt/yr, whichever occurs first (based on pay dates within qtr/yr)	* Two years full time service (1820 hours/yr)	* 2 months service * F/T status * Work minimum of 30hrs/wk	* 2 months service * F/T status * Work minimum of 30hrs/wk	* F/T status (minimum 25 yrs/wk) * 1 yr of service	* As of child's date of birth * ESOP participant at the time of delivery
Benefit	100% Company contributed \$, based on profits, to Trust Fund for participants \$'s become yours over 6 years, starting with 20% >2 yrs and +20%/yr thereafter. Must maintain 1000hrs/yr. 2 years = 20% 3 years = 40% 4 years = 60% 5 years = 80% 6 years = 100%	Amount of benefit determined at time of death by looking at yrs of full time service immediately preceding the date of death 2 yrs full time \$25,000 5 yrs full time \$35,000 10 yrs full time \$50,000 The benefit is paid out in a lump sum and taxable to your beneficiary. The benefit is provided at no cost to the employee The benefit is in effect only while employed by Stewart's	Annual election Stewart's self-insured plan Co. contributes towards wkly exp Empl \$ wkly cost for fam/ind done on a pre-tax basis Ann. Deductible Family \$600/year Ind \$300/year 2019 Wkly Rates: Family \$130.00 Ind \$49.00	Annual election Delta Dental Ins participating dentists Empl \$ wkly cost for fam/ind done on a pre-tax basis Coverage provides 80-100% prev/gen 50% major services Annual Max \$1500/person 2019 Wkly Rates: Family \$16.50 Ind \$7.25	Earned on an accrued basis # of hrs show up on pay check stub as they become available to employee Pay works out to equivalent 1 wk = 1 year 2 wks = 2 years 3 wks = 7 years 4 wks = 15 years Time off must be scheduled & approved by supervisor	This benefit pays you the difference between what NYS Disability pays and your average weekly wage Benefit begins as of date of birth and continues up to 6 wks for natural childbirth and 8 wks for a Cesarean Section
	Angela Mash x3415	Chris Pastore x3325	Christina x3340 Chris P. x3325	Christina x3340	Alex x3325 Shannon x3315 Stacy x3220	Karley DeDeyn x3420

This section of the manual contains important information concerning participant rights, under the Stewart's provided Plans and ERISA (Employee Retirement Income Security Act). Please read and retain this manual for future reference.

ESOP

This plan was primarily designed to share real ownership in Stewart's with our partners. It's a 100% company paid benefit that provides financial security for you and your family at the time of your retirement. Stewart's started the Plan in 1974. In 2001, we converted to an Employee Stock Ownership Plan. The Plan value now is approximately \$400 million. As your account balance grows untaxed, your ownership in Stewart's increases.

Stewart's

This is because the ESOP Trust, where the funds are invested, owns 40% of Stewart's. It is our desire that, in the future, all partners should participate in the ownership of Stewart's.

Annual company contribution and forfeiture amounts to approximately 15% of your annual wages

*Declared in December by Board of Directors.

*Contributed to participants who worked at least 1000 hrs in a year based on their gross earnings.

*Plan's welfare is contingent on Stewart's stability & growth.

*Stewart's financial position may affect funds avail. for withdrawal.

*Funds are invested in Stewart's stock and operating cash

*Funds are invested in a trust by the Plan Trustee.

*Market conditions will dictate the trust earnings each year.

*Performance in the fund does not carry a guaranteed return rate.

*After enrollment, 1 yr credit for each Plan year you work 1000+ hrs.

*Vesting is the portion of your balance that belongs to you.

*Fully vested after 6 years of participation.

*If you retire, become disabled, or die your account becomes 100% vested.

*A disability must be certified by the SS Admin while you are still employed.

*Under certain circumstances, a partner who leaves Stewart's and is later rehired may get credit for that earlier service. Forfeited account balances will be reinstated if the number of years between employment dates is less than 5 years before the break began, and you repay the full amount distributed to you, if any, upon re-employment.

Payments can be received from the Plan for:

*In-service distributions are available to those participants who are still employed at age 70 ½, or age 55 or greater with 20 years of service & work less than 1000 hrs/yr, pending approval.

*Retirement (age 62 or 55 w/10 yrs of service), become 100% Social Security disabled, or die.

*If you terminate employment and have a vested balance, payment is available May 1st of the following year.

*Account balances will be forfeited to remaining plan participants when employment ends prior to vesting (2 years).

*Balances under \$5,000 need to be withdrawn from the plan.

*Balances over \$5,000 will be administered by NBT Bank unless you qualify to remain in Stewart's stock (retire, 20+ yrs of service, death, DBL, or age 62).

*Emergency withdrawals or Plan loans up to 1/3 of the vested dollars balance may be requested from the Plan Trustee for: purchase of a principle residence; college expenses; extraordinary medical expenses not covered by insurance; funeral expenses; or expenses to prevent foreclosure, eviction or damage to your principle residence. Withdrawals are available only if all other sources of funds to meet the financial need have been exhausted. Maximum loan is \$50,000 + interest, with repayment within 5 years by payroll deduction. Loans can be made for the above reasons or extreme financial hardship.

*Depending on the reason and age at time of distribution, payment may be a lump sum or in installments.

*Payments are taxable as ordinary income at time of withdrawal.

*Withdrawals pre-age 59 ½ may be subject to an additional 10% penalty tax.

*A 20% mandatory federal withholding tax applies if distribution is not rolled to an IRA.

*Withdrawals are not recommended because of loss of future retirement dollars. If vested and employment ends, any unvested \$s will forfeit after a 5 year break in service.

*The Plan Trustees are David Farr, Pat Suprenant and Kelli Derway. They are responsible for exercising good judgment and following IRS guidelines when approving withdrawals.

HEALTH INSURANCE

Stewart's recognizes the importance of health care for our partners and their families, offering a self-insured plan gives us the control to provide benefits that best fits their needs. The partner's portion of the health insurance is based on the total healthcare dollars spent each year so it's important for all of us to control our healthcare spending so that we can keep our health deductions down and our ESOP dollars growing.

The health plan covers inpatient and outpatient hospital care, surgery, maternity, emergency care, mental health care, home health care, physical therapy, treatment of alcohol/substance abuse, prescriptions, eye exams, frames and lenses or contacts, as well as doctor's office visits. Plan specifics like co-pays, limitations, and exclusions are detailed in the benefit booklet, which you will receive upon eligibility.

Annual Deductible: \$300/year for individual, \$600/year for family, after deductible is met, you begin paying copayments.

Cost of program is shared: The partner's portion is approx 40% of the total cost of coverage and is taken as a pre-tax deduction.

Dependents may also have coverage: spouse; children, adopted children or stepchildren who are under age 26, or are not able to support themselves due to mental illness or disability.

DELTA DENTAL INSURANCE

Preventive and General services are 80% to 100% covered (includes periodontics) and major services are 50% covered (includes orthodontics). The partner's cost of dental insurance is a pre-tax deduction. Plan specifics, limitations, and exclusions are provided in the benefits summary upon eligibility.

ELIGIBILITY FOR HEALTH AND DENTAL BENEFITS

Stewart's

*All full time partners (30+hrs/wk) become eligible for health and dental insurance on the first Monday following sixty (60) days of continuous active service, and then again at the beginning of each subsequent Plan Year.

*Open enrollment occurs each December.

*Per IRS guidelines, election remains in effect for the entire Plan Year and is irrevocable unless it is due to the result of a change in family status (e.g., marriage, divorce, death of spouse or child, birth or adoption of child, or termination of spouse's employment).

MEDICAL REIMBURSEMENT ACCOUNT

For full time partners, each December you can elect a medical spending account for the year that can be used to pay for your deductible and other qualified medical/prescription/dental/vision expenses not covered by insurance. You will be provided a Benefit Card to pay for these expenses. You can elect any dollar amount to be deducted on a weekly, pretax basis, and put into an account. The maximum election is \$2650/year or \$50.96/week and you can roll-over up to \$500 (Max) to the next plan year if you do not use all your dollars. Health insurance participation is not mandatory to enroll in this program.

TELEMEDICINE

When you elect the Stewart's Health Plan, you and your covered dependents are automatically enrolled in a Telemedicine benefit through United Concierge Medicine (UCM). Be sure to download the app by searching "UCMnow" in the App Store or Google Play. You may also request a consult by dialing 844-484-7362. This service is available 24/7 and can treat acute conditions including cold/flu, pink eye, and insect bites.

COBRA

Identical benefits for health & dental may continue upon employment termination

*You pay 100% of total cost, plus a 2% administrative fee.

*Coverage may continue for 18 months if terminated or hours are reduced, which would result in a loss of coverage.

*The 18 months may be extended to 29 months if you are determined to be eligible for social security disability benefits.

*Coverage may continue for 36 months if you lose your dependent status or you get divorced.

*A notice will be sent to your home explaining your rights for COBRA upon termination or when your hours are reduced.

STEWART'S MATERNITY LEAVE PROGRAM

This benefit was designed to give our partners peace of mind when they are expecting a child. Stewart's offers the basic NYS Disability plus the Stewart's Maternity Leave Program, which pays you the difference between what NYS Disability pays and your average weekly wage. To qualify you must be an active ESOP participant and apply for NYS Disability.

*Up to 6 wks pay for natural childbirth and 8 wks pay for a Cesarean Section.

*The maternity leave check will be taxed and any deductions from your normal paycheck (health/dental ins, medical spending, etc.) will be deducted.

*The gross amount paid to you under the Maternity Leave Program will be included in your ESOP calculation, however dollars paid under NYS Disability will not.

*Payments under the Maternity Leave Program will start on the child's date of birth.

SHORT TERM DISABILITY BENEFITS

Payments for disability due to illness, injury or maternity:

*50% of average weekly wage (8 weeks) up to a max of \$170/week.

*Payable for a maximum of 26 weeks.

*All claims must be signed by a licensed physician.

*Coverage begins on 8th day absent from work.

*Claims can be submitted to The Hartford.

FAMILY AND MEDICAL LEAVE ACT (FMLA)

Allows eligible partners, with one year of service & 1250 hours, to take up to 12 weeks unpaid leave for specified family, military and medical reasons. It also allows twenty-six unpaid work weeks of leave during a single 12-month period to care for a covered service member with a serious injury or illness if the eligible employee is the service member's spouse, son, daughter, parent, or next of kin (military caregiver leave). A poster providing more information is located in each shop.

WORKERS COMPENSATION INSURANCE

Payments for lost wages and/or medical expenses if you are injured on the job:

*2/3 of avg wkly wage (52 wks), *min \$437/week, max \$1311/week.

*Must notify Supervisor/Personnel Dept immediately to report an accident.

*Coverage begins on the 8th day absent from work; if out over 14 days, coverage goes back to day 1.

*Stewart's will file the claim on your behalf.

*Fraud is a felony, punishable by fines and/or prison time.

BEREAVEMENT LEAVE

For ESOP participants, we allow up to 3 days of paid time off due to the passing of an immediate family member: parents, grandparents, siblings, spouse, children, mother-in-law or father-in-law.

STEWART'S FEDERAL CREDIT UNION

Stewart's also offers our own Credit Union. The Stewart's Federal Credit Union is a full service financial institution. Our services include checking, savings, clubs, CD's online/telephone banking/text banking, bill pay, Deposzip (mobile deposits), loans, VISA debit and ATM cards. With a Stewart's

Stewart's

CU VISA or ATM card, you will get a total of 5 FREE ATM withdrawals per month at any Stewart's Shops locations. The Credit Union is member-owned and federally insured up to \$250,000 in deposit accounts. You and your immediate family members are eligible to apply for membership upon employment with a \$10 minimum balance. For more info, please contact the Credit Union at ext. 3900 or visit www.stewartscu.com.

MAKE YOUR OWN SCHOLARSHIP

Philly Dake established this program to provide college scholarships. Applicant must be the dependent of a current Stewart's employee, who has worked for the company a minimum of 3 years and is an ESOP participant. Since 1999, the program has provided more than 900 scholarships totaling nearly \$5 million. Last year, \$368,000 was awarded to 87 students in the Stewart's family. In October of each year, we send out a letter to each shop describing the program. Applications are available on the website from December until the application deadline in February.

COMPANY/DISTRICT POLICY NOTES

Fairness: The positive atmosphere we all create in our shops, districts, and departments have made the job easier and more enjoyable for everyone. Because we work in small groups, problems such as alcohol/substance abuse, absenteeism/tardiness, sexual harassment, profanity, bigotry, or theft, cannot be tolerated. Offenders will be disciplined accordingly because of the negative impact these actions have on fellow partners and our customers. For all new partners, passing a pre-employment drug test is required prior to starting.

Holiday Pay: Designated holidays are Thanksgiving, Christmas Day, and Fourth of July. If you work a holiday, you will be paid 1 1/2 times your normal pay rate.

Alcohol, Tobacco, and Lotto/Lottery Sales: Underage drinking, smoking, and gambling are serious social problems that have police and society's attention. That is why it is so important for us as a company to have a policy that protects our partners and customers. A picture ID is consistently required for proof of age to buy alcohol, cigarettes, or lotto/lottery for anyone under age 30. Per State Regulations, the following forms of ID are acceptable: a valid driver's license, a State non-driver's ID, a military ID and/or a passport. You jeopardize your job and the shop's license to sell if you fail to follow this policy. Sting operations are conducted by Stewart's as well as State & local officials and you may be arrested and lose your job, if you fail to verify age and end up selling to a minor. Alcohol cannot be consumed on our property.

Smoking: Our shops are classified as food stores where VT State law does not allow smoking. We are a smokeless workplace because of the penalties involved with the law.

Breaks: Most partners prefer picking their own break times rather than a specified time off the clock. NYS has granted Stewart's a permit for shorter 20 minute meal periods for partners working over 6 hours. This allows you to be paid during your break as well as the flexibility to break up the day, while still providing good customer service.

Discounts: 50% off on select Stewart's private label products consumed at the shop, while on duty or break. 10% off of all other products except items in entertainment, gas, tobacco (including smokeless) or promotions. Register receipts should be initialed and put in shop's designated spot for proper record keeping.

Uniforms add to your professionalism and let customers know whom to deal with if they have questions. Keeping items in excellent condition makes a favorable impression and gets every customer transaction off on the right foot, which makes everyone's job easier. Stewart's provides hats, name badges, ribbons, shirts, and pendants to make it possible to create a professional and safe environment. Hats are required by State regulations.

STATE UNEMPLOYMENT INSURANCE

Benefits are paid based on reason for termination. Voluntary departure, policy violations, missing work shifts, theft, and insubordination may not qualify an individual to collect. Claiming unemployment insurance fraudulently is a serious offense and can lead to severe penalties, including criminal prosecution and imprisonment. Our employer ID# is 54110564

SUPPLEMENTAL INFORMATION FOR EACH OF OUR PLANS

Name of Plan	Type	No.	Year
Group Health Insurance Plan	Welfare	505	Jan-Dec
Stewart's ESOP	Pension	001	Jan-Dec

Participating Employers

Stewart's Shops Corp Employer ID# 14-1323607

Plan Administrator (and agent for service of legal process)

Stewart's Shops Corp
P.O. Box 435, Saratoga Springs, NY 12866
(518) 581-1200

Vermont Disability	Vermont Workers Comp
The Hartford	Zurich American Ins. Co.
One Hartford Plaza, CAL 1-45 PO Box 49547	
Hartford, CT 06155	Colorado Springs, CO 89049-9537
1-800-549-6514	1-800-987-3373 www.thehartfordatwork.com

Stewart's

Delta Dental Plan

1 Delta Drive, Mechanicsburg, PA 17055

(800) 932-0783

Group #1353

BlueShield of NENY

(800) 888-1238

PO Box 80, Buffalo, NY 14202

Group # 00960135

Claim for Benefits: Claims for benefits must be filed on forms available in the Personnel Dept. In the event a claim for benefits is denied, a written notice will be given to the claimant within 90 days. The claimant may request a review of the decision within 60 days thereafter.

Operation of Plans: This booklet is intended only as a brief description of the Plans. The actual Plan documents rule in all cases. Stewart's Board of Directors may terminate or modify any partner benefit plan, described in this booklet, by a formally approved resolution at a regularly constituted Board meeting held in accordance with the established process of the Board.

STATEMENT OF ERISA RIGHTS

As a participant in each of our Plans, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to: (1) Examine, without charge, at the plan administrator's office and at other specified locations, all plan documents, including insurance contracts, and copies of all documents filed by the plan with the U.S. Department of Labor, such as detailed annual reports and plan descriptions. (2) Obtain copies of all plan documents and other plan information upon written request to the plan administrator. The administrator may make a reasonable charge for the copies. (3) Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report. In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer or any other person, may discharge or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA. If your claim for a benefit is denied in whole or in part you must receive a written explanation of the reason for the denial. You have the right to have the plan administrator review and reconsider your claim. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the plan administrator and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$100 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. If it should happen that plan fiduciaries misuse the plan's money, or you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees for example, if it finds your claim is frivolous. If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest Area Office of the U.S. Labor-Management Services Administration, Department of Labor.

This booklet is not representative of an implied employment contract.