# THE NEIMAN MARCUS GROUP LLC AMENDED AND RESTATED EMPLOYEE SEVERANCE PLAN FOR VICE PRESIDENTS AND SENIOR VICE PRESIDENTS AND SUMMARY PLAN DESCRIPTION

The Neiman Marcus Group LLC, a Delaware limited liability company (the "Company"), has adopted this The Neiman Marcus Group LLC Amended and Restated Employee Severance Plan for Vice Presidents and Senior Vice Presidents of the Company (the "Plan"), effective as of May 22, 2024. The Plan is intended to provide severance benefits to eligible employees in the event of certain qualifying terminations of employment from the Company and its subsidiaries and affiliates. The Plan, as a "severance pay arrangement" within the meaning of Section 3(2)(B)(i) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), is intended to be and will be administered and maintained as an unfunded welfare benefit plan under Section 3(1) of ERISA. The Plan amends and restates, The Neiman Marcus Group LLC Amended and Restated Employee Severance Plan for Vice Presidents and Senior Vice Presidents of the Company, effective as of April 4, 2024.

This document constitutes both the formal Plan document and a summary of the Plan, called a Summary Plan Description ("SPD"), and describes the terms of the Plan that are in effect as of May 22, 2024. The Company urges each Participant (as defined below in Section 1) to read this SPD carefully to understand the Plan as it applies to him or her. The Company suggests that each Participant keep this document in a safe place for future reference.

1. <u>Eligible Employees</u>. Each employee of the Company at or above the Vice President and Senior Vice President level who is chosen by the Plan Administrator (as defined below in <u>Section 5.1</u>) in its sole and absolute discretion shall be a participant in the Plan (a "<u>Participant</u>"); provided, however, that any Participant who is party to an employment, severance, or similar agreement with the Company or any of its affiliates that provides for severance benefits shall not be eligible to receive any Severance Benefits (as defined below) under the Plan.

### 2. Eligibility for Severance Benefits.

- 2.1 <u>Eligibility</u>. A Participant will be eligible to receive Severance Benefits (as defined in <u>Section 3.1</u>) under the Plan upon the Participant's Qualifying Termination (as defined in Section 2.3); provided that the Participant:
  - (a) performs all transition and other matters required of the Participant by the Company before the Participant's Qualifying Termination;
  - (b) returns to the Company any property of the Company that has come into the Participant's possession upon the Participant's Qualifying Termination; and
  - (c) executes and returns, within 45 days after the Participant's Qualifying Termination (and does not thereafter revoke), a general release in a form acceptable to the Plan Administrator (the "Release"), under which the Participant, among other things, releases and discharges the Company and its subsidiaries and

affiliates from all claims and liabilities relating to the Participant's employment with the Company and the termination of such employment.

For purposes of the Plan, "Release Effective Date" means, with respect to a Participant, the date the Participant's Release becomes effective and is no longer subject to revocation; and "Payment Date" means the Company's first regularly scheduled payroll date after the Release Effective Date.

- 2.2 "<u>Termination of Employment</u>" means, with respect to a Participant, the Participant's termination of employment with the Company and all of its subsidiaries and affiliates. Any payments to be made to a Participant under the Plan upon a Termination of Employment will only be made upon such Participant's "separation from service," as such term is defined under Section 409A of the Internal Revenue Code of 1986, as amended (the "Code").
- 2.3 "Qualifying Termination" means, with respect to a Participant, a Termination of Employment (a) by the Company without Cause (as defined in Section 2.4) or (b) a resignation by the Participant with Good Reason (as defined in Section 2.5). If the Participant's Termination of Employment is not a Qualifying Termination, the Participant will not be eligible to receive Severance Benefits under the Plan.
  - 2.4 "Cause" means, with respect to a Participant:
    - (a) the Participant's commission of any act of fraud;
  - (b) conduct that is materially detrimental to the Company, monetarily or otherwise;
  - (c) the Participant's material failure to comply with the Company's policies concerning equal employment opportunity, including engaging in sexually harassing conduct;
  - (d) the Participant's material failure to perform any duties reasonably assigned to the Participant by the Company, or material failure to comply with other personnel policies of the Company or its subsidiaries or affiliates;
  - (e) the Participant's failure to devote the Participant's full working time to the performance of the Participant's responsibilities to the Company or its affiliates;
  - (f) any act of material misconduct or gross negligence by the Participant in the performance of the Participant's duties relating to his or her employment; or
  - (g) the Participant's entry of a plea agreement or consent decree or similar arrangement with respect to, a felony, other serious criminal offense, or any violation of federal or state securities laws;

provided, however, that with respect to clauses (d), (e), or (f), the Participant has been provided prior written notice of the failure and afforded a reasonable opportunity to correct the same.

- 2.5 "<u>Good Reason</u>" means, with respect to a Participant, any of the following actions if taken without such Participant's prior consent:
  - (a) a material diminution in the Participant's Salary (as defined in <u>Section 3.2</u>) (other than the reduction of the Participant's Salary pursuant to action of the Company or its affiliates reducing the Salary of all Company senior executives by substantially equal amounts or substantially equal percentages);
  - (b) a material diminution in the Participant's authority, responsibilities, obligations or role within the organization, or duties, but excluding (A) any change in the Participant's title or reporting relationships or adjustment in the nature of the Participant's duties and responsibilities that does not materially reduce the Participant's overall management responsibility or role, and (B) any change in the Participant's authority, responsibilities, obligations or role, or duties within a subsidiary, affiliate, division or other business unit or operating entity of an acquirer or successor in connection with a Change in Control, so long as the Participant continues to have materially similar authority, responsibilities, obligations or role, or duties with respect to such subsidiary, affiliate, division or other business unit or operating entity; or
  - (c) a Company-initiated change in the primary geographic location at which the Participant must perform services that is more than 50 miles from the primary geographic location at which the Participant regularly performs services (which, for the avoidance of doubt, shall not include any requirement to modify a remote work arrangement that does not otherwise modify a Participant's primary geographic location at which the Participant must perform services by more than 50 miles from the primary geographic location at which the Participant regularly performs services).

To invoke a termination for Good Reason, the Participant must provide written notice to the Company of the existence of one or more of the conditions described in clauses (a), (b), or (c) within 30 days following the Participant's knowledge of the initial existence of such condition or conditions, specifying in reasonable detail the conditions constituting Good Reason, and the Company shall have 30 days following receipt of such written notice during which it may remedy the condition if such condition is reasonably subject to cure. If the Company fails to remedy the condition constituting Good Reason during the applicable cure period, the Participant must terminate his or her employment within 30 days following such cure period for such termination as a result of such condition to constitute a termination for Good Reason.

2.6 <u>Beneficiaries</u>. If the Participant dies before receiving a portion of the Participant's Severance Benefits under the Plan, any remaining Severance Benefits will be

paid to the appointed administrator, executor, or personal representative of the Participant's estate no later than March 15th of the calendar year following the calendar year in which the Participant's death occurs.

### 3. <u>Severance Benefits</u>.

### 3.1 Severance.

- If the Participant satisfies the requirements of the Plan, including the Participant's execution and non-revocation of the Release, upon a Qualifying Termination, the Participant will be eligible to receive the following (the "Severance Benefits"); provided, however, that the Severance Benefits otherwise payable will be reduced by any amount payable to the Participant as a result of the operation both of the federal Worker Adjustment and Retraining Notification Act, as amended, and any other federal, state, or local law dealing with plant closings, business shutdowns, layoffs, or other terminations of employment: beginning on the Payment Date, an amount equal to (i) the weekly Salary (as defined below in Section 3.2) that the Participant received as of the Qualifying Termination (or, in the case of a Termination of Employment for Good Reason, the weekly Salary the Participant received prior to a reduction in Salary giving rise to Good Reason) multiplied by (ii) the number of weeks opposite such Participant's job level as set forth in Schedule I attached hereto, payable in accordance with the payment schedule set forth in Schedule I attached hereto and the Company's normal payroll practices;
- if the Participant timely and properly elects continuation health care coverage pursuant to the Consolidated Budget Reconciliation Act of 1985 ("COBRA") under the Company's group health coverage for the Participant, the Participant shall receive a subsidy equal to (i) the employer portion of the premium under COBRA for the Participant and, if applicable, the Participant's eligible covered dependents (based on the Participant's elections in effect at the time of the Qualifying Termination and the amount of the premium for the first month of COBRA coverage) multiplied by (ii) the number of weeks set forth opposite such Participant's job level in Schedule I, payable in accordance with the payment schedule set forth in Schedule I and the Company's normal payroll practices; provided that, at the conclusion of such period, the Participant shall be eligible to continue coverage, pursuant to COBRA, and shall be responsible for the entire COBRA premium for the remainder of the applicable COBRA continuation period; and provided, further, that if the Company's payment under this Section 3.1(b) would violate the nondiscrimination rules under the Patient Protection and Affordable Care Act ("ACA") or any similar law, or result in the imposition of penalties under the ACA or any similar law, the Participant will not be entitled to any such payment; and
- (c) to the extent specified on <u>Schedule I</u>, reasonable outplacement services in conducting a job search for replacement employment for the number of weeks set forth opposite such Participant's job level in <u>Schedule I</u>.

- 3.2 A Participant's "Salary" is his or her final annualized base pay before any salary reduction contributions to any plan or arrangement under Section 125, 132(f), or 401(k) of the Code, including commissions (where applicable), but excluding overtime, bonuses, awards, imputed income, extraordinary payments, or other compensation or benefits paid to the Participant from the Company.
- 3.3 A "<u>Year of Service</u>" means each 12-month period during which the Participant was employed on a full-time basis by the Company, commencing with the Participant's most recent hire date, as reflected in the records of the Company.
- 3.4 Cessation of Severance Benefits. Notwithstanding the foregoing, the Participant shall pursue reasonable, good faith efforts to obtain other employment in a position suitable to Participant's background and experience. Further, if the Participant accepts and is scheduled to start new employment(s) or project(s) during the Severance Period, then, prior to starting the new employment, the Participant must notify the Company of the new employment or project and salary or other pay. If, in the aggregate, the salary or other pay of the Participant's new employment(s) or project(s) equals or exceeds fifty percent (50%) of the Participant's Salary, then, upon the Participant's start date with the new employer or project, payment to the Participant of Severance Benefits shall cease and no further Severance Benefits shall be paid to the Participant by the Company. Further, if a Participant is rehired by the Company, the Participant shall return a prorated portion of the Severance Benefits within two weeks of such rehire. The Company may, in its sole discretion, take into consideration any amounts that may be required or provided for under applicable United States federal, state or local law. The prorated portion subject to repayment upon rehire shall be equivalent to the Severance Benefits for the period that begins on the date of rehire and extends until the last date of the Severance Benefits payment period. For purposes of illustration, if a Participant receive twelve (12) weeks of pay as a Severance Benefit and is rehired after four weeks then such Participant shall be required to repay eight (8) weeks of Severance Benefits within the first two weeks after the Participant's rehire date.
- 3.5 <u>Effect of Change in Control</u>. In the event of a Change in Control (as defined below) occurs either prior to a Participant's Qualifying Termination or prior to a Participant's receipt of all payments or benefits pursuant to this Plan in the event such Participant experienced a Qualifying Termination on or after a Change in Control, the provisions set forth in <u>Section 3.4</u> above shall be of no force or effect as of the date of such Change in Control such that no reductions or repayments contemplated by <u>Section 3.4</u> shall be made to a Participant's Severance Benefits on or after a Change in Control.

For purposes of this Plan, a "<u>Change in Control</u>" shall mean (i) the acquisition of NMG Parent LLC ("<u>NMG Parent</u>") by one or more entities, in a single transaction or series of related transactions, through a merger, consolidation, share exchange, recapitalization, business combination or otherwise, unless the equity holders of NMG Parent of record immediately prior to such transaction or transactions or their Affiliates will, immediately after such transaction or transactions, hold, directly or indirectly, as a result of their prior ownership interest in NMG Parent, a majority of the voting power of the resulting or surviving entity (or such entity's ultimate parent entity), or (ii) the sale, transfer or lease of

all or substantially all of the assets of NMG Parent, in a single transaction or series of related transactions; <u>provided</u>, <u>however</u>, that a transaction under clause (ii) shall not be considered a "Change in Control" if the Principal Investors will, immediately after such transaction or transactions, hold, directly or indirectly, a majority of the voting power of the acquiring entity.

An "Affiliate" of any specified Person means any other Person directly or indirectly controlling, controlled by or under direct or indirect common control with such specified Person. For purposes of the preceding sentence, "control" of a Person means possession, directly or indirectly (through one or more intermediaries), of the power to direct or cause the direction of the management and policies of such Person through ownership of voting securities (or other ownership interests), contract, voting trust or otherwise. No Person shall be deemed to be an Affiliate of another Person solely by virtue of the fact that both Persons own shares of the capital stock of the Company Group.

"Company Group" means NMG Parent and its Subsidiaries and Affiliates.

"<u>Person</u>" means any individual, partnership, limited partnership, corporation, limited liability company, association, joint stock company, trust, joint venture, unincorporated organization or governmental entity or department, agency or political subdivision thereof.

"Principal Investor" means each of (i) Davidson Kempner Capital Management LP, its Affiliates and the funds, accounts and investment vehicles managed or advised by it; (ii) Pacific Investment Management Company LLC, its Affiliates and the funds, accounts and investment vehicles managed or advised by it; and (iii) Sixth Street Partners, LLC, its Affiliates and the funds, accounts and investment vehicles managed or advised by it.

"Subsidiary" of any specified Person means any corporation or other entity in an unbroken chain of corporations or other entities with such Person, each of which possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations or other entities in such chain.

4. <u>Forfeiture of Benefits</u>. In the case of a Participant at the Senior Vice President level, all Severance Benefits to a Participant under the Plan will cease immediately upon discovery by the Company that the Participant, while working as an employee of the Company, engaged in any activity that would have constituted Cause or upon the Participant's breach of any restrictive covenants set forth in such Participant's Release.

### 5. Plan Administration.

- 5.1 <u>Plan Administrator</u>. The Plan will be administered by the Company (the "<u>Plan Administrator</u>").
- 5.2 <u>Administration</u>. The Plan Administrator will have full and complete authority to enforce the Plan in accordance with its terms and will have all powers necessary to accomplish that purpose, including the following:

- (a) To apply and interpret the Plan, including the authority to construe disputed provisions;
- (b) To determine all questions arising in its administration, including those related to the eligibility of persons to become Participants and eligibility for Severance Benefits, and the rights of Participants;
- (c) To compute and certify the amount of Severance Benefits payable to Participants;
  - (d) To authorize all disbursements in accordance with the Plan;
- (e) To employ and reasonably compensate accountants, attorneys, and other persons to render advice or perform services for the Plan as it deems necessary;
- (f) To make available to Participants upon request, for examination during business hours, such records as pertain exclusively to the examining Participant; and
  - (g) To appoint an agent for service of legal process.
- 5.3 <u>Binding Effect</u>. All decisions of the Plan Administrator based on the Plan and documents presented to it will be in the Plan Administrator's sole discretion and will be final and binding upon all persons.
- 5.4 <u>No Liability</u>. In no event will the Company, the Plan Administrator, or any officer or director of the Company incur any liability for any act or failure to act with respect to the Plan.

#### 6. Claims Procedures.

6.1 <u>Claims for Benefits</u>. Generally, an obligation to provide Severance Benefits to a Participant under the Plan arises only after the Participant is specifically designated a Plan participant by the Plan Administrator and incurs a Qualifying Termination. A Participant not receiving Severance Benefits who believes that he or she is eligible for such benefits, or a Participant disputing the amount of Severance Benefits, or any such Participant's authorized representative (the "<u>Claimant</u>"), may request in writing that his or her claim be reviewed by the Plan Administrator. All such claims for benefits must be submitted to the Plan Administrator at the following address within 60 days after the Participant's Termination of Employment:

The Neiman Marcus Group LLC One Marcus Square 1618 Main Street Dallas, Texas 75201

Attention: Plan Administrator for Employee Severance Plan

for Vice Presidents and Senior Vice Presidents

- 6.2 <u>Review of Claims</u>. The review of all claims for Severance Benefits will be governed by the following rules:
  - (a) <u>Time Limits on Decision</u>. Unless special circumstances exist, a Claimant who has filed a claim will be informed of the decision on the claim within 90 days of the Plan Administrator's receipt of the written claim. This period may be extended by an additional 90 days if special circumstances require an extension of time; <u>provided</u> the Claimant is notified of the extension within the initial 90-day period. The extension notice will indicate:
    - (i) The special circumstances requiring the extension of time; and
    - (ii) The date, no later than 180 days after receipt of the written claim, by which the Claimant can expect to receive a decision.
  - (b) <u>Content of Denial Notice</u>. If a claim for benefits is partially or wholly denied, the Claimant will receive a written notice that:
    - (i) States the specific reason or reasons for the denial;
    - (ii) Refers to the specific Plan provisions on which the denial is based;
    - (iii) Describes and explains the need for any additional material or information that the Claimant must supply in order to perfect the claim; and
    - (iv) Describes the Plan's review procedures and the time limits applicable to such procedures, including a statement of the Claimant's right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination on review.
- 6.3 <u>Appeal of Denied Claims</u>. If the Claimant's claim is denied and he or she wants to submit a request for a review of the denied claim, the following rules apply:
  - (a) Review of Denied Claim. If a Claimant wants his or her denied claim to be reconsidered, the Claimant must send a written request for a review of the claim denial to the Plan Administrator no later than 60 days after the date on which he or she receives written notification of the denial. The Claimant may include any written comments, documents, records, or other information relating to the claim for benefits. The Claimant will be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relating to the claim for benefits. The Plan Administrator's review will take into account all comments, documents, records, and other information submitted by the Claimant relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.

- (b) <u>Decision on Review</u>. The Plan Administrator will review the denied claim and provide a written decision within 60 days of the date the Plan Administrator receives the Claimant's written request for review. This period may be extended by an additional 60 days if special circumstances require an extension of time; <u>provided</u> the Participant is notified of the extension within the initial 60-day period. The extension notice will indicate:
  - (i) The special circumstances requiring the extension of time; and
  - (ii) The date, no later than 120 days after receipt of the written request for review, by which the Claimant can expect to receive a decision.
- (c) <u>Content of Denial Notice</u>. If a claim for benefits is partially or wholly denied on appeal, the Claimant will receive a written notice that:
  - (i) States the specific reason or reasons for denial;
  - (ii) Refers to the specific Plan provisions on which the denial is based;
  - (iii) Includes a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim; and
  - (iv) Includes a statement of the right to bring a civil action under Section 502(a) of ERISA.
- 6.4 <u>Limitations on Legal Actions; Dispute Resolution</u>. Claimants must follow the claims procedures described in this <u>Section 6.4</u> before taking action in any other forum regarding a claim for benefits under the Plan. Furthermore, any such action initiated by a Claimant under the Plan must be brought by the Claimant within one year of a final determination on the claim for benefits under these claims procedures, or the Claimant's benefit claim will be deemed permanently waived and abandoned, and the Claimant will be precluded from reasserting it. Further, after following the claims procedures described in this <u>Section 6.4</u>, the following terms apply to any further disputes that may arise regarding the Plan:
  - (a) In the event of any dispute, claim, question, or disagreement arising out of or relating to the Plan, the parties will use their best efforts to settle such dispute, claim, question, or disagreement. To this effect, they will consult and negotiate with each other, in good faith, and, recognizing their mutual interests, attempt to reach a just and equitable resolution satisfactory to both parties.
  - (b) If the parties do not reach such a resolution within a period of 30 days, then any such unresolved dispute or claim, upon notice by any party to the other, will be submitted to and finally settled by arbitration in accordance with the Commercial Arbitration Rules (the "Rules") of the American Arbitration

Association in effect at the time demand for arbitration is made by any such party. The parties will mutually agree upon a single arbitrator within 30 days of such demand. In the event that the parties are unable to so agree within such 30-day period, then within the following 30-day period, one arbitrator will be named by each party. A third arbitrator will be named by the two arbitrators so chosen within 10 days after the appointment of the first two arbitrators. In the event that the third arbitrator is not agreed upon, he or she will be named by the American Arbitration Association. Arbitration will occur in the State of Texas or such other location as may be mutually agreed to by the parties.

- (c) The award made by all or a majority of the panel of arbitrators will be final and binding, and judgment may be entered based upon such award in any court of law having competent jurisdiction. The award is subject to confirmation, modification, correction, or vacation only as explicitly provided in Title 9 of the United States Code. The parties acknowledge that the Plan evidences a transaction involving interstate commerce. The United States Arbitration Act and the Rules will govern the interpretation, enforcement, and proceedings under this Section 6.4. Any provisional remedy that would be available from a court of law will be available from the arbitrators to the parties to the Plan pending arbitration. Either party may make an application to the arbitrators seeking injunctive relief to maintain the status quo, or may seek from a court of competent jurisdiction any interim or provisional relief that may be necessary to protect the rights and property of that party, until such times as the arbitration award is rendered or the controversy otherwise resolved.
- (d) By agreeing to binding arbitration, a Participant must waive his or her right to a jury trial. The claims covered by this Section 6.4 include any statutory claims regarding a Participant's employment or the termination of his or her employment, including claims regarding workplace discrimination.

### 7. Miscellaneous.

- 7.1 <u>Withholding</u>. The Company will have authority to withhold or cause to have withheld applicable income and payroll taxes from any Severance Benefits under the Plan to the extent required by law.
- 7.2 No Contract of Employment. The Plan will not be deemed to constitute a contract of employment or impose on the Company any obligation to retain any Participant as an employee, to continue any Participant's current employment status, or to change any employment policies of the Company, nor will any term of the Plan restrict the right of the Company to discharge any of its employees or restrict the right of any such employee to terminate his or her employment with the Company.
- 7.3 Source of Benefits. The Plan is intended to be an unfunded welfare benefit plan for purposes of ERISA and a severance pay arrangement within the meaning of Section 3(2)(B)(i) of ERISA. All benefits payable under the Plan will be paid or provided

by the Company from its general assets. The Plan is not intended to be a pension plan described in Section 3(2)(A) of ERISA.

- Section 409A. It is intended that the payments and benefits available under the Plan will be, to the greatest extent possible, exempt from the application of Section 409A of the Code, and the Plan will be construed and interpreted accordingly. However, if the Company determines that all or a portion of the payments or benefits provided under the Plan constitute "deferred compensation" under Section 409A of the Code and that the Participant is a "specified employee," as such term is defined under Section 409A of the Code, then, solely to the extent necessary to avoid the incurrence of the adverse personal tax consequences under Section 409A of the Code, the timing of the applicable payments will be delayed until the first payroll date that occurs after the date that is six months following the Participant's "separation from service" (as defined under Section 409A of the Code) and the Company will (a) pay to the Participant a lump sum amount equal to the sum of the payments that the Participant would otherwise have received during such sixmonth period had no such delay been imposed and (b) commence paying the balance of the payments in accordance with the applicable payment schedule set forth in the Plan. For purposes of Section 409A of the Code, each installment payment provided under the Plan will be treated as a separate payment. The Company makes no representations that the payments and benefits provided under the Plan comply with Section 409A of the Code and in no event will the Company be liable for all or any portion of any taxes, penalties, interest, or other expenses that may be incurred by the Participant on account of noncompliance with Section 409A of the Code.
- 7.5 <u>Plan Amendment and Termination</u>. The Plan Administrator may at any time terminate or amend the Plan with respect to any or all Participants for any reason, including altering, reducing, or eliminating Severance Benefits to be paid to Participants who have not yet experienced a Termination of Employment. The provisions of the Plan as in effect at the time of a Participant's Termination of Employment will control any Severance Benefits paid to that Participant, unless modified by the Plan Administrator or otherwise specified in the Plan and agreed to in advance by the Participant. Notwithstanding the foregoing, no amendment or termination of the Plan may occur within the one-year period following a Change in Control that has the effect of altering in an adverse manner, reducing, or eliminating Severance Benefits to be paid to Participants who have not yet experienced a Termination of Employment.
- 7.6 Severability. Should any term of the Plan be deemed or held to be unlawful or invalid for any reason, such fact will not adversely affect the other terms of the Plan unless such determination will render impossible or impracticable the functioning of the Plan, and in such case, an appropriate term or terms will be adopted so that the Plan may continue to function properly. In the Plan, "including" (and like terms) means "including, without limitation."
- 7.7 <u>Non-Assignment</u>. The rights of a Participant under the Plan are personal. No interest of a Participant under the Plan may be assigned, transferred, seized by legal process, or subjected to the claims of creditors in any way. A Participant's rights under the

Plan are not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, or encumbrance.

- 7.8 <u>Governing Law</u>. The Plan will be construed according to the laws of the State of Texas, except as preempted by ERISA or other applicable federal law.
- 7.9 <u>ERISA Rights</u>. Exhibit A attached hereto sets forth certain rights each Participant has under ERISA.

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## YOUR RIGHTS UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974 (ERISA)

As a Participant in The Neiman Marcus Group LLC Employee Severance Plan for Vice Presidents and Senior Vice Presidents (the "<u>Plan</u>") you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974, as amended ("<u>ERISA</u>"). Capitalized terms used in this <u>Exhibit A</u> without definition have the meanings ascribed to such terms in the Plan. ERISA provides that all Participants will be entitled to:

### Receive Information About Your Plan and Benefits

Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites and union halls, all documents governing the Plan, including (to the extent applicable) insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including (to the extent applicable) insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated SPD. The Plan Administrator may make a reasonable charge for the copies.

Receive a notice of the Plan's funding status. The Plan Administrator is generally required by law to furnish each Participant with a copy of this annual funding notice no later than 120 days after the close of each Plan year.

### Prudent Actions by Plan Fiduciaries

In addition to creating rights for Participants, ERISA imposes duties upon the people who are responsible for the operation of the 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 Participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

### **Enforce Your Rights**

If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules contained in the Plan.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan 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 \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or federal court. If you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if 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. However, no legal action may be commenced or maintained against the Plan prior to your exhaustion of the Plan's claims procedures described in the Plan.

### Assistance with Your Questions

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, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210.

You may also obtain certain publications about your rights and responsibilities under ERISA by calling the Employee Benefits Security Administration's publications hotline at 1-866-444-3272.

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### Schedule I

### **SEVERANCE BENEFITS**

Level	Minimum Weeks	Tenure Based Additional Weeks	Maximum Weeks	Payment Schedule	Outplacement Services
Senior Vice President	39	N/A	39	Salary and COBRA Subsidy Continuation	Yes
Vice President	26	N/A	26	Salary and COBRA Subsidy Continuation	Yes