



Code of Business Conduct and Ethics

Letter from President and Chief Executive Officer

Dear Eddie Bauer Associates and Colleagues,

As a leading retailer and corporate citizen, nothing is more important to our success than our commitment to corporate values, integrity, compliance with the law, and ethical conduct in everything we do. Eddie Bauer founded his business based on these important principles, establishing a reputation of integrity and respect that still exists today. Like our founder, we understand that a good name in the marketplace is a valuable asset and we continue to believe that doing the right thing is a winning strategy. This is at the core of what gives the Eddie Bauer brand its authority, authenticity and credibility.

This Code of Business Conduct and Ethics is the foundation of our Corporate Ethics & Compliance Program and is strongly supported at the highest levels of our organization including the senior management team and the Eddie Bauer board of directors.

Everyone at Eddie Bauer is expected to comply fully with the standards and guidelines set forth in this Code, corporate policies, and all legal requirements that impact our business. Each of us plays an important role in maintaining Eddie Bauer's reputation as a value-based company with a culture that promotes ethical conduct, integrity, and compliance with the law.

Please take a moment to review this Code carefully to ensure you understand your responsibilities, how it relates to your job, and how to seek help in making the right ethical choices. Let the Code serve as your guide as we continue to provide top-quality service and products to our customers.

Thank you for your continued support, hard work, and effort in making Eddie Bauer a successful, value-based company.

Sincerely,

Neil Fiske
President and Chief Executive Officer

Introduction

Eddie Bauer Values and Our Commitment to Integrity

Our founder, Eddie Bauer, built a solid business by believing in high-quality products, customer satisfaction and doing the right thing. His personal character laid the foundation of ethics and integrity for this organization and serves as a guide and inspiration for Eddie Bauer associates today.

It is the standard at Eddie Bauer to serve our customers, vendors, shareholders and each other in an environment that values ethical behavior and corporate integrity. We are firmly committed to these principles and conduct our business in a way that embraces both the spirit and letter of the law.

This is our company and every associate at Eddie Bauer is responsible for ethical behavior. When doing business we must always remember to act with integrity and to adhere to the following core values:

- Comply with all laws and regulations.
- Avoid actions that personally benefit ourselves at the expense of the company.
- Treat each other with respect and do not tolerate discrimination, harassment or violence.
- Protect our company and each other by maintaining confidentiality and engaging in only ethical business relationships.
- Communicate with candor and with accurate, forthright information.

Code of Business Conduct and Ethics - Purpose and Your Responsibility

This Code of Business Conduct and Ethics ("Code") is an important component of the Eddie Bauer Ethics & Compliance Program and is designed to promote a responsible and ethical work environment for all of our associates. Its purpose is to provide guidance for upholding our corporate values and standards and to reiterate our expectation that all associates comply with the law.

This Code applies to all Eddie Bauer employees, managers, officers, executive officers, and the Eddie Bauer Board of Directors (including non-employee board members to the extent applicable), hereafter collectively referred to as "associate(s)". For purposes of this Code and where applicable, "Board of Directors" refers to directors of Eddie Bauer Holdings, Inc. and "executive officer(s)" refer to the senior management team at the senior vice president level and above. It is also our expectation that suppliers, vendors, contractors, agents and partners with whom we do business will abide by similar values and standards.

Associates at Eddie Bauer are expected to act ethically and in compliance with the law at all times while working for or on behalf of the company. All associates are required to read the Code and comply fully with the spirit and letter of its provisions (as well as other corporate policies). Our reputation and integrity depend upon each of us assuming personal accountability for our business conduct.

Associates must act within the scope of their authority at all times and remain accountable for tasks they have delegated to others. Associates are required and expected to exercise adequate control and supervision over matters for which they are responsible.

Seeking Help and Reporting Concerns

Associates must seek advice and help when questions arise and report any suspected violations of this Code, other corporate policies, or the law in a manner and under the conditions described below and in the Code section entitled "Asking for Help and Reporting Concerns". When faced with an ethical dilemma or decision, associates should always consider the following questions:

- Is this the right thing to do?
- Is this legal?
- Is this action permitted under the Code or other corporate policies?
- Would I want to see this reported in the newspaper, with my name and photo?

If the answer is NO (or even MAYBE), it is important to stop and seek guidance before moving forward.

While this Code embodies our key values, principles, and standards, it cannot cover every situation that may arise or address every rule or law. Common sense, good judgment and an individual commitment to ethical and legal behavior will also help to guide you when making decisions regarding appropriate conduct. If you are faced with a situation not covered in this Code or other corporate policies and are unsure of whether it is legal or ethical, always seek advice before taking action.

When seeking help and guidance regarding your responsibilities, business practices, reporting possible violations of the Code, corporate policies, the law, or questionable accounting and/or financial reporting practices, the following resources are available to you:

- **Eddie Bauer Management:** Contact your manager, any other member of the Eddie Bauer management team, your Human Resources representative, or Loss Prevention.
- **Eddie Bauer Ethics & Compliance Officer:** Associates are always welcome to contact the Ethics & Compliance Officer directly by sending a letter to 10401 NE 8th Street, Suite 500, Bellevue WA 98004 or by sending a fax to 425-755-7671. You may also email the Ethics & Compliance Officer at AskCompliance@eddiebauer.com.
- **The Network:** If you prefer to remain anonymous or are not comfortable with contacting the above individuals for any reason, you may contact The Network at 1-800-241-5689 for confidential reporting. If calling from outside the United States, you may call collect at 1-770-776-5613.
 - The Network is a dedicated toll-free resource that is available 24 hours a day, 7 days a week, and 365 days a year. The Network is managed by an external third party vendor that will handle your communication confidentially and report your questions or concerns to Eddie Bauer promptly.
 - You may also email, fax, or mail any questions or concerns confidentially to The Network at reportline@tnwinc.com, fax 1-800-748-6159, or by mail at 333 Research Ct., Norcross, GA 30092. If you wish to remain anonymous, please indicate this preference in your correspondence and The Network professionals will

remove your contact information before sending it to Eddie Bauer.

All questions and concerns reported in good faith will be addressed promptly and handled in an appropriate manner.

The following provisions set forth the Eddie Bauer standards of business conduct and ethics. Please read these standards carefully and allow them to guide you in meeting your compliance and ethics obligations.

Work Environment

Ethics, integrity, and compliance are part of the Eddie Bauer organizational culture. These high ethical standards ensure a positive work environment for all Eddie Bauer associates. These standards apply on our premises and any other place where you are acting as a representative of Eddie Bauer.

Respect for the Individual and Diversity

Respect for each other is an important component of our corporate values and is expected of all associates. At Eddie Bauer, we value a diverse workforce at all levels of the organization. Eddie Bauer does not tolerate discrimination in any form. All employment and business decisions are made without regard to race, color, age, gender, sexual orientation, religion, marital status, pregnancy, national origin/ancestry, citizenship, the presence of any disability, military status or any other basis prohibited by law. These standards apply to our directors, associates, applicants, customers and business partners alike.

Positive Workplace

All associates at Eddie Bauer must ensure that their conduct and behavior fosters a positive work environment. Eddie Bauer will not tolerate harassment in any form. Harassment includes any offensive remarks, jokes, pictures or physical conduct that could create an intimidating, hostile or offensive work environment. Sexual harassment includes unwelcome sexual advances, requests for sexual favors and other conduct of a sexual nature.

Eddie Bauer strives to provide a safe working environment for all associates. Eddie Bauer will not tolerate any acts of violence or threats of violence. Associates should report matters such as those indicated above that create an unsafe or hostile work environment.

For more information regarding how to report matters, please refer to the "Asking for Help and Reporting Concerns" section of this Code. All concerns will be investigated promptly and addressed in an appropriate manner.

Health, Safety and the Environment

Eddie Bauer is committed to providing safe and healthy working conditions by following all occupational health and safety laws governing our activities.

We believe management and each and every associate have a shared responsibility in the promotion of health and safety in the workplace. You should follow all safety laws and regulations, as well as company safety policies and procedures. You should immediately report any accident, injury or unsafe equipment to Loss Prevention by completing an Incident Report Form or by contacting your Loss Prevention representative. In addition, you should also report any unsafe practices or conditions to your manager.

All associates have an obligation to carry out company activities in ways that preserve and promote a clean, safe and healthy environment. You must always comply with the letter and spirit of applicable environmental laws and the public policies they represent.

The consequences of failing to adhere to environmental laws and policies can be serious. Our company, as well as individuals, may be liable not only for the costs of cleaning up pollution but also for significant civil and criminal penalties. You should make every effort to prevent violations from occurring and report any suspected violations. For reporting guidelines, please refer to the "Asking for Help and Reporting Concerns" section of this Code.

Substance Abuse

Eddie Bauer associates are prohibited from using or possessing alcoholic beverages on company property, except at company-sponsored social events where Eddie Bauer permits alcohol. This prohibition does not apply to the possession of alcohol containers that remain unopened and sealed. You may not use or possess illegal drugs on Eddie Bauer property or while engaged in any job-related activity at any time. Associates must not be under the influence of illegal drugs or alcohol at work as set forth in the Human Resources policy relating to this subject matter. Please refer to this policy on the Human Resources website for more information and guidance.

Employment Laws and Record-keeping

Eddie Bauer adheres to all employment laws and regulations, including but not limited to, laws that address minimum wage requirements, work hours, meal and break requirements, child labor and other related employment standards.

Associates must record all time worked in an accurate and timely fashion as required by Eddie Bauer guidelines and as required by law. Managers are responsible for reviewing and ensuring the accuracy of hours reported for those individuals they supervise.

Relationships

Upholding Eddie Bauer's reputation of integrity, values, and doing the right thing is essential to how we do business and conduct ourselves in business relationships. The following standards are expected of all our associates:

Our Customers

When your job puts you in contact with any customers or potential customers, you must always remember that you represent Eddie Bauer. It is important for each of us to act in a manner that creates value for our customers and helps to build a relationship based upon trust. Eddie Bauer has provided products and services for many years and has built up significant goodwill. This goodwill is one of our most important assets and you must act to preserve and enhance our reputation.

Fair Dealing

We have built a reputation as a trustworthy and ethical member of our community and our industry. We are committed to maintaining the highest levels of integrity and fairness within our company. When we fail to negotiate, perform or market in good faith, we may seriously damage our reputation and lose the loyalty of our customers and business partners. You must conduct business honestly and fairly and not take unfair advantage of anyone through any misrepresentation of material facts, manipulation, concealment, abuse of privileged information, fraud or other unfair business practice.

Conflicts of Interest

Each of us has an ethical responsibility to Eddie Bauer, our stockholders and each other. We must avoid situations where a conflict of interest might occur or appear to occur. A conflict of interest exists when a personal interest or activity interferes, or appears to interfere, with your Eddie Bauer responsibilities. We should all be aware of any potential influences that impact or appear to impact our loyalty to our company. In general, you should avoid situations in which your personal interests conflict, or appear to conflict, with those of our company.

Our directors and executive officers have a special responsibility to avoid conflicts of interest because of their duties owed to Eddie Bauer and our stockholders. Individual directors and the Company's CEO should disclose any conflicts of interest to the Board of Directors or its designated committee and may be required to obtain approval before undertaking or continuing the activity. All other associates should disclose any actual or potential conflict of interest to their managers or the Ethics & Compliance Officer and obtain approval before undertaking or continuing the activity. Until approval is obtained, affected individuals, including directors, should remove themselves from the decision-making process with respect to any matter involving the conflict. Any activity that is approved, despite the actual or apparent conflict, must be documented.

Please note that the unlawful extension of credit by our company in the form of personal loans to any of our associates, including directors and executive officers is strictly prohibited.

The following examples are provided to illustrate some (but not all) of the situations or activities that could create a conflict of interest:

- Doing business with family members on behalf of Eddie Bauer.
- Having a financial interest in another company with which we do business where such interest could influence or appear to influence any business decisions made for or on behalf of Eddie Bauer.
- Taking a second job with another retailer or direct competitor of Eddie Bauer where trade secrets, internal processes or other confidential information may be disclosed either intentionally or unintentionally.
- Serving as a director of another business where the interests and/or goals of the outside business may be in conflict with the interests and goals of Eddie Bauer.
- Taking on a leadership role or being a member of an organization where the goals and/or interests of that organization may be in conflict with those of Eddie Bauer and your association appears in any way to be on behalf of or endorsed by Eddie Bauer.
- Diverting a business opportunity from our company to another company.

These examples are not meant to be inclusive of all situations that may result in a conflict of interest. If you have any questions

or are unsure about whether your activity creates a conflict, discuss it with your manager, Human Resources, any member of the Eddie Bauer management team, the Ethics & Compliance Officer, or contact The Network if you would like to remain anonymous.

Some additional areas that potentially create conflicts are described in more detail as follows:

Doing Business with Family Members

A conflict of interest may arise if family members work for a supplier, customer or other third party with whom we do business. "Family members" include your spouse, parents, siblings, in-laws, children and domestic partner, as applicable. It also may be a conflict if a family member has a significant financial interest in a third party with whom we do business. Before doing business on our behalf with an organization in which a family member works or has a significant financial interest, associates (other than directors and the Company's CEO) must disclose the situation to their immediate supervisor or the Ethics & Compliance Officer and obtain approval before moving forward with the transaction. Directors and the CEO must disclose the conflict and obtain approval from the Board of Directors or its designated committee as described above.

Employing relatives or close friends who report directly to you may also be a conflict of interest. Associates who may influence a hiring decision must avoid giving an unfair advantage to anyone with whom they have a personal relationship. In particular, associates should not hire relatives or attempt to influence any decisions about the employment or advancement of people related to or otherwise close to them, unless they have disclosed the relationship and obtained approval from their immediate supervisor, human resources, or the Ethics & Compliance Officer.

Ownership in Other Businesses

Investments of directors and associates can cause a conflict of interest. In general, you should not own, directly or indirectly, a significant financial interest in any company that does business with us or seeks to do business with us. You also should not own a significant financial interest in any of our competitors. If you or a family member has a significant financial interest in a company with which we do business or propose to do business, that interest should be disclosed and approved by your immediate supervisor and the Ethics & Compliance Officer prior to the transaction.

Non-employee directors of our company and their family members may have significant financial interests in or be affiliates of third parties with whom we do business or propose to do business. However, a director must:

- disclose any such relationship promptly after the director becomes aware of it;
- remove himself or herself from any Board activity that directly impacts the relationship between our company and any such company with respect to which the director has a significant financial interest or is an affiliate; and
- obtain prior approval of the Board of Directors or its designated committee for any transaction of which the director is aware between our company and any such company.

Outside Employment

Associates may take additional part-time jobs or do other work after hours; however outside employment must not interfere with your work with Eddie Bauer and the relationship must not give the appearance of or create a conflict of interest. Outside employment must not be with a competitor unless specifically authorized and approved pursuant to applicable corporate-level policies or guidelines. To avoid a conflict, associates may never reveal what they learn at Eddie Bauer regarding confidential or proprietary techniques, trade secrets, policies or programs to any other individual or company, whether a competitor or not. You should avoid outside activities that have the potential to embarrass or discredit Eddie Bauer. Outside work should not be done on company time and should not involve the use of our supplies or equipment. Additionally, you should not attempt to sell services or products from a second job to Eddie Bauer.

Before engaging in a second line of work, you should consider disclosing your plans to your immediate supervisor to determine that the proposed activity does not appear to result in a conflict of interest or interfere with your ability to devote the time and effort needed to fulfill your duties as an associate of Eddie Bauer.

Service on Boards

Serving as a director of another organization or serving on a standing committee of some organizations, including government agencies, may create a conflict of interest. Before accepting an appointment to the board or a committee of any organization whose interests may conflict with our company's interests, associates should discuss it with their immediate supervisor and obtain approval from the Ethics & Compliance Officer. Employee directors of Eddie Bauer may not serve as a director of any other public company without consent as set forth below. Non-employee directors may serve as a director of one or more other public companies only to the extent such position(s) does/do not conflict or interfere with such person's service as a director of Eddie Bauer.

All directors should advise the Chair of the Nominating and Corporate Governance Committee and the General Counsel in advance of accepting membership on any other public company board and before accepting membership on the audit committee of any other public company board.

Gifts and Entertainment

At Eddie Bauer, we do not encourage the giving of gifts and entertainment by our suppliers and others with whom we do business. We must always avoid any conduct that could influence or even appear to influence a business decision or create a conflict of interest. You may never request or accept any gratuity, kickback, free service or special favor from any of our vendors, suppliers or contractors that could influence or be perceived to influence business decisions. You may not accept gifts of cash or cash equivalents. Non-cash gifts of nominal value (less than \$50) may be accepted subject to the conditions below. Associates may not utilize any vacation or retreat facilities for personal use when those facilities are owned or supplied by vendors, suppliers or contractors. You may accept novelty or promotional items or modest gifts if the gift is of nominal value (less than \$50) and:

- this happens only occasionally;
- the gift was not solicited; and
- disclosure of the gift would not embarrass our company or the people involved.

You may accept an occasional invitation to a sporting activity, entertainment or meal if:

- a representative of the giver's company is present at the event;
- there is a valid business purpose involved;
- this happens only occasionally; and
- the activity is of reasonable value and not lavish.

With supervisor approval, you may give gifts of nominal value and reasonable entertainment to customers, potential customers and other third parties with whom we do business. However, any gift or entertainment must:

- support our company's legitimate business interests;
- be reasonable and customary, not lavish or extravagant; and
- not embarrass our company or the recipient if publicly disclosed.

Under no circumstances can an Eddie Bauer associate, director or agent make any bribe, kickback, or illegal payment or gift of cash or cash equivalents. Also, special rules apply when dealing with government employees. These are discussed in this Code under "Accounting, Reporting and Compliance - Anticorruption Laws."

If you are unsure whether a specific gift or entertainment is permissible, contact your immediate supervisor or the Ethics & Compliance Officer.

Associate Purchases from Vendors

In order to avoid a conflict of interest or an appearance of a conflict of interest, associates may not request or accept special pricing or other considerations with respect to personal transactions with an Eddie Bauer vendor or a third party with whom Eddie Bauer does business. If such vendor is part of an Eddie Bauer negotiated discount program that is available to all Eddie Bauer associates, then an associate may participate in that program.

Political Contributions

While we encourage associates and directors to get involved in issues of importance to our business and community, political activity is strictly regulated by the laws of the U.S., by individual states and by other countries. It is important to use your careful judgment in your political participation, and you should make clear that you are acting in your individual capacity and not on behalf of Eddie Bauer. All contributions to political candidates or causes made on behalf of Eddie Bauer must first be approved, in writing, by the General Counsel.

Lobbying

Lobbying is strictly regulated in the U.S. and abroad. We are required by law to disclose detailed information relating to our contact with lobbyists and our involvement in lobbying. You should contact the General Counsel before engaging in any lobbying activities on behalf of Eddie Bauer. It is against our policy for you to lobby other associates on behalf of a political candidate in the workplace or during work hours. It is also against our policy to reimburse an associate for any political

contributions or expenditures. Outside normal work hours, you are free to participate in political campaigns on behalf of candidates or issues of your choosing, as well as make personal political contributions.

Company Resources and Confidential Information of Others

Protecting our company resources and protecting the confidential information of our associates and those with whom we do business is critical to our success and required of everyone at Eddie Bauer.

Protecting Our Confidential and Proprietary Information

Eddie Bauer associates have access to valuable confidential information, trade secrets and other proprietary information that is not generally known to the public. Confidential or proprietary information includes all information that is not generally known to the public. Our confidential information includes marketing plans, product plans, customer lists, customer records or personal information, customer cardholder information, associate records or information, and financial information such as sales numbers. Subject to Eddie Bauer's policies on data security and information privacy, associates must never disclose confidential information to anyone outside of Eddie Bauer. Confidential information should be kept secure and access limited to those who have a need to know to do their jobs. Unauthorized access to or removal of company records, customer cardholder information or proprietary information is strictly prohibited. Any unauthorized disclosure of confidential information could harm our business or that of our associates.

To further our business, our confidential information may be disclosed to potential business partners for approved Company business purposes only so long as a nondisclosure agreement is in place. Before disclosing any confidential information to a potential business partner, you should carefully consider its potential benefits and risks - is the disclosure of information necessary to conduct the proposed business transaction? If you determine, in consultation with your supervisor, that disclosure of confidential information is necessary, you must contact the Eddie Bauer Legal Department to ensure that an appropriate written nondisclosure agreement is signed prior to the disclosure.

We must cooperate with government inquiries and investigations while at the same time protecting our confidential information. If you receive a request for any information by a government agency, please refer the request to the General Counsel for advice and disposition. No financial information, including sales numbers and other sales-related information, may be disclosed without the prior approval of the Chief Financial Officer.

Protecting Confidential Information of Others

It is your responsibility to respect the privacy of our customers and our business partners. Except as necessary to complete a transaction and in compliance with applicable laws, you should not disclose any personal information about our customers or business partners (i.e., account and credit card information, email and address information, names, phone numbers, etc.) to anyone. Customer information must never be used for personal benefit or any benefit other than official Eddie Bauer business.

A potential business partner sometimes will volunteer confidential information about their products or business plans to induce us to enter into a business relationship. At other times, we may request that a third party provide confidential information to permit us to evaluate a potential business relationship. Whatever the situation, we must take special care to handle the confidential information of others responsibly.

You should never accept information offered by a third party that appears to be confidential, unless an appropriate nondisclosure agreement (reviewed by our Legal Department) has been signed. Even after a nondisclosure agreement is in place, you should accept only the information you need to know. If more detailed confidential information is offered and is not necessary for the purpose(s) for which you are seeking information, it should be refused. Once a third party's confidential information has been disclosed to us, we have an obligation to comply with the terms of the nondisclosure agreement.

Business Opportunities

Business opportunities relating to the kinds of products and services we usually sell or the activities we typically pursue that arise during the course of your employment or through the use of our property or information belong to Eddie Bauer. Similarly, other business opportunities that fit into our strategic plans or satisfy our commercial objectives that arise under similar conditions also belong to the company. You may not provide these kinds of business opportunities to our competitors, to other third parties or to other businesses that you own or are affiliated with.

Company Equipment, Usage and Privacy Rights

Eddie Bauer strives to furnish our associates with the equipment necessary to efficiently do their jobs. You must care for that equipment and should use it only for company business purposes unless specifically authorized for other uses pursuant to corporate-level policies and guidelines. Eddie Bauer associates are required to comply with all policies relating to computer usage, data security and information privacy. All computers and electronic devices will remain the sole and exclusive property of Eddie Bauer and must remain fully accessible to us, to the extent permitted by law. To the extent permitted by law, Eddie

Bauer retains the right to gain access to any information transmitted by or stored in any electronic communications device without your knowledge, consent or approval. All company equipment must be immediately returned to the Company upon separation of employment.

Each of us has an additional responsibility to protect company assets entrusted to us from loss, theft, misuse and waste. Company assets and funds may be used only for business purposes and may never be used for illegal purposes. If you become aware of theft, waste or misuse of our assets or funds or have any questions about your proper use of them, please refer to the "Asking for Help and Reporting Concerns" section of this Code.

Securities Laws and Insider Trading

Using any confidential material information for the trading of Eddie Bauer securities or providing this information to others (and that information is subsequently used to trade shares) is both unethical and illegal. In general, material confidential (or inside) information is any information about a company that has not reached the general marketplace and is likely to be considered important by investors in deciding whether to trade the securities. The term "trade" includes all securities transactions in the open market, and includes transactions in company plans such as the company's stock option plans. In addition to being prohibited from buying or selling our securities or other securities when you have material inside information, you are also prohibited from disclosing such information to anyone else (including friends and family members). It is illegal to give undisclosed material information about the company to anyone, other than in the necessary course of business.

Associates who involve themselves in insider trading (either by personally engaging in trading or by disclosing confidential material information to others) may be subject to immediate dismissal and prosecution by authorities.

Eddie Bauer's insider trading policy prohibits any trading by directors, executive officers, or any designated associate during periods that begin three weeks prior to our scheduled release of earnings information and ends 48-hours after the public release of such information.

We refer to periods during which trading is permitted as trading windows. During trading window periods, directors, executive officers and designated associates may engage in transactions involving company securities only after obtaining approval from the General Counsel, unless the transactions are done under a pre-arranged contract, instruction or plan approved by the General Counsel. Further, individuals may not trade even during a trading window if they have been informed by the General Counsel that a special trading blackout period is in place. These restrictions are described in more detail in our company's "Policy Governing Securities Trading and Prohibiting Unauthorized Disclosure of Information to Others".

For questions and additional information regarding the corporate policy on securities trading, please contact the Eddie Bauer Legal Department.

Responding to Inquiries from the Press and Others

Our company is subject to laws that govern the timing of our disclosures of material information to the public and others. Only certain designated associates ("**Company Spokespersons**") are authorized to discuss Eddie Bauer or its business with the news media, securities analysts and investors. Others within Eddie Bauer or its operating units may from time to time be designated by the Company Spokespersons or the Chief Executive Officer to respond to specific inquiries as necessary or appropriate.

As a general matter, associates are prohibited from communicating with third parties outside of Eddie Bauer concerning our company's business affairs, financial information, and/or activities. If you are contacted by anyone outside of Eddie Bauer with a request for such information, please refrain from making any comments and refer them to the Eddie Bauer Public Relations or Investor Relations Department.

Accounting, Reporting and Compliance

At the heart of our corporate values is our commitment to communicate with candor and accuracy. This commitment is critical to our financial accounting and reporting activities. Upholding this value ensures compliance with the law and instills confidence in our shareholders and the public.

Accuracy of Company Records

All information you record or report on behalf of Eddie Bauer, whether for our purposes or for third parties, must be done accurately and honestly. All of our records (including accounts and financial statements) must be maintained in reasonable and appropriate detail, must be kept in a timely fashion and must appropriately reflect our transactions. Falsifying records or keeping unrecorded funds and assets is a severe offense and may result in both civil and criminal penalties and/or a loss of employment. When payments are rendered to third parties, the funds can only be used for the purpose spelled out in the supporting documentation.

Information derived from our records is provided to our shareholders and investors as well as government agencies. As such, our accounting records must conform not only to our internal control and disclosure procedures but also to generally accepted accounting principles and other laws and regulations, such as those of the Internal Revenue Service and the Securities and Exchange Commission. Our public communications and the reports we file with the Securities and Exchange Commission and other government agencies should contain information that is full, fair, accurate, timely and understandable in light of the circumstances surrounding the disclosure.

Our internal and external auditing functions help ensure that our financial books, records and accounts are accurate. When requested, you should always provide authorized persons within our accounting department, internal auditing staff, audit committee and independent public accountants retained by Eddie Bauer with all pertinent information that they may need. We encourage open lines of communication with these entities and require that all our associates cooperate with them to the maximum extent possible. It is unlawful for you to fraudulently influence, induce, coerce, manipulate or mislead our independent public accountants for the purpose of making our financial statements misleading.

If you are unsure about the accounting treatment of a transaction or believe that a transaction has been improperly recorded or you otherwise have a concern or complaint regarding an accounting matter of any type, including but not limited to internal accounting controls, financial reporting, and auditing activities, we encourage you to immediately report the matter to your manager, any member of the Eddie Bauer management team, the Ethics & Compliance Officer, or by contacting the Network toll-free at 1-800-241-5689 for anonymous reporting. Reporting these matters promptly is an important responsibility that each of us share at Eddie Bauer and it is expected behavior. Not only is reporting the right thing to do, it may also be protected by law. Any act of retaliation for reporting your concerns in good faith will not be tolerated.

Records Retention

Our records should be retained or discarded in accordance with our record retention policies and all applicable laws and regulations. From time to time we are involved in legal proceedings that may require us to make some of our records available to third parties. Our legal counsel must approve in advance the release of appropriate information to third parties and provide you (or your immediate supervisor) with specific instructions. It is a crime to alter, destroy, modify or conceal documentation or other objects that are relevant to a government investigation or otherwise obstruct, influence or impede an official proceeding. The law applies equally to all of our records, including formal reports as well as informal data such as e-mail, expense reports and internal memos.

If the existence of a subpoena or a pending government investigation is known or reported to you, you should immediately contact our General Counsel and you must retain all records that may pertain to the investigation or be responsive to the subpoena.

Compliance with Laws

Our policy and our expectation is that each Eddie Bauer associate and director behaves in an ethical manner and complies with all laws, rules and government regulations that apply to our business. Although we address several important legal topics in this Code, we cannot anticipate every possible situation or cover every topic in detail. It is your responsibility to know and follow the law and conduct yourself in an ethical manner. It is also your responsibility to report in good faith any suspected violations of the law or this Code. You may report such violations by following the compliance procedures contained in the section of the Code entitled "Asking for Help and Reporting Concerns."

Antitrust Laws

Antitrust or competition laws are designed to ensure a fair and competitive marketplace by prohibiting various types of anticompetitive behavior. Some of the most serious antitrust offenses occur between competitors, such as agreements to fix prices or to divide customers, territories or markets. It is important to avoid discussions with our competitors regarding pricing, terms and conditions, costs, marketing plans, customers and any other proprietary or confidential information. Other countries often have their own antitrust or competition laws, so our international activities may also be subject to similar laws of other countries. Unlawful agreements can be oral or written. They can be based on informal discussions or the mere exchange of information with a competitor. If you believe that a conversation with a competitor enters an inappropriate area, end the conversation at once. Whenever any question arises as to application of antitrust or competition laws, you should consult with the Legal Department.

Anticorruption Laws

Conducting business with governments is not the same as conducting business with private parties. What may be considered an acceptable practice in the private business sector may be improper or illegal when dealing with government officials. Improper or illegal payments to government officials are prohibited. "Government officials" include employees of any government anywhere in the world, even low-ranking employees or employees of government-controlled entities, as well as political parties and candidates for political office. If you deal with such persons or entities, you should consult with our General Counsel to be sure that you understand these laws before providing anything of value to a government official.

If you are involved in transactions with foreign government officials, you must comply not only with the laws of the country with which you are involved but also with domestic laws that may apply (e.g., In the U.S., the Foreign Corrupt Practices Act; in Canada, the Corruption of Foreign Public Officials Act). Such legislation makes it illegal to pay, or promise to pay money or anything of value to any government official for the purpose of directly or indirectly obtaining or retaining business. This ban on illegal payments and bribes also applies to agents or intermediaries who use funds for purposes prohibited by the statute.

You must have approval from the Eddie Bauer General Counsel before considering any payment or gift to a foreign government official.

Import-Export Laws and Antiboycott Laws

Our company is committed to complying fully with all applicable laws governing imports, exports and the conduct of business with entities in other countries. Some of these laws contain limitations on the types of products that may be imported and the manner of importation. There are also laws that regulate or prohibit: (a) exports to, (b) other transactions with, or (c) boycotts regarding certain foreign countries.

If you engage in any type of international business transaction on behalf of Eddie Bauer or your activities involve interaction with foreign companies, entities, or governments, please ensure that you review and understand your responsibilities to comply with all international laws and regulations that are associated with your activities. If you have questions, contact your supervisor, the General Counsel, or the Ethics & Compliance Officer.

Note: The information set forth in this section is not intended to be comprehensive and you are expected to familiarize yourself with all laws and regulations relevant to your position with us, as well as all our related written policies on these laws and regulations.

Administration of the Code

Administration of the Code

All associates will receive a copy of this Code when they join our company. Updates of the Code will be made available on-line and distributed in hard copy from time to time. Associates are expected to read the Code and comply with the policies and guidelines contained in it. Additionally, Code training will be required of all associates periodically and as directed by the Ethics & Compliance Officer.

When questions arise as to the interpretation and application of this Code to specific situations, the Ethics & Compliance Officer should be consulted to ensure that interpretations are consistent throughout the organization and that other resources such as the Eddie Bauer Legal Department are engaged when appropriate. Any questions should be directed to the Ethics & Compliance Officer.

All managers, supervisors and officers have important responsibilities under the Code and are expected to demonstrate their personal commitment by fostering a workplace environment that promotes ethical behavior and compliance with the law. Managers are expected to have an adequate understanding of the Code in order to appropriately carry out their responsibilities and are required to seek out any clarifications or ask questions if needed. These management associates have an added responsibility to ensure that associates under their supervision understand their responsibilities and participate in ethics and compliance training as required. Managers must also communicate standards and requirements of the Code with any contractors, third parties, or agents working under them.

All associates are required to read and comply with the Code. Failure to read the Code will not excuse you from your obligations and compliance responsibilities set forth under it.

Investigations

We will initiate a prompt investigation following any credible indication that a breach of law, Code, or other corporate policies may have occurred. We will also initiate appropriate corrective action as we deem necessary, which may include notifying appropriate authorities.

Enforcement and Disciplinary Action

Compliance with this Code is mandatory. If you violate any provision of this Code, you may be subject to disciplinary action, up to and including termination of employment. Please be aware that Eddie Bauer reserves the right to seek civil remedies from you and if your violation results in monetary loss, you may be required to reimburse Eddie Bauer for that loss. If you are involved in a violation, the fact that you reported the violation, together with the degree of cooperation displayed by you and whether the violation is intentional or unintentional, will be given consideration in our investigation and any resulting disciplinary action.

No Retaliation

Eddie Bauer will not retaliate against anyone who, in good faith, notifies us of a possible violation of law or this Code, nor will we tolerate any harassment or intimidation of any associate who reports a suspected violation. In addition, in the U.S. and in some other jurisdictions, there are "whistleblower" laws that are designed to protect associates from discrimination or harassment for providing information to the company or governmental authorities, under certain circumstances.

Approvals and Waivers

Approvals required under this Code should be documented. Any request for a waiver of this Code or any of its provisions by our associates must be submitted in writing to our Ethics & Compliance Officer, who has authority to decide whether to grant a waiver. Any waivers for directors or executive officers must be approved by our Board of Directors or its designated committee and will be promptly disclosed to the extent required by law or regulation.

Code Modifications and Changes

The Ethics & Compliance Officer in his or her discretion is authorized to make minor, non-material changes to this Code as needed. All material changes must be reviewed and approved by the Board of Directors or its designated committee. If for any reason this Code is inconsistent with any previous Code, policy, procedure, writing, oral statement, etc., this Code supersedes them and controls. Eddie Bauer reserves the right to change or modify the Code at any time in its discretion and the most recent and current version will be made available on both our internet and intranet sites along with appropriate communications regarding any material changes that may occur.

Code Governance

The Eddie Bauer Board of Directors is responsible for oversight of the Ethics & Compliance Program, may assign oversight of the Program to a committee of the Board, and may appoint a Ethics & Compliance Officer responsible for implementing and maintaining a Program that promotes ethical conduct and compliance with the law. This responsibility includes the management and administration of this Code of Business Conduct and Ethics. Periodically, the Ethics & Compliance Officer will report to the Board or a committee of the Board regarding Program effectiveness. Under the supervision of the Ethics & Compliance Officer, responsibilities for the day-to-day management of the Program may be delegated to a dedicated resource, who may report periodically to the Board or a committee of the Board.

Asking for Help and Reporting Concerns

We take this Code seriously and consider its enforcement to be among our highest priorities, but we also acknowledge that it is sometimes difficult to know right from wrong. That's why we encourage open communication. ***When in doubt, ask.***

As mentioned in the Code Introduction, when seeking help and guidance regarding your responsibilities, business practices, reporting possible violations of the Code, corporate policies, the law, or questionable accounting and financial reporting practices, the following resources are available to you:

- **Eddie Bauer Management:** Contact your manager, any other member of the Eddie Bauer management team, your Human Resources representative, or Loss Prevention.
- **Eddie Bauer Ethics & Compliance Officer:** Associates may contact the Ethics & Compliance Officer directly by sending a letter to P.O. Box 97000, Redmond WA 98073, by sending a fax to 425-755-7671, or by email at AskCompliance@eddiebauer.com.
- **The Network:** If you prefer to remain anonymous or are not comfortable with contacting the above individuals for any reason, you may contact The Network at 1-800-241-5689 for confidential reporting. If calling from outside the United States, you may call collect at 1-770-776-5613.
 - The Network is a dedicated toll-free resource that is available 24 hours a day, 7 days a week, and 365 days a year. The Network is managed by an external third party vendor that will handle your communication confidentially and report your questions or concerns to Eddie Bauer promptly.
 - You may also email, fax, or mail any questions or concerns confidentially to The Network at reportline@tnwinc.com, fax 1-800-748-6159, or by mail at 333 Research Ct., Norcross, GA 30092. If you wish to remain anonymous, please indicate this preference in your correspondence and The Network professionals will remove your contact information before sending it to Eddie Bauer.

All questions and concerns reported in good faith will be addressed promptly and handled in an appropriate manner.