

All Access Apparel, Inc.

California Transparency in Supply Chains Act of 2010 (SB 657) Disclosure Statement

On January 1, 2012, Senate Bill 657, the California Transparency in Supply Chains Act of 2010, goes into effect. The Bill was signed into law by then Governor Arnold Schwarzenegger in 2010, and requires the state’s retailers and manufacturers “to develop, maintain and implement policies related to their compliance with federal and state law regarding the eradication of slavery and human trafficking from their supply chain.”

All Access Apparel, Inc. enforces a “Code of Conduct” on our suppliers, with frequent re-certifications that require Ethical and Legal behavior in the conduct of their business. Each Supplier must sign the “Code of Conduct” document, pledging to adhere to our requirements. Any Supplier found to be in violation is subject to disciplinary action, including termination of our relationship.

California Transparency in Supply Chains Act of 2010 (SB 657) specifically requires the following five disclosures:

1. Does the company verify its product supply chains to evaluate and address risks of human trafficking and slave labor, and is the verification done by a third party?

All Access Apparel participates in audits of suppliers, some performed by agents of our retail customers, and some performed by independent third party auditors engaged by the company. Compliance with our “Code of Conduct” is central to the audit process, including Employment Practices, such as the fair and equitable treatment of employees. The Code of Conduct specifically addresses voluntary employment, no child labor, no prison or forced labor, no discrimination, as well as the right to free association, proper wage and benefits, reasonable working hours, women’s rights and a healthy and safe workplace.

2. Does the company perform audits to evaluate supplier compliance with company standards for human trafficking and slavery in supply chains, and is the verification an independent, unannounced audit?

All Access Apparel supplies many of the largest retailers in the United States, most

of whom require “Certified Factories” be used for the production of the product they purchase. To be a certified factory, the supplier must pass a rigorous inspection of their facility and all of their employees to insure compliance with standards that include Health and Safety, Employment Practices, and Legal operations. Once certified, factories are routinely re-inspected by independent firms at varying frequencies, and are often unannounced.

3. Does the company obtain certifications from its direct suppliers that materials incorporated into its products comply with the laws regarding slavery and human trafficking of the country in which they are doing business?

The All Access Apparel Code of Conduct document currently serves as the factory certification, unless they are submitting documents for payment under a letter of credit, in which case a specific certification is required for payment. Beginning January 2012, the company will require a specific certification be submitted with each invoice, this will be an additional measure of compliance beyond the signed Code of Conduct.

4. Does the company maintain internal accountability standards and procedures for employees or contractors failing to meet company standards regarding slavery and trafficking?

All Access Apparel conducts disciplinary reviews of any violations of our Code of Conduct and determines the proper course of action based on the infraction. To date, we only have encountered one violation of our ethical standards, and that situation resulted in termination of our business relationship.

5. Does the company provide its employees and management with direct responsibility for supply chain management, training on human trafficking and slavery, particularly with respect to mitigating risks within the supply chain?

Our current effort is being expanded to include specific training on Slavery and Human Trafficking, in addition to our current in depth review of our Code of Conduct and past violations. Our relevant employee base will be expanded to include our foreign national quality control inspectors who visit overseas factories on a regular basis.