

August 12, 2009

Associate ID #70948

Mr. Peter M. Vadala

██████████

██████████ MA ██████████

Dear Peter:

Thank you for speaking with me yesterday, 8/11/09, regarding the suspension of your employment on 8/10/09, and for providing a written statement outlining the incident that took place on 8/10 between you and ██████████, Store Sales Manager of our Square One Store. Because I know you were uncomfortable with the timeline I provided to you to compose a statement (24 hours), let me just reiterate that I was only extending to you an opportunity to give your side of the story so that it could be taken into consideration in Brookstone's decision regarding the resolution of your suspension. The statement you sent was complete and adequate, and I thank you for doing so.

Both you and Ms. ██████████ have described an interaction that took place between the two of you at our Logan Airport Terminal C location as follows: while Ms. ██████████ was at your Store receiving help in programming equipment for inventory, she mentioned that her fiancée would be picking her up. In the course of normal conversation, when you referred to this fiancée as a "he", Ms. ██████████ clarified that her partner is in fact a "she".

You acknowledge that you then expressed to Ms. ██████████ that you disagreed strongly with her homosexual lifestyle and that you believe it is wrong. You describe it in your statement, as you did when speaking with me, as "deviant". → *Note: He did not use that term during the incident.*

You explain in your statement that Ms. ██████████ "repeatedly and without provocation presented her view on the topic of homosexuality by referencing her so-called fiancée." When I questioned you about how this conversation had begun and what Ms. ██████████ had said to prompt you to share your own beliefs, you explained that simply by clarifying to you that her fiancée is a female, she put you in an uncomfortable position and you were compelled to tell her that her lifestyle was immoral.

In addition, Peter, the Sales Associate who was working with you at the time of Ms. ██████████'s visit has provided a written statement indicating that while she did not witness the conversation between you and Ms. ██████████, you did tell her later that you knew "██████████ is marrying another woman" and that you "hate people like that."

← *This is strongly disputed.
Peter denies saying that.*

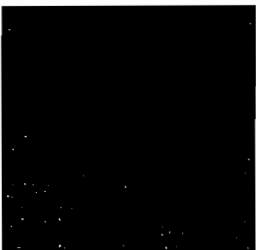
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* { I explained to you that in the State of Massachusetts, same-sex marriage is legal and there will be people with whom you work who have fiancées or spouses who are the same gender. I further explained that Ms. [REDACTED]'s statement that her fiancée is female was factual in nature and was not an expression of opinion or religious belief.

Peter, Brookstone is an equal opportunity employer, meaning that we maintain a healthy, safe and productive work environment free from discrimination or harassment based on race, religion, gender, sexual orientation, age, national origin, physical or mental disability, or other factors that are unrelated to the Company's legitimate business interests. This provides us with a diverse workforce of varying cultural, ethnic, and religious backgrounds.

Discrimination can be defined as treating an individual differently based on factors such as those listed above. Harassment is the verbal, physical or visual conduct or communication degrading to either gender, or to racial, ethnic or religious groups or behavior that is personally offensive to the recipient, impairs morale or interferes with the work effectiveness of Associates.

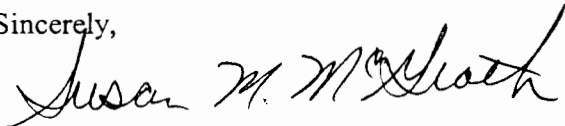
The comments you made to Ms. [REDACTED] were inappropriate and unprofessional. While you are entitled to your own beliefs, imposing them upon others in the workplace is not acceptable and in this case, by telling a colleague that she is deviant and immoral, constitutes discrimination and harassment.

Brookstone's policy on harassment is a **zero-tolerance policy**, meaning that Brookstone disciplines or terminates every Associate found to have violated it.

As a Manager, you have a responsibility to ensure that all Associates are protected from discrimination and harassment. Therefore your actions are even more egregious. Your employment is therefore terminated effective 8/10/09, your last day worked. Your final check for weeks ending 8/8/09 and 8/15/09 are included with this letter. If you are owed product incentive bonus money, it will be mailed to you once the payments are processed. Per Company Policy, please direct all reference checks to Corporate Human Resources. The only information given will be your dates of employment and position held.

Please direct any questions you may have regarding this letter or your termination to my attention.

Sincerely,



Susan M. McGrath
Employee Relations Manager
Human Resources Department
866-806-4887, Ext. 8533