

STEIN MART RETIREMENT PLAN

DEFAULT INVESTMENT ALTERNATIVE NOTICE

THIS NOTICE INFORMS YOU THAT THE PLAN'S DEFAULT INVESTMENT FUND IS INTENDED TO SATISFY THE LEGAL REQUIREMENTS FOR A QUALIFIED DEFAULT INVESTMENT ALTERNATIVE ("QDIA").

DEFAULT INVESTMENT FUND

This notice informs you of your rights and obligations regarding the Plan's default investment fund. Stein Mart, Inc. (the "Company") intends that the default investment fund satisfy the legal requirements for a qualified default investment alternative ("QDIA").

Investment Alternatives. The contributions you and the Company make to the Plan are invested according to the investment elections you make under the Plan. You can choose among several different core investment funds. You can change your investment election by accessing your account at Prudential's Internet site at www.prudential.com/online/retirement or by accessing your account through Prudential's toll-free phone number **1-877-778-2100**. We encourage you to review your investment mix and deferral percentage and update your investments as appropriate.

If you do not specify how contributions are to be invested, the contributions will automatically be invested in the Plan's default investment fund. The Plan's default investment fund is the age-appropriate Retirement GoalSM Fund based on an age 65 target retirement date.

Default Investment Fund.

For a complete description of these funds, please see the addendum. **ERISA 404(c)**. Since you are able to choose how your account is invested including whether your account is invested in the default

investment fund, the plan fiduciaries may be relieved of liability for any losses that are the direct and necessary result of the investment decisions (including any default investment decision) you make.

OTHER INFORMATION

Summary Plan Description. Please refer to your SPD for more details concerning the Plan.

Resources. At any time—day or night—you can change your contribution amount, change your investments, get daily investment performance information and perform other transactions through www.prudential.com/online/retirement, or through Prudential's toll-free phone number 1-877-PRU-2100 (1-877-778-2100).

Plan Legal Documents. All benefits under the Plan are subject to the provisions of the legal documents for the Plan. In the event of any conflict, the legal documents will take precedence over this notice. The Company reserves the right to amend, modify or terminate the Plan at any time for any reason.

Electronic Transmission. This notice and other important Plan information may be delivered to you through electronic means. In this case, you are entitled to request a paper copy, free of charge, from the Company. The electronic version of this notice will contain substantially the same style and format, and the same content, as the paper version.