

Handbook

1/2021

## HANDBOOK DISCLAIMER

We prepared this handbook to help associates find the answers to many questions that they may have regarding their employment with Pura Vida Bracelets. Please take the necessary time to read it.

We do not expect this handbook to answer all questions. Management also serves as a major source of information.

Neither this handbook nor any other verbal or written communication by a management representative is, nor should it be considered to be, an agreement, contract of employment, express or implied, or a promise of treatment in any particular manner in any given situation, nor does it confer any contractual rights whatsoever. Pura Vida Bracelets adheres to the policy of employment at will, which permits the Pura Vida Bracelets or the associate to end the employment relationship at any time, for any reason, with or without cause or notice.

No Pura Vida Bracelets representative other than the Co-Founders may modify at-will status and/or provide any special arrangement concerning terms or conditions of employment in an individual case or generally and any such modification must be in a signed writing.

Many matters covered by this handbook, such as benefit plan descriptions, are also described in separate Pura Vida Bracelets documents. These Pura Vida Bracelets documents are always controlling over any statement made in this handbook or by any member of management.

This handbook states only general Pura Vida Bracelets guidelines. The Pura Vida Bracelets may, at any time, in its sole discretion, modify or vary from anything stated in this handbook, with or without notice, except for the rights of the parties to end employment at will, which may only be modified by an express written agreement signed by the associate and the Co-Founders.

This handbook supersedes all prior handbooks.

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# **Section 1 - Governing Principles of Employment**

#### **1-1 Introduction**

For Associates who are commencing employment with Pura Vida Bracelets ("Pura Vida Bracelets" or the "Company"), on behalf of Pura Vida Bracelets, let us extend a warm and sincere welcome.

For Associates who have been with us, thanks for your past and continued service.

We extend our personal best wishes for success and happiness here at Pura Vida Bracelets. We understand that it is our Associates who provide the services that our customers rely upon, and who will enable us to create new opportunities in the years to come.

## **1-2 Equal Employment Opportunity**

Pura Vida Bracelets is an Equal Opportunity Employer that does not discriminate on the basis of actual or perceived race, color, national origin, ancestry, sex (which includes pregnancy, childbirth, breastfeeding and medical conditions related to pregnancy, childbirth or breastfeeding), gender, gender identity, and gender expression, religious creed, disability (mental and physical) including HIV and AIDS, medical condition (cancer and genetic characteristics), genetic information, age, marital status, sexual orientation, military and veteran status, denial of family and medical care leave, or any other characteristic protected by federal, state or local law. Our management team is dedicated to this policy with respect to recruitment, hiring, placement, promotion, transfer, training, compensation, benefits, associate activities and general treatment during employment.

Pura Vida Bracelets will endeavor to accommodate the sincere religious beliefs of its associates to the extent such accommodation does not pose an undue hardship on the Pura Vida Bracelets' operations. If you wish to request such an accommodation, please speak to your supervisor.

If you feel that you have been subjected to conduct which violates this policy, you should immediately report the matter to your supervisor. If you are unable for any reason to contact this person, or if you have not received a satisfactory response within five (5) business days after reporting any incident of what you perceive to be a violation of this policy, please contact your second level supervisor.

Note: If your supervisor or next level manager is the person toward whom the complaint is directed you should contact any higher level manager in your reporting chain. The Company will not allow any form of retaliation against individuals who raise issues of equal employment opportunity.

If you feel you have been subjected to any such retaliation, report it in the same manner you would report a perceived violation of this policy. To ensure our workplace is free of artificial barriers, violation of this policy including any improper retaliatory conduct will lead to discipline, up to and including discharge.

## **1-3 Discrimination, Harassment and Retaliation Prevention**

Pura Vida Bracelets does not tolerate and prohibits discrimination, harassment or retaliation of or against job applicants, contractors, interns, volunteers or associates by another Associate, supervisor, vendor, customer or any third party on the basis of race, religious creed, color, age, sex, sexual orientation, gender, gender identity, gender expression, national origin, ancestry, marital status, medical condition as defined by state law (cancer or genetic characteristics), disability, military and veteran status, pregnancy, childbirth and related medical conditions, or any other characteristic protected by applicable federal, state or local laws and ordinances. The Company is committed to a workplace free of discrimination, harassment and retaliation.

#### **Discrimination Defined**

Discrimination under this policy means treating differently or denying or granting a benefit to an individual because of the individual's protected characteristic.

#### **Harassment Defined**

Harassment is defined in this policy as unwelcome verbal, visual or physical conduct creating an intimidating, offensive or hostile work environment that interferes with work performance. Harassment can be verbal (including slurs, jokes, insults, epithets, gestures or teasing), graphic (including offensive posters, symbols, cartoons, drawings, computer displays or emails) or physical conduct (including physically threatening another, blocking someone's way, etc.) that denigrates or shows hostility or aversion towards an individual because of any protected characteristic. Such conduct violates this policy, even if it is not unlawful. Because it is difficult to define unlawful harassment, associates are expected to behave at all times in a professional and respectful manner.

#### **Sexual Harassment Defined**

Sexual harassment can include all of the above actions, as well as other unwelcome conduct, such as unwelcome or unsolicited sexual advances, requests for sexual favors, conversations regarding sexual activities and other verbal or physical conduct of a sexual nature.

Examples of conduct that violates this policy include:

- unwelcome sexual advances, flirtations, advances, leering, whistling, touching, pinching, assault, blocking normal movement;
- requests for sexual favors or demands for sexual favors in exchange for favorable treatment;
- obscene or vulgar gestures, posters or comments;
- sexual jokes or comments about a person's body, sexual prowess or sexual deficiencies;
- propositions or suggestive or insulting comments of a sexual nature;

- derogatory cartoons, posters and drawings;
- sexually-explicit emails or voicemails;
- uninvited touching of a sexual nature;
- unwelcome sexually-related comments;
- conversation about one's own or someone else's sex life;
- conduct or comments consistently targeted at only one gender, even if the content is not sexual; and
- teasing or other conduct directed toward a person because of the person's gender.

#### **Retaliation Defined**

Retaliation means adverse conduct taken because an individual reported an actual or perceived violation of this policy, opposed practices prohibited by this policy, or participated in the reporting and investigation process described below. "Adverse conduct" includes but is not limited to:

- shunning and avoiding an individual who reports harassment, discrimination or retaliation;
- express or implied threats or intimidation intended to prevent an individual from reporting harassment, discrimination or retaliation; and
- denying employment benefits because an applicant or Associate reported harassment, discrimination or retaliation or participated in the reporting and investigation process described below.

All discrimination, harassment and retaliation is unacceptable in the workplace and in any workrelated settings such as business trips and business-related social functions, regardless of whether the conduct is engaged in by a supervisor, co-worker, client, customer, vendor or other third party.

## **Reporting Procedures**

The following steps have been put into place to ensure the work environment is respectful, professional, and free of discrimination, harassment and retaliation. If you believe someone has violated this policy or the Equal Employment Opportunity Policy, you should promptly bring the matter to the immediate attention of their supervisor. If this individual is the person toward whom the complaint is directed you should contact any higher level manager in the reporting chain. If an Associate makes a complaint under this policy and has not received a satisfactory response within five (5) business days, he or she should contact a member of management immediately.

Every supervisor who learns of any Associate's concern about conduct in violation of this policy, whether in a formal complaint or informally, must immediately report the issues raised to Human Resources.

#### **Investigation Procedures**

Upon receiving a complaint, the Company will promptly conduct a fair and thorough investigation into the facts and circumstances of any claim of a violation of this policy or our Equal Employment

Opportunity policy. To the extent possible, the Company will endeavor to keep the reporting Associates concerns confidential. However, complete confidentiality may not be possible in all circumstances.

During the investigation, the Company generally will interview the complainant and the accused, conduct further interviews as necessary and review any relevant documents or other information. Upon completion of the investigation, the Company shall determine whether this policy has been violated based upon its reasonable evaluation of the information gathered during the investigation. The Company will inform the complainant and the accused of the results of the investigation.

The Company will take corrective measures against any person who it finds to have engaged in conduct in violation of this policy, if the Company determines such measures are necessary. These measures may include, but are not limited to, counseling, suspension or immediate termination. Anyone, regardless of position or title, whom the Company determines has engaged in conduct that violates this policy will be subject to discipline, up to and including termination.

Remember, the Company cannot remedy claimed discrimination, harassment or retaliation unless associates bring these claims to the attention of management. Associates should not hesitate to report any conduct which they believe violates this policy.

## **1-4 Ethics Hotline**

In the event that you are not comfortable communicating directly with management, Vera Bradley provides a reporting tool that enables you to express your concern in a confidential and anonymous manner. This reporting program may be used for the report of a variety of ethical, integrity and compliance issues, and can be accessed on the Thread, our Intranet site. The reporting tool can also be accessed directly at https://www.integrity-helpline.com/verabradley.jsp or by calling (877) 702-8372.

#### 1-5 Drug-Free and Alcohol-Free Workplace

To help ensure a safe, healthy and productive work environment for our Associates and others, to protect Company property, and to ensure efficient operations, the Company has adopted a policy of maintaining a workplace free of drugs and alcohol. This policy applies to all associates and other individuals who perform work for the Company.

The unlawful or unauthorized use, abuse, solicitation, theft, possession, transfer, purchase, sale or distribution of controlled substances, drug paraphernalia or alcohol by an individual anywhere on Company premises, while on Company business (whether or not on Company premises) or while representing the Company, is strictly prohibited. Associates and other individuals who work for the Company also are prohibited from reporting to work or working while they are using or under the influence of alcohol or any controlled substances, which may impact an associate's ability to perform

his or her job or otherwise pose safety concerns, except when the use is pursuant to a licensed medical practitioner's instructions and the licensed medical practitioner authorized the Associate or individual to report to work. However, this does not extend any right to report to work under the influence of medical marijuana or to use medical marijuana as a defense to a positive drug test, to the extent an associate is subject to any drug testing requirement, to the extent permitted by and in accordance with applicable law.

Violation of this policy will result in disciplinary action, up to and including discharge.

The Company maintains a policy of non-discrimination and will endeavor to make reasonable accommodations to assist individuals recovering from substance and alcohol dependencies, and those who have a medical history which reflects treatment for substance abuse conditions. However, Associates may not request an accommodation to avoid discipline for a policy violation. We encourage our Associates to seek assistance before their substance abuse or alcohol misuse renders them unable to perform the essential functions of their jobs, or jeopardizes the health and safety of any Company Associate, including themselves.

## **1-6 Workplace Violence**

Pura Vida Bracelets is strongly committed to providing a safe workplace. The purpose of this policy is to minimize the risk of personal injury to associates and damage to Company and personal property.

We do not expect our Associates to become experts in psychology or to physically subdue a threatening or violent individual. Indeed, we specifically discourage you from engaging in any physical confrontation with a violent or potentially violent individual. However, we do expect and encourage you to exercise reasonable judgment in identifying potentially dangerous situations.

Experts in the mental health profession state that prior to engaging in acts of violence, troubled individuals often exhibit one or more of the following behaviors or signs: over-resentment, anger and hostility; extreme agitation; making ominous threats such as bad things will happen to a particular person, or a catastrophic event will occur; sudden and significant decline in work performance; irresponsible, irrational, intimidating, aggressive or otherwise inappropriate behavior; reacting to questions with an antagonistic or overtly negative attitude; discussing weapons and their use, and/or brandishing weapons in the workplace; overreacting or reacting harshly to changes in Company policies and procedures; personality conflicts with co-workers; obsession or preoccupation with a co-worker or supervisor; attempts to sabotage the work or equipment of a co-worker; blaming others for mistakes and circumstances; or demonstrating a propensity to behave and react irrationally.

#### **Prohibited Conduct**

Threats, threatening language or any other acts of aggression or violence made toward or by any Company Associate WILL NOT BE TOLERATED. For purposes of this policy, a threat includes any verbal or physical harassment or abuse, any attempt at intimidating or instilling fear in others, menacing gestures, flashing of weapons, stalking or any other hostile, aggressive, injurious or destructive action

undertaken for the purpose of domination or intimidation. To the extent permitted by law, Associates and visitors are prohibited from carrying weapons onto Company premises.

#### **Procedures for Reporting a Threat**

All potentially dangerous situations, including threats by co-workers, should be reported immediately to any member of management with whom the Associate feels comfortable. Reports of threats may be maintained confidential to the extent maintaining confidentiality does not impede our ability to investigate and respond to the complaints. All threats will be promptly investigated. All Associates must cooperate with all investigations. You will not be subjected to retaliation, intimidation or disciplinary action as a result of reporting a threat in good faith under this policy.

If the Company determines, after an appropriate good faith investigation, that someone has violated this policy, the Company will take swift and appropriate corrective action.

If you are the recipient of a threat made by an outside party, you should follow the steps detailed in this section. It is important for us to be aware of any potential danger in our offices. Indeed, we want to take effective measures to protect everyone from the threat of a violent act by an Associate or by anyone else.

# **Section 2 - Operational Policies**

## **2-1 Associate Classifications**

For purposes of this handbook, all Associates fall within one of the classifications below.

**Full-Time Associates** - Associates who regularly work at least 32 hours per week who were not hired on a short-term basis.

**Part-Time Associates** - Associates who regularly work fewer than 32 hours per week who were not hired on a short-term basis.

**Temporary** - Associates who were hired for a specific short-term project, or on a short-term freelance, per diem or temporary basis. Short-Term Associates generally are not eligible for Company benefits, but are eligible to receive statutory benefits.

Associates who regularly work at least 32 or more hours per week who were not hired on a short-term basis are eligible for health insurance benefits.

In addition to the above classifications, Associates are categorized as either "**exempt**" or "**non-exempt**" for purposes of federal and state wage and hour laws. Associates classified as exempt do not receive overtime pay; they generally receive the same weekly salary regardless of hours worked. Such salary may be paid less frequently than weekly. Associates will be informed of these classifications upon hire and informed of any subsequent changes to the classifications.

## **2-2 Your Employment Records**

In order to obtain your position, you provided us with personal information, such as address and telephone number. This information is contained in the Associate's electronic file.

You should keep your file up to date by making applicable changes in the HRIS system. You also should update any specialized training or skills that you may acquire in the future and should notify management of any changes to any required visas. Unreported changes of address, marital status, etc. can affect withholding tax and benefit coverage. Further, an "out of date" emergency contact or an inability to reach the associate in a crisis could cause a severe health or safety risk or other significant problem.

#### 2-3 Working Hours and Schedule

Pura Vida Bracelets normally is open for business from 8:00 am to 5:00 pm, Monday through Friday. You will be assigned a work schedule and will be expected to begin and end work according to the schedule. To accommodate the needs of our business, at some point we may need to change individual work schedules on either a short-term or long-term basis.

#### **Rest Breaks**

Non-exempt Associates who work three-and-one-half (3-1/2) or more hours per day are provided one 10-minute rest break for every four (4) hours or major fraction thereof worked. For purposes of this policy, "major fraction" means any time greater than two (2) hours. For example, if an Associate works more than six (6) hours, but no more than 10 hours in a workday, he or she is provided and should take two 10-minute rest breaks: one during the first half of a shift and a second rest break during the second half of the shift. If an Associate works more than 10 hours but no more than 14 hours in a day, he or she is provided, and should take, three 10-minute rest breaks, and so on.

Rest breaks should be taken as close to the middle of each work period as is practical. You do not need to obtain your supervisor's approval or notify you supervisor when taking a rest break.

You are encouraged to take your rest breaks; you are not expected to and should not work during your rest breaks. Non-exempt Associates are paid for all rest break periods. Accordingly, you do not need to clock out when taking a rest break.

#### **Meal Periods**

If Associates work more than 5 hours in a workday, they are provided an unpaid, off-duty meal period of at least 30 minutes. If six (6) hours of work will complete the day's work, they may voluntarily waive the meal period in writing. Associates should see Human Resources if they would like to sign and submit a form that waives their right to a meal period if they work no more than six (6) hours in a day. Associates who work more than 10 hours in a day are entitled to a second unpaid, off-duty 30 minute meal period. If an Associate works no more than 12 hours, the Associate can waive his or her second meal period must be in writing and submitted before the second meal period. Associates should see Human Resources if they would like to sign and submit a form that waives their right to a second meal period, but only if the first one was not waived in any manner. Any waiver of the second meal period must be in writing and submitted before the second meal period. Associates should see Human Resources if they would like to sign and submit a form that waives their right to a second meal period, as explained above. If they work more than 12 hours they may not waive and should take their second unpaid, off-duty 30 minute meal period.

Associates are responsible for scheduling their own meal periods, but they should begin no later than the end of the fifth hour of work. For example, an Associate who begins working at 8:00 a.m. must begin his or her meal period no later than 1:00 p.m. When scheduling a meal period, Associates should try to anticipate work flow and deadlines. Associates are encouraged to and should take their meal periods; they are not expected to work during their meal periods.

During meal periods, Associates are relieved of all duty and should not work during this time. When taking a meal period, you should be completely off work for at least 30 minutes. Associates are prohibited from working "off the clock" during their meal period. Those Associates who use a time clock must clock out for their meal periods and are expected to clock back in and then promptly return to work at the end of any meal period. Those Associates who record their time manually must accurately record their meal periods by recording the beginning and end of each work period.

Unless otherwise directed by a supervisor in writing, you do not need to obtain a supervisor's approval or notify a supervisor when taking a meal period.

#### **General Requirements for Rest Periods and Meal Breaks**

All rest breaks and meal periods must be taken outside the work area. You should not visit or socialize with associates who are working while they are taking a rest break or meal period. Associates may leave the premises during meal periods.

You are required to immediately notify your supervisor, manager, or Human Resources if you believe you are being pressured or coerced by any manager, supervisor, or other Associate to not take any portion of a provided rest break or meal period.

#### **2-4 Timekeeping Procedures**

You must record your actual time worked for payroll and benefit purposes. Non-exempt Associates must record the time work begins and ends, as well as the beginning and ending time of any departure from work for any non-work-related reason, on forms as prescribed by management.

Altering, falsifying or tampering with time records is prohibited and subjects the Associate to discipline, up to and including discharge.

Exempt Associates are required to report full days of absence from work for reasons such as leaves of absence, sick leave or personal business.

Non-exempt Associates may not start work until their scheduled starting time.

#### 2-5 Overtime

Like most successful companies, we experience periods of extremely high activity. During these busy periods, additional work is required from all of us. Supervisors are responsible for monitoring business activity and requesting overtime work if it is necessary. Every effort will be made to provide you with adequate advance notice in such situations.

Non-exempt Associates will be paid overtime at the rate of time and one-half (1.5) times their normal hourly wage for all hours worked in excess of eight (8) hours in one day or forty (40) hours in one week, or for the first eight (8) hours on the seventh day in the same workweek.

Non-exempt Associates will be paid double-time for hours worked in excess of twelve (12) in any workday or in excess of eight (8) on the seventh day of the workweek.

You may work overtime only with management authorization. Unauthorized overtime worked is subject to disciplinary action up to and including termination.

For purposes of calculating overtime for non-exempt Associates, the workweek begins at 12 a.m. on Sunday and ends 168 hours later at 12 a.m. on the following Sunday.

## 2-6 Safe Harbor Policy for Exempt Associates

It is Company policy and practice to accurately compensate Associates and to do so in compliance with all applicable state and federal laws. To ensure you are paid properly and no improper deductions are made, Associates must review their pay stubs promptly to identify and to report all errors.

If you believe a mistake has occurred or if you have any questions, you should use the reporting procedure outlined below.

Exempt salaried Associates receive a salary which is intended to compensate for all hours worked for the Company. This salary will be established at the time of hire or when an Associate becomes classified as exempt. While it may be subject to review and modification from time-to-time, such as during salary review times, the salary will be a predetermined amount that will not be subject to deductions for variations in the quantity or quality of the work performed.

Under state law, salary is subject to certain deductions. For example, an Associate's salary can be reduced for the following reasons:

- full-day absences for personal reasons;
- full-day absences for sickness or disability, if the available paid sick leave has been exhausted;
- intermittent absences, including partial-day absences, covered by the federal Family and Medical Leave Act, if other available paid leave has been exhausted;
- to offset amounts received as payment for jury and witness fees or military pay;
- during the first or last week of employment in the event an associate works less than a full week; and
- any work week in which an associate performs no work for the Company.

Salary also may be reduced for certain types of deductions, such as the Associate portion of health, dental or life insurance premiums; state, federal or local taxes, social security; or, voluntary contributions to a 401(k) or pension plan.

In any workweek in which an Associate performed any work, the Associate's salary will not be reduced for any of the following reasons:

- partial-day absences for personal reasons, sickness or disability;
- absence on a holiday when the facility is closed or because the facility is otherwise closed on a scheduled workday;

- absences for jury duty, attendance as a witness or military leave in any week in which an associate has performed any work; and
- any other deductions prohibited by state or federal law.

If you believe they have been subject to any improper deductions, you should immediately report the matter to your supervisor. If the supervisor is unavailable or if you believe it would be inappropriate to contact that person (or if you have not received a prompt and fully acceptable reply), you should immediately contact or any other supervisor or manager in the Company with whom you feel comfortable or Human Resources.

Every report will be fully investigated and corrective action will be taken where appropriate, up to and including termination for anyone who violates this policy. In addition, the Company will not allow any form of retaliation against individuals who report alleged violations of this policy or who cooperate in the investigation of such reports. Retaliation is unacceptable, and any form of retaliation in violation of this policy will result in disciplinary action, up to and including termination.

## 2-7 Your Paycheck

You will be paid biweekly for all the time worked during the past pay period.

Payroll stubs itemize deductions made from gross earnings. By law, the Company is required to make deductions for Social Security, federal income tax and any other appropriate taxes. These required deductions also may include any court-ordered garnishments. Payroll stubs also will differentiate between regular pay received and overtime pay received.

If you believe there is an error in your pay, you should bring the matter to the attention of your Supervisor immediately so the Company can resolve the matter quickly and amicably.

Paychecks will be given only to the Associate, unless he or she requests that they be mailed, or authorize in writing another person to accept the check.

#### **2-8 Direct Deposit**

Pura Vida Bracelets strongly encourages Associates to use direct deposit. You may add/change direct deposit in the HRIS system.

## **2-9 Performance Evaluation**

Pura Vida has a practice of performing periodic associate performance evaluations called Quarterly Connections.

The purpose of these Quarterly Connections is to give an objective assessment and recognition for work accomplished, as well as to establish mutual goals for future development. It is an opportunity

to discuss your skills, abilities and job performance, and to resolve any problems in these areas. In the first Quarterly Connection of the new fiscal year, we ask that you complete a self-evaluation in addition to the evaluation that will be completed by your manager. Consideration for merit increases will be evaluated annually based on job expectations (as outlined in your job description) and goal performance. Compensation increases and the terms and conditions of employment, including job assignments, transfers, promotions, and demotions, are determined by and at the discretion of management.

Your evaluation will be discussed in confidence with your manager, and you will be asked to electronically acknowledge receipt of the evaluation. It will be placed in your associate file and will become part of your employment record.

## **Section 3 - Benefits**

#### **3-1 Benefits Overview**

The following benefits under this section are available only to those Associates who meet the eligibility requirements set forth in each benefit plan. Generally, these benefits are available only to qualified full-time Associates who are regularly scheduled to work an average of 32 hours or more per week (different eligibility requirements apply to the 401(k) plan). While every effort has been made to accurately summarize these benefits below, the terms and conditions of the various benefits are governed solely by the legal plan documents that describe those benefits. If there is any discrepancy between the legal plan documents and the information below, the legal plan documents will control.

The Company may modify or terminate associate benefit plans and programs to comply with regulatory requirements or otherwise in its sole discretion. Any modifications are required to comply with ERISA, DOL and regulatory requirements.

#### **3-2 Medical and Dental**

The Company offers health and dental insurance to regular full-time associates. You must work for the Company for a total of 60 days before you will be eligible for insurance. Enrollment is completed through Workday. The Company will pay a portion of the health and dental insurance premium for each associate. The remainder of the premium for this benefit will be deducted from your biweekly paycheck beginning with the pay cycle in which the coverage becomes effective. You must determine whether you will be participating in the health insurance plan and complete the selections in workday within the wait period. For an additional premium, you may elect to cover eligible dependents on your plan; however, in an effort to keep our premiums as low as possible, spouses must participate in medical benefits through their employer if eligible.

The Patient Protection and Affordable Care Act of 2010 ("ACA") requires employers to offer medical coverage to associates who work an average of 30 hours or more during the determination period or potentially pay a penalty. If the Company decides to offer medical coverage to those part-time Associates working more than 30 hours, the Company will contact the individuals directly.

#### 3-3 Life Insurance

As a regular full-time associate, you must work at the Company for a total of 60 days before becoming eligible for a Life and Accidental Death and Dismemberment insurance policy. The policy is equal to two times an associate's annual base salary up to \$450,000 and is provided at no cost to the associate. Voluntary Life Insurance is also available.

The policy must be in force at the time of an associate's death for benefits to be payable.

#### **3-4 Paid Holidays**

Full-time Associates will be paid for the following holidays:

New Year's Day Memorial Day Independence Day Labor Day Thanksgiving Day Christmas Eve Christmas Day Flexible Holiday

When holidays fall or are celebrated on a regular work day, eligible Associates will receive one (1) day's pay at their regular straight-time rate.

If a holiday falls within an approved vacation period, you will be paid for the holiday (at the regular straight-time rate) in addition to the vacation day, or you will receive an additional vacation day at the option of the Company.

If a holiday falls within a jury duty or bereavement leave, you will be paid for the holiday (at the regular straight-time rate) in addition to the leave day, or you will receive an additional day off at the option of the Company.

## 3-5 Managed Time Off

Pura Vida recognizes that our Associates have diverse needs for time away from work, and believes that you should have opportunities to enjoy time off to help balance your work and personal life. Our Managed Time Off (MTO) policy is designed to accommodate for any paid time away from work for any purpose, other than approved leaves of absence. See Leaves of Absence policy for more information. Please note that the provisions of this Managed Time Off (or MTO) policy may be modified from time to time at the sole discretion of Pura Vida either to comply with applicable Federal and State wage and hour laws or for other reasons.

## MTO Eligibility for Full-time Associates

As a regular full-time Associate, you will become eligible for paid MTO after you have completed a waiting period of one full calendar month of employment with Pura Vida. You are accountable and responsible for managing your own MTO hours.

For each year that you remain eligible, you will accrue MTO according to the schedule below. On the first day following your first completed calendar month of employment, Pura Vida will advance you 1/8th of your maximum annual accrual based on your years of service. While Pura Vida will advance you 1/8th of your maximum annual accrual each month, you will only earn such MTO through continued employment with Pura Vida.

The MTO accrual rate changes on January 1 of the year the rate is scheduled to increase.

Years of Service	Maximum Annual Accrual (Days)	Maximum Annual Accrual (Hours)
1	18	144
2	19	152
3	20	160
4	22	176
5	24	192
6-9	26	208
10-14	28	224
15-19	30	240
20+	32	256

Length of Service - Paid MTO Days

Example 1: If an Associate was hired on July 15, the Associate would first be eligible to accrue MTO on September 1 and would thereafter accrue MTO by remaining employed at a full-time status with Pura Vida. Beginning on September 1, and continuing for each month in the Associate's first calendar year, Pura Vida will advance the Associate 1/8<sup>th</sup> of 18 MTO days or 2.25 days of MTO every month for a maximum of 8 months (18 days / 8 months = 2.25 days = 18 hours per month). Example 2: An Associate with five years of service will accrue 24 MTO days or 3 days of MTO per calendar month worked (24 days / 8 months = 3 days = 24 hours per month).

## Accrual of MTO

You will accrue MTO for a calendar month by remaining employed by Pura Vida during any one day of that month, unless you do not work any hours during a calendar month for any reason, in which case you will not accrue MTO for that month, unless you are on an approved leave. If you are on an approved leave of 12 weeks or less you will earn MTO for the months you do not work any hours. If you do not return to work from an approved leave, any MTO that you earned for months you did not work any hours in will be deemed not earned and forfeited. If your leave lasts longer than 12 weeks you will not earn MTO for months beginning after the initial 12 week leave period until you return to work if you separate from employment for any reason, voluntarily or involuntarily, you will be paid for only the MTO that you accrued while you were employed. You will not receive any payment for unaccrued MTO for the remainder of the year in which your separation occurs.

#### MTO for Part-Time Associates

Part-time Associates will accrue MTO at the rate of one hour for every 30 hours worked. As a new hire part-time Associate, you will begin accruing MTO immediately based upon your hours worked at the rate of one hour of MTO for every 30 hours worked. You will accrue a maximum of 24 hours of MTO as a part-time Associate. Accrued MTO is available for use after a 30 day wait from the start of employment. Should you transfer to full-time or regular part-time status, MTO eligibility will commence after a waiting period of one full calendar month following the date of the status change to full-time.

#### Availability and Use of Paid MTO

The smallest allowable increment of MTO is one hour (with exception of leave provided by the FMLA, if applicable). You are required to submit time off work requests via the electronic Time & Attendance system for approval by your manager. You should request MTO as far in advance as possible, but at a minimum of one hour prior to a foreseeable absence. On the rare occasion that notice cannot be given (such as illness, emergencies, etc.) your manager should be notified immediately and this time should be recorded upon returning to work. Requests without notice may be subject to corrective action up to and including termination. See Attendance and Tardiness Policy for further information.

Pura Vida reserves the right to limit or suspend the use of MTO for the following reasons: peak seasonal and/or business times, special projects, low staffing levels, or as business needs necessitate. Your manager has the final decision whether to approve or decline a request for MTO. Associates will be able to use their MTO for the current calendar year through January 31 of the following calendar year. We are allowing this extra month to use earned MTO to help accommodate for MTO blackout periods some departments experience during busy holiday season in November and December.

#### **Borrowing MTO**

To offer more MTO flexibility, Associates may "borrow" up to 80 hours of MTO within the same calendar year with supervisory approval. In those rare circumstances where an Associate is requesting to borrow more than 80 hours, the request must be approved by Human Resources. Requests for borrowing should be requested as far in advance as possible. Borrowing requests will generally take into account the importance of the leave, attendance and performance, and the needs of the business. Should an Associate leave the Company for any reason prior to accruing the "borrowed" MTO hours, they will be responsible for repaying the amount of borrowed hours.

#### Carryover of Accrued, Unused MTO

As a full-time Associate, at each fiscal calendar year end, you may carry over up to 5 days (or 40 hours) of accrued, but unused MTO. If you have more than 5 days (or 40 hours) of unused MTO, you will retain the maximum of 5 days (or 40 hours), but will lose all accrued but unused MTO in excess of 5 days (or 40 hours). No accrued, unused MTO will be paid out at calendar year end in lieu of carrying them over.

#### California, Montana and Nebraska Associates

Accrued, unused MTO will roll-over year to year. Eligible Associates accrue MTO up to a cap of 1.5 times maximum yearly accrual. At that point, the accrual stops until banked MTO is used. For example, if an associate's annual maximum MTO accrual is 152 hours, an eligible Associate will stop accruing MTO once the Associate has 228 hours banked MTO hours (152 x 1.5). Accrued, unused MTO is paid out upon separation.

#### MTO and a Leave of Absence

You will be required to exhaust all current earned MTO and Reward Days before being considered for unpaid time off pursuant to an approved leave of absence. Associates may elect to reserve a maximum of 40 hours of their total annual accrual of MTO to be used upon return from leave. If you are on an approved leave of 12 weeks or less you will earn MTO for the months you do not work any hours. If you do not return to work from an approved leave, any MTO that you earned for months you did not work any hours, will be deemed not earned and forfeited. If your leave lasts longer than 12 weeks you will not earn MTO for months beginning after the initial 12 week leave period until you return to work

MTO will run concurrently with any approved unpaid leave of absence in accordance with Company policy or as applicable under state law. See the Leaves of Absence Policy.

#### Payment upon Retirement, Resignation or Termination

Associates who separate from employment with Pura Vida will be paid for any accrued, unused MTO, in accordance with the timing required by applicable state law. Associates making a change in status from full-time to part -time will also be paid for any accrued, unused MTO (in excess of 24 hours) in the next regular pay period after their change in status.

Please note that if an Associate changes from full-time to part-time status in a calendar year (for any reason) and subsequently changes back to full time status within the same calendar year, the Associate will only begin accruing MTO again on the date of their change back to full-time status. An Associate will not be credited for MTO accrual during the time they spent at a part-time status. Associates who separate and are rehired within 6 months of separation will have their original service date reinstated for MTO purposes only.

#### **3-6 Volunteer Time Off**

Pura Vida recognizes that team-based volunteering events provide Associates a valuable opportunity to support their chosen charitable missions and provide team-building among co-workers. Volunteer Time Opportunity (VTO) is compensated time that regular, full-time and part-time Associates are allowed to use during their regular work day for volunteer work at an eligible agency recognized as a non-profit and tax exempt under Section 501(c)(3) of the Internal Revenue Code (Churches and religious organizations are not included as eligible agencies). Associates should seek managerial approval through the time and attendance system prior to volunteering. VTO is limited to 8 hours per Associate per calendar year and may be taken in increments of 1 hour or more. VTO hours will be

counted towards hours worked for purposes of computing overtime. Associates may not carry over VTO, nor will they be compensated for unused VTO in the event of separation of employment.

#### **3-7 Lactation Breaks**

An associate has the right to request time to express breast milk for her infant child. An associate is not required to request supervisor approval for this time but if possible, the break time must run concurrently with rest and meal periods already provided to the associate. If break time cannot run concurrently with rest and meal periods, it will be unpaid.

The Company will make reasonable efforts to provide the use of a room or location other than a bathroom stall for the associate to express milk in private. This location may be the associate's private office, if applicable.

The Company may not be able to provide additional break time if doing so would seriously disrupt operations. Please consult Human Resources if you have questions regarding this policy. If an associate believes her rights have been violated in regards to this policy, she has the right to file a formal complaint with the Labor Commissioner.

#### **3-8 Worker Compensation**

On-the-job injuries are covered by our Workers' Compensation Insurance Policy according to the State's regulations, which is provided at no cost to you. If you are injured on the job, no matter how slightly, report the incident immediately to your supervisor. Failure to follow Company procedures may affect your ability to receive Workers' Compensation benefits. In addition, managers must report all work-related injuries or illnesses to the EH&S Manager. The Associate will then be directed to the appropriate medical facility (according to State law) for initial treatment as necessary. If additional treatment is required, Associates should try to schedule all follow up treatment, exams, testing and physical therapy outside of their normal scheduled work hours.

If the Associate is eligible for any other leave of absence and the time off for Workers' Compensation would otherwise quality for another leave, such time off will be designated to run concurrently. See the Leave of Absence sections of this handbook for more information.

#### **3-9 Jury Duty**

Pura Vida Bracelets realizes that it is the obligation of all U.S. citizens to serve on a jury when summoned to do so. All Associates will be allowed time off to perform such civic service as required by law. You are expected, however, to provide proper notice of a request to perform jury duty and verification of their service.

You also are expected to keep management informed of the expected length of jury duty service and to report to work for the major portion of the day if excused by the court. If the required absence presents a serious conflict for management, you may be asked to try to postpone jury duty.

Associates on jury duty leave will be paid for their jury duty service in accordance with state law; however, exempt Associates will be paid their full salary for any week in which time is missed due to jury duty if work is performed for the Company during such week.

## 3-10 Witness Leave

The Company encourages our Associates to appear in court for witness duty when subpoenaed to do so.

If you are subpoenaed or otherwise requested to testify as a witnesses by the Company will receive his/her regular base pay for the entire period of witness duty.

You will also be granted time off to appear in court as a witness when requested by a party other than the Company. For non-exempt Associates, such time off is not compensated. In accordance with state and federal law, salaried exempt Associates will receive their regular salary if they have worked any part of the applicable workweek.

A subpoena or other request to appear as a witness should be shown to your supervisor immediately after it is received so that operating requirements can be adjusted, where necessary, to accommodate your absence. You are expected to report for work whenever the court schedule permits.

## **3-11 Bereavement Leave**

Full-time Associates are entitled time off with pay for the death of any of the following immediate family members as outlined below:

Relationship (to you or your spouse, including step-relations) Time Allowed:

- Spouse, child or parent up to five days paid
- Sibling, grandparent or grandchild up to three days paid

If you have exhausted all MTO and long-distance travel or unusual circumstances are involved, additional unpaid, excused time may be authorized. Requests for unpaid, excused time off will be considered on a case-by-case basis. You should provide your manager with as much notice as possible of the need for leave and submit a request through the Time and Attendance system. Evidence of funeral attendance may be requested. Please note that the Company will not provide bereavement leave to Associates who are, at the relevant time, utilizing any other form of paid or unpaid leave described in this handbook.

#### 3-12 Voting Leave

In the event you do not have sufficient time outside of working hours to vote in a statewide election, you may take off sufficient working time to vote. This time should be taken at the beginning or end of the regular work schedule, whichever allows the most free time for voting and the least time off from work. You will be allowed a maximum of two (2) hours of voting leave on Election Day without loss of pay. Where possible, your supervisor should be notified of the need for leave at least three (3) working days prior to the Election Day.

## **3-13 Employee Assistance Program**

The Employee Assistance Program is a free service offered to all full-time associates. This service provides you and eligible family members with confidential counseling and online resources for a variety of issues you may face in your daily work and home lives in the areas of emotional wellbeing, family life, healthy living, leadership skills and legal and financial needs.

Full-time Associates can access Liberty Mutual services by visiting <u>www.workhealthlife.com</u>. Search for "Vera Bradley" or talk with a specialist at 866-468-9461.

## 3-14 Profit Sharing 401(k) Savings Plan

Pura Vida is pleased to offer a Profit Sharing 401(k) Savings Plan to eligible Associates. You must complete one Year of Service, and be 21 years of age to participate in this plan. A Year of Service is earned if you work more than 1,000 hours in the first 12 months you are employed or in any subsequent Plan Year. Enrollment dates are January 1 and July 1 of each year. Once enrolled, you may change your plan election at any time. Fund transfers can be made at any time throughout the year.

You may contribute a portion of your gross pay, each pay period, to the 401(k) Plan up to the annual IRS maximum. You may elect to defer funds as traditional pre-tax contributions or as Roth after-tax contributions.

The Pura Vida matching contribution will be announced annually. Pura Vida may also make a discretionary contribution to the Plan based on profits of the previous year.

Please see the appropriate Summary Plan Description for additional information regarding this benefit.

#### **3-15 Paid Family Leave Benefits**

An Associate who is off work to care for a child, spouse, parent, grandparent, grandchild, sibling, parent-in-law, or registered domestic partner, with a serious health condition, or to bond with a new child, may be eligible to receive benefits through the California "Paid Family Leave" (PFL) program, which is administered by the Employment Development Department (EDD).

These benefits are financed solely through associate contributions to the PFL program. That program is solely responsible for determining if an associate is eligible for such benefits. Generally there is a waiting period during which no PFL benefits are available. The EDD can provide additional information about any applicable waiting period.

If an Associate needs to take time off work to care for a child, spouse, parent, grandparent, grandchild, sibling, parent-in-law, or registered domestic partner with a serious health condition or to bond with a new child, he or she must advise the Company, and will be given information about the EDD's PFL program and how to apply for benefits. Associates also may contact their local Employment Development Department Office for further information. You should maintain regular contact with the Company during the time off work so we may monitor the employee's return-to-work status. In addition, you should contact the Company when you are ready to return to work so we may determine what positions, if any, are open.

When you apply for PFL benefits, Human Resources will determine if you have any accrued but unused MTO days available. If you have accrued but unused time available, then you will be required to use up to two (2) weeks of such time before becoming eligible for PFL benefits.

#### Job Reinstatement Not Guaranteed

Associate taking time off work to care for a child, spouse, parent, grandparent, grandchild, sibling, parent-in-law, or domestic partner with a serious health condition or to bond with a new child are not guaranteed job reinstatement unless they qualify for such reinstatement under federal or state family and medical leave laws.

Any time off for Paid Family Leave purposes will run concurrently with other leaves of absence, such as Family and Medical Leave, if applicable. Please see the "Family and Medical Leave" policy in this handbook for eligibility requirements, if applicable.

#### 3-16 Short Term Disability

Short-term disability is defined as "the inability to perform one's normal work duties for reasons of illness or injury." The illness must be supported by a physician's diagnosis of the medical need for leave. Pura Vida reserves the right to obtain a second or third medical opinion by a health care provider to determine whether, and to what extent, a serious health condition exists; however, Pura Vida will make the final determination as to leave eligibility. This benefit is provided at no cost to you.

All regular full-time Associates with at least one year of credited service at the time they first become disabled are permitted up to six weeks of short-term disability, paid at 100% of regular pay. Disability benefits will be paid as of the first day of disability if your disability extends beyond the 7 calendar day elimination period. If your disability does not last more than 7 consecutive calendar days, no benefit is payable under the short-term disability benefit. Benefits are determined at the time the Associate first becomes disabled. The eligibility requirement cannot be met nor can additional weeks of benefits be earned based on the rolling twelve month provision while the Associate is disabled and not actively at work.

You may also qualify for an intermittent paid leave. An intermittent leave is one where you require non-consecutive days of leave due to a recurrent disability. A recurrent disability is a disability due to an injury or illness which is the same as, or related to, the cause of a prior disability for which benefits were payable under the policy. Intermittent leave for recurrent disability will be allowed as follows:

- 1. Intermittent leave for recurrent disability will be allowed without a new elimination period if the disability is related to a prior disability and if the employee returns to his or her regular position on a full-time basis for less than six months.
- 2. Intermittent leave for recurrent disability will be treated as a new period of disability and a new elimination period must be completed before benefits are payable, if the employee returns to his or her regular position on a full-time basis for more than six months.
- 3. The amount of short term disability leave available for use as intermittent leave is reduced by the amount of short term disability leave used for the same recurrent illness during any rolling 24-month period (measured backward from the period of taking leave).

Under no circumstances will any combination of paid leaves exceed a six-week period in total during any rolling 12-month period (measured backward from the period of taking leave). If you are eligible for any other leave of absence and the time off for short -term disability would otherwise qualify for another leave, such time off will be designated to run concurrently (e.g., FMLA).

You will be required to exhaust all current earned MTO and Reward Days before being considered for unpaid time off pursuant to an approved leave of absence. Associates may elect to reserve a maximum of 40 hours of their total annual accrual of MTO to be used upon return from leave.

Associates may also be eligible for other benefits under a state, local or Federal program. If you are eligible for a state, local or Federal program that provides "Other Benefits" related to the health condition for which you are requesting payment under the Pura Vida Short Term Disability Plan, Pura Vida requires that you apply for these "Other Benefits" at the earliest eligibility date. Where applicable, Pura Vida will request reimbursement of the "Other Benefits". If you have questions about your eligibility under a state, local or Federal program, please contact Human Resources.

# 3-17 Pura Vida Paid Family Leave

This policy provides paid leave for Associates and their immediate family members for medicalrelated absences.

Eligible associates must meet all of the following criteria:

- 1. Continuous credited service with Pura Vida and its subsidiaries for at least 12 months
- 2. Worked at least 1,250 hours during the 12 months immediately preceding the date the leave would begin
- 3. A full or part-time, regular associate

This policy will run concurrently with Family and Medical Leave Act (FMLA) leave. As is the case with all company policies, Pura Vida has the exclusive right to interpret this policy. Pura Vida provides four weeks of paid leave at 100% of Associate's base pay for the qualifying events listed below per rolling 24 consecutive calendar months. Leave may be taken on an intermittent basis.

- Birth of an associate's child and to care for the child/baby bonding. Associates must be FMLA eligible at the time of their child's birth
- Placement of a child with the associate for adoption or foster care. Associates must be FMLA eligible at the time of their child's adoption
- To care for the associate's spouse, child or parent who has a serious health condition
- A serious health condition that makes the associate unable to perform the functions of his or her position. Associate must be on FMLA leave at the onset of the condition
- Any qualifying exigency due to an associate's spouse, child or parent being on covered active duty (or having been notified of an impending call or order to covered active duty) in the armed forces
- To care for a service member who is the associate's spouse, child, parent or next of kin

Leave will be paid at 100% of pay based on a 40-hour workweek for full-time associates. Part-time associates will receive Paid Family Leave on a prorated basis determined by their average weekly hours over the preceding 12 months.

Associates may also qualify for intermittent paid family leave. An intermittent leave is one where you require non-consecutive days of leave due to a qualifying and recurrent serious illness for you or a family member.

The associate must provide Human Resources within 30 days' notice of the requested leave (or as much notice as practicable if the leave is not foreseeable) and submit the leave request forms to Human Resources.

Upon termination of the individual's employment at the company, he or she will not be paid for any unused Pura Vida Paid Family Leave for which he or she was eligible.

Associates may also be eligible for other benefits under a state, local or Federal program. If you are eligible for a state, local or Federal program that provides "Other Benefits" related to the health condition for which you are requesting payment under the Pura Vida Short Term Disability Plan, Pura Vida requires that you apply for these "Other Benefits" at the earliest eligibility date. Where applicable, Pura Vida will request reimbursement of the "Other Benefits". If you have questions about your eligibility under a state, local or Federal program, please contact Human Resources.

## **Section 4 - Leaves of Absence**

#### 4-1 Military Leave

If Associates are called into active military service or enlist in the uniformed services, they will be eligible to receive an unpaid military leave of absence. To be eligible for military leave, Associates must provide management with advance notice of service obligations unless they are prevented from providing such notice by military necessity or it is otherwise impossible or unreasonable to provide such notice. Provided the absence does not exceed applicable statutory limitations, you will retain reemployment rights and accrue seniority and benefits in accordance with applicable federal and state laws. You should ask Human Resources for further information about eligibility for Military Leave.

If you are required to attend yearly Reserves or National Guard duty, you can apply for an unpaid temporary military leave of absence not to exceed the number of days allowed by law (including travel). You should give management as much advance notice of your need for military leave as possible so that we can maintain proper coverage while associates are away.

#### 4-2 Bone Marrow Donation Leave

An Associate who has been employed for at least 90 days may request a leave of absence for up to five business days in any one-year period to undergo a medical procedure to donate bone marrow. You must provide a certification from your physician regarding the purpose and length of each leave requested. You must use any accrued vacation time, sick leave or paid time off for this leave, but the use of vacation accrual, sick leave or paid time off does not extend the term of this leave. If accrued vacation, sick leave or paid time off is not available, the time off for such procedure shall be paid, but the paid time off shall not exceed five days. Bone marrow donation leave will not be designated as FMLA or CFRA leave time. You will receive health benefits for the duration of their Bone Marrow Donation Leave and upon returning from such leave will have a right to return to the same or equivalent positions you held before such leave.

#### **4-3 New Parent Leave**

#### Eligibility

Under the California New Parent Leave Act (CANPLA), Associates may have a right to an unpaid new parent leave if they:

- have worked for the Company for a total of at least 12 months at any time prior to the commencement of a CANPLA leave;
- worked for the Company for at least 1,250 hours in the 12-month period before the date they want to begin CANPLA leave, to the extent permitted by applicable law; and
- work at a location in which the employer has 20 to 49 associates within a 75-mile radius of the associate's work site.

An Associate who is not eligible for CANPLA leave at the start of a leave because they had not met the 12-month length of service requirement can meet this requirement while on leave because leave to which the Associate is otherwise entitled counts toward the length of service requirement (but not the 1,250 hours requirement).

#### **Terms of Leave**

CANPLA leave may be up to 12 workweeks in a 12-month period, and can be used for the birth, adoption or foster care placement of a child. Associates who are CANPLA-eligible have certain rights to take **both** a pregnancy disability leave and a CANPLA leave for reason of the birth of a child. CANPLA leave must be taken within one (1) year after the child's birth or placement.

You may take CANPLA leave on an intermittent basis. Intermittent CANPLA leave generally must be taken in two-(2)-week increments, but the Company permits two (2) occasions where the leave may be for less than two (2) weeks.

#### **Notice Requirements**

Associates generally must provide at least 30 days advance notice of the need for CANPLA leave. For unforeseeable events (such as premature birth), the Company requires that employees provide notice, at least verbally, as soon as they learn of the need for leave. Failure to comply with these notice rules is grounds for, and may result in, deferral of the requested leave until compliance with this notice policy is achieved.

While CANPLA leave is unpaid, you may substitute accrued paid time off or other paid leave for unpaid leave provided pursuant to this policy. Substituting paid for unpaid leave does not extend any leave entitlement.

#### **Health Coverage Continuation**

While on CANPLA leave, the Company will maintain coverage of a group health plan for the duration of the parental leave in the same manner in which coverage would have been provided if you had not taken CANPLA leave. If you fail to return to work after the CANPLA leave has expired, the Company may recover any premiums it paid for maintaining coverage while you were on CANPLA leave. Such recovery may occur by deducting the amount of premiums paid from the wages paid to you on termination of employment.

#### **Status Following Leave**

Upon return from CANPLA leave, most Associates must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms.

The use of CANPLA leave cannot result in the loss of any employment benefits that accrued prior to the start of an Associate's leave.

## 4-4 Organ Donation Leave

An Associate who has been employed for at least 90 days may request a leave of absence for up to 30 business days in any one-year period to undergo a medical procedure to donate an organ. You must provide a certification from your physician regarding the purpose and length of each leave requested. You must use up to two weeks of accrued vacation, sick leave or paid time off for this leave, but the use of vacation accrual, sick leave or paid time off does not extend the term of the leave. If accrued vacation, sick leave or paid time off is not available, the time off for such procedure shall be paid however the paid time off shall not exceed 30 days. Organ donation leave will not be designated as FMLA or CFRA leave time. You will receive health benefits for the duration of their organ donation leave and upon returning from such leave will have a right to return to the same or equivalent positions you held before such leave.

## **4-5 Rehabilitation Leave**

Pura Vida Bracelets is committed to providing assistance to our Associates to overcome substance abuse problems. The Company will reasonably accommodate any associate who wishes to voluntarily enter and participate in an alcohol or drug rehabilitation program. This accommodation may include time off without pay or an adjusted work schedule, provided the accommodation does not impose an undue hardship on the Company. You may also use accumulated sick days, if applicable, for this purpose.

You should notify Human Resources if you need such accommodation. The Company will take reasonable steps to safeguard privacy with respect to enrollment in an alcohol or drug rehabilitation program.

## 4-6 Literacy Assistance

We are committed to providing assistance to Associates who require time off to participate in an adult education program for literacy assistance. If you need time off to attend such a program, you should inform your direct supervisor or Human Resources. The Company will attempt to make reasonable accommodations by providing unpaid time off or an adjusted work schedule, provided the accommodation does not impose an undue hardship on the Company. The Company will attempt to safeguard the privacy of associates' enrollment in an adult education program.

## 4-7 Time Off For School Related Activities

Associates that work at a location with 25 or more associates are provided unpaid time off up to 40 hours in one (1) calendar year if they are parents (including individuals acting in the capacity of a parent under the law), guardians, stepparents, foster parents or grandparents with custody of a child attending, or of age to attend, a licensed child care provider or kindergarten through Grade 12. The unpaid leave must be used for the following child-related activities:

- 1. to find, enroll or reenroll the child in a school or with a licensed child care provider, or to participate in activities of the school or licensed child care provider of the child.
- 2. to address a child care provider or school emergency, meaning that the child cannot remain in school or with a child care provider due to one of the following:
  - 1. the school or child care provider has requested that the child be picked up or has an attendance policy, excluding planned holidays, that prohibits the child from attending or requires the child to be picked up from the school or child care provider;
  - 2. behavioral or discipline problems;
  - 3. closure or unexpected unavailability of the school or child care provider, excluding planned holidays; or
  - 4. a natural disaster, including, but not limited to, fire, earthquake or flood.

The amount of time off for reason #1 cannot exceed eight (8) hours in any calendar month of the year. Prior to taking leave for reason #1 above, you must provide reasonable notice of the planned absence to your supervisor and must also give notice to your supervisor when taking leave for reason #2 above.

If more than one parent of a child is employed at the same worksite, leave for the reasons above apply, at any one time, only to the parent who first gives notice, such that another parent may take a planned absence simultaneously as to that same child for the reasons above, but only if he or she obtains approval from their supervisor for the requested time off.

You may be required to provide documentation of your participation in these activities. Parents, guardians or grandparents with custody of schoolchildren who have been suspended also are allowed to take unpaid time off to appear at the school pursuant to the school's request. You may use accrued paid time off for purposes of the leave taken under this policy.

## 4-8 Victims of Domestic Violence, Sexual Assault or Stalking

Victims of domestic violence, sexual assault or stalking may take unpaid leave for up to 12 weeks to obtain help from a court, seek medical attention, obtain services from an appropriate shelter, program, or crisis center, obtain psychological counseling, or participate in safety planning, such as permanent or temporary relocation. We may require proof of your participation in these activities. Whenever possible, you must provide your supervisor reasonable notice before taking any time off under this policy. You may substitute any accrued vacation, sick, or other time off for the leave under this policy. Leave under this policy does not extend the time allowable under the "Family and Medical Leave" Policy in this handbook.

No Associate will be subject to discrimination or retaliation because of his or her status as a victim of domestic violence, sexual assault or stalking. Victims of domestic violence, sexual assault or stalking may request other accommodations in the workplace such as implementation of safety measures.

## **4-9 Time Off for Crime Victims**

Associates who have been victims of serious or violent felonies, as specified under California law, or felonies relating to theft or embezzlement, may take time off work to attend judicial proceedings related to the crime. You also may take time off if an immediate family member has been a victim of such crimes and the associate needs to attend judicial proceedings related to the crime. "Immediate family member" is defined as spouse, registered domestic partner, child, child of registered domestic partner, stepchild, brother, stepbrother, sister, stepsister, mother, stepmother, father, or stepfather.

You must give your supervisor a copy of the court notice given to the victim of each scheduled proceeding before taking time off, unless advance notice to Company of the need for time off is not feasible. When advance notice is not feasible, you must provide the Company with documentation evidencing the judicial proceeding, within a reasonable time after the absence. The documentation may be from the court or government agency setting the hearing, the district attorney or prosecuting attorney's office, or the victim/witness office that is advocating on behalf of the victim.

You may elect to use accrued paid vacation time, paid sick leave time, or other paid time off for the absence. If you do not elect to use paid time off, the absence will be unpaid. However, exempt Associates will be paid their full salary for any workweek interrupted by the need for time off under this policy.

# 4-10 Time Off For Volunteer Firefighters, Reserve Peace Officers & Emergency Rescue Personnel

An Associate who is a volunteer firefighter, reserve peace officer or emergency rescue personnel is permitted unpaid time off, not to exceed fourteen (14) days per calendar year, for the purpose of engaging in fire, law enforcement or emergency rescue training. If an Associate requests time off under the policy he or she must notify his or her direct supervisor immediately after the need for the leave becomes known.

# Section 5 - General Standards of Conduct

## 5-1 Workplace Conduct

Pura Vida Bracelets endeavors to maintain a positive work environment. Each Associate plays a role in fostering this environment. Accordingly, we all must abide by certain rules of conduct, based on honesty, common sense and fair play.

Because everyone may not have the same idea about proper workplace conduct, it is helpful to adopt and enforce rules all can follow. Unacceptable conduct may subject the offender to disciplinary action, up to and including discharge, in the Company's sole discretion. The following are examples of some, but not all, conduct which can be considered unacceptable:

- 1. Obtaining employment on the basis of false or misleading information.
- 2. Stealing, removing or defacing Pura Vida Bracelets' property or a co-worker's property, and/or disclosure of confidential information.
- 3. Completing another associate's time records.
- 4. Violation of safety rules and policies.
- 5. Violation of Pura Vida Bracelets' Drug and Alcohol-Free Workplace Policy.
- 6. Fighting, threatening or disrupting the work of others or other violations of Pura Vida Bracelets' Workplace Violence Policy.
- 7. Failure to follow lawful instructions of a supervisor.
- 8. Failure to perform assigned job duties.
- 9. Violation of the Punctuality and Attendance Policy, including but not limited to irregular attendance, habitual lateness or unexcused absences.
- 10. Gambling on Company property.
- 11. Willful or careless destruction or damage to Company assets or to the equipment or possessions of another associate.
- 12. Wasting work materials.
- 13. Performing work of a personal nature during working time.
- 14. Violation of the Solicitation and Distribution Policy.
- 15. Violation of Pura Vida Bracelets' Harassment or Equal Employment Opportunity Policies.
- 16. Violation of the Communication and Computer Systems Policy.
- 17. Unsatisfactory job performance.
- 18. Any other violation of Company policy.

Obviously, not every type of misconduct can be listed. Note that all Associates are employed at-will, and Pura Vida Bracelets reserves the right to impose whatever discipline it chooses, or none at all, in a particular instance. The Company will deal with each situation individually and nothing in this handbook should be construed as a promise of specific treatment in a given situation. However, Pura Vida Bracelets will endeavor to utilize progressive discipline but reserves the right in its sole discretion to terminate an associate at any time for any reason.

The observance of these rules will help to ensure that our workplace remains a safe and desirable place to work.

## 5-2 Punctuality and Attendance

Associates are hired to perform important functions at Pura Vida Bracelets. As with any group effort, operating effectively takes cooperation and commitment from everyone. Therefore, attendance and punctuality are very important. Unnecessary absences and lateness are expensive, disruptive and place an unfair burden on fellow associates and supervisors. We expect excellent attendance from all associates. Excessive absenteeism or tardiness will result in disciplinary action up to and including discharge.

We do recognize, however, there are times when absences and tardiness cannot be avoided. In such cases, you are expected to notify your supervisor as early as possible, but no later than the start of the work day. Asking another Associate, friend or relative to give this notice is improper and constitutes grounds for disciplinary action. You should call, stating the nature of the illness and its expected duration, for every day of absenteeism.

Unreported absences of two (2) consecutive work days generally will be considered a voluntary resignation of employment with the Company.

#### 5-3 Use of Communications and Computer Systems

Pura Vida Bracelets' communication and computer systems are intended primarily for business purposes; however limited personal usage is permitted if it does not hinder performance of job duties or violate any other Company policy. This includes the voice mail, e-mail and Internet systems. Users have no legitimate expectation of privacy in regard to their use of the Pura Vida Bracelets systems.

Pura Vida Bracelets may access the voice mail and e-mail systems and obtain the communications within the systems, including past voice mail and e-mail messages, without notice to users of the system, in the ordinary course of business when the Company deems it appropriate to do so. The reasons for which the Company may obtain such access include, but are not limited to: maintaining the system; preventing or investigating allegations of system abuse or misuse; assuring compliance with software copyright laws; complying with legal and regulatory requests for information; and ensuring that Company operations continue appropriately during an associate's absence.

Further, Pura Vida Bracelets may review Internet usage to ensure that such use with Company property, or communications sent via the Internet with Company property, are appropriate. The reasons for which the Company may review associates' use of the Internet with Company property include, but are not limited to: maintaining the system; preventing or investigating allegations of system abuse or misuse; assuring compliance with software copyright laws; complying with legal and regulatory requests for information; and ensuring that Company operations continue appropriately during an associate's absence.

The Company may store electronic communications for a period of time after the communication is created. From time to time, copies of communications may be deleted.

The Company's policies prohibiting harassment, in their entirety, apply to the use of Company's communication and computer systems. No one may use any communication or computer system in a manner that may be construed by others as harassing or offensive based on race, national origin, sex, sexual orientation, age, disability, religious beliefs or any other characteristic protected by federal, state or local law.

Further, since the Company's communication and computer systems are intended for business use, all associates, upon request, must inform management of any private access codes or passwords.

Unauthorized duplication of copyrighted computer software violates the law and is strictly prohibited.

No associate may access, or attempt to obtain access to, another Associate's computer systems without appropriate authorization.

Violations of this policy may be subject to disciplinary action, up to and including discharge.

#### 5-4 Use of Social Media

Pura Vida Bracelets respects the right of any Associate to maintain a blog or web page or to participate in a social networking, Twitter or similar site, including but not limited to Facebook and LinkedIn.

You may and are encouraged to post on a blog or web page or participate on a social networking platform, such as Twitter or similar site, during work time or at any time with Pura Vida Bracelets equipment or property for the purpose of promoting company products.

You should understand that rules regarding confidential and proprietary business information apply in full to blogs, web pages and social networking platforms, such as Twitter, Facebook, LinkedIn or similar sites. Any information that cannot be disclosed through a conversation, a note or an e-mail also cannot be disclosed in a blog, web page or social networking site.

If you mention Pura Vida Bracelets on a social network platform, you should not express any political opinion or an opinion regarding Pura Vida Bracelets' actions that could pose an actual or potential conflict of interest with Pura Vida Bracelets. This is necessary to preserve Pura Vida Bracelets' good will in the marketplace.

Any conduct that is impermissible under the law if expressed in any other form or forum is impermissible if expressed through a blog, web page, social networking, Twitter or similar site. For example, posted material that is discriminatory, obscene, defamatory, libelous or violent is forbidden. Pura Vida Bracelets policies apply equally to Associate social media usage.

Pura Vida Bracelets encourages you to keep in mind the speed and manner in which information posted on a blog, web page, and/or social networking site is received and often misunderstood by readers. You must use your best judgment. Associates with any questions should review the guidelines

above and/or consult with their manager. Failure to follow these guidelines may result in discipline, up to and including discharge and possible legal action.

## 5-5 Personal and Company-Provided Portable Communication Devices

Company-provided portable communication devices (PCDs), including cell phones and personal digital assistants, should be used primarily for business purposes. Associates have no reasonable expectation of privacy in regard to the use of such devices, and all use is subject to monitoring, to the maximum extent permitted by applicable law. This includes as permitted the right to monitor personal communications as necessary.

Some Associates may be authorized to use their own PCD for business purposes. You should work with the IT department to configure their PCD for business use. Communications sent via a personal PCD also may subject to monitoring if sent through the Company's networks and the PCD must be provided for inspection and review upon request.

All conversations, text messages and e-mails must be professional. When sending a text message or using a PCD for business purposes, whether it is a Company-provided or personal device, associates must comply with applicable Company guidelines, including policies on sexual harassment, discrimination, conduct, confidentiality, equipment use and operation of vehicles. Using a Company-issued PCD to send or receive personal text messages is prohibited at all times and personal use during working hours should be limited to emergency situations.

If an Associate who uses a personal PCD for business resigns or is discharged, they will be required to submit the device to the IT department for resetting on or before his or her last day of work. At that time, the IT department will reset and remove all information from the device, including but not limited to, Company information and personal data (such as contacts, e-mails and photographs). The IT department will make efforts to provide you with the personal data in another form (e.g., on a disk) to the extent practicable; however, you may lose some or all personal data saved on the device.

Associates may not use their personal PCD for business unless they agree to submit the device to the IT department on or before their last day of work for resetting and removal of Company information. This is the only way currently possible to ensure that all Company information is removed from the device at the time of termination. The removal of Company information is crucial to ensure compliance with the Company's confidentiality and proprietary information policies and objectives.

Please note that whether associates use their personal PCD or a Company-issued device, the Company's electronic communications policies, including but not limited to, proper use of communications and computer systems, remain in effect.

### **5-6 Inspections**

Pura Vida Bracelets reserves the right to require Associates while on Company property, or on client property, to agree to the inspection of their persons, personal possessions and property, personal vehicles parked on Company or client property, and work areas. This includes lockers, vehicles, desks, cabinets, work stations, packages, handbags, briefcases and other personal possessions or places of concealment, as well as personal mail sent to the Company or to its clients. Associates are expected to cooperate in the conduct of any search or inspection.

### 5-7 Tobacco-Free

Out of concern for associate wellness, nicotine and vaping devices are prohibited on Company premises, events and in Company vehicles.

## **5-8 Personal Visits and Telephone Calls**

Disruptions during work time can lead to errors and delays. Therefore, we ask that personal telephone calls be kept to a minimum, and only be made or received after working time, or during lunch or break time.

## **5-9 Solicitation and Distribution**

To avoid distractions, solicitation by an Associate of another Associate is prohibited while either Associate is on work time. "Work time" is defined as the time an Associate is engaged, or should be engaged, in performing his/her work tasks for Pura Vida Bracelets. Solicitation of any kind by non-Associates on Company premises is prohibited at all times.

Distribution of advertising material, handbills, printed or written literature of any kind in working areas of the Company is prohibited at all times. Distribution of literature by non-Associates on Company premises is prohibited at all times.

## 5-10 Confidentiality

Pura Vida must frequently give our associates confidential information, or associates may originate confidential information, as part of their job. This would include, for example, information which is not generally known in the industry, or about the Company's business, products, processes and services. This includes information relating to new products, sales promotions, details of training or operating methods, suppliers, customer proprietary and/or confidential information provided to Pura Vida, manufacturing, purchasing, accounting, engineering, marketing, quoting, pricing, selling, customer lists, customer requirements and the documentation thereof. Associates who, as part of their job, have access to information about salary, benefits or discipline of other associates are

expected to treat the information of other associates as confidential and not discuss or disclose it except as may be necessary in connection with the performance of their work. All information regarding an associate's medical records or health status will be kept in separate files and provided the highest degree of protection by those with access to that information.

Company trade secrets, proprietary information and processes are valuable and unique assets and are vital to our continued growth and success. Therefore, Pura Vida requires that you do not share with others, use for yourself or others, any confidential information obtained while employed by Pura Vida, even after you have ceased to work for the Company.

In addition, if you know of confidential information belonging to any former employer, you may be legally or ethically bound by a similar obligation to your former employer. Pura Vida expects you to fulfill this obligation and to refrain from using, in Pura Vida's business, any confidential information belonging to any of your former employers. Of course, Pura Vida wants you to utilize all information that is generally known and used by individuals with your training and experience and all information that is common knowledge to the industry for your position.

This policy does not prohibit disclosures protected by National Labor Relations Act ("NLRA"). Failure to maintain confidentiality may result in discipline, up to and including termination. Any questions as to the confidential nature of information should be directed to Human Resources.

## 5-11 Conflict of Interest and Business Ethics

It is Pura Vida Bracelets' policy that all Associates avoid any conflict between their personal interests and those of the Company. The purpose of this policy is to ensure that the Company's honesty and integrity, and therefore its reputation, are not compromised. The fundamental principle guiding this policy is that no employee should have, or appear to have, personal interests or relationships that actually or potentially conflict with the best interests of the Company.

It is not possible to give an exhaustive list of situations that might involve violations of this policy. However, the situations that would constitute a conflict in most cases include but are not limited to:

- holding an interest in or accepting free or discounted goods from any organization that does, or is seeking to do, business with the Company, by any Associate who is in a position to directly or indirectly influence either the Company's decision to do business, or the terms upon which business would be done with such organization;
- 2. holding any interest in an organization that competes with the Company;
- 3. being employed by (including as a consultant) or serving on the board of any organization which does, or is seeking to do, business with the Company or which competes with the Company; and/or profiting personally, e.g., through commissions, loans, expense reimbursements or other payments from any organization seeking to do business with the Company.

A conflict of interest would also exist when a member of an Associate's immediate family is involved in situations such as those above.

This policy is not intended to prohibit the acceptance of modest courtesies, openly given and accepted as part of the usual business amenities, for example, occasional business-related meals or promotional items of nominal or minor value.

It is your responsibility to report any actual or potential conflict that may exist between you (and your immediate family) and the Company.

# 5-12 Ideas, Inventions and Works

It is our policy that as a Pura Vida Associate, you assign to Pura Vida your rights to ideas and inventions which are conceived during the period of employment by Pura Vida and during the oneyear period immediately after separation from employment. The "ideas and inventions" covered by this section include all of the following:

- Those which you may conceive either jointly or with others
- Those conceived in the course of employment or with the use of Pura Vida's time, material or facilities
- Subject matter relating to your job
- Information you become aware of during your employment with Vera Bradley

As a Pura Vida Associate, you agree to assign and promptly disclose to Pura Vida all ideas and inventions. You also agree to execute, acknowledge, and deliver all documents including applications for patents and assignments, as Pura Vida may require for establishing and protecting our rights for ownership of your ideas and inventions in all countries. You will cooperate with Pura Vida to review, execute, acknowledge and deliver any documents that Pura Vida reasonably deems necessary.

All Works (defined as materials or authorship fixed in any tangible medium of expression, including but not limited to computer program source code, notes, drawings, memoranda, patterns, designs, correspondence, records and notebooks) created while you are an Associate of Pura Vida will be and remain exclusively the property of Pura Vida. Each Work created by you is a "work made for hire" under the copyright law. Pura Vida may file applications to register and copyright such Works as author and copyright owner. If for any reason a Work created by you is excluded from the definition of "work made for hire" under the copyright law, then you will assign Pura Vida the entire right, title and interest in and to the excluded Work including copyright. As an Associate, you agree to execute any documents which Pura Vida reasonably deems necessary in connection with the assignment with such excluded Work and copyright therein.

# 5-13 Insider Trading Policy

Pura Vida's/Vera Bradley's Insider Trading Policy is intended to help you avoid the severe consequences associated with violations of the insider trading laws. It is also intended to prevent even the appearance of improper conduct on the part of anyone employed by or associated with Pura Vida/Vera Bradley.

This policy applies not only to you, but also the following:

- your family members who reside with you;
- anyone else who lives in your household;
- any family members who do not live in your household, but whose transactions in securities are directed by you or are subject to your influence or control (such as parents or children who consult with you before they trade in securities);
- any person to whom you have disclosed material, nonpublic information; and
- any person acting on your behalf or on behalf of any individual listed above.

You are responsible for making sure that the purchase or sale of any security by any such person complies with this policy.

If you possess "material, nonpublic information" relating to Pura Vida/Vera Bradley, its subsidiaries or any other entity (such as a supplier or customer), you may not (a) purchase or sell securities of Vera Bradley or such other entity, (b) direct any other person to purchase or sell such securities or (c) disclose the information to anyone outside Pura Vida/Vera Bradley. "Material, nonpublic information" is information that is not available to the public at large that could affect the market price of a security and which a reasonable investor would regard as important in deciding whether to buy, sell or hold the security. Either positive or negative information may be material. Because trading that receives scrutiny will be evaluated after the fact with the benefit of hindsight, questions concerning the materiality of particular information should be resolved in favor of materiality, and trading should be avoided. Common examples of material information are:

- forecasts, estimates or projections of earnings or results of operations for current or future periods;
- news of a pending or proposed merger, acquisition, tender offer, divestiture or disposition of significant assets;
- changes in dividend policies;
- actual or threatened major litigation, or the resolution of such litigation;
- major events regarding securities, including the declaration of a stock split or the offering of additional securities (debt or equity);
- new major contracts, orders, suppliers, customers or finance sources, or the loss thereof;

- a change in management;
- severe financial liquidity problems; or
- significant new products or services.

Information is considered to be available to the public only when it has been released to the public through appropriate channels (for example, by means of a press release, a publicly accessible conference call or a governmental filing) and enough time has elapsed to permit the investment market to absorb and evaluate the information. As a general rule, information is considered absorbed and evaluated after the completion of the second trading day after the information is released.

Pura Vida/Vera Bradley has authorized only certain individuals to publicly release material, nonpublic information. Unless you are explicitly authorized to do so, you should refrain from discussing material, nonpublic information with anyone outside Pura Vida/Vera Bradley. If such information is improperly disclosed to outsiders, Pura Vida/Vera Bradley may be forced to release it publicly. For example, an improper disclosure that results in a news story about a pending acquisition may require public release of plans that could upset the transaction. Therefore, you should avoid discussing such information in public and should ensure that documents containing sensitive information about Pura Vida/Vera Bradley are secure and are not distributed improperly.

A "black out" period is a period during which you may not execute transactions in Company securities. Please bear in mind that even if a black out period is not in effect, at no time may you trade in Company securities if you are aware of material, nonpublic information about Pura Vida/Vera Bradley.

Pura Vida/Vera Bradley considers it improper and inappropriate for you to engage in short-term or speculative transactions in Company securities or in other transactions in Company securities that may lead to inadvertent violations of the U.S. insider trading laws. Accordingly, your transactions in Company securities are subject to the guidance outlined in the complete Insider Trading Policy.

The U.S. insider trading laws also restrict your ability to engage in certain transactions under Vera Bradley's/Pura Vida's benefit plans such as Stock Option Exercises, and Stock Incentive Plans. This policy continues to apply to your transactions in Company securities even after you have terminated your employment with or services to Pura Vida/Vera Bradley and/or its subsidiaries and affiliated companies. If you are aware of material, nonpublic information when your employment or service relationship terminates, you may not trade in Company securities until that information has been publicly released.

Insider trading violations are pursued vigorously by the Securities and Exchange (SEC) and the U.S. Attorney's Office. Failure to comply with this policy may also subject you to corrective action up to and including termination.

### **Disclosure Policy**

### **General Statement of Policy**

Pura Vida/Vera Bradley is committed to providing timely, complete, orderly, transparent, and accurate information to the investment community. Pura Vida/Vera Bradley strives to give the investment community fair access to company information and Pura Vida/Vera Bradley is committed to avoiding selective disclosure.

This disclosure policy confirms in writing Pura Vida/Vera Bradley's existing practices and policy. The purpose of this disclosure policy is to govern the disclosure of material, non-public information in a manner designed to provide broad, non-exclusionary distribution of information as required by the Securities and Exchange Commission ("SEC") in Regulation Fair Disclosure ("Regulation FD") so that the public has equal access to the information.

#### Scope: Who and What Disclosure Policy Covers

The disclosure policy is applicable to all Pura Vida/Vera Bradley Associates, as well as consultants and advisors (collectively "Company Associates") and members of Vera Bradley's Board of Directors and covers all communications with analysts, current and potential investors, and other members of the investment community (collectively the "Investment Community"). This disclosure policy covers disclosures in documents filed with the SEC, earnings and other news releases, communication between Vera Bradley and the investment community and news media, oral presentations relating to Pura/Vida Vera Bradley made by management, and information directed toward the Investment Community contained in Vera Bradley's www.verabradley.com investor relations site. This disclosure policy covers oral statements made in group and individual meetings or on phone calls with members of the Investment Community and interviews with media.

This disclosure policy prohibits all Company Associates and board members from discussing or disclosing material, non-public Company matters or developments with anyone outside Pura Vida/ Vera Bradley (including family members or friends).

Nothing in this Disclosure policy should be construed as prohibiting a Company Associate from complying with local, state, and Federal laws and regulations.

#### **Regulation FD**

The SEC adopted Regulation FD to eliminate disclosure by public companies of material, non-public information to selected persons, such as members of the Investment Community, before disclosing information to the general public.

Vera Bradley will make such disclosures to satisfy Regulation FD through a press release and/or SEC filing as appropriate. Senior officials include members of the Board of Directors, executive officers,

investor relations professionals, and others who regularly interact with the investment community and media.

### **Disclosure Policy Committee**

Vera Bradley has established a Disclosure Policy Committee (the "Committee"). The Committee consists of the Executive Vice President, Chief Financial Officer; Vice President, Chief Legal Officer and Corporate Secretary; and Vice President, Investor Relations and Communications (the "VP of IR"). The Committee reports to the Chief Executive Officer (the "CEO").

### **Disclosure Policy Committee Responsibilities**

The Committee is charged with assessing, before issuance, the accuracy and completeness of Vera Bradley's SEC filings and news releases reporting corporate financial information and performance. As other circumstances dictate, the Committee will meet, react promptly to material developments, decide when material developments justify public release, and make recommendations to the CEO regarding public disclosure of material non-public Company information.

Committee members should remain apprised of material, non-public Company developments in order to evaluate and discuss those events to determine the appropriateness and timing for public release of information or whether the information should remain confidential, and, if so, how Vera Bradley should maintain the confidentiality of the non-public information.

## **Definition of Materiality**

Under the Federal securities laws, information is material if a reasonable investor would consider the information to be important in making investment decision. In other words, information is material if it would significantly alter the total mix of information currently available regarding the security. Both positive and negative information can be material, as well as information that forecasts whether an event may or may not occur. Examples of material information of Pura Vida/Vera Bradley could include, but are not limited to:

- Quarterly or annual earnings or operational results or projections
- Mergers, acquisitions, joint ventures, divestitures, or other changes in company assets
- Management changes or changes in control of Vera Bradley
- Dividend payments
- Public or private sale of additional securities

- Deterioration or improvement in Vera Bradley's credit status with rating agencies
- Stock splits
- Major litigation, pending or threatened
- Company share buyback programs and their implementation or cessation
- New products, discoveries, patents or developments regarding major customers or suppliers
- Change in auditors and agreements/disagreements with auditors.

# **Confidentiality**

The maintenance of confidentiality is essential to Pura Vida/Vera Bradley, both legally and practically. Pura Vida/Vera Bradley is not required to disclose all material, non-public information, but if it does, such disclosure cannot violate Regulation FD. Company officials may withhold material information for legitimate business purposes, such as the benefit of Pura Vida/Vera Bradley or its shareholders. Vera Bradley's disclosure policy is not to comment on specific possible business transactions until an agreement has been reached and approved by the Board of Directors or there is some overriding reason to disclose the information.

## Company Spokesperson

The VP of IR at Vera Bradley is the primary Company spokesperson to the Investment Community. Others within Pura Vida/Vera Bradley may from time-to-time be designated by the VP of IR or the CEO to speak on behalf of Pura Vida/Vera Bradley or to respond to specific inquiries from the Investment Community or media.

It is essential the VP of IR, as well as other Committee members, be fully apprised of all Company developments in order that they can be in a position to evaluate and discuss those events that may affect the disclosure process. Accordingly, any non-public information about Pura Vida/Vera Bradley that could be material should be brought to the attention of the VP of IR or any other Committee member promptly.

The VP of IR shall be integrally involved in scheduling and developing presentations for all meetings and other communications with members of the Investment Community and media, arranging appropriate business/strategic interviews with Company management, and responding to all inquiries from the public for additional information.

## Instructions to Company Associates and Board Members Who Are Not Authorized Spokespersons

Company Associates and board members may not respond to inquiries from the Investment Community or media unless specifically authorized to do so by the VP of IR or the CEO. Company Associates and board members who are not authorized spokespersons who receive either direct or indirect inquiries from investors or the news media must refer all such inquires to the VP of IR.

#### Disclosure Policy on News Releases/Public Dissemination of Information

Pura Vida/Vera Bradley will issue a news release on new material developments regarding Pura Vida/Vera Bradley or its business, unless the Committee determines that such developments should remain confidential. Any material information that is to be intentionally discussed or presented in any meeting or conversation with Investment Community will be preceded by the issuance of a broadly disseminated news release.

Material or non-material information that P/ura Vida/Vera Bradley has publicly released or that is already in the public domain may be discussed on an individual or selective basis. Non-material, non-public information may also be provided on an individual or selective basis. If Pura Vida/Vera Bradley gives such information to one individual or group of persons, Pura Vida/Vera Bradley will make the information available to any interested party upon request.

### Providing Material Information to the Media

Pura Vida/Vera Bradley's policy is that the media will receive material information at the same time the Investment Community and the public receive it.

#### **Responding to Market Rumors**

Pura Vida/Vera Bradley will respond consistently to market rumors in the following manner, "It is our long-standing policy not to comment on market rumors or speculation." Should NASD request us to make a more definitive statement in response to a market rumor that is causing significant stock price volatility, the Committee will consider the matter and make a recommendation to the CEO on whether to make an exception to the Disclosure Policy.

### Online Chat Rooms and Social Media

While we may monitor what others are saying about Pura Vida on online chat rooms or through social media, we do not publicly respond to rumors or correct any inaccuracies that might appear. Please refer to Pura Vida/Vera Bradley's Social Media Policy for additional information.

#### Analysts and Investor Access to Information and Company Management

Pura Vida/Vera Bradley will provide appropriate access to information and management to the Investment Community. Requests for meetings with senior management will be met as schedules permit and may be determined by such criteria as share ownership, knowledge of Pura Vida/Vera Bradley and the retail industry, and previous access to top officials in Pura Vida/Vera Bradley.

#### **Review of Disclosure Policy**

This Disclosure Policy will be reviewed periodically by the Committee or as the need arises, and the Committee will be solely responsible for the application and interpretation of this Policy. The above is only a summary of the Disclosure Policy. Please see the complete Disclosure Policy for more information.

### 5-14 Use of Facilities, Equipment and Property, Including Intellectual Property

Equipment essential in accomplishing job duties is often expensive and may be difficult to replace. When using property, Associates are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards and guidelines.

You should notify your supervisor if any equipment, machines, or tools appear to be damaged, defective, or in need of repair. Prompt reporting of loss, damages, defects, and the need for repairs could prevent deterioration of equipment and possible injury to Associates or others. Your supervisor can answer any questions about your responsibility for maintenance and care of equipment used on the job.

You also are prohibited from any unauthorized use of the Company's intellectual property, such as audio and video tapes, print materials and software.

Improper, careless, negligent, destructive, or unsafe use or operation of equipment can result in discipline, up to and including discharge.

Further, the Company is not responsible for any damage to your personal belongings unless your Supervisor provided advance approval for the employee to bring the personal property to work.

### 5-15 Health and Safety

Pura Vida is committed to providing a safe work environment for Associates and visitors. The Company intends to comply with all health and safety laws applicable to our business. We believe injuries are preventable through the establishment and compliance of safe work practices. To this end, we must rely upon our Associates to ensure that work areas are kept safe and free of hazardous conditions. You are required to be conscientious about workplace safety, including proper operating methods, and recognize dangerous conditions or hazards. Any unsafe conditions or potential hazards should be reported to management immediately, even if the problem appears to be corrected. Any suspicion of a concealed danger present on the Company's premises, or in a product, facility, piece of equipment, process or business practice for which the Company is responsible should be brought to the attention of management immediately.

Periodically, the Company may issue rules and guidelines governing workplace safety and health. The Company may also issue rules and guidelines regarding the handling and disposal of hazardous

substances and waste. You should familiarize yourself with these rules and guidelines, as strict compliance will be expected.

Any unsafe acts and conditions are to be addressed and corrected. If you witness an unsafe act or condition, you should notify your manager immediately.

All workplace incidents, injuries, accidents, or illnesses must be reported to your supervisor as soon as possible, regardless of the severity of the injury or accident. You are responsible for receive medical treatment as requested by Vera Bradley. If additional treatment is required Associates should try to schedule all follow-up treatment, exams, testing and physical therapy outside of their normal scheduled work hours. Failure to seek treatment may result in denial of benefits and may be addressed as a performance issue resulting in corrective action, up to and including termination.

As soon as practical, an Incident Follow-up Report will be completed by the injured Associate's manager and submitted to the EH&S Manager. The purpose of this incident report is to determine the cause of the incident and implement a preventive measure for future occurrences.

Please refer to the Workers' Compensation policy for additional information.

### 5-16 Hiring Relatives/Associate Relationships

A familial relationship among associates can create an actual or at least a potential conflict of interest in the employment setting, especially where one relative supervises another relative. To avoid this problem, Pura Vida Bracelets may refuse to hire or place a relative in a position where the potential for favoritism or conflict exists.

In other cases, such as personal relationships where a conflict or the potential for conflict arises, even if there is no supervisory relationship involved, the parties may be separated by reassignment or discharged from employment, at the discretion of the Company. Accordingly, all parties to any type of intimate personal relationship must inform management.

If two Associates marry, become related, or enter into an intimate relationship, they may not remain in a reporting relationship or in positions where one individual may affect the compensation or other terms or conditions of employment of the other individual. The Company generally will attempt to identify other available positions, but if no alternate position is available, the Company retains the right to decide which Associate will remain with the Company.

For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the Associate is similar to that of persons who are related by blood or marriage.

#### 5-17 Associate Dress and Personal Appearance

You are expected to report to work well groomed, clean, and dressed according to the requirements of your position. Some Associates may be required to wear uniforms or safety equipment/clothing.

Please contact your supervisor for specific information regarding acceptable attire for your position. If you report to work dressed or groomed inappropriately, you may be prevented from working until you return to work well-groomed and wearing the proper attire.

# 5-18 Publicity/Statements to the Media

All media inquiries regarding the position of the Company as to any issues must be referred to the Co-Founders. Only the Co-Founders are authorized to make or approve public statements on behalf of the Company. No Associates, unless specifically designated by the Co-Founders, are authorized to make those statements on behalf of Company. Any Associate wishing to write and/or publish an article, paper, or other publication on behalf of the Company must first obtain approval from the Co-Founders.

# **5-19 Motor Vehicle Policy**

All Associates authorized to drive Company-owned or leased vehicles or personal vehicles in conducting Company business must possess a current, valid driver's license and an acceptable driving record. Any change in license status or driving record must be reported to management immediately.

An Associate must have a valid driver's license in his or her possession while operating a vehicle off or on Company property. It is the responsibility of every Associate to drive safely and obey all traffic, vehicle safety, parking laws or regulations, and adhere to the responsibilities outlined within this policy and the full Vera Bradley Motor Vehicle Policy. Drivers must demonstrate safe driving habits at all times.

Company-owned or leased vehicles may be used only as authorized by management. You must not operate a vehicle at any time when your ability to do so is impaired, affected, or influenced by alcohol, illegal drugs, prescribed or over-the-counter medication, illness, fatigue or injury. You may not use motorcycles when travelling on company business.

All accidents must be reported to the Risk Manager within 24 hours of the incident. It is critical to obtain a police report to document damage when an accident occurs.

### **Personal Vehicles**

Associates who drive their personal vehicle for the performance of company business must look to the insurance coverage for their vehicle as the primary insurance for any such injury or damage. Associates must maintain auto liability insurance with minimum limits as defined in the Motor Vehicle Policy, provide Pura Vida with proof of personal motor vehicle insurance (copy of declaration page), receive an acceptable Motor Vehicle Report (MVR) and ensure that a 'business use exclusion' provision is not contained within their personal insurance policy.

#### Portable Communication Device Use While Driving

Associates who drive on Company business must abide by all state or local laws prohibiting or limiting PCD (cell phone or personal digital assistant) use while driving. Further, even if usage is permitted, you may choose to refrain from using any PCD while driving. "Use" includes, but is not limited to, talking or listening to another person or sending an electronic or text message via the PCD.

Regardless of the circumstances, including slow or stopped traffic, if any use is permitted while driving, you should proceed to a safe location off the road and safely stop the vehicle before placing or accepting a call. If acceptance of a call is absolutely necessary while you are driving, and is permitted by law, you must use a hands-free option and advise the caller that he/she is unable to speak at that time and will return the call shortly.

Under no circumstances should Associates feel that they need to place themselves at risk to fulfill business needs.

Since this policy does not require any Associate to use a cell phone while driving, those who are charged with traffic violations resulting from the use of their PCDs while driving will be solely responsible for all liabilities that result from such actions.

Texting and e-mailing while driving is prohibited in all circumstances.

### 5-20 Business Expense Reimbursement

You will be reimbursed for reasonable approved expenses incurred in the course of business. These expenses must be approved by the your supervisor, and may include air travel, hotels, motels, meals, cab fare, rental vehicles, or gas and car mileage for personal vehicles. All expenses incurred should be submitted to your supervisor along with the receipts in a timely manner.

You are expected to exercise restraint and good judgment when incurring expenses and should contact your supervisor in advance if you have any questions about whether an expense will be reimbursed. You should refer to the Travel Policy and/or contact your supervisor in advance if you have any questions about whether an expense will be reimbursed.

### 5-21 References

Pura Vida Bracelets will respond to reference requests through Human Resources. The Company will provide general information concerning the Associate such as date of hire, date of discharge, and positions held. Requests for reference information must be in writing, and responses will be in writing. Please refer all requests for references to Human Resources.

#### Only the Human Resources Department may provide references.

### 5-22 If You Must Leave Us

Should you decide to leave the Company, we ask that you provide a supervisor with at least two (2) weeks advance notice of departure. Thoughtfulness will be appreciated. All Company, property including, but not limited to, keys, security cards, parking passes, laptop computers, fax machines, uniforms, etc., must be returned at separation. You also must return all of the Company's Confidential Information upon separation. To the extent permitted by law, you will be required to repay the Company, (through payroll deduction, if lawful) for any lost or damaged Company, property. As noted previously, all Associates are employed at-will and nothing in this handbook changes that status.

### 5-23 A Few Closing Words

This handbook is intended to give our Associates a broad summary of things they should know about Pura Vida Bracelets. The information in this handbook is general in nature and, should questions arise, any member of management should be consulted for complete details. While we intend to continue the policies, rules and benefits described in this handbook, Pura Vida Bracelets, in its sole discretion, may always amend, add to, delete from or modify the provisions of this handbook and/or change its interpretation of any provision set forth in this handbook. You should not hesitate to speak to management if you have any questions about the Company or its personnel policies and practices.