

Section 1.1 - President's Welcome

India Employee Handbook - Chennai and Bangalore

Section 1.1 President's Welcome

Welcome to PayPal!

You've joined a very special company, one that creates opportunities for people, that makes a difference in the world, and that cares because people depend on us. I can't think of another company that has these kinds of beliefs at its core, and I'm proud to be a part of it – I know you are, too.

To ensure we stay true to who we are, I'd like to ask you to take a few moments to get to know our company's values and behaviors. These foundational principles shape our day-to-day work lives and play a key role in making PayPal a great place to work. But words aren't enough ... your actions every day are what make them real. So I hope that as you begin your career with us, you'll remember to communicate openly and honestly. Respect and help each other. And above all, keep it human.

In this manual you will find guidelines, policies and information about specific practices. Not everything you need to know can be found here, which is why I encourage you to ask questions – your manager and co-workers are here for you. We can all relate to the excitement and anticipation of beginning a new job and we want you to succeed.

Again, welcome to PayPal– it's great to have you here.

John Donahoe, President and CEO

Section 1.2 - About the Employee Handbook

India Employee Handbook - Chennai and Bangalore

Section 1.2 - About the Employee Handbook

At PayPal we want all employees to play a meaningful role in the Company's future growth and success, and hope that your work will be a source of pride and satisfaction to you.

This Handbook is designed to acquaint you with PayPals philosophies, practices and policies. The policies in this handbook are not a contract of employment and are not to be interpreted as contractual or legally binding in nature. They are only guidelines. One of our objectives is to provide a work environment that is conducive to both personal and professional growth. However you shall be signing a separate employment contract and shall be liable to adhere to the terms and conditions of the said employment contract and that the said contract shall apply to the relationship during the course of employment with PayPal.

We have tried, in these pages to give specific answers to most of the questions employees usually have. You will no doubt have other questions that are not answered here. Do not hesitate to ask them! Your best sources of information are your manager, the Hub and your Human Resources Team.

(MyHR at the HUB).

We hope your experience here will be stimulating, challenging and rewarding!

Changes to the Handbook

No employee handbook can anticipate every circumstance or question about policy. As PayPal continues to grow, the need may arise to change policies described in the Handbook. PayPal reserves the right to revise, supplement, amend, or rescind any policies or portion of the Handbook and will do so in accordance with local law.

We hope your experience here will be stimulating, challenging and rewarding.

Again, welcome!



Section 1.3 - About PayPal

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Section 1.3 - About PayPal

About PayPal

Founded in 1995, PayPal is the worldwide leader in shopping and payments on the web. Every day, our global portfolio of businesses connects hundreds of millions people, enabling them to buy, sell and pay online.

PayPal

With more than 297 million active users globally, PayPal is the world's largest online marketplace, where practically anyone can buy and sell practically anything. PayPal connects a diverse and passionate community of individual buyers and sellers, as well as small businesses. Their collective impact on e-commerce is staggering: In 2009, the total worth of goods sold on PayPal was \$60 billion -- \$2,000 every second.

PayPal

With more than 1065 million active registered accounts worldwide, PayPal has made it possible for people to pay and get paid online across different locations, currencies, and languages. Responding to the PayPal community, which had quickly adopted PayPal as its preferred payment method, eBay acquired the company in 2002. Since then, PayPal's customer base has grown both on PayPal and across e-commerce. Having built a single global payments engine that has some of the best risk and fraud detection capabilities in the payments industry, PayPal continues to be one of the leading ways to pay online. Today, PayPal is available in 190 markets, 24 currencies, and is accepted by millions of online merchants around the world.

Our Beliefs

Pierre Omidyar founded PayPal on a simple idea: People are basically good. This fundamental belief created a completely new kind of marketplace, forever transforming e-commerce. Today our values continue to guide how we do business and connect buyers and sellers around the world.

We create opportunities for people.

We care. Because we know people depend on us.

We make a difference in the world.



Section 1.4 - PayPal Purpose, Values and Behaviors

India Employee Handbook - Chennai and Bangalore

Section 1.4 - PayPal Purpose, Values and Behaviors

We are pioneering new communities around the world built on commerce, sustained by trust and inspired by opportunity.

Our Values are statements about the ideals that we all have to aspire to in order to make PayPal work. Pierre Omidyar, our Founder, wrote down these Values as a way to communicate what the marketplace needed to sustain its vibrancy and success. He was also focused on the need to keep these Values alive inside the company as well. By keeping the values alive within PayPal, we serve our community better, and we serve each other better.

Core Values:

We believe people are basically good

We recognize and respect everyone as a unique individual

We believe everyone has something to contribute

We encourage people to treat others the way they want to be treated themselves

We believe that an honest, open environment can bring out the best in people

Our Behaviours

Lead Completely

Leading completely means inspiring as well as contributing. It means taking the risks, driving the results and seeking the truths that make us a better company. And, doing these things while being true to our values. When we lead completely, we engage with our work, our communities, and each other in a way that creates excitement for all the great things we are doing.

Practice Judgment

We must practice judgment every day. When challenges rise up that we haven't imagined, our judgment guides us to make decisions that are right for our company, our communities, and each other. When we look to our purpose and values to inform our judgment, our decisions will always have integrity.

Trust Each Other

Trust sustains our community—without it nothing would work. Trust also sustains our company. It allows us to openly address conflict, delegate decisions, and focus on getting our jobs done. We deepen trust over time, but it has to begin with the belief that our different skills, approaches and points of view can all serve our purpose. With trust, our diversity becomes our greatest strength.

Keep It Human

Connections are at the heart of PayPal. While technology helps us reach out to people far and wide, it's our ability to relate to each other as human beings that adds meaning to those connections. By keeping it human, we build the trust and relationships that will keep us small while we grow big.



Section 1.5 - Media Requests

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Section 1.5 - Media Requests

If you receive a media inquiry by phone, email, social media channel (e.g., Facebook, Twitter) or in person, please follow the following guidelines:

Always direct any reporter or member of the media to the PayPal-PayPal Public Relations (PR) team

Do not accept a media interview without approval from PR

If approached by a reporter, always assume you are on the record and what you say can be used in a story

If a reporter is pushing for a response on a subject that you don't know about, it's okay to say: "This isn't my area of expertise, but I'm happy to put you in touch with someone from PR."

Do not disclose proprietary information regarding future products/features, internal policies or other information to the media or our customers

Be friendly, energetic and courteous at all times

Please refer reporters to our PayPal-PayPal Media Hotline at 408-376-7458 or ask them to send an e-mail to press@PayPal.com.

They should receive a follow up within 24-48 hours.



Section 2.1 - Code of Business Conduct and Corporate Policies

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2.1 Code of Business Conduct and Corporate Policies

Important Information for all Employees

Please refer to Employee Policies Central to access our Code of Business Conduct (PayPal policies regarding conflicts of interests, gift policies and other global policies related to employee behavior) and other important Corporate Policies because every employee is accountable for compliance with these policies, including:

Corporate Disclosure Policy

Insider Trading Policy

Employee Trading on PayPal Websites

Blogging and Social Networking Policy

Global Policy Regarding the Retention of Outside Counsel (Legal Services)

Financial Policies

Information Security/Privacy Policies

To learn more about our Corporate Policies, please visit the PayPal Learning Forum (ELF) where you will find on-line compliance training modules. This training is mandatory and must be completed by every employee during our annual compliance training period.



Section 3.1 - Equal Employment and Work Place Diversity Policy

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3.1 Equal Employment and Work place diversity Policy

PayPal-PayPal believes in an inclusive workplace. The Company firmly believes that a high-quality, diverse workforce is critical to the Company's success. PayPal-PayPal strives for a creative and diverse workplace in which each employee is treated with dignity, courtesy, and respect for his or her unique experience and cultural background.

The Company is committed to hiring, promoting, and compensating employees based on their qualifications and demonstrated ability to perform job responsibilities. As an equal opportunity employer, the Company promotes equal employment opportunity to all employees and applicants, without regard to age, race, caste, language or regional affiliation, physical disability, religion, gender, sexual orientation, marital or, condition of pregnancy.

Section 3.2 - Open Door Policy

India Employee Handbook - Chennai and Bangalore

3.2 Open Door Policy

PayPal-PayPal is committed to providing the best possible working conditions for its employees and all employees are expected to treat each other with mutual respect.

If you have any questions or concerns about your job or the Company, we encourage you to discuss them with your manager, any manager in your office, or a Human Resources Business Partner.

While there is no guarantee that the Company will make the changes you request or suggest, we encourage you to voice your opinion to improve the Company. We also encourage employees to be considerate of management reporting relationships, escalating issues upward thoughtfully, whenever possible.

While we recognize that not every problem can always be resolved to everyone's complete satisfaction, only through understanding and discussion of mutual concerns can employees and management develop confidence in and among each other. This confidence is important to the operation of an efficient and harmonious work environment.



Section 3.3 - Discrimination and Harassment-Free Workplace Policy

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3.3 Discrimination and Harassment Free Workplace Policy

PayPal is committed to providing a safe and respectful work environment for all its employees. We are also committed to promote a work environment which is conducive to professional growth of employees and provide equal opportunity.

PayPal has a zero tolerance towards any kind of discrimination and/or harassment on the basis of race, color, ancestry, place of origin, political belief, religion, marital status, family status, physical or mental disability, gender, sexual orientation or age.

Scope:

This policy applies to all categories of employees of the Company, including permanent employees, alternate work force, with or without the knowledge of the principal employer, for remuneration or not, trainees or employees on contract at client sites. The Company will not tolerate sexual harassment, if engaged in by clients or by suppliers or any other business associates or vendors.

The workplace includes:

- (i) All offices or other premises where the Company's business/ activities is conducted.
- (ii) Any site or external premises where all company related activities are performed by the employees arising out of or during the course of their employment.
- (iii) All company related activities performed at any other site away from the Company's premises.
- (iv) Any social, business or other functions where the conduct or comments of any individual may have an adverse impact on the workplace or workplace relations.

Workplace harassment may include such actions as:

- (i) Verbal abuse, threats or intimidation;
- (ii) Unwelcome remarks, jokes or innuendos about race, color, citizenship, birthplace, creed, sex, sexual orientation, age, body, disability, attire and marital or family status;
- (iii) The display of pornographic, racist, or other offensive or derogatory pictures;

- (iv) Unnecessary or uninvited physical contact such as touching, patting, pinching, or punching.

Sexual Harassment

Sexual harassment is defined as any unwelcome sexual advance, request for sexual favors, and any other verbal or physical conduct of a sexual nature, or offensive conduct of a non-sexual nature directed at an individual because of his or her gender, and includes any one or more of the following unwelcome acts or behavior (whether directly or by implication) namely:

- (i) Physical contact and advances; or
- (ii) a demand or request for sexual favors; or
- (iii) making sexually colored remarks; or
- (iv) showing pornography; or
- (v) any other unwelcome physical, verbal or non-verbal conduct of sexual nature;

The following circumstances, amongst other circumstances, if it occurs or is present in relation to or connected with any act or behavior of sexual harassment may amount to sexual harassment:

- (i) implied or explicit promise of preferential treatment in his/her employment; or
- (ii) implied or explicit threat of detrimental treatment in his/her employment; or
- (iii) implied or explicit threat about his/her present or future employment status; or
- (iv) interferes with his/her work or creating an intimidating or offensive or hostile work environment for his/her; or
- (v) humiliating treatment likely to affect his/her health or safety.

To that end, we have formulated this policy to provide our employees the resource to report any instance of sexual harassment at the workplace.

Bullying

Workplace bullying is repeated, unreasonable behavior directed toward an employee, or group of employees, that may cause harm, including risks to its physical, mental and/or emotional health and safety.

Unreasonable behavior means behavior that a reasonable person having regard to all the circumstances would expect to humiliate, intimidate or threaten another person. Such behavior can include an individual's or group's actions or practices which humiliate, intimidate or threaten another person.

While bullying usually occurs between employees or other workplace participants, the actions of clients and suppliers toward employees may also amount to bullying. Bullying may also amount to unlawful discrimination or harassment as described above.

The following types of behavior, particularly if directed towards an individual repeatedly, may amount to bullying:

- (i) Demeaning language;
- (ii) Threats or coercion;
- (iii) Threatening or intimidation to commit an illegal or unauthorized activity;
- (iv) Theft, illegal or unauthorized use or possession of personal data or belongings;
- (v) Verbal abuse or intimidation;
- (vi) Outbursts of anger or aggression;
- (vii) Physical or verbal intimidation;
- (viii) Excluding or isolating; and
- (ix) Ganging up.

Obligations

Everyone at PayPal has the obligation not to discriminate against, harass or bully any employee, agent, contract worker, contractor, supplier or visitor. You must always consider how your behavior will be viewed by the person or people you are dealing with. You might harass someone or otherwise discriminate against someone even if you do not mean to do or say anything offensive.

It is at times difficult to know whether someone will find your behavior acceptable or not and hence always keep in mind "respect effect" e.g. What is offensive to one person may not be offensive to another.

You should be careful not to risk being misunderstood and, as a result, becoming the subject of a grievance.

Complaint Mechanism

(i) An appropriate complaint mechanism in the form of Internal Complaints Committee (Committee) has been created in the Company for time-bound redressal of such complaints. The members of the Committee include authorized representatives from the Company and also an external advisor to ensure prompt redressal of all such complaints confidentially and in a fair manner. . The Committee shall also objectively review the facts in any complaint of sexual harassment or bullying, and decide as to the appropriate course of action for dealing with the same.

(ii) For PayPal Payments Private Limited at Mumbai (Bombay), the Committee members are as follows:

S.N.	Name	Email id.
1	Jayanthi Vaidyanathan - HR (Presiding Officer)	jvaidyanathan@paypal.com
2	Samik Mukherjee - Legal	sammukhis/herjee@paypal.co
3	Nath Parameshwaran – Govt Relations	nparameshwaran@paypal.com
4	Pooja Sabharwal – Marketing	psabharwal@paypal.com
5	Regina Mah – HR	remah@paypal.com
6	Mrs. Revathi G. Mohan (an external and independent Representative)	revathigmohan@gmail.com

(iii) For PayPal entity in Chennai, the Committee members are as follows:

S.N	Name	Email id.
1	Jayanthi Vaidyanathan - HR (Presiding Officer)	jvaidyanathan@paypal.com
2	Sathish Vaidyanathan – Software Development	sathish.vaidyanathan@ebay.com
3	Bhaduri Raju Naidu – Enterprise Data Services	brajunaidu@paypal.com
4	Deepa Madhavan – Enterprise Data Services	dmadhavan@paypal.com
5	Regina Mah - HR	remah@paypal.com
6	Chandramouliswaran, Mouli – Enterprise Data Services	vchandramouliswa@paypal.com
7	Mrs. Revathi G. Mohan (an external and independent Representative)	revathigmohan@gmail.com

(iv) For PayPal entity in Bangalore, the Committee members are as follows:

S.N.	Name	Email id.
1	Jayanthi Vaidyanathan - HR (Presiding Officer)	jvaidyanathan@paypal.com

2	Ansuman Behera – Software Development	anbehis/hera@paypal.com
3	Regina Mah – HR	remah@paypal.com
4	Guru Bhat – Software Development	mmehta@paypal.com
5	Mrs. Revathi G. Mohan (an external and independent Representative)	revathigmohan@gmail.com

(v) The quorum for the Committee to look into any complaint will be minimum three members including the presiding officer.

(vi) Complaint Process:

(a) An aggrieved person may address a written complaint by email to any member of the Committee at the location where the complainant is based by e-mail at the e-mail addresses provided above and copied to DL at the below e-mail addresses:

PayPal at Chennai facility: DL-PayPal-CHN-ICC@paypal.com

PayPal Bangalore facility: DL-PayPal-BLR-ICC@paypal.com

PayPal at Mumbai facility: DL-PayPal-MP-ICC@PayPal.com

(b) Alternatively, an aggrieved person may also or contact his/her manager, or Head – HR or Head – Legal, personally or over phone, to report the incidence. However, this must be followed by a written complaint by email to a member of the Committee at the location where the aggrieved person is based out of and copied to the above stated DL e-mail addresses.

(c) The complaint should be made at the earliest and in any case within three months from the date of incident and in case of series of incidents, within a period of three months from the date of last incident. The Committee at its discretion may condone a delay in submission of the complaint (up to a further period of three months) by recording the reasons in writing where the Committee is of the opinion that the delay was reasonable considering the circumstances of a specific instance.

(d) An aggrieved person may approach any member of the Committee with a request to render reasonable assistance for making the complaint in writing.

(vii) Complaints made with a malicious intent: The intent of this policy is to create a harmonious and safe working environment. To ensure that this objective is achieved in both letter and spirit, we urge all of you to desist from lodging wrongful allegations. If on investigation it is revealed that the complaint was made with a malicious intent and with a motive of maligning the individual/ tarnishing his/ her image or reputation in the Company and/ or to settle personal/ professional scores, strict action shall be taken against the complainant.

Complaint Mechanism for Aggrieved Women

This policy is in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

All aggrieved women under this policy are required to make a complaint in accordance with the “Policy for Prevention of Sexual Harassment (of women) at Workplace” here.

Investigation

After a report is received, an internal investigation will be promptly undertaken. The investigation will be conducted confidentially to the extent practical under the circumstances. PayPal will take prompt remedial action for conduct that violates this policy. All employees have a duty to cooperate fully and truthfully in any investigation under this policy. Any supervisor, agent, or other employee who has been found after investigation by PayPal to have engaged in conduct in violation of this policy, retaliated against an employee or failed to cooperate in an investigation in violation of this policy will be subject to disciplinary action. Discipline may range from a warning up to and including termination.

Disciplinary Action

Where the Committee finds an accused person to be in breach of this policy, appropriate disciplinary action shall be taken against such accused person. The action shall be in addition to any legal recourse sought by the complainant, and may include the following:

a letter of warning that will be placed in the personal file of the said accused person;

immediate suspension without pay;

a penalty of an appropriate amount to be credited to a fund created or utilized for the welfare of the employees of all categories of the Company;

stoppage of increment with or without cumulative effect;

reduction in hierarchical level;

termination of employment with the Company;

lodging of a complaint with the relevant authorities, if an offence under the Indian Penal Code is, prima facie, made out; and/ or

any other action in accordance with the policy of the Company.

Retaliation/Reprisals

Any employee who reports an incident in good faith should not fear any reprisal. Retaliation or reprisal is expressly forbidden and will be grounds for disciplinary action up to and including termination.

Confidentiality

To protect the interest of the complainant, the person complained against and others who must report incidents of workplace harassment, each employee of the Company has a duty to maintain reasonable confidentiality throughout the process. Information and documents relating to a complaint will only be disclosed to the extent necessary to carry out the procedures set out in this policy or as is required by law.

Policy Implementation

Each manager is responsible for implementing this policy within his or her area of responsibility. All incidents of harassment must be reported immediately to Human Resources or the Legal department. If you have any questions concerning this policy, please contact Human Resources.

PayPal at Chennai facility: DL-PayPal-CHN-ICC@paypal.com

PayPal Bangalore facility: DL-PayPal-BLR-ICC@paypal.com

PayPal at Mumbai facility: DL-PayPal-MP-ICC@PayPal.com



Section 3.4 - Grievance Policy

Section 3.4 Grievance Policy

Purpose

To enable employees to express any problems or concerns they may have and to have them resolved quickly and satisfactorily.

If you do raise a grievance you are responsible for ensuring that you:

- (a) Raise the grievance honestly and in good faith;
- (b) Provide all facts relevant to the grievance; and
- (c) Co-operate with the resolution process.

The Company may not be able or prepared to assist you to deal with a grievance if, among other things:

- (a) The grievance has been satisfactorily dealt with or resolved previously (unless another alleged incident has occurred since);
- (b) The grievance is raised anonymously without sufficient detail being provided so as to allow investigation or resolution of the matter;
- (c) The grievance is frivolous, vexatious or malicious - for example where false or misleading information is provided, relevant information is withheld, facts are distorted or there is no demonstrated commitment to resolution (depending on circumstances, these types of grievances could lead to disciplinary action, including dismissal being taken against the person raising the grievance); or
- (d) The grievance does not constitute harassment, discrimination or bullying.

What will happen if a grievance is raised about you?

If a grievance has been raised about you, you are responsible for ensuring that you:

- (a) Cooperate with the resolution process;
- (b) Provide a written or verbal response to the grievance which has been raised; and
- (c) Provide all relevant facts to the person dealing with the grievance.

What will PayPac do if you have a grievance?

Grievances about harassment, discrimination and bullying will generally be dealt with in accordance with the grievance handling process set out below.

If you have a grievance and would like assistance with resolving it, you should:

- (a) in the first instance, raise it with your Manager or Supervisor; or
- (b) if it is not appropriate to raise the grievance with your Manager or Supervisor, or the matter cannot be resolved with your Manager or Supervisor, please raise it with a Human Resources.

If you have any queries about using this grievance process, you should contact your Manager, Supervisor or a Human Resources Partner.

The Company will take whatever action it considers appropriate if there has been discriminatory, or harassment behaviour, including disciplining or dismissing offenders. You should also be aware that if you lie about or exaggerate a grievance, PayPal. will view this as a very serious matter, and you may be disciplined or dismissed.

For further information about harassment, discrimination or bullying, please contact your Manager, Supervisor, or Human Resources.

Purpose

To enable employees to express any problems or concerns they may have and to have them resolved quickly and satisfactorily. The Company has introduced this Policy to ensure each employee is treated equally and fairly and that consistency can be exercised in the treatment of individual grievances.

Policy

The Company understands that when people work together there may be issues or misunderstandings that need to be dealt with from time to time. It is the policy of the Company that good communications, openness and a willingness to co-operate and listen, help to resolve these issues efficiently and effectively. The Company recognizes that problems left unresolved can become grievances.

The Company wishes to ensure that all employees have the opportunity and that procedures are in place, to discuss any problems or concerns they may have about their employment. Supervisors and Managers of the Company are responsible for listening and responding efficiently and effectively to all employee concerns which will be dealt with in a confidential manner at all times.

Employees may utilize the following procedure whenever they feel it is required:

Step 1. Informal Discussion - Employees are encouraged to approach their immediate Supervisor / Manager in the first instance to discuss issues and attempt to informally resolve them. They will be responsible for handling the issue and its investigation, making every effort to arrive at a solution within an agreed period of time.

Step 2. Should an employee feel dissatisfied with the response given or feel that he/she cannot approach his/her immediate Supervisor, he/she should appeal to or approach their Supervisor's Manager. The Manager will be responsible for handling the issue and its investigation, making every effort to arrive at a solution within an agreed period of time.

Step 3. If the response from the Manager is not adequate in resolving the issue, the employee should appeal to a senior member of Management, which includes the Human Resources Manager or a Director. The grievance will be discussed and a prompt response given to the employee within an agreed period of time.

The decision of Human Resources or Director will be binding on all parties to the dispute.

A written summary should be completed for each meeting by the member of the Management Team and copies issued to those in attendance.



Section 3.5 - Disability Accommodation

India Employee Handbook - Chennai and Bangalore

Section 3.5 - Disability Accommodation

PayPal-PayPal will make reasonable accommodations for qualified employees with disabilities to the extent required by state and federal laws. PayPal may require a doctor's certification of the disability and the need for accommodation. A disability is generally defined as a physical or mental impairment that limits a major life activity.

Section 3.6 - Religious Accommodation

India Employee Handbook - Chennai and Bangalore

Section 3.6 - Religious Accommodation

PayPal will make reasonable accommodations for an employee's observance of religious holidays and practices.

Section 4.1 - Professionalism

India Employee Handbook - Chennai and Bangalore

4.1 Professionalism

The environment at PayPal tends to be very flexible, fast, and challenging, promoting both teamwork with others as well as individual thinking. With the freedom that comes naturally in a work environment such as PayPal, also comes a standard of personal conduct to which we are all held. It is very important that you understand the standards by which you are expected to conduct yourself while performing your job at PayPal.

At PayPal, we try to provide employees with information, resources and guidelines which, when partnered with good judgment, enable employees to evaluate situations independently and act appropriately. Employees are accountable for their own proper conduct. No one will be excused for misconduct. Violation of an PayPal policy, guideline, or practice could result in disciplinary action, up to and including termination.

The following are examples of impermissible conduct that may lead to disciplinary action. These are only examples; the following list is not exhaustive. The Company can take action, up to and including termination, on conduct even if it is not listed here.

Poor work performance, inefficiency, refusal or inability to maintain Company work standards.

Damage to Company, customer or coworker property.

Theft, including stealing or removing without express permission any property you do not own.

Dishonesty in providing information to the Company or customers. This includes falsification or omission of material information from any records, including time records, whether your own or someone else's, or furnishing false information concerning absence from work. Only you or your supervisor may record your work time.

Possession on Company property of a weapon or of dangerous materials such as explosives, toxic substances, flammable substances.

Failure to adhere to appropriate accounting standards.

Failure to adhere to any law or regulation governing any aspect of our business, or violation of any Company policy or procedure.

Failure to use safety equipment, or any activity creating a safety hazard, or failure to report a safety hazard to management.

Possession, use or sale of illegal drugs or alcohol on Company premises, or working while under the influence of illegal drugs or alcohol. If you are taking drugs prescribed for you by a licensed physician or obtained over-the-counter which will affect your ability to work competently, you must report this in advance to Human Resources. The Company will honor its legal duty to reasonably accommodate disabilities affecting your work. However, failure to report a drug problem that may affect your ability to work competently, including prescription or over-the-counter drugs, violates this conduct rule.

Disorderly or disruptive conduct including fighting, derogatory name-calling, abusive or profane language, harassment, intimidation, coercion of coworkers. Any mistreatment or un-businesslike behavior toward customers or visiting public violates this rule.

Insubordination, including refusal of a reasonable work assignment, abusive or improper language or conduct toward a supervisor or management representative, or failing to comply with a direct request from a supervisor.

Refusal, failure to cooperate or interfering with any investigation conducted by the Company.

Excessive absence from work, including repeated tardiness, unexcused absence without advance notice to your supervisor, failure to report at the end of a leave of absence; failure to maintain an acceptable level of dependability.

Soliciting coworkers or customers for anything during work time (either yours or the person you are soliciting), distributing unauthorized literature in work areas at any time, posting literature or solicitations without Company approval.

Actions posing a security risk for the Company, including assisting unauthorized access to the Company premises, refusing to cooperate with the instructions or activities of security personnel.

Unauthorized use or disclosure of Company or customer proprietary or confidential information, or improper maintenance of such information.

Personal use of Company equipment, time, materials, facilities, without express Company approval, whether the use is for your direct benefit or not.

Failure to promptly report work-related accidents or property damage.

Conviction of a crime that indicates unfitness for the job or raises a threat to the safety or well-being of the Company, its employees, customers or property.

Sleeping on the job, or the appearance of sleeping on the job.

Abuse of sick leave.

Failure to report Paid Time Off (PTO).

Failure to correct, upon request, inappropriate personal appearance, grooming or personal hygiene affecting your job or others.

Involving the Company in your financial affairs including garnishment for more than one judgment.

Failure to reimburse the Company for monies owed, including salary and bonus overpayments, or failing to bring such errors to the Company's attention.

Failure to abide by guidelines for employee trading on Company websites.

Other misconduct affecting your job, coworkers or customers.

Damaging customer or supplier relationships

Dishonesty in providing information to the Company or customers, including falsification or omission of material information from any records, including working time records, performance records or false information concerning absence from work.

Major Violation of Company policies or procedures including:

Code of Business Conduct

Insider Trading Policy

Company Information Security and Acceptable Use Policy.

Data Protection/Privacy Policies and confidentiality obligations.

Any mistreatment or un-businesslike behavior toward customers including improper conduct during calls, failure to escalate calls as required and/or deliberate call termination.

Actions posing a security risk for the Company, including assisting unauthorized access to the Company premises, refusing to cooperate with the instructions or activities of Safety and Security.

Personal activities which result in serious conflict of interest with duties.

The above examples do not represent a complete list of all possible offences for which an employee may be summarily dismissed. Other substantial or comparative offences will carry the same outcome.

Section 4.2 - Appraisals and Performance Management

India Employee Handbook - Chennai and Bangalore

4.2 Appraisals and Performance Management

It is PayPal policy to work within an open and informal environment and to encourage frequent communications between managers and employees regarding performance expectations, progress and results to increase job effectiveness, and employee's personal development and growth.

This policy is intended only as a statement of PayPal policy and management guidelines, and does not form part of your contract of employment or otherwise have contractual effect.

PayPal follows the global annual performance cycle. We will have H1 and H2 goals, annual performance reviews, and in most cases two development conversations during the year. For more details, please review the information available [here](#).

The performance review process is to document how effectively an employee has performed over a stated period of time. The employee and their immediate manager should discuss, evaluate and summarize the employee's performance based upon the job responsibilities, goals and objectives, results and performance competencies.

The immediate manager should also clarify expectations, set specific goals and objectives for the coming period, and create an improvement and/or development plan to help the employee maintain and increase his / her performance. The discussion will give the employee the opportunity to discuss and share their accomplishments, ideas, or concerns and actively participate in the written document and their improvement and/or development plans.

A "good" performance evaluation does not imply or guarantee a pay raise, nor is it a promise of continued employment. The purpose of the performance evaluation is to review prior performance and assist you in improving the performance of your job. This is part of the process where Managers,

supervisors, and employees are strongly encouraged to discuss job performance and goals on a regular basis, and not just wait for the end of the year to evaluate performance. If the employee's performance is deemed to be unsatisfactory, then PayPal may invoke the Disciplinary Procedure (as detailed in this Online Handbook).

For Global Operations team members only

Probationary Period

The probationary review period within the Company, depending on your grade, is 3 months or 6 months. During this period your Manager will review your performance on an ongoing basis with you. Failure to attain the required performance level and or developmental improvement steps will result in extension of the probationary period or termination of the contract. Further failure to attain the required performance level during the period of extension may result in termination of the contract at the end of the period of extension.



Section 4.3 - The Salary Focal Schedule

India Employee Handbook - Chennai and Bangalore

4.3 The Salary Focal Schedule

Employees' salaries are generally reviewed once per year on a company-wide basis in February/March.

The decision to award pay adjustments depends on numerous factors, including individual productivity and performance as documented in the annual performance review, market conditions, and Company profitability as determined by management. Pay increases are generally considered in February/March and are effective the following April. All salary adjustments are made at the sole discretion of PayPal.

Additionally, mid-year salary reviews can be considered for exceptional cases through the mid-year focal exercise. This will be dependent on the availability of budget. Pay increases are generally considered in February/March and are effective the following April.



Section 4.4 - Promotions & Internal Transfers

4.4 Promotions & Internal Transfers

It is PayPal policy to find the best qualified person for any open position. Whenever possible, we wish to encourage promotion of employees from within the Company in order to provide opportunities for advancement. Promotions and internal transfers shall be based on the ability, qualifications and potential of the candidates for the positions. Read more on the rules and responsibilities in the guidelines document.

Eligibility

Employees are required to occupy their present position in respective teams for a minimum of twelve (12) continuous months before they may apply and be considered for open positions elsewhere in the Company. Management reserves the right to make exceptions for business necessity. Employees on PIP (Personal Improvement Plan) or corrective action are not eligible for transfer. Interns are eligible to apply for posted openings upon completion of their internship.

Job Posting Practice

New positions are posted both internally on the Hub and externally on www.PayPalcareers.com by the staffing department. Not all positions will be posted internally or externally, for example, senior positions and certain positions arising from internal reorganizations or directed assignments.

Applications

Interested employees should formally apply online for posted openings. An internal candidate should consult with his or /her manager before formally interviewing for a job in another department. The Hiring Manager should not offer a transfer prior to discussions with the employee's current manager and Human Resources.

Selection Criteria

Eligible candidates will be evaluated based on their qualifications, past performance, potential and capacity to assume the responsibilities of the open position. Candidates who do not meet the required qualifications or who are not eligible for transfer will be notified as soon as possible. Employees should realize that there will usually be competition for open positions with external and internal candidates and that they may need to apply for several positions before finding an appropriate position.

Offers

Managers must consult Human Resources (Talent Acquisition) prior to transfer or salary discussions. Human Resources must approve any salary/grade changes in advance.

Position Start Date

An employee's start date will be negotiated between the Releasing and Hiring Managers.



Section 4.5 - International Transfers

India Employee Handbook - Chennai and Bangalore

4.5 International Transfers

It is PayPal's policy to find the best qualified person for any open position. Whenever possible, we wish to encourage promotion of employees from within the Company in order to provide opportunities for advancement.

International transfers follow the same guidelines as explained in Section 4.4 for Promotions and Transfers. The only difference is eligibility requirements.

Eligibility for PayPal India

Employees are required to occupy their present position in respective teams for a minimum of twelve (12) continuous months before they may apply and be considered for open positions elsewhere in the Company. Management reserves the right to make exceptions for business necessity. Employees on PIP (Personal Improvement Plan) or corrective action are not eligible for transfer. Interns are eligible to apply for posted openings upon completion of their internship.

Eligibility for Marketplaces PDC & IAC

Employees are required to occupy their present position in respective teams for a minimum of thirty-six (36) continuous months before they may apply and be considered for open positions elsewhere in the Company. Management reserves the right to make exceptions for business necessity. Employees

on PIP (Personal Improvement Plan) or corrective action are not eligible for transfer. Interns are eligible to apply for posted openings upon completion of their internship.

Section 4.6 - Disciplinary Rules

India Employee Handbook - Chennai and Bangalore

4.6 Disciplinary Rules

Policy Statement

These Rules are designed to maintain a fair, efficient and safe working environment for all employees. PayPal-PayPal expects from, and will, if necessary, enforce upon its employees reasonable standards of conduct and performance. The Rules below are not exhaustive. They are intended to serve as guidance of the standards of behavior expected, rather than to punish or dismiss. All employees have a responsibility to familiarize themselves with these Rules.

Where it is necessary to take disciplinary action against an employee, such action will be appropriate to the seriousness of the offense or to the extent of any poor performance. Relevant factors such as the employee's position, length of service and previous disciplinary record, together with any extenuating circumstances, will also be taken into account as appropriate.

Disciplinary Action - Serious offenses

Normally, where unsatisfactory conduct or performance occurs (other than gross misconduct), the employee concerned will be liable to disciplinary action.

Examples of such unsatisfactory performance and misconduct in which a Performance Improvement Plan (PIP) may be given include:

Habitual lateness, unauthorized or persistent absence

Neglect of duties or responsibilities

Failure to meet defined and agreed objectives/targets

Unsatisfactory work performance

Failure to comply with PayPal legitimate instructions, practices and procedures; including the PayPal sickness notification and certification procedures

Failure to maintain health and safety standards

Damaging customer or supplier relationships

Misuse of company property

Failure to maintain health and safety standards

Unreasonable standards of appearance or inappropriate dress

Unsatisfactory attitude or lack of cooperation

This list is not exhaustive.

Disciplinary Action - Most Serious offences

1. Summary dismissal (i.e. dismissal without notice or pay in lieu of notice), will normally follow where PayPal has reasonable grounds for believing that gross misconduct has been committed, or where there has been a serious and fundamental breach of PayPal rules or of the contract of employment.

2. Gross misconduct offenses which may result in an employee being summarily dismissed include:

Fighting at work, threatening behavior, swearing or actual assault on another person

Theft, fraud, deliberate falsification of company documents or expenses claims.

Deliberate damage to company property

Serious breach of company rules or willful disregard of health and safety of self or / and colleagues

Major disruption to customer relationships

Breach of confidentiality obligations

Disloyalty or breach of security

Dishonesty

Misuse or unauthorized or improper use of PayPal computer software & hardware and information technology systems

Harassment on grounds of sex, caste, race, regional/ linguistic affiliation or disability of colleagues or customers

Personal activities which result in serious conflict of interest with duties

Serious negligence which causes unacceptable loss, damage or injury

Falsifying a qualification that is a stated requirement of employment or promotion

A criminal offense arising from or related to the employee's work for PayPal

A criminal offense or nuisance committed outside working hours which, in PayPal reasonable opinion, adversely affects either PayPal image or interests, or the employee's suitability for the type of work performed, or the employee's acceptability to other members of staff

Consumption of, distribution of or being under the influence of alcohol or unprescribed drugs at work

Abuse of the disability leave policy

Conduct which tends to bring the employee or PayPal into disrepute

The above examples do not represent a complete list of all possible offenses for which an employee may be summarily dismissed. Other substantial offenses will carry the same penalty.

If, on completion of investigations and subsequent disciplinary interview, PayPal is satisfied that gross misconduct has occurred, the result will normally be dismissal without notice or payment in lieu of notice. However, PayPal has the right to impose a less serious action such as the issue of a formal final written warning or demotion.

Suspension for Investigation

PayPal has the right to suspend an employee (on normal pay and benefits), pending the outcome of a disciplinary investigation in which the employee may possibly be implicated. A suspension in these circumstances is not a disciplinary sanction.

Disciplinary Suspension or Transfer

In addition to disciplinary warnings, PayPal has the right, as a disciplinary sanction, to suspend an employee for up to 10 working days without pay and benefits, or in appropriate cases to transfer or demote an employee to a different job and/or department, which may be of a lower grade or status and rate of pay and benefits.

Disciplinary Procedure Statement

The PayPal disciplinary procedure is designed to ensure that employees are dealt with fairly and consistently in disciplinary and other related matters affecting their work with PayPal

This disciplinary procedure is intended only as a statement of Company policy and management guidelines. It does not form part of individual contracts of employment or otherwise have contractual or other legal effect.

No disciplinary action will be taken against an employee until the case has been fully investigated. At every stage in the procedure the employee will be advised of the nature of the complaint and will be given the opportunity to state their case before any decision is made.

The employee will have the right to be accompanied by a work colleague during a disciplinary interview. The role of the colleague is to ensure that the interview is handled fairly and not to act as spokesperson for that colleague.

An employee will have the right to appeal against any disciplinary action taken.

Disciplinary Procedure Process

Generally, the steps in the process will follow this sequence: Verbal counseling, a Verbal Warning (confirmed in writing), a First Written Warning, a Final Written Warning, and Dismissal. However, there may be instances where more serious action, including dismissal, is warranted at an earlier stage and the Company reserves the right to skip stages of the procedure where it views appropriate to do so. This may be due to the seriousness of the allegation, or otherwise.

Stages in the Corrective Action / Disciplinary Procedure

The Company expects high quality work from its employees and expects them to conduct themselves in a professional, businesslike manner. Employees who are not meeting performance expectations or who have engaged in unacceptable behavior may be subject to one or more of the following possible action, which may take various forms. The stages of the disciplinary procedure are generally as follows, although the Company reserves the right to move to any stage of the disciplinary procedure at any time as circumstances may dictate. The Company is not required to exactly follow this disciplinary procedure in every situation:

Informal Process:

Step 1 – Verbal Counselling

Conducted By: Immediate Team Leader / Manager.

Minor offences or areas of concern will usually be dealt with initially on an informal basis. The Team Leader/Manager will counsel the employee concerned. The employee will be advised of the identified

issue or concern, the corrective action to be taken, given a time scale in which to achieve the desired improvement and informed of the consequences which could result if this improvement is not forthcoming. The team leader/Manager may also document these sessions.

Formal Process:

Step 2 – Conversation Memo

Conducted by: Immediate Team Leader/ Manager.

If within the timescale agreed at the counselling stage, the desired improvement is not achieved, then the Team Leader/Manager will issue an invitation to the disciplinary meeting. Following the hearing, the Team Leader will review the evidence of the case and make a decision on the most appropriate outcome. The Team Leader/Manager will then meet the employee and issue a Conversation Memo if appropriate.

Step 3 – First Written Warning

Conducted by: Immediate Team Leader/ Manager

If within the timescale specified in the verbal warning the desired improvement is not achieved, or in cases of sufficiently serious misconduct, the Team Leader/Manager will issue an invitation to the disciplinary meeting. Following the hearing, the Team Leader will review the evidence of the case and make a decision on the most appropriate outcome. The Team Leader/Manager will then meet the employee and issue a First Written Warning if appropriate.

Step 4 – Second Written Warning

Conducted by: Immediate Team Leader / Manager

If within the timescale specified in the verbal warning/earlier written warning the desired improvement is not achieved, or in cases of sufficiently serious misconduct, the Team Leader/Manager will issue an invitation to the disciplinary meeting. Following the hearing, the Team Leader will review the evidence of the case and make a decision on the most appropriate outcome. The Team Leader/Manager will then meet the employee and issue a Second Written Warning if appropriate.

Step 5 – Third and Final Written Warning, with Suspension, if appropriate

Conducted by: Functional Manager / TL

If within the timescale specified in the second written warning, the desired improvement is not achieved, or in cases of sufficiently serious misconduct, then the manager will issue an invitation to the

disciplinary meeting. Following a full review of the facts of the case, the Manager will review the case in consultation with the appropriate MyHR Consultant. The Manager will then meet the employee and issue a Final Written Warning, if appropriate.

Step 6 – Dismissal

Conducted by: Functional Manager & Approved HR Designate

Following a Final Written Warning and/or Suspension, if the desired improvement has not been achieved within the timescale specified in the final written warning / suspension notice, or in cases of gross misconduct, then the Functional Manager will issue an invitation to the disciplinary meeting. Following a full review of the facts of the case, the Manager will review the case in consultation with the appropriate MyHR Consultant. If a decision is made to dismiss the employee, written notice of this decision must be given to the employee specifying the reason for dismissal.

The Company also reserves the right to discipline employees in other ways not outlined above including, but not limited to loss of bonus, entitlement to other benefits, suspension (with or without pay), compulsory transfer or reassignment. The Company reserves the right to not follow the above process during an employee's initial probation period.

Records

In Step 1, upon issuing verbal counselling, a file note will be placed on the employee file to document that verbal counselling took place, and that the employee was informed of the consequences if improvement is not forthcoming. In Steps 2 through to 6, a copy of formal warnings issued as above must be given to the employee in writing and will specify the nature of the complaint against the employee, the corrective action to be taken, a timescale within which the desired improvement is to be achieved and state clearly that the employee may be dismissed if this improvement is not forthcoming. The warning will be confirmed in writing to the employee, with a copy placed on the employee file.

Appeals

The decision of Human Resources Manager will be final. For senior Managers, the hearing will be conducted by the respective Director, IDC and the Human Resources Director.

Right to Accompaniment

Employees may be accompanied at formal disciplinary hearings and any appeal by a work colleague of their choice. Employees may not be accompanied by an individual who does not work for PayPal, including a legal representative.

Section 5.1 - Work Hours

India Employee Handbook - Chennai and Bangalore

5.1 Hours of Work

Standard hours of work are 9.00am to 18:00pm, unless provided otherwise in the offer letter. However, PayPal is a seven days per week, 24 hours-a-day operation, and employees may be required to work such different or additional hours as are reasonably required for the proper performance of their duties. Work hours may vary according to the business needs of the various departments. Your manager or supervisor will let you know what hours you will be expected to be at work. Your duties may require variations in your work schedule.

Up to one hour per day is allowed for lunch. Lunch breaks should be taken at a time which will not affect the satisfactory performance of duties, or that of the department in which the employee is working.

Section 5.2 - On Call Policy

India Employee Handbook - Chennai and Bangalore

5.2 On Call Policy

On-call compensation is provided to employees who are asked to be available outside their normal work hours to respond to business needs on short notice. The employee is free to engage in personal pursuits during any portion of the on-call shift; however, such personal pursuits should not restrict the employee from returning to work unimpaired within the required response time to the required work location.

[Click here](#) for more information regarding On-Call Pay and to submit a reimbursement claim.

Section 5.3 - Shift Differential Policy

India Employee Handbook - Chennai and Bangalore

5.3 Shift Differential Policy

Not applicable.



Section 5.4 - Travel and Expense Reimbursement

India Employee Handbook - Chennai and Bangalore

5.4 Travel and Expense Reimbursement

Use conservative judgment in incurring expenses on behalf of PayPal and its shareholders. You are responsible for your own expenses and for the expenses of others that you approve for reimbursement. You may adopt more stringent policies for your teams, and if you do so, you should communicate and enforce those policies.

Travel must be for valid business purposes, within budget, managed to a reasonable cost, and approved by your manager.

PayPal will closely follow the global policy on international travel and expense reimbursement. The purpose of this policy is to enshrine the basic assumptions of PayPal that trusts its employees and guests

To have comfortable and safe travel

To spend the company's money as if it is one's own

To practice judgment and do what is right for the company

Airlines and hotel booking, Car rental and travel support is mandated to be taken through PayPal's preferred vendors in the site/location or through admin/ travel team in the site/location.

Business Travel by Air

All employees to fly Coach / Economy Class between Metro* cities in India, and for any travel less than 4 hours on an international flight.

All employees to fly Coach / Economy Class + PerDiem when the overall duration of travel and stay exceeds 31 days; irrespective of the time / duration of flights.

All employees will have an option to fly Coach/Economy Class + Per Diem OR Business class + actual where air-travel exceeds 8 hours and the overall duration of travel and stay does not exceed 31 days

Any exception to the above will have to be approved by the Vice President owning the employee's cost center.

* Metro cities include Delhi, Mumbai, Kolkata, Bangalore, Hyderabad and Chennai

* Subject to management and travel budgets

Stay and Conveyance

Visiting San Jose or any other international location

All employees are expected to stay at PayPal preferred hotels.

All employees traveling on Economy + Per diem for more than 10 days have an option to get initial foreign exchange which is equivalent to the eligible per diem amount. Per Diem is at the rate of USD 80 per day for US & USD 100 for European countries. This will be inclusive of any cost the employee may incur on meals, laundry, telephone/call cards, conveyance / car rental and entertainment. Airport transfers are not part of the per diem

Employees traveling Business class + Actual would not be given Per Diem. They would need to spend upfront and claim reimbursement later for expenses incurred on boarding, lodging and conveyance / car rental on submitting original bills. Use an intermediate class car unless you have a medical condition that requires a larger car or there are four or more employees traveling together and need additional space for luggage.

It is advised to use the corporate credit card for all the business related expenses while traveling.

For more details on the hotel accommodation, Car rentals, meals & entertainment and non-reimbursable cost please visit the global policy

Visiting all other places

The global policy and practices on airlines and hotel booking, car rental and travel support need to be adhered to by all traveling employees.



Section 5.5 - Business Travel in India

India Employee Handbook - Chennai and Bangalore

5.5 Business Travel in India

Train / Road Travel

Employees may travel by train / road when:

The destination is a non-Metro city

The travel is convenient and fast, and does not affect business urgency

2nd A.C. Train fare will be approved for all train journeys. First Class A.C. travel may be approved by the respective Senior Manager / Director in the event 2nd A.C. tickets are not available.

The Transport team at the IDC may be contacted with a Sr. Manager or Director's approval if there is sufficient need for road-transport. Personal car usage is not recommended for company business in India, and accordingly, nothing related to travel by own car will be reimbursed in Tamil Nadu.

Mileage, Parking, Tolls, and other ground transportation charges may be claimed in actual for business travel outside Tamil Nadu, and on production of valid bills. For renting a car outside Tamil Nadu, it is mandatory that the same is hired from a PayPal India affiliated vendor, or the India arm of AVIS or Budget Rent-a-Car by quoting the PayPal offer-code.

Travel / Business / Team Events Meals

For an individual, breakfast and snacks should never exceed INR 250 on a day. The maximum allowable reimbursement for lunch and dinner is INR 350 each on a given day. Dinner would include both food and drinks. These are maximum amounts – we expect the costs will usually be less.

Business meal / Team Events bills are needed to be supported by a list of all attendees, and their costs pre-approved by the respective VP (whose signature must accompany the submission of expense recEIPTS). Following are the types of meals that can be covered:

Team building events and team dinners

Networking and speculative recruiting dinners

Other Expense Reimbursements

Policies on other expense reimbursements such as hotel rent, mobile phone, home phone and Fax, home internet connectivity and non-travel remain what are explained in the global expense reimbursement policy. Reimbursement of mobile phone usage for business purposes is restricted to INR 500 at a month, and is expected to be made for no more than 5 calls in an unusual situation when Skype or other less expensive options were not available.

As a policy, the IDC will provide Blackberries to all managers in the rolls of the Company. If there is a business need to provide you with a dedicated company paid wireless device (such as Blackberry or mobile phone), work out with your manager to obtain approval under the Wireless Device Policy.

All expenses will need to be submitted for reimbursement through the Global Expense Tool (GET).



Section 5.6 - Relocation (Intra India)

India Employee Handbook - Chennai and Bangalore

5.6 Relocation (Intra India)

Relocation of an employee along with his / her family is sanctioned at the time of joining / transfer / deputation as per business needs. The India relocation policy seeks to address the employee's reasonable relocation needs within the parameters of industry norms and best practices.

All Company sponsored relocating employees will be offered the standard relocation assistance package. All relocation assistance is provided through company selected relocation service provider.

Standard Relocation Package

En Route Trip for employee and family (one way travel by air-coach class / second AC train)

Temporary housing for 30 days at a service apartment or a hotel

Pre-arranged cab for transportation to and from Office for 30 days

Accompanied city orientation program /house finding/school search/settling in assistance

Brokerage Fee up to INR 25,000

Household Goods shipment

Shipment of one two-wheeler and one four-wheeler

Settling Allowance of INR 38,000 less taxes

Security Deposit up to 12 month's rent, payable by payroll as an "advance" against actual receipt and lease agreement photocopy. Repayment Plan: Monthly installments to be deducted through payrolls over a period of 12 months

Additional Benefits for Internal Employees Only

Interstate Tax - reimbursement for one two wheeler and one four wheeler up to INR 80,000 combined

School Re-admission fee reimbursement up to a maximum of INR 1,00,000 per child or a maximum of INR 1,50,000 for two children

Payback Agreement

Since a substantial amount of expenditure is incurred on relocation, the Company shares the risk of exposing itself to a loss in case the relocated employee decides to leave earlier than expected. Due to this reason, a relocating employee needs to sign the payback agreement.

If an employee voluntarily resigns any time within one year from the date of employment or transfer, the Company will set off full amount of actual relocation package against any amounts the company owes to the employee as of the date of the employee's exit.

If the amount of actual relocation exceeds the amount the company owes to the employee, the employee will be responsible for immediate repayment of the balance amount.

Entry and Exit

Entry and exit processes are expected to be closely followed by managers and employees to the last detail. Most of these processes are automated, and require to be completed by managers at least 10

working days in advance of an anticipated joining or exit. Please read more about Onboarding and Off-Boarding on the Bridge (for managers only).

Every employee needs to sign the employment contract on the date of joining, failing which he / she may not be deemed as a bonafide employee of PayPal India Pvt. Ltd.

Section 5.7 - Work Life Balance

India Employee Handbook - Chennai and Bangalore

5.7 Work Life Balance Policy

We understand that at times you may need assistance in combining your life in work, with your family life, caring responsibilities and personal life outside of work. We are committed to ensuring that our employees are able to maintain a balance between the demands of their work and those of their personal lives. The Company provides a wide range of working arrangements, policies and benefits which assist employee in combining employment with other aspects of their lives.

Further information can be found throughout your Employee Handbook, under the following topics/ links:

Telecommuting and Flexi work Policy (MyBalance)

Public Holidays

Time Off and Leaves

Education Reimbursement Policy

Employee Assistance Policy

Charity

MyBalance - Part-Time Work Schedules That Work For You and the Company*

(*Click here to understand more.)

Review

The Company reserves the right to review, amend or replace this policy in line with changes in Government legislation and Company policy. It will be reviewed on an ongoing basis and any amendments will be communicated to employees.

Telecommuting & Flexi work Policy

PayPal wants to help its employees perform their jobs in the most productive work environment possible. At times, specific jobs or tasks may be productively accomplished through the use of flexible work arrangements such as telecommuting. In determining whether to approve a telecommuting arrangement, the employee's performance history and any other pertinent factors will also be considered by PayPal.

Definition

Telecommuting, for the purposes of this policy, is defined as work away from the employee's manager and main work group that is regularly scheduled and conducted remotely during the employee's normal work hours. Telecommuting arrangements should be worked out between an employee and his/her manager and will depend in large part on the feasibility of completing the work away from the office. The Company retains sole discretion to determine whether or not telecommuting is in the best interest of the Company.

If approved, these work arrangements are not to be considered indefinite in nature as they may change due to business needs at any time and will be re-evaluated on a regular basis to ensure that productivity measures are being met. PayPal will provide equipment to telecommuters when there is a clear business need for such an arrangement. Any such arrangements require written approval by the appropriate Vice President. Personal or other activities not directly related to PayPal authorized telecommuting work is not permitted on PayPal supplied equipment (e.g. PC) or services (e.g. Internet Dialup).

Unless other arrangements are established, the employee must have the following equipment:

Notebook or Desktop system loaded with company-compliant software

Internet access (e.g., cable or DSL)

Dedicated telephone line for Internet dialup. There must be an alternate way to communicate verbally with the employee (cell phone, pager or alternate phone line)

The employee must take all necessary precautions to secure Company information in the home and to prevent unauthorized access to any Company system from the home. Such precautions include locked files and appropriate computer passwords and security. Restricted-access materials, such as personnel

files, may not be removed from Company premises without prior written authorization from the employee's manager.

The employee is expected to keep regular working hours and continue to perform as if the employee were in the office. The employee should notify appropriate office personnel when leaving the home office area during regular office hours, as the employee would if in the office.

The employee will contact his or her manager at least once daily. The employee and manager are encouraged to communicate frequently regarding the employee's work progress and project goals. The employee must be available to respond or return to the office as needed.

The employee will maintain safe conditions in the at-home workspace and will practice the same safety habits in the designated space as he or she would in his or her office on Company premises. The Company shall be entitled to inspect the employee's workspace upon one days' advance notice to the employee. In the case of injury while working at home, the employee must notify appropriate office personnel immediately.

This policy does not alter in any way any of the Company leave policies.

The Remote Access Policy of IT Department, which outlines acceptable use and obligations, must be adhered to.

Section 5.8 – Overtime Policy (For Global Operations)

India Employee Handbook - Chennai and Bangalore

Section 5.8 – Overtime Policy (For Global Operations team members only)

Purpose

This policy defines the Company's position in relation to overtime payments. Please note that the following rules apply for overtime payment:

Number of hours in a single day cannot exceed 10 hours.

The total hours of work including OT should not exceed 54 hours in any week

Working more than 15 minutes qualifies for overtime for the full hour at 2 x rate.

Employees cannot work for 7 days continuously; a weekly off has to be provided after 6 days of continuous work.

Compensation Rates

Regular working day:

Employees shall be paid for hours worked in accordance with local industry standards. Employees who work overtime will be paid at 2 x normal rate for time worked over 8 hours and under 10 hours.

Holiday (Rest or Public Holiday):

Employees shall be paid for hours worked in accordance with local industry standards. Employees who work overtime will be paid at 2 x normal rate for the first 8 hours. Thereafter, employees who work over 8 hours and under 10 hours will be paid at 3 x normal rate

Time Worked:

Employees shall record all time worked, including time worked over their normal schedule, in the time keeping tool/system at the time it actually occurs. As required by law, overtime pay is based on actual hours worked. Paid Time Off (PTO) will not be considered "hours worked" for purposes of performing overtime calculations.

Required Overtime:

When operating requirements or other needs cannot be met during regular working hours, employees may be required to work overtime hours. When possible, advance notification of these mandatory assignments will be provided. All overtime work must receive the supervisor's or manager's prior authorization.

Compensatory Time Off:

PayPal does not provide compensatory time off.

Eligibility for Overtime - Corrective Counselling:

The Company reserves the right to restrict eligibility for overtime to employees who are currently on corrective counselling.

Part-Time Employees:

An employee working under a reduced working hours arrangement (for example: part time / job sharing) will receive payment at an overtime rate for time worked over 40 hours in a given week.

Eligibility for Overtime - Absence:

An employee who has been absent or on leave will not be eligible for overtime pay, and will be paid the normal rate of pay.



India Employee Handbook - Chennai and Bangalore

Section 5.9 – Attendance and Timekeeping (For Global Operations team members only)

Purpose

The Attendance & Timekeeping policy is intended to provide clear expectations to our employees and to ensure fair and consistent procedures across PayPal Global Operations team.

We understand that life's unanticipated events may prevent you attending work on occasion. We are also aware of the concerns that may face an employee due to absence through illness and are keen to ensure that any financial loss is minimized in so far as possible.

However, repetitive unplanned absences affect your team members and our ability to adequately fulfill our customer support mission and operational efficiency. Therefore, this document is intended to clarify the attendance and timekeeping guideline and help ensure that the Company can provide consistent, high-quality service.

The Purpose of this Section is to Specify

The Company's requirements regarding attendance & timekeeping

Guidelines for Team Leaders & Managers in applying the policy

Guidelines for all employees of their responsibilities

Guidelines on the authorization process

Outline the payment system as it applies to situations when an employee is absent from work due to illness / lateness

Policy Definitions:

Absence: All scheduled work time missed for any reason. This includes failure to meet commitments for scheduled overtime and absence due to illness, whether medically certified or not.

Late Arrival / Early Departure: Failure to arrive for your scheduled shift on time or leaving prior to the end of scheduled shift without having this time pre-approved. It is the expectation that all employees arrive to work on time for their scheduled shift and complete their entire scheduled shift.

No Call No Show (NCNS): In the event of absence or lateness for whatever reason including without limitation illness, the Employee shall immediately notify the supervisor or manager by telephone at the latest 30 mins in advance of shift start or normal working hours. Notification of illness via text/SMS and/or failure to adhere to the 30 minute timeline will be deemed as a "No Call/No Show" and will be subject to disciplinary action.

The Employees shall deliver to the Company as soon as practicable, a medical certificate from a doctor approved by the Company or from a government hospital or clinic, or medical specialists to whom the Employee is referred by a doctor approved by the Company, certifying the Employee's physical condition.

Following appropriate enquiries by the Company, a NCNS may be subject to immediate disciplinary action at the discretion of Management.

Note: An employee is considered to have voluntarily resigned his/her employment with the Company if he/she fails to report to work and to call in for two (2) or more consecutive workdays unless a reasonable explanation is offered and accepted by the Company.

Discipline: The following is a general guideline of the procedure that the Company will follow should there be excessive absence or lateness. Individual circumstances will be taken into account and this procedure may be amended to suit individual exceptions and circumstances, or excessive absence on a case-by-case basis at the discretion of Management.

a) Late Arrival / Early Departure: Disciplinary measures will be delivered based upon late occurrences that create a pattern of lateness after the employee joins the company. Individual circumstances will be taken into account based on discussion with the employee's Team Leader / Manager and exceptions to this policy may apply.

b) Referral to Company Doctor: The Company reserves the right to request an employee, should the situation arise, attend the Company doctor or a specialist nominated by the Company where it feels it would be beneficial in determining the appropriate action.

c) The employee advises the reason for absence and the likely duration. In a Team Leader / Manager's absence, a message must be left on their voicemail, leaving a number you can be contacted at.

Employees should also contact the Team Leader on Duty, if they cannot contact their own Team Leader. If an employee fails to make direct contact, the Team Leader / Manager have discretion to contact the employee directly and/or to withhold pay for the period of absence.

d) Employees must keep in regular contact with their Team Leader / Manager during sick leave. Employees on uncertified sick leave must contact their Team Leader / Manager daily to advise of the likely duration of their absence. Thereafter, for absences longer than 1 week, contact should be maintained with their Team Leader / Manager on a weekly basis.

e) A doctor's Medical Certificate is required immediately or at the latest on the 2nd day of absence. This Certificate should be submitted directly to your Team Leader / Manager. Additional Medical Certificates are required on a weekly basis thereafter during the period of absence. The Company may not accept medical certificates covering periods of absence that are greater than one week. If the Certificate is not received the Company may withhold pay. It is the employee's own responsibility to ensure that the HR Department receives all medical certificates.

Team Leader / Manager: Records the dates and the reasons for absence as appropriate, on the employee's attendance record system.

Discusses with the employee on his/her return to work after sick leave, their general well-being and readiness to resume work.



Section 6.1 - Personnel Records and Data Changes

India Employee Handbook - Chennai and Bangalore

6.1 - Personnel Records and Data Changes

Updating Personal Information

It is the responsibility of each employee to promptly update any personal changes such as address, phone number, and emergency contact information on MyHR Online. Requests for Name Changes, Insurance Updates, and/or changes to Marital Status should be submitted to MyHR. This will allow MyHR to update both the employment file and benefit records and to notify the Payroll Department and Global Stock Plan Services (GSPS) of the change.

Employees are not to release any information concerning current or former employees, including home telephone numbers and addresses without prior approval from MyHR.

Section 6.2 - Separation Policy

India Employee Handbook - Chennai and Bangalore

6.2 Separation Policy

All exiting employees shall be treated fairly and humanely by managers, colleagues and other stakeholders of PayPal India. It is the endeavor of the company to let the employee know that his / her decision / judgment is accepted and respected. Our ex-employees have been our best brand ambassadors, and the company will ensure that every one is given the best exit experience irrespective of grade and designation.

Exiting employees are expected to complete full tenure of their notice periods (90 days) as agreed by themselves on employment contract.

The Company does not encourage "purchasing" of notice period in lieu of notice not served.

Waiver of notice requirement or payment in lieu of notice not served; is at the discretion of the management, to be exercised under exceptional circumstances, and cannot be claimed as a right or general practice.

The Company is in its right to set off the pro-rated amount of an absconding employee's base pay in lieu of notice not served against any amounts the company owes to the employee as of the date of the employee's exit.

If an employee voluntarily resigns any time before the completion of one year from the date of employment, or is terminated due to misconduct, the company will set off the pro-rated amount of the actual relocation package / welcome bonus / sign-on bonus / education reimbursement against any amounts the company owes to the employee as of the date of the employee's exit. If the prorated amount of the same exceeds the amount the company owes to the employee, the employee will be responsible for immediate repayment of the balance amount.

Pro-rata recovery of annual LTA for the period an employee will not be in the rolls (in that particular financial year), would be effected in the full and final settlement.

Separation Process

The employee notifies his /her manager and MyHR APAC of his/her resignation and also submits a letter of resignation to his/her manager (via email)

The employee needs to ensure his/her current or new address gets submitted on MyHR Online prior to his/her termination date and also submits submit all outstanding expense reports prior to his/her termination date.

The employee works with his/her manager to develop a transition plan and ensures his/her manager has a full understanding of his/her current responsibilities and status on current projects.

A MyHR Advisor will intimate the exiting employee about the exit interview over email.

Employee is required to remove personal items from his/her cube. Please return all handbooks/resource guides to his/her manager.

Exiting employees need to obtain No-due clearance on the Separation No Dues Clearance Form, and get the same signed by the relevant managers, and hand it over to your manager on the last working day in the company. Please refer to the Employee Termination Checklist on the Hub.

Exiting employees need to make arrangements with his/her manager to return all company property, such as laptops, cases, cellular phone, secure ID token, credit cards, product documentation and any other PayPal property.

Note: PayPal does not port current employee cell numbers to personal accounts. Please plan accordingly.

Information for Managers

If you are a manager of an employee who will be leaving PayPal, the following is a list of steps that must be completed to process your employee's termination. The manager must complete the following before the employee's last working day, in order for the employee to receive their final paycheck. Please refer to the Manager Termination Checklist for further details.

Obtain Official Notice: When an employee informs his/her manager of their intention to leave, ask them to write a resignation letter that states they are leaving and their termination date. A resignation letter via email is sufficient.

Notify MyHR and local HR Manager: As soon as the manager is aware of and/or receives a letter from an employee that notifies him of his/her intention to terminate employment, please notify MyHR and Chennai HR team.

MyHR Online termination: Managers of exiting employees need to complete the separation / termination process on MyHR Online by entering the last working day as soon as they are intimated of the resignation.

NOTE: When submitting the termination, indicate the Last Day Worked and Termination Date, which in most cases should be the same.

Managers of exiting employees need to complete the separation / termination process on MyHR Online by entering the last working day at least 10 days prior to the scheduled exit.

Accrued leaves or pro-rated unclaimed LTA would be paid out along with the full and final settlement.

A relieving letter will be provided to the exiting employee only when there is no due whatsoever pending from his/ her side to the company.

Full and final settlements will be processed in the subsequent pay-cycle from the date of No-Dues clearance and sent to the address mentioned in the Exit No Dues Clearance Form..

An exiting employee if eligible for rehire can be rehired at any part of PayPal as a contractor / temp, after completion of six (6) months from his/her exit date. They can also apply for employment in permanent capacity provided, relevant vacancies exist.

Bridging of Service Policy will apply for resigned employees wishing to rejoin PayPal provided they fulfill the conditions laid out in the policy.



Section 6.3 - Background Check Policy

6.3 Background Check Policy

Background checks are required for any employee or contractor engaged by PayPal India Pvt. Ltd. Since we deal with a product that involves handling money of customers, it is imperative that everyone in the service of this company has a proven record of integrity and trust.

The fact that one is being checked should not be taken as an indicator that the person is necessarily suspected of lacking integrity. However, PayPal may draw its own conclusion if this is refused.



Section 7.1 - Benefits Philosophy

India Employee Handbook - Chennai and Bangalore

7.1 Benefits Philosophy

India Benefits Summary

PayPal is dedicated to providing comprehensive, competitive and cost-efficient employee benefits that allow you to meet your personal and family needs. Our benefits are designed to help you and your families stay healthy, provide you with income protection should you become ill or injured, help with retirement savings and allow you to take time off. For complete information on your benefits, please [click here](#) to review our benefits policy.

NOTE: While PayPal intends to provide these benefits indefinitely, we reserve the right to change or terminate any or all of the programs at any time.

For more details, ask your local Human Resources Team for access to the uploaded presentations on Medical, Life and Accident Insurances, as well as information available on the Hub regarding Business Travel Insurance when traveling outside India.



Section 8.1 - Employee Assistance Program - Drishti

India Employee Handbook - Chennai and Bangalore

8.1 Employee Assistance Program – Drishti

Drishti is a unique Employee Assistance Program designed to help employees and their families overcome everyday challenges. It also facilitates through a set of predefined tests and workshops better understanding of the self.

The EAP is a voluntary, confidential, short-term counseling and advisory service that connects employees and their families to a network of professionals (registered counselors, legal and financial experts.) who are available to provide assistance. The EAP counselors and specialists can help individuals to find solutions to personal, professional, or family challenges.

PayPal India has tied up with a third party vendor 1to1 help.net to offer this service. A professional counselor from 1to1help assists the employee to develop coping skills and make important decisions for exploring new avenues for change and growth. This service is extended to the family members as well. Counseling is provided by professionally qualified, experienced counselors. Employee can avail support in decision making on a host of areas including work, personal life, relationships, parenting, etc.

The cost of the program is borne by PayPal India Private Limited. The benefit is extended to the employees and their family free of cost.

The services are limited to counseling and currently do not include legal and financial guidance.

The EAP provides professional assistance for a wide range of issues including:

Emotional

marital/relationship/family concerns

anxiety/depression

emotional issues

trauma

substance abuse/addiction

behavioral issues

sexual identity

Whatever the problem, you can contact the EAP counselor at 1to1help.net via the portal or over phone. It is recommended that all employees register in the portal. Please read the process, FAQ and help document at <https://1to1help.net>

Section 8.2 - Holidays

India Employee Handbook - Chennai and Bangalore

8.2 Holidays

PayPal India will publish a 12 days holiday calendar at the beginning of each year to enable employees plan effectively and celebrate the same with family and friends. In keeping with the multi-cultural ethos of India, it will strive to have a fair representation of regional festival days. A holiday can be clubbed with any leave for a greater advantage.

Out of 12 holidays, 10 are fixed days. 2 floating holidays are not fixed and can be used at the employee's discretion. They should be applied for on MyHR Online for approval.

Floating holidays are not PTO and are not accrued. Any unused floating holiday will expire at the end of each calendar year. It cannot be carried over year to year and it is not paid out at termination.

Section 8.3 - Leaves

India Employee Handbook - Chennai and Bangalore

8.3 Leaves

Taking time off from work is strongly encouraged at PayPal to maintain a healthy work-life balance. Employees can utilize the same for purposes of vacation, sickness, family care and personal work. Time-off or leaves can be of two types; Paid and Unpaid.

A Paid Leave has no effect on eligible PTO (Paid Time Off) accrual during the period of such leave

PTO accrual stops during the period of unpaid leave or LWP (Leave without Pay) till the date employee resumes duty.

The Company management reserves the right to call off any leave at any time or to disapprove of any leave taken by an employee depending on the circumstance and business



Section 8.4 - Paid Time Off

India Employee Handbook - Chennai and Bangalore

8.4 Paid Time Off

Eligibility

Regular full-time employees are eligible for Paid Time Off (PTO) according to the guidelines set forth in this policy. Eligible employees begin earning PTO on their date of joining.

Scheduling Time Off

The scheduling of PTO will be based on the Company's business needs and the needs of the department. It is extremely important to give your manager as much advance notice of your need for PTO as possible so s/he can make the adjustments required to cover your duties during your absence. PTO can be clubbed together with weekends and public holidays. The manager will approve PTO according to business needs, relevant circumstances and the employee's accrued number of hours.

Borrowing of PTO

Borrowing of PTO may be allowed under extreme circumstances. You may be allowed to borrow up to 40 hours or 5 working days, if you are an employee in good standing and with the approval of your manager, for extreme circumstances.

PTO Accrual

The annual PTO accrual rate is 25 days, calculated on a pro-rata basis. It is accrued at the rate of 16.67 work-hours per month to a maximum of 200 hours in a calendar year (1 day = 8 work hours). PTO can be taken for vacations, personal time, illnesses and any other reason for which an employee chooses to utilize PTO. Eligible employees begin to accrue PTO from their first day of employment and can use the time as it is accrued.

Cap on Accruals and Carry Forward to the Following Calendar Year

Employees are strongly encouraged to take earned PTO annually and every effort should be made to schedule time off. However, in the event that an employee has not used all his/her PTO in a calendar year, accrual will be suspended when a maximum accrual of 42 days is reached.

Coordination with Other Leaves

An employee, who is granted a leave of absence under short term disability program, must use 5 accrued PTO during the first five days of the leave. Any portion of a leave that occurs after all PTO has been exhausted shall be taken from the disability program benefit. While on an unpaid leave of absence, an employee will not accrue PTO.

Termination

Upon termination of employment, employees will be paid for PTO that has accrued through the last day of work.



Section 8.5 - Compensation

India Employee Handbook - Chennai and Bangalore

8.5 Compensation

Compensation at PayPal is divided into two parts:

Base Salary and Incentives

Annual Base Salary

The restructured compensation has three distinct categories under the Annual Base Pay - Fixed Components, Flexible Benefits and Other Components

Fixed Component

Basic - Basic constitutes 50% of the Annual Base Salary.

Company Contribution to Provident Fund – PayPal contributes 12% of the Employee's Basic salary to the package provides a tax efficient framework within the statutes of the Income Tax Guidelines. It allows an employee to claim reimbursement of certain expenditure which an employee typically incurs. Each of the components has a set of options based on the employee's grade. All reimbursement claims can only be made within the stipulated amount against each of the categories with appropriate bills, supporting documentation and as per stated guidelines.

House Rent Allowance – This component would be to the tune of a maximum of 50% of the basic pay. The employee can claim permitted exemption under the Indian tax laws. In order to claim tax exemption the employee is required to submit the following:

In case the rent paid is less than Rs 10000 per month - Rental receipts signed by the landlord on a revenue stamp.

In case the rent paid exceeds Rs 10000 per month - Rental receipts signed by the landlord on a revenue stamp and copy of lease agreement signed between the employee and the landlord.

Vehicle Reimbursement – This component is for employees to avail reimbursement for use of a car or two-wheeler to commute to office. This component cannot be availed if the employee uses company transport.

Car related reimbursement - The employee can claim reimbursement for driver, fuel, charges and insurance expenses subject to submission and approval of valid bills and documentation. The car has to be registered in the name of the employee. In cases where the vehicle is owned by the employee's spouse, employee has to provide a declaration stating that the car is used by the employee for his official and personal purposes. The employee should submit original bills and the same should be in the name of the employee. In addition to Rs. 10800 towards drivers salary tax exemption, the following applies:

Reimbursement up to Rs.21600 towards fuel for vehicles < 1600CC per annum

Reimbursement up to Rs. 28800 towards fuel for vehicles > 1600CC per annum

Two wheeler reimbursements - The employee can claim reimbursement for fuel, maintenance and insurance expenses subject to submission and approval of valid bills and documentation. Two wheeler has to be registered in the name of the employee. The employee should submit original bills and the same should be in the name of the employee. Reimbursement up to Rs.10,800 towards fuel is exempt from tax.

Books & Periodicals – This category allows employees to focus on sELF development and stay in touch with the latest developments in their area of expertise. Employee's can claim reimbursement for books and periodicals purchased for sELF development or to improve subject matter expertise subject to submission and approval of valid original bills. Option to select a maximum Rs. 12000 per annum is available under this component.

Internet & Telephone Reimbursement – This component provisions for reimbursement claims against broadband, landline and mobile phone connections used by the employee for official purposes. The employee should submit original bills and the same should be in the name of the employee. Employee can opt for a maximum of Rs. 24000 per annum under this component.

Children's Education – The children's education reimbursement allows for reimbursement of education fees to a maximum of Rs.100 per month per child for up to two children in every household. Only employees' with children can claim this exemption. It does not require submission of bills.

Leave Travel Allowance– Under the Leave Travel Allowance component the employee can claim tax exemption where the employer provides LTA to employee for leave travel to any place in India, taken by the employee and their family. Under this component only the cost of travel is reimbursed and does not include any other expenses such as food, hotel stay, cab charges etc. Such exemption is limited to the extent of actual travel costs incurred by the employee. Travel has to be undertaken within India and overseas destinations are not covered for exemption.

The tax rules provide for an exemption only in respect of two journeys performed in a block of four calendar years. The current block runs from 2010-2013. If an individual does not use their exemption during any block on any one or on both occasions, their exemption can be carried over to the next block and used in the calendar year immediately following that block. This reimbursement can be availed only twice in a block of 4 years (2010 to 2013) with an eligibility for journey once in every calendar year. Further, the employee is required to submit the original bills for claiming the reimbursement.

Medical Reimbursement – This is a provision for domiciliary medical expenses that might be incurred by the employee and the immediate family (Spouse, Children and dependant parents). There is a tax exemption to a maximum of Rs.15000 per annum for such expenses. These expenses would be reimbursed subject to submission and approval of valid bills.

Additional Components

The following two components are in addition to the fixed and flexible benefits.

Conveyance – This is a default component which comes in to effect if an employee does not opt for the vehicle reimbursement option under the flexible benefits. This component is exempt from tax up to Rs.9600 per annum. Employees utilizing the free transportation service extended by the organisation would have to make a declaration that they use their personal transport to commute to the pickup and drop points of the company transport.

Special Allowance – The special allowance contains the net differential between all the components and the annual base salary. This is provisioned for employees who would prefer to carry a higher monthly compensation without a reimbursement component. It is recommended that employees utilize this basket in order to ensure a higher monthly take home salary.

Default Salary Structure

The revised salary structure would consist of default values which would come into effect in case the Flexible Benefits option is not selected. The default structure is as below

Component	Details
Basic Salary	50% of Annual Base Pay
House Rent Allowance	50% of Basic
Medical Reimbursement	Rs.15000
Conveyance Allowance	Rs.9600
Leave Travel Allowance	4.16% of Annual Base Pay
Company's Contribution to PF	12% of Basic Salary
Special Allowance	Annual Base Pay minus the Sum of all the above components
Annual Base Salary	The total salary excluding bonus and stock options

Flexible Benefits Selection & Reimbursement Guidelines

The Flexible Benefits selection happens at the time of joining for new hires and for existing employees as and when salary revisions or salary adjustments occur. Employee can select the components and various amounts under the flexi basket only once a year. New employees / Transfers can decide the component immediately upon joining or transfer. Changes to the flexible components can be done immediately following a compensation revision.

It is recommended that employees' assess their usage of components that permit reimbursement and select their flexible benefits based on the same. The details of the components and the type of documentation required are provided under Annexure 1.

An employee can accrue amounts in the Flexible Benefits component without claiming them on a monthly basis. Unclaimed reimbursement amounts would continue to accrue and can be claimed by the employee anytime during the year. If there is unclaimed accruals under any of the flexible buckets the same will be paid out post tax or against bills submitted in accordance with the above guidelines to the employee at the end of the financial year.

All the flexible benefits components excluding Leave Travel Allowance are applicable only for that financial year. The Leave Travel Allowance component can be carried over for up to two years. The first 6 months of the financial year the accrual will happen in a pro-rated fashion and on the 7th month the entire year's eligibility for Leave Travel Allowance will be credited to the employee's account. This is specific only to the Leave Travel Allowance component. For all other components the amounts will be pro-rated and credited monthly.

The Flexible Benefits Structuring Tool

The selection of flexible benefits and the reimbursement claims can be done through an online tool. The Flexible Benefits selection (FBS) or restructuring option is at any point opened for a period of five days during which the employee is required to login to the online tool and make the necessary changes. During these five days when the FBS is opened the flexibility is given for employees to make innumerable changes and review multiple scenarios of reimbursements as applicable to his or her 'employee grade'. At the close of the fifth day the final submission is processed. The flexible benefits cannot undergo any changes subsequently until a salary change or adjustment is effected.

Reimbursement Claims Guidelines

Reimbursement of claims is facilitated by an online tool with drop boxes within the office facility for supporting documents. Claims for reimbursement can be submitted on a monthly basis for all FB components except 'Rest and Recreation'.

The process is as below:

1. Claim forms are open for submission from 26th of the month
2. Employee logs in to the reimbursement portal
3. Employee selects the component for which the employee is submitting bills
4. On selection of the component the reimbursement form for that specific component opens
5. All the details with regard to the reimbursement are fed in to the system
6. On completion of all entries the reimbursement form can be printed
7. The relevant bills are attached to the printed form
8. Employee needs to drop the Reimbursement form and bills at the Drop boxes stationed at the cafeteria and breakout rooms before the 08th of every month.
9. Employee needs to make an entry of the forms submitted in the drop box in a register placed adjacent to the drop box
10. This would be collected by the payroll team and processed
11. The claim details would be updated in the online payroll page
12. The bills would be verified
13. Once the payroll is processed if there are any bills that are rejected (that do not confirm to the reimbursement guideline) the rejected amount would be credited back to the flexible accrual basket against that component
14. The forms will be refreshed after the payroll is run for the month
15. New submissions can begin from the 26th of the month again

Note: Employee has the option to login multiple times and create entries between the 26th of the month and 08th of the next month. The entries can be saved and edited until submission. Edits will not be possible once the submission is done.

In scenarios where due to an exigency the employee would prefer to have take a higher monthly gross and does not have bills for reimbursement, the employee can select the 'tax and pay' option. This

option can be availed only four times in a year and is provisioned to be used under exceptional circumstances. The process is as below:

1. Employee logs-in to the reimbursement portal
2. Employee selects the component that needs to be claimed
3. The amount accrued from YTM would be available. The employee can either select the entire amount or a portion as required and request for the same post tax
4. This amount will be moved out of the flexible components and paid as a part of the special allowance for that month

The flexible benefits structure will continue to remain unchanged. However bills cannot be produced for the amount taxed and paid under the special allowance subsequently.

Annexure 1

Component Details

S#	Salary Components	Original Bills or Relevant Documents	Document or Bill Particulars	Reimbursement Guidelines/Information
1	Vehicle Reimbursement	Required	Fuel Maintenance Driver's salary Toll Expenses Insurance	1. Car should be in the name of the employee. 2. RC book copy needs to be submitted at the time of selecting this option. 3. If the car is in the name of the spouse a declaration has to be submitted by the employee stating the car is used by the employee for official and personal purposes. 4. In cases where the employee is availing vehicle reimbursement, the employee needs to sign an agreement stating that he/she is not using company provided transport.
2	Books & Periodicals	Required	Books Periodicals	Reimbursement of books and periodicals expenditure pertaining to subject Matter and

				Self-Development. Such reimbursement shall not include entertainment magazines.
3	Internet or Telephone	Required	Broadband Mobile Landline	The connection should be in the name of the employee and the bills should be in the employee's name.
4	Child Education	No Bills Required		Employees with children can avail of this
5	Rest & Recreation	Required	Travel Tickets Accommodation Food Expenses (excluding liquor) during the course of the travel.	1. This reimbursement cannot be availed more than twice a year. 2. The first 6 months of the financial year the accrual will happen in a pro-rated fashion and on the 7th month the entire year's eligibility will be credited to the employee's account.
6	Medical Reimbursement	Required	Medicine Consultation Pathology Diagnostic tests	Bill should be in the name of the employee/spouse/parents/children
7	HRA	Required	RecEIPT Lease Agreement	For Rent till INR 10,000 only rental receipt duly signed on a revenue stamp. Rental payment above INR 10,000 – Rent receipt and & Lease Agreement need to be submitted.
8	Conveyance	Required	Agreement	In cases where the employee is availing company provided transport, the employee needs to sign an agreement stating the use of his or her vehicle up to or from the point of the pick/drop by the company.

Gratuity

Gratuity Scheme is by default applicable to all full-time employees who completes a minimum of five years service with the company. It is paid out at the rate of 15 days of basic pay (last drawn) for every year completed.

General FAQ'S Related to Payroll and Income Tax

Q1. My DOJ is on 5th Aug'13 and I would like to know how my salary gets computed?

A1. All the fixed components Like Basic, HRA, Conveyance, Special allowance, and Child allowance are prorated from the Date of Joining and calculated.

Q2. How do you calculate Leave without Pay?

A2. Based on the calendar days provided Leave without pay is affected on all fixed components only.

Q3. I am unable to View my Pay slip and Tax slip, Can you please guide?

A3. The online portal of Employee Self Service Tool works best with browsers like Mozilla, Firefox, Google Chrome, or Internet Explorer. We request you to kindly explore the site using the above mentioned browsers as the below mentioned problem can be related to the type of browser used. The link to access tool is <https://www.minervahrms.com/paypal/>. You can reach out to payroll.helpdesk@adp.com for any issues in logging in. For any escalations reach us at apacpayroll_cusromercare@PayPal.com

Q4. What is the URL address to view the pay slip and Tax slips?

A4. The URL Address to view pay slip and Tax slip is as follows: <https://www.minervahrms.com/paypal/>

Q5. What is Form 26AS?

A5. As per Section 203AA of the Income Tax Act 1961, Form 26AS is a consolidated statement issued to a PAN holder with respect to a financial year. As per Rule 31AB of the Income Tax Rules, it will include details of: Tax deducted at source (TDS) Tax collected at source (TCS) Advance tax / Self-Assessment Tax / Regular Assessment Tax etc. deposited in the bank by tax payers (PAN holders) Refund received during the financial year Details of transactions in Mutual Fund, Shares and Bonds, etc.

Q6. What is the Tax Slabs for Male and Women for FY 2013-2014?

A6. In the case of Women & Male Assesses, not being senior citizen, the Income Tax Slab is:

Income Slab	Rates of Income Tax
Up to 2,00,000 –	NIL
From 2,00,001 - 5,00,000	10% of Income over 2,00,000
From 5,00,001 - 10,00,000	30000 + 20% of Income over 5,00,000
Above 10,00,000	1,30,000 + 30% of Income over 10,00,000

Q7. What is the ceiling limit for Leave encashment exemption?

A7. INR 3, 50,000 once in a life time

Q8. What is the Maximum limit for Gratuity exemption?

A8. INR 10, 00,000/- once in life time

Basis for Calculation: Half month Basic x No of years completed

Q9. What is the maximum exemption allowed as Interest on Housing loan for the Self-Occupied Property, if the Loan borrowed after 01st Apr 1999

A9. INR 1, 50,000/- per annum

Q10. What is the last date for filing individual returns?

A10. 31st July of the year after the financial year ended 31 March.

Q11. Can we claim the donations as exemption along with the salaried income?

A11. No. This is to inform you that, employer could not give exemption for 80G (Donation). Kindly note while filing your individual returns you need to claim the same from the IT department only. Only Donations towards charitable Trust and PM relief fund can be claimed under 80 G deductions.

Q12. What is the maximum limit to claim exemption for a let out property?

A12: No Max Limit. Rental Income is mandatory for claiming let out property interest amount.

Q13. What is the maximum exemption given for Tax on professional employment?

A13: INR 2500/ PA -

Q14. How do you calculate HRA exemption, please explain?

A14 : HRA exemption is calculated on the Least of the below mentioned three criteria's A) Rent Paid Less 10% of Salary b) 40 or 50 % of salary c) HRA allowance received . Note: Salary Means Basic, DA

Q15. What is the amount exempted if an employee has a dependent who is disabled (below 80%)?

A15: INR 50000/ per annum

Q16: What is upper limit for claiming exemption under sec 80E?

A16: No Upper Limit. Only Interest portion of the education loan will be considered for exemption if the higher study is done in India

Q17: When should the employee disclose the PAN of the Landlord?

A17: If the Annual Rent paid by the employee exceeds INR 1, 00,000 per annum, it is mandatory for the employee to report the PAN Number of the Landlord. In case the landlord does not have a PAN Number, a declaration to this effect from the Landlord, along with the Complete Name and Address of the Landlord should be filed by the employee.

Q18: What are the features available in the medical claim scheme?

A18: Medical Insurance premium is exempt up to 15,000/- per year for self, spouse & dependent children. An additional 15,000/- is exempt towards premium for parents (even if they are not dependent). If the parent(s) are above 60 years of age, an extra 5,000/- can be claimed.

Note: Preventive Health Checkup for self, spouse, dependent children or parents are also Allowed to the extent of INR 5,000/- per year (which is part of overall above limits).

Q19 : What is the limit of the income for which surcharge is applicable ?

A19 : Surcharge @ 10% on tax payable has been introduced with effective from FY 2013-14, for the total income exceeding Rs.1 crore .



Section 8.6 - Salary Components as Reimbursement

India Employee Handbook - Chennai and Bangalore

8.6 Salary Components as Reimbursement

LTA Reimbursement

LTA can be claimed for actual travel with family during a sanctioned leave at any time of the year (barring first three months of employment).

Family is defined as self, parents, spouse / partner, children, unmarried siblings, and an attendant.

A minimum of 2 days leave need to be applied and sanctioned for the purpose of family travel and claiming reimbursement.

Employee can claim only Travel Cost to the extent of his/her eligibility. NO Boarding and Lodging expenses are allowed under LTA.

Travel should be within India either by Air (Economy) or by Road or by Train.

In case the Employee engages a Taxi for his/her Travel, then such expenses be claimed only if proper bills are submitted.

LTA Can be claimed twice in a block of 4 Calendar year and not the financial year

The 4 years LTA Block is pre-determined by the Income Tax Department and the current block is between 2006-2009. I.e. Jan 2006 to December 2009. During this time all eligible employee is entitled to avail 2 tax-free LTA. It will be paid out in March payrolls by default after due taxation. An employee must apply by e-mail to Finance Manager before 5th March, for carrying forward LTA amount to next financial year if he/she so wishes.

If your family travels without employee, he/she cannot claim LTA, although an employee can travel alone and claim LTA.

Employees are entitled to tax exemption equivalent to the value of bills submitted only.

In the event of an employee's exit midway through the year, LTA entitlement will be pro-rated on a monthly basis and get paid/ recovered accordingly



Section 8.7 - Bonus Scheme

India Employee Handbook - Chennai and Bangalore

8.7 Bonus Scheme

Bonus Program

Some employees are eligible (if not participating in another PayPal bonus scheme) for the Incentive Program (AIP) a cash incentive program that provides payment based on PayPal's financial results and individual performance. It is designed to align employee compensation with company performance goals and to enable PayPal to attract, retain and reward highly qualified individuals who contribute to PayPal's success.

The program is funded when the company meets minimum threshold requirements established before the beginning of the plan period.



Section 8.8 - Education Assistance Program

India Employee Handbook - Chennai and Bangalore

8.8 Education Assistance Program

Education Reimbursement Application Form

PayPal encourages and financially supports continuing education and development programs that meet the career goals of our employees and are aligned with the needs of our business.

Section I: Eligibility

All full time employees in India are eligible, subject to the conditions provided below. The appropriate paperwork must be completed by the employee and approved by the employee's manager, HR Person (Learning & Organization Development- L & OD) and MyHR prior to the start date of the coursework. Only current PayPal employees will be reimbursed for approved educational expenses.

Section II: What is Covered

Eligible employees may receive educational assistance of up to a maximum of INR 1, 00,000 per calendar year for approved tuition, books, and lab fees. Educational assistance reimbursements are credited against the annual maximum for the calendar year in which coursework is completed.

The coursework should have general applicability to the employee's current role or reasonably likely future role at PayPal as determined by the Company. If an employee is pursuing a degree or certificate that is relevant to his or her career at PayPal all classes taken within that particular approved degree or certificate curriculum will be eligible for educational assistance up to the stated annual maximum. (See Section IV below)

Notes:

1. Pre-Approval does not guarantee final approval. (See Section III below)
2. All reimbursements paid out under PayPal's Educational Assistance Program are non-taxable.
3. There is no general fund for educational assistance reimbursements. The reimbursement expense will hit the budget for the employee's resident cost center at the time of payout (not the employee's resident cost center at the time of pre-approval). In cases of manager change the employee should inform his new manager of the pre-approval for the course. Assuming the employee and the specific coursework meet all criteria of the Program, educational assistance reimbursements may not be denied based on budgetary concerns.

Section III: Conditions for Final Approval

The employee is not on a written performance plan at any time during the process.

The employee obtains written manager approval for the completed coursework. Written approval may be gained at any time as mentioned in Section IV below.

The coursework is taken at or from a UGC accredited institution - colleges, universities or equivalent accredited reputed educational institutions/ professional bodies abroad.

The employee meets the minimum grade requirement, or successful completion of the course graduate course: "B" or a "Second Class".

Proof of payment in originals (receipt from school, credit card statement), and proof of appropriate grade(s) are required to be attached to the Request for Educational Assistance.

The completed Request for Educational Assistance is received by MyHR and respective Human Resource Business Partner at PayPal's within 90 days of the semester/ trimester/ course end date.

Section IV: Request for Pre-Approval - Degree/Certificate Programs

Employees who are pursuing a degree or certificate will complete the Degree/Certificate Proposal and submit it for approval to their manager and HR L & OD Manager. Employees in the middle of a program will be eligible for reimbursement for the remaining coursework on the Degree/Certificate Proposal on completion of all pre approval requirements.

The manager will work with the HR L & OD Manager to determine relevance of the degree to the employee's role.

If the degree/certificate is determined to be relevant, all courses within that curriculum will be eligible for reimbursement up to the stated annual maximum.

Once the Degree/Certificate Proposal has been approved, the employee will follow the Request for Pre-Approval process each time they intend to seek reimbursement for individual semester/trimester within the approved program.

Section V: Request for Final Approval of Educational Assistance Reimbursement

Once the coursework is completed, the employee will complete Section 3 of the Request for Educational Assistance form and attach proof of payment in original (receipt from school, credit card receipt, credit card statement or cancelled check), and proof of appropriate grade. The employee will submit completed forms with the attachments to MYHR for approval. Once approved by MYHR the employee is required to submit the scanned copy of the original recEIPTS, completion certificate and MyHR approval to their manager for approval through Global Expense Tool (GET)

Notes:

1. Proof of repayment on a student loan is not required prior to seeking reimbursement for educational expenses.
2. Educational expenses covered by grants, awards, scholarships and/or any other non-recompensable funding are not eligible for reimbursement under PayPal's Educational Assistance Reimbursement Program.

This approved expense paid out to the employee is non-refundable as long as the employee continues to be employed in the organization in a full-time capacity for a year from the date of payout. In the event the employment ceases for any reason before completion of one year from the date of payout by the organization, the net value of the amount shall be refundable to the organization on a pro-rated basis. The repayment obligation will be reduced by 1/12 for every full month of employment over the course of the year.



Section 8.9 - Charity with PayPal Foundation

India Employee Handbook - Chennai and Bangalore

8.9 Charity with PayPal Foundation

About the Foundation

The PayPal Foundation™ was established in June 1998 as a donor-advised fund under Community Foundation Silicon Valley, a US government recognized public charity through the initial donation of 107,250 share of PayPal, pre-IPO stock.

The Foundation's primary focus has been to support organizations that provide hope, tools and direction to assist people in reaching their full potential through the creative application of technology. The Foundation also seeks to support organizations that leverage their impact by being "teachers of teachers."

The Foundation wants to help create a world where people have the skills, tools, motivation and the support of their community to help themselves become the best that they can be. By supporting organizations that creatively apply and teach technology to foster self-sufficiency, individuals' economic and social well-being can be developed, thereby connecting them to a broader, global community.

Vision

The vision for the 21st century is one of economic empowerment for everyone - a world where information technology overcomes geographic, social, cultural and economic barriers and enables everyone to fully access and participate in the benefits of the global economy.

Guiding Principles

The PayPal Foundation™ is like PayPal - clever, unique, passionate, and eclectic. The Foundation reflects the values and community orientation of PayPal and PayPal The Foundation supports organizations that apply technology to provide tools, hope, and direction to those who seek new skills. They "teach the teachers", who in turn help people recognize the potential in themselves to improve their surroundings, their lives, and their communities.

The Foundation supports organizations that have lasting, positive impact, and maximize the ability to do good in the world.



Section 8.10 - PayPal Appreciates Talent - Rewards Program

India Employee Handbook - Chennai and Bangalore

8.10 PayPal Appreciates Talent - Rewards Program

"PayPal Appreciates Talent" – PAT, your own Chennai reward program aims to establish employee recognition opportunities that emphasize and reinforce sought-after qualities and behaviors and values at PayPal. Research shows that nearly always employee recognition scores tally with employee satisfaction scores.

The objective is to create goals and action plans that recognize the actions, behaviors, approaches and accomplishments that we wish to foster and reward at PayPal. Fairness, clarity and consistency are important. The reward program aims to establish employee recognition opportunities that emphasize and reinforce these sought-after qualities and behavior.

Everyone who makes the same or similar contribution needs to believe that they are likely to see their efforts recognized. Therefore every category of recognition will carry clearly defined guidelines in order to state expectations to employees.

In articulating our recognition program, the attempt is to capture the various behaviors or attributes that PayPal wishes to foster among its workforce. The objective is to also come up with a framework that provides managers with flexibility to reward employees creatively.

The program is focused on rewarding various aspects including exceptional performance, organizational level initiatives and PayPal values and behaviors.

The program framework covers all employees of Chennai including full time and non-full time employees.

A. Performance Based Rewards

Award	Nominator	Frequency	Eligibility	Title	Award Detail
a) Exceptional Talent Award	Manager	Half Yearly - Jan to June & July to December Awards - Starting July 2009	All employees	i) Cosmic Kudos ii) Blue Moon	i) Cosmic Kudos Rs.10000 (2%) ii) Blue Moon Rs.15000 (2%) iii) Shining Star Rs.20000 (1%)

				iii) Shining Star	
b) Reward Efforts	Immediate Manager	No Time Frame	All employees	Spot Award	(Non Monetary) Award Certificates And any one of the below items: a) Movie tickets b) 1 night / weekend stay c) Mugs d) T-shirt e) Caps f) Gift voucher (Rs. 1000 Rs.2000 and Rs. 4000)
c) Project / Team Award	Manager	Half Yearly - Jan to June & July to December Awards - Starting July 2009	All teams in IDC	Best Team	(Non-Monetary) a. Certificates to the team b. Trophy - for all teams c. Winning teams get to have dinner with a leadership team member d. Winner team individuals: Rs. 1000 Gift Voucher Runners-up Team: Movie with Family
d) Special Award	HR and Senior Managers	Event Triggered	All employees	Special Award	Monetary Award based on the justification.

B. Organizational Priorities Award

Award	Nominator	Frequency	Eligibility	Title	Award Detail
Priorities Award	All Employees	Half yearly - April to September & October to March Awards - Starting September 2009	All employees	Innovator	Monetary & Non- Monetary a. Certificates b. Pins

					c. Cash prize
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C. Good Samaritan Awards

Award	Nominator	Frequency	Eligibility	Title	Award Detail
a) Peer - to - Peer Award	Peer	Monthly / Silver, Gold & Platinum reviewed every half year	All employees	Shazam!	i) Thank You card to the individual signed by the nominator ii) Gift Voucher for Silver, Gold & Platinum winners
b) Community Service	All Employees	Half Yearly - Jan to June & July to December Awards - Starting July 2009	All employees	Angel Award	i) Trophy + Certificate ii) Weekend stay at a resort in Chennai for the family

Program Details

Category A – Performance Based Awards

1. Exceptional Talent Award:

This category of awards is to reward exceptional talent in performing activity pertaining to their area of work. This level of award should be used to recognize the completion of a particular project or the culmination of a specific event that deserves special recognition. It would have varying levels of achievement from contributing over and above their expected outcome to achievements of a complex or significant nature requiring great personal sacrifice.

Award Titles: Cosmic Kudos, Blue Moon, Shining Star

Frequency: Half Yearly - January to June & July to December Awards

Eligibility: All employees

Criteria: Award talented individuals, who have displayed capability and maturity in problem solving, brought in innovative approaches in optimizing existing products and processes. (e.g.: creating new tools)

Attributes – Practice Judgment, novelty, commitment and passion in accomplishment of the goal undertaken, improved productivity, time saving, cross functional collaboration.

Number of Awards: Not exceeding 5% of the population* (Q2 08 to Q1 09 – Roughly 12 to 13% of the population has been receiving the award)

*There will be 1 award for functions or groups with less than 10 members and a maximum of 2 awards for groups numbering between 10 and 25.

Selection: Managers nominate their team members for the award. Nominations will be reviewed & approved by the Function Head.

Award Format

i) Certificates to the individual

ii) Cash Prize

1. Cosmic Kudos - Rs.10000 (2%)

2. Blue Moon – Rs.15000 (2%)

3. Shining Star – Rs.20000 (1%)

Recognition Forums: Group Meeting, Function Head will present the awards.

2. Reward Efforts:

The objective is to reward efforts in accomplishing their routine tasks. This level of award should be used as a "thank you" in situations where employees have gone above and beyond their expected role.

Award Title: Spot Awards

Frequency: As and when there is an achievement deemed worthy of a reward by the immediate manager

Eligibility: All employees

Criteria: Adding that extra effort to accomplish a task or goal producing results that exceed expectations. Taking on more work, stepping in on behalf of another colleague, working on holidays, late nights and weekends, spending extended hours.

Attributes – flexibility, stretching limits, commitment

Number of awards: Not limited

Selection: Immediate managers (including team leads). Approval to be sought from the Senior Manager.

Award Format: (Non Monetary)

Award Certificates (For All awards) and any one of the below items:

- a) Movie tickets
- b) 1 night / weekend stay
- c) Mugs
- d) T-shirt
- e) Caps
- e) Gift voucher (Rs. 1000 Rs.2000 and Rs. 4000)

Recognition Forums: Team setting

3. Project / Team Awards:

This award is to reward Exceptional achievement as a team / including virtual, cross functional or special task force teams

Award Title: Best Team

Frequency: Half Yearly - January to June & July to December Awards

Eligibility: All teams in IDC

Criteria: Award a team that has exemplified teamwork and coordination in accomplishing their task. The differentiators is not the efforts alone but how well it has been accomplished and the value it brings.

Attributes - teamwork, collaboration, trust each other, collective participation. Combined making a significant difference to Quality, Efficiency (Schedule & Effort Variance) in that assignment

Number of Awards: Two Teams for the entire organization. - Winners & Runners Up

Selection: Managers nominate their teams for the award. The nominations are reviewed by the Function Head. Shortlisted nominations are sent for a Panel review. The Panel will be comprised of Directors, HR and a representative from all functions. The Panel will review the nominations and select winners who best exemplify the behaviors for this category.

Award Format: (Non-Monetary)

- a) Certificates to the teams
- b) Dinner with a leadership team member
- c) Trophy - For all the winning team
- d) Winning team: Rs. 1000 Gift Voucher each; Runner up team - Movie with Team.

Recognition Forums: Feature the winning teams on the Hub

4. Special Award

Contributing to organizational initiatives by going beyond the scope of work to contribute and lead initiatives of organizational impact.

Award Title: Special Award

Frequency: Event Triggered

Eligibility: All employees

Criteria: Contributing to organisational needs - capability building within the team

Attributes - Passion, dependability, commitment, initiative, enthusiasm, "I am PayPal" attitude

Number of Awards: Not Limited

Selection: HR and Function Heads

Recognition Forums: Team setting

CATEGORY B – ORGANIZATIONAL PRIORITIES AWARD

1. Priorities Award:

This award is aimed to foster innovation at IDC.

Frequency: Half yearly

Eligibility: All employees

Award Title: Innovator

Frequency: Half yearly - April to September & October to March Awards

Criteria: Impact/ Usefulness of the idea to PayPal environment

Attributes: Innovative mind, zeal to implement ideas, and passion to innovate

Number of Awards: Not more than 5% of the workforce for the final shortlist of implemented ideas.

Selection: All ideas and suggestions are passed through the innovation council. The innovation council approves ideas that can be developed into solutions. These are subsequently presented at the innovation council for a final approval.

Award Process: Point System:

1. Each individual will get one (This point would be reverted when it is finally presented to the IC if it is found that this is not a new idea/ or this idea is already existing in a form of product, tools available

within PayPal.) point for the idea submitted to the Innovation Council team through Innovation Portal. There can be only 1 owner for each idea.

2. Innovation council team will rate each idea into following categories:

Category	Corresponding Points
Excellent	5
Very Good	4
Good	3
Average	2
Not Applicable	0

3. Based on the status of implementation, extra points will be given further. The status could be 'Not Started', 'In Progress', 'Completed', and 'Completed with a demo to Innovation Council'. So, once the demo is given the implantation team will get 30 points which will be distributed equally among the participants of implementation team (as implementation will be done by team decided by owner of an idea)

The point system elaborated above will be handled with in innovation portal functionality. These points later can be redeemed against cash.

a) 1st level (Average): Innovation/Solution that can help 1 team immediately to perform better and improve overall efficiency/ productivity/ revenue/ optimization etc.

b) 2nd Level (Good): Innovation/Solution that can help multiple teams immediately to perform better and improve overall efficiency/ productivity/ revenue/ optimization etc.

c) 3rd Level (Very Good): Innovation/Solution that can help entire vertical/ department perform better/improve productivity/revenue/optimization etc.

d) 4th Level (Excellent): This is the highest level of award that may be given to an individual or team to recognize a major extraordinary achievement and/or extraordinary contribution requiring maximum effort that significantly impacted customer service and productivity/revenue/etc. that is not likely to repeat itself.

Non-Monetary Awards

Half Yearly

1. Identify top 10% folks who are leading in Innovation portal (top 10%) based on no. of points accumulated and reward them.
2. Identify one star performer individual. It needs to be decided by Innovation council.
3. After each successful demo, entire implementation team will get appreciation in the form of mail from VP/ Directors and a certificate.
4. Top 10% folks (identified every 6 months through portal described above) will get a chance to get their profile displayed on portal for continuous 6 months.
5. Star Performer will get a chance to get their profile displayed on portal for continuous 6 months and in addition to that a conference room will be named against his/her name for 6 months.

Annual

At end of each year, Innovation council team will generate report to get no. of points accumulated by each team / Vertical in PayPal in last year. Top 3 teams selected yearly will get a trophy which will remain with the team for entire 1 year and will get rotated to next winners for next year.

Monetary Awards

Points above 25 can be redeemed against cash awards. The existing system of Sodexo coupons can also be used here.

Category C – Good Samaritan Awards

1. Peer - to - Peer Award

Award Title: Shazam!

Frequency: Monthly / Silver, Gold & Platinum reviewed every half year

Eligibility: All employees

Criteria: A peer-to-peer recognition forum where anyone can nominate their colleague who has been helpful to them.

Attributes – Going above their call of duty to help a colleague accomplish their task or goal

Number of Awards: Not limited

Selection: HR team evaluates the entries and selects those that fit the criteria

Award Format:

a) Thank You card to the individual signed by the nominator (Monthly)

b) Gift Voucher for Silver, Gold & Platinum winners (Half Yearly)

Recognition Forums: Feature Shazam- silver (2 Shazams), gold (4 Shazams) and platinum (6 Shazams) winners in the in-house video magazine

2. Community Service:

Initiative and Commitment towards the community

Award Title: The Angel Award

Frequency: Half Yearly - January to June & July to December Awards

Eligibility: All employees

Attributes – Embodying the spirit of volunteerism

Number of Awards: One Award for IDC Selection: The GIVE core team would review individual contributions and determine the winner.

Award Format: Trophy + Certificate Weekend stay at a resort in Chennai for the family.

Recognition Forums: Awarded in an all employee event

Rewards Administration

Rewards will be centrally administered by the Rewards & Recognition team of HR. The quarterly and half yearly cycles will be opened at the beginning of the next quarter or half year for the previous quarter or half year. The nomination process is expected to be completed within the first two weeks of the quarter or half year. The nominations would then go through a Function Head, HR or Panel approval as applicable. The awards would be presented in forums outlined against each category.



Section 8.11 - Referral Policy

India Employee Handbook - Chennai and Bangalore

Section 8.11 - Referral Policy

The Talent Referral Program is designed to allow full-time PayPal employees to refer qualified professional contacts for open roles with PayPal. The Talent Referral Program is available to FTE's of the entities listed below:

PayPal India Pvt. Ltd

PayPal Product Development Centre, India

The following guidelines are applicable to all those who wish to participate in the program.

Employee referrals must be submitted via the Talent Referral Portal, known as RolePoint

In order to be eligible for a bonus, you must have a personal connection to your referral and must refer them within RolePoint

Referral bonuses differ based on the job grade of the position advertised

Bonuses are paid in the local currency and subject to applicable taxes

Both the employee and the new hire must be active on PayPal payroll in order for the bonus payout to be processed

The Employee Referral bonus amount will always apply and be specific to the role (Job Req ID) to which the referral is hired. If a referral is hired for a role other than the one to which they were referred, and the role to which they are hired does not have a referral bonus, then no bonus will be paid.

Who's Eligible?

All full time employees (FTE) of PayPal are eligible to participate in the program and receive the ERP rewards.

Who cannot participate in the Employee Referral Program

VPs and above

HR Partners when the referred employee is hired in the client group they support

All Global Talent Acquisition employees

Hiring manager and employees with influence over the hiring decision

Consultants, independent contractors, freelancers and temporary employees, and alternate workforce (AWF)

Ineligible Referrals

Current, active PayPal employees

Candidates submitted after they have started the interview process

Candidates sourced from recruitment agencies and recruitment consultancies

Interns/Recent College Graduates

Contingent workers including agency contractors, service providers and/or outsourced workers assigned to the company

The following conditions are applicable for all referrals:

All referrals need to be for permanent positions. Only permanent employees are eligible to claim bonus.

No referral bonus will be paid out in the event of a referred Contractor or Temp getting converted into PayPal India rolls.

Reward Structure

The rewards mentioned below are applicable to the following entities and for candidates who join the facility at Bangalore and Chennai:

PayPal India Pvt. Ltd

PayPal Product Development Centre, India

Career Level	Reward (INR)
T22 and below	25,000
T23/24	50,000
T25	75,000
T26	150,000
T27	200,000

T28 and above	250,000
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How long does my Referral last?

The proprietary holding period for an employee referral is 6 months from the time that an employee enters a referral into RolePoint. Referral Bonuses will be paid to the employee who referred the person first, regardless of Req ID #, as time stamped in RolePoint.

Referral Status Tracking

The recruitment process is confidential, status updates will not be provided regarding where a candidate might be in their recruitment process as result of confidentiality requirements. Referred candidate status is available in RolePoint for the following, reportable stages: New, Declined/Archived, Hired. An employee must log in to RolePoint and will see their name the upper right-hand corner of the home page. Clicking on the name will then allow the option to click on "History." Submitted referrals, their status, and the monetary value of the referral will be visible. Employees will receive an email from RolePoint if a candidate is declined for a role or if they are hired for a role.

Email requests for status updates will be provided with the above instructions and no further information will be provided due to confidentiality. Employees are expected to have a personal connection with the candidates that are referred, and are expected to remain in contact with referrals during the candidate's application process.

Referral Bonus Payment Processing

In order to receive a referral bonus, two rules must be met:

The referred employee must complete 30 days of employment prior to submission for the bonus payout.

Both employees must be on active payroll at the time of payout. This will take place 1-2 pay cycles AFTER the referred employee's 30th day of employment

Any employee who departs PayPal, voluntarily or involuntarily, prior to the processing of a referral bonus 1-2 pay cycles after the referred candidate's 30th day will not be eligible for the referral bonus payment.

Section 9.1 - Wedding Leave Policy

India Employee Handbook - Chennai and Bangalore

9.1 Wedding Leave Policy

Paid leave of 5 calendar days will be granted to employees getting married. This leave cannot be staggered and will have to be used up in at once. Marriage Leave has to be applied in advance by e-mail to reporting manager, and is subjected to his/ her written approval.

Section 9.2 - Paternity Leave Policy

India Employee Handbook - Chennai and Bangalore

9.2 Paternity Leave Policy

This paid leave is granted to all male employees
who wish to provide support to the mothers when the child arrives or
who legally adopts a child up to 12 years of age

Leave of 2 weeks are inclusive of weekends and public holidays. This leave cannot be staggered and will have to be used up all at once. Leave can be taken before or within 6 months from the date of birth of the child; or within 6 months from the legal adoption date of the child. If the father does not avail paternity leave within the predefined period, it will be considered as lapsed.

Employee shall notify manager 1 month in advance and prior written approval from reporting manager via e-mail is required. Paternity Leave has to be applied in advance on Workday.

Section 9.3 - Bereavement Leave Policy

India Employee Handbook - Chennai and Bangalore

9.3 Bereavement Leave Policy



Section 9.4 - Disability Leave Policy

India Employee Handbook - Chennai and Bangalore

9.4 Disability Leave Policy

This leave will be provided only in case of sickness or in personal exigencies. The discretion to avail this paid leave will lie with the immediate manager and HRM. Disability Leave has to be applied in advance by e-mail to reporting manager, and is subjected to written approval from the Director.

Eligibility

In case an employee has taken seriously ill, or suffered a serious injury, and the nature of illness is such that he/she is hospitalized, or under intensive care at a hospital or residence, and hence is unable to attend office for a continuous period of 7 days, leave may be granted to take care of his/her health on the following basis:

Number of Days	Leave
Up to 7 days (Waiting Period)	Against current year's PTO entitlement and/ or against accrued leave
Over 7 days and up to 45 days	Leave with full pay *
46 days up to 60 days	Leave with full pay *
Beyond 60 days	Leave with full pay *

*Pay here refers to basic + allowances applicable and number of days here include weekends and holidays.

An employee may apply accrued PTO to a disability absence when not receiving disability pay (for example during the 7 days waiting period, or post the 60th day).

Guidelines

This leave would be granted on discretion by Human Resources in exceptional cases, and on recommendation by a Director. The employee is expected to apply for leave outside of MyHR Online and should be able to produce on demand medical certificates and reports from a company authorized medical centre or a company specified registered practitioner in support of his disability. The documents need to be submitted on a fortnightly basis throughout the period of the leave. The employee needs to fully cooperate with the Benefits team and Human Resources towards ascertaining and validating any request of leave on medical grounds. A disability leave approval can be withdrawn at any time without giving any reason. An employee whose disability leave is unapproved, withdrawn or has ended, need to re-join duty in 24 hours (72 hours in cases of weekends and another holiday), failing which he/ she will be assumed to have absconded from service, and as such liable to face disciplinary action which may result in termination from the company.

Fraud

PayPal will not tolerate Disability Leave fraud under any circumstances. Disability Leave fraud or falsification of serious disability or injury is a disciplinary issue, and any employee found guilty of such conduct may be subject to summary dismissal on grounds of integrity. Any information concerning fraud should be reported to Human Resources or any supervisor or manager.

Change in Status

It is PayPal's policy to change an employee's status from 'active' to 'terminate' when the employee has been out on any leave for a total of one year.

Coordinating with GPA Policy

Financial assistance for loss of pay to a maximum of INR 5000/- per week for 100 weeks will be provided through GPA Insurers to employees on disability leave due to any accident. This benefit generally commences after the employee has exhausted his/ her paid leave entitlements, and is subject to fulfilling the standard conditions laid out for claiming the benefit. Read more about the same in the uploaded presentation on Medical, Life and Personal Accident Insurances in this handbook, and contact your Human Resource Manager to file any claim.



Section 9.5 - Maternity Leave Policy

India Employee Handbook - Chennai and Bangalore

9.5 Maternity Leave Policy

(This will be provided as per the Maternity Benefits Act, 1961)

All female employees can avail continuous leave of up to 26 weeks inclusive of weekends and holidays.

This leave cannot be staggered and will have to be used up in at once. Maternity Leave has to be applied in advance on Workday after obtaining email approval from reporting manager.

Extended maternity leave

Any leave undertaken for maternity purposes beyond the 26 weeks, would be treated as normal leave as per entitlement and any leave in excess of entitlement would be treated as unpaid leave.

Employee who wishes to go on extended maternity leave shall seek prior approval from reporting manager, HR Director and MyHR.

Leave for illness arising out of pregnancy, deliver, premature birth of child, or miscarriage

Employee suffering from illness arising out of pregnancy, delivery, premature birth of child miscarriage, medical termination of pregnancy or tubectomy operation shall, on production of such proof as may be prescribed, be entitled to paid leave for a maximum period of one month (inclusive of weekends and public holidays).

Leave for miscarriage / medical termination of pregnancy

Employee shall, on production of such proof as may be prescribed, be entitled to six weeks of paid leave immediately following the day of her miscarriage or, as the case may be, her medical termination of pregnancy. Leaves are inclusive of weekends and public holidays

Leave for tubectomy operation

Employee shall, on production of such proof as may be prescribed, be entitled to 2 weeks of paid leave with immediately following the day of her tubectomy operation. Leaves are inclusive of weekends and public holidays



Section 9.6 - Sabbatical Policy

9.6 Sabbatical Policy

PayPal's sabbatical benefit program was introduced in June 2005 and is for employees worldwide. Click [here](#) to read about the current entitlement.



Section 9.6.1 - Adoption Leave Policy

India Employee Handbook – Chennai & Bangalore

9.6.1 Adoption Leave Policy

All female employees can avail continuous leave of 16 weeks (inclusive of weekends and holidays) who legally adopts a child up to 12 (twelve) year of age.

Employee must notify the Manager in writing at least 1 month in advance:

the date on which they intend to start their adoption leave;

the expected week of the placement

Employee must provide a matching certificate completed by the adoption agency.

Adoption Leave has to be applied in advance on Workday.



Section 9.7 - Bridging of Service Policy

India Employee Handbook - Chennai and Bangalore

9.7 Bridging of Service Policy

To define the extent to which prior service at any company within the PayPal group of companies (the "Company"), may be credited for purposes of determining an employee's eligibility or level of participation in Company benefits like gratuity and sabbatical leave.

Scope

All regular full-time and regular part-time employees who are rehired by the Company, country-law permitting.

General

An employee who leaves the Company and subsequently returns to work at the Company may be given credit for prior service provided the requirements set forth below are met.

Employees who satisfy the requirements defined below will have their prior service with the Company recognized for purposes of determining eligibility for certain benefits, such as the sabbatical program and other benefit entitlements that may from time to time be made available to active employees.

Requirements

A former Company employee who is rehired may on one occasion in his/her career be given service credit for his/her prior service with the Company in the form of a Bridge of Service Date. This date field will be recorded in the Company's Human Resources system of record.

Minimum prior service: The employee has completed at least one year (12 months) of continuous employment.

Maximum service break: No more than two years (24 months) have elapsed between the end of the employee's prior employment and the employee's date of rehire.

Exclusions

Previous service as a member of the Alternative Workforce (e.g. temporary workers, consultants, employees of outsourced vendors, etc.) is not considered in the calculation for total PayPal service, even if the individual is classified by a state or federal agency or court as an employee and by the terms of the Company's plans in effect at the time of such reclassification would otherwise be eligible for such benefits.

No service credit is earned for the period of time the employee is not employed by the Company.

No service credit will be earned or considered for the period of time the employee was employed by a predecessor employer which was acquired by the Company, if the employee was not employed by the predecessor employer at the date of acquisition.

Waiting period: There is no waiting period. Service is credited immediately upon the employee's rehire as a regular, full-time employee or regular, part-time employee.

Amount reinstated: The full term of the employee's most recent period of prior service with the Company will be reinstated on the first occasion of rehire with the company that satisfies the requirements of this policy.

Country Transfers: The employee's continuous service with the Company, without regard to country work location, is considered as PayPal service.

The Company's interpretation of this Bridging of Service policy shall be final and binding on all persons.

Sabbatical Entitlements for Rehired Employees:

Previous Sabbaticals Taken: Employees who became eligible and took their sabbatical prior to termination are eligible for sabbatical upon their rehire by the Company, when they complete the service requirements for the next five-year increment of eligibility. The bridging of service guidelines for calculation of service credit apply, as defined above.

Previously Forfeited Sabbaticals: Employees who became eligible and did not take their sabbatical prior to their termination are not eligible to have their sabbatical reinstated upon their rehire to the Company. They will be eligible for sabbatical when they complete the service requirements for the next five-year increment of eligibility. The bridging of service guidelines for calculation of service credit apply, as defined above.

Section 9.8 - International Travel and Transfers

India Employee Handbook - Chennai and Bangalore

9.8 International Travel and Transfers

The purpose of PayPal's International Travel and Transfers policy is to meet both business and employee needs. The following are the employee benefits of this policy:

Fulfills personal aspirations and growth opportunities

Broadens product knowledge and skill-set

Facilitates increased networking

Facilitates understanding of different cultures

The following are the three types of travel:

Short business trip (Less than 30 days) for business meetings, training and conferences

Extended business trip (More than 30 days and less than 91 days) for onsite coordination, staff augmentation, and critical project delivery

International permanent transfer for leading strategic initiatives and filling / recruiting niche positions

Section 9.9 - Short Business Trip

India Employee Handbook - Chennai and Bangalore

Section 9.9 - Short Business Trip

The following table provides specific details on short term business trips.

Scenarios (Option between Business and Economy class)	Eligibility Travel	Reimbursement/Per diem	Accommodation
Scenario 1	Business class	Food and local transportation are reimbursed on actual	Company-provided accommodation
Scenario 2	Economy class	Per diem of US \$60 and a miscellaneous allowance of US \$1000	Company-provided accommodation

Section 9.10 - Extended Business Trip (More than 30 days and less than 91 days)

India Employee Handbook - Chennai and Bangalore

Section 9.10 -Extended Business Trip (More than 30 days and less than 91 days)

The following table provides specific details on extended business trips (More than 30 days and less than 91 days).

Eligibility Travel	Per diem
Economy Class	US \$80



Section 10.1 - Workplace Violence Policy

India Employee Handbook - Chennai and Bangalore

10.1 Workplace Violence Policy

PayPal is committed to providing a violence-free workplace for our employees. In light of this commitment, the Company has established an anti-violence policy that prohibits actual or threatened violence by employees against co-workers or other persons. In accordance with this policy, acts or threats of physical violence, including intimidation, harassment, and coercion, which involve and affect PayPal or occur on Company property will not be tolerated.

The Company believes that employees may be better prepared to avoid or prevent violence if they are able to recognize early warning signs in advance and follow appropriate response procedures. Examples of workplace violence include but are not limited to: Threats or acts of violence occurring on Company premises, regardless of the relationship between the Company and the parties involved in the incident;

Threats or acts of violence occurring off Company premises involving someone who is acting as a representative of the Company.

Threats or acts of violence occurring off Company premises involving an employee of the Company if the threats or acts affect the Company's legitimate interests;

Threats or acts resulting in the conviction of an employee or agent of the Company, or of an individual performing services for the Company on a contract or temporary basis, under any criminal code provision relating to violence or threats of violence which adversely affect the Company's legitimate interests and goals.

Threats of Violence

Every threat of violence is serious and must be treated as such. Threatening behaviour can include but is not limited to, such actions as:

Throwing objects

Hitting or shoving an individual

Threatening an individual or his or her family, friends, associates, or property with harm

Making menacing gestures

Displaying an intense or obsessive romantic interest that exceeds the reasonable bounds of interpersonal interest

Surveillance or stalking

Harassing or threatening phone calls

Intimidating verbal or physical contact or

The suggestion or insinuation that violence is appropriate

PayPal's workplace violence policy applies to all persons involved in the Company's operations, including but not limited to PayPal personnel, contract and temporary workers, and anyone else on Company property. Violation of this policy by any individual on Company property, or by an individual off Company property when his or her actions affect Company business interests, will lead to disciplinary action up to and including termination and/or legal action, as appropriate. Employees and every person on PayPal property who become aware of any incidents of threats or acts of physical violence in the workplace should immediately report such incidents, either to their supervisor, Human Resources, or a senior member of management. In cases of actual or imminent risks of violence, obtaining emergency assistance must be a matter of first priority. The individual should immediately contact Security and, if appropriate, the local law enforcement authorities by dialing the numbers highlighted on your workstation telephones. Prompt investigation and resolution of any violation of this policy will be made with discretion and in the same manner as any other infraction of Company policy. Nothing in this policy alters any other obligation established in Company policies or other applicable law.

In addition, to assist the Company in its efforts to maintain a violence-free workplace, employees are strongly encouraged to notify the Human Resources Department about any restraining order in effect or any potentially violent situation outside of work that could result in violence in the workplace. Employees who become aware of any other workplace security hazards or who have suggestions for increasing security in the workplace should also speak with Human Resources. Employees making good faith reports as encouraged by this policy will not be retaliated against, and the Company will not tolerate any such retaliation.

Weapons

All PayPal facilities are weapon free. This policy applies to all employees, contracted workers, visitors and others having reason to enter company property. Exceptions will only be granted for law enforcement personnel acting within the scope of their ascribed duties or individuals who may be officially contracted by the Company to carry a weapon.

The possession or use of firearms, explosive devices, knives (other than those used for the preparation of food) or any weapon or device that has been determined illegal by the law of the land on company property, in a company-provided vehicle, or at any time while on company business or attending a company-related function, is prohibited. This constitutes gross misconduct and may result in summary dismissal without notice or pay in lieu of notice.

Other objects, when used in a threatening manner or in an unprovoked attempt to harm another are also prohibited. Using an object to defend oneself against an assault may also be considered a violation of this policy if, upon review, this behavior was deemed inappropriate under the circumstances.

Employees with information of a violation of this policy should report it immediately to Security and their manager.



Section 10.2 - Substance Abuse Policy

India Employee Handbook - Chennai and Bangalore

10.2 Substance Abuse Policy

The Company is committed to providing a safe, efficient and productive work environment, and to providing the highest quality products and services. Therefore, PayPal has a strict policy against inappropriate use and possession of drugs and alcohol. To that end, the Company may require pre-employment drug screening, or testing during employment if drug use is suspected. The Company requires all employees to report for work fit to perform their jobs. Employees must perform their duties safely and efficiently, protecting their own interests, those of their co-workers, and the interests of the Company.

No employee may engage in the manufacture, sale, purchase, distribution, dispensation, possession, use or be under the influence of illegal drug or impaired by any prescription drug while on Company property, while conducting Company business off-site, while on duty or attending business related activities, while on on-call status, or while operating a vehicle or equipment that is owned or leased by the Company.

In addition, no employee may bring onto Company premises or property, be in possession of, be under the influence of, use, consume, distribute or attempt to distribute, manufacture or dispense of any form of alcohol while conducting Company business (on or off-site) or attending business related activities except (and in moderation) for authorized Company sponsored social activities or business entertainment purposes.

Possessing, distributing, transferring, purchasing, selling, using, or being under the influence of controlled substances while on PayPal property, while attending business related activities, while on duty, while conducting Company business, or while operating a vehicle or machine leased or owned by PayPal is grounds for disciplinary action, including suspension without pay and/or immediate termination.

Physician-prescribed medications are permitted, provided they do not adversely affect job performance or the safety of the employee or other individuals in the work place. If you are taking prescribed drugs which may affect your attentiveness, cause drowsiness or otherwise impair your abilities, please notify your manager so modification to job duties can be made if appropriate.

Illegal drugs, as referred to in this policy, include drugs that are not legally obtainable, as well as drugs that are legally obtainable but are used for illegal or unauthorized purposes. This conduct violates PayPal policy whether or not the employee's conduct is illegal, and whether or not the employee is prosecuted or convicted.

Employees with alcohol or drug dependencies are encouraged to seek assistance through the Human Resources department, without fear of reprisal. Employees who voluntarily admit to having drug or alcohol problems that have not resulted in, or are not the immediate subject of disciplinary action, may be eligible for unpaid time off to participate in a rehabilitation program. Such a leave will be granted if the employee abstains from use of the substance while on leave, abides by all Company policies, rules, and prohibitions relating to conduct in the work place, and if the organization suffers no undue hardship as a consequence of granting the leave. Accrual of PTO will be suspended and holidays will not be paid during such a leave of absence.

Disciplinary Aspect

Employees should be in no doubt that substance abuse is unacceptable. Apart from its effects on the safety and well-being of employees, and thereby the efficient operation of the organization, it may also involve illegality. This section lays down PayPal's Disciplinary Framework regarding substance abuse.

PayPal does not permit the abuse of drugs or solvents by employees, or members, during the course of their employment/involvement with PayPal.

PayPal will deal with any incident involving the possession, sale or use of drugs for non-medical reasons as a disciplinary matter, potentially leading to dismissal.

Individuals suspected of substance abuse whilst on PayPal premises, who are not PayPal employees, but are engaged on PayPal business, will be referred to their own management, for them to take appropriate action.



Section 10.3 - Non Smoking Policy

India Employee Handbook - Chennai and Bangalore

10.3 Non Smoking Policy

In keeping with the law in Tamil Nadu and PayPal's intent to provide a safe and healthful work environment, smoking in the PayPal facility is prohibited. Smokers are encouraged to go outside the buildings away from entrances and doors, where they can smoke without blocking doorways, keeping entrances free of smoke fumes.



Section 10.4 - No Pets Policy

India Employee Handbook - Chennai and Bangalore

10.4 No Pets Policy

PayPal allows service animals in buildings and to our campuses. Beyond that other animals are not welcome in PayPal-PayPal buildings.

Section 10.5 - Emergency

India Employee Handbook - Chennai and Bangalore

10.5 Emergency

Emergencies

If an employee is seriously injured on the job, they must get medical treatment immediately. Call the local emergency number if it is a life-threatening emergency. If necessary, an ambulance should be called to treat the injured person.

For additional information about medical and other emergencies or hazards, please visit the Safety & Security website on the Bridge.

Notification

You must report your injury to your manager or supervisor as quickly as possible no matter how minor it is and even if you do not need medical treatment. You or your manager must also notify Benefits Administration immediately and complete the required claim forms within twenty-four (24) hours of the injury or illness.

Report Unsafe Conditions or Hazards

If you see something in the work environment that you feel may be a hazard to yourself or anyone else, you are encouraged to first report these issues to your manager or supervisor. Imminent hazards posing an immediate or perceived threat of harm to health and safety should be immediately reported directly to:

Global Environmental, Health & Safety at DL-PayPal - EH&S PayPalCentral Security Control (24/7) at (408) 967-7777

Local public safety (police, fire, medical)

Unsafe conditions and/or hazards may also be reported using the Report a Safety Concern or Hazard form.

PayPal is committed to maintaining a safe and secure global work environment for our employees and those who do business with our organization.

For more information, please refer to our Health & Safety and Safety & Security sites.

Section 10.6 Marketplaces PDC & IAC - Mobile Phone Policy

India Employee Handbook - Chennai and Bangalore

10.6 India Private Limited - Mobile Phone Policy

1.0 PURPOSE

The purpose of this policy is to define the issuance of PayPal funded mobile communication devices & services and providing mobile phone connection to employees to support them to fulfill their routine job responsibilities and work-life balance.

2.0 SCOPE

This policy is applicable to eligible employees Market Places – PDC & IAC.

3.0 ELIGIBILITY

3.1 All People Managers and in grade 25 and above. Individual Contributors in grade 26 and above, whose nature of job demands frequent interaction with the teams are also eligible.

3.2 As a tool of trade, employees whose job requires being available during off office hours are included. In such case, the same needs to be approved by the manager of the employee and all other terms and conditions of this policy will apply.

3.3 Employees whose nature of job requires for providing on call or production/technical support for clients and this should constitute for a significant period of their regular work. Employee should contact the local operations representative for the device.

4.0 MOBILE PHONE DEVICE:

4.1 All eligible employees are provided with a mobile device of total cost including taxes INR 40,000/-. The amount is inclusive of all accessories like blue tooth head set, car charger, etc.

4.2 The mobile device can be replaced every two years i.e. if an employee is given a mobile device on Jan 01, 2012, he/she can request for a new device only on or after Jan 01, 2014. However, based on the budget/business needs and the working condition of the current mobile device, the manager of the employee has the discretion to extend the replacement until three years.

4.3 Any manufacturing defects and replacement of battery can be done at the company's cost after availing all warranty benefits.

4.4 Any breakage or repairs other than manufacturing defects will have to be borne by the employee.

4.5 If the employee loses the phone before the replacement period, a new phone will not be provided until the completion of two years. In such case, it is expected of the employee to purchase or use another mobile device at their own cost.

4.6 In the case of separation, the employee will have an option to buy back the phone or return it back to the company. In case the employee wants buy back the phone, 100% of the invoice value will be recovered from the employee if the phone procured for the employee is less than one year prior to separation date. However, if it is more than one year, 50% of the invoice value will be recovered.

This, the employee can either pay to the company through a cheque/DD to the payroll team. Managers are expected to track closure by employees before providing exit clearance.

5.0 MOBILE CONNECTION

5.1 All eligible employees will be provided with a mobile connection which is Company paid from an approved service provider.

5.2 All company funded phone numbers for individual business use are to be published within the Core Directory.

5.3 Employee can convert their personal connection as official connection. In such case, the same needs to be approved by the manager of the employee and all other terms and conditions of this policy will apply.

6.0 MOBILE DEVICES AND CONNECTION POLICY

6.1 Employees, who are eligible, can raise the request for official connection through the local operations representative with an approval from their manager.

6.2 Employees provided with official mobile connection need to ensure their monthly usage charges are below guideline amounts. The guidelines for reasonable official and personal usage limits are as

follows:

- a. *Actuals may cover reasonable personal use but should not exceed INR 2500 per month.
- b. Employees will not be required to declare any personal call amount for deductions. Employees are expected to utilize services and ensure adherence to published guidelines for monthly usage.

6.3 Employees should seek manager's approval for any official usage beyond the guideline limit. Employees, whose usage exceeds guideline limit and no justification provided, are required to pay the amount exceeding the personal usage limit to MP payroll team in the form of a DD/cheque soon after receipt of email from operations team.

6.4 Expenses towards rental/subscription charges, roaming charges within India, SMS charges, local call charges, long distance and International call charges, incoming charges on roaming will be eligible for payment by the company. Employees must use a calling card when traveling officially to International locations, in line with the Travel policy and guidelines.

6.5 Payments towards monthly bills will be made directly by company to the service provider once a new connection is issued or once the existing personal connection is converted to corporate. Employee needs to clear all outstanding before converting personal connection to corporate and pay all the bills till the conversion is completed and confirmed by operations team.

6.6 In case of employee resignation, manager will have to provide clearance approval email for either terminating or transferring the mobile phone service to personal liability. Employees should send manager's approval to the operations team before initiating such requests. In case of transfer, operations team will provide necessary documents from PayPal with which employee can initiate the transfer to individual liability. Employee should initiate the transfer 10 days prior to last day of work to avoid any disconnection after separation.

6.7 In the event of an employee termination or transfer out of India, managers are required to immediately report the issue to the operations team and request for termination of services. 6.8 Auditing of compliance to this policy will take place and managers are held accountable for enforcement.

7.0 GENERAL

The Company reserves the unconditional rights to change, modify, abrogate and rescind the entire Scheme or any part of it at any time.