



# **CODE OF ETHICS**

**FOR EMPLOYEES, OFFICERS AND DIRECTORS**

September 18, 2009

Cache, Inc.  
1440 Broadway  
New York, NY 10018

Dear Colleagues,

Cache, Inc. (“Cache”, the “Cache”) has enjoyed a stellar reputation for honesty, integrity, and trustworthiness. This reputation has been earned over many years based on the daily words and actions of all Cache’s employees. To maintain our good name, we must adhere to the highest standards of conduct in our dealings with people, organizations and governments. This Code of Ethics sets forth principles and standards of conduct that will continue to guide Cache into the future.

Misconduct by a single individual can discredit everyone, whether that misconduct is motivated by the belief that it is benefiting Cache or personal gain. Observance of the law and strict adherence to Cache’s policies and practices are absolute requirements. We clearly want to succeed, but success at the expense of our reputation will be short-lived.

Read the Code of Ethics carefully and familiarize yourself with its provisions. The Code is intended as a guide in making the right decisions, but it can serve only as a general standard. Making the right choices is not always easy, and no written document can address every situation that you may face. Therefore, you should seek specific guidance whenever a situation arises that is not clearly covered by the Code.

This Code applies to all of the Cache’s officers, directors and employees.

Our reputation is one of our most valuable business assets, and we all must strive to enhance and preserve it. We are each responsible for maintaining the highest standards of honesty, integrity and trustworthiness.

Sincerely,

/s/ Thomas Reinckens  
Thomas Reinckens  
President & Chief Executive Officer

## INTRODUCTION

### ***Purpose of Code of Business Conduct***

This Code of Ethics describes standards of conduct for all officers, directors, and employees of Cache, Inc. and has been approved by Cache's Board of Directors. Many of the policies in this Code are based on various laws and regulations. Others are based on business and ethical principles that enhance our ability to conduct our business effectively.

The purpose of the Code is to provide guidance and set common ethical standards that each of us adheres to on a consistent basis. It governs the actions and working relationships of Cache's employees, competitors, vendors, suppliers, government and self-regulatory agencies, the media and anyone else with whom Cache has contact. These relationships are essential to the continued success of Cache.

The code of ethics is summarized in the Cache Employee Handbook.

This Code:

- Requires the highest standards for honest and ethical conduct, including proper and ethical procedures for dealing with actual or apparent conflicts of interest between personal and professional relationships.
- Addresses potential or apparent conflicts of interest and provides guidance for employees, officers and directors to communicate those conflicts to Cache.
- Requires full, fair, accurate, timely and understandable disclosure in reports and documents that Cache files with, or submits to, governmental and regulatory agencies and in other public communications made by Cache.
- Requires compliance with applicable governmental laws, rules and regulations.
- Requires the prompt internal reporting of any illegal behavior or violations of the Code.
- Establishes accountability for adherence to the Code.

### Leadership Responsibilities

You are responsible for complying with both the letter and spirit of applicable laws and regulations. You are expected to act fairly and honestly when conducting business on behalf of Cache and to maintain Cache's high ethical standards. You should avoid any actions that might reflect unfavorably on either your own integrity or that of Cache.

Additionally, you are responsible for adhering strictly to the Code and to all additional policies of Cache. You are responsible for knowing all Cache policies applicable to you and for complying with them. The Code and any additional policy statements may be modified

periodically to reflect Cache's changing needs and the changing environment in which it operates.

Supervisors are responsible for ensuring that their employees are aware that Cache's basic operating principles is to conduct business in accordance with the highest level of integrity and ethical standards.

This Code will not provide an answer to all questions that may arise. If you have a question that the Code does not address directly, you should use your own common sense of what is right, based on the standards set forth in the Code, and seek appropriate guidance from others.

You also have a duty to report apparent misconduct by others using appropriate channels, as addressed below, and to assist Cache in the prevention and correction of these problems.

## **ADMINISTRATION**

Periodically, Cache may require you to acknowledge in writing that you have received and reviewed the Code. Cache also requires every new employee to acknowledge in writing that he or she has received and reviewed the Code. In addition, you should disclose any previously unreported transactions, relationships or activities known to you that appear to be in violation of the Code and that the Code requires to be disclosed. If you have a question about whether an event occurring prior to receipt of the Code is reportable, contact Cache's Senior Compliance Officer or one of our Executive Officers.

### ***Questions about the Code***

You should contact Cache's Senior Compliance Officer or one of its Executive Officers with any questions about the Code. Information on who to contact to ask questions about or report violations of the Code or other Cache policies is set forth at the end of the Code.

### ***Reporting Violations***

You should promptly report to Cache's Senior Compliance Officer or one of its Executive Officers any activity that appears to be fraudulent or illegal or otherwise in violation of the Code. If you would rather contact a resource outside of Cache management, you may contact the representative of the Audit Committee of the Cache's Board of Directors, which has established a procedure for receiving and responding to such complaints. The contact information for the Audit Committee is included in this policy in the "Important Contact Information" section of this policy. You may review the Audit Committee complaint procedure in the Investor Information section of [www.Cache.com](http://www.Cache.com). Anonymous reports will be investigated if sufficient information is provided. However, Cache encourages you to identify yourself if you call in case additional information is necessary during the course of the investigation.

To the fullest extent possible and appropriate, Cache will endeavor to keep confidential the identity of any employee, officer or director who reports a violation. It is Cache's policy to prohibit retaliation against employees, officers and directors who in good faith report possible

Code violations by others. However, if you knowingly or recklessly provide false information to Cache, it may result in disciplinary action, including immediate dismissal.

### ***Penalty for Violations***

Violations of the Code, violations of applicable laws or failure to cooperate with an internal investigation may all constitute grounds for disciplinary action, including immediate dismissal.

### ***Supplemental Policies***

The provisions of the Code cannot include all situations or events likely to occur in the conduct of Cache's business. Therefore, Cache may issue additional policy statements from time to time, either to address topics not covered in the Code or to provide greater detail on topics already covered in the Code. All supplemental policies will be reviewed by Cache's Senior Compliance Officer or one of its Executive Officers and circulated to all employees, officers and directors.

### ***Nationwide Applicability of Code***

The Code applies to all employees, officers and directors nationwide. However, if any provisions conflict with local law of any jurisdiction in which Cache operates, Cache may issue supplemental policies in those jurisdictions. You should consult the Senior Compliance Officer or Executive Officers with any questions regarding conflicts with local law. The Senior Compliance Officer or an Executive Officer will review all such amendments or supplements.

### ***Definitions***

Certain terms are defined as follows in the Code:

**Cache or the Company** means Cache, Inc., a Florida corporation.

**Code** means this Code of Ethics.

**Immediate Family** means your spouse, minor children and dependents, including natural, adoptive and step-children, any other individual residing in the same household as you, and any individual or organization which represents or acts as agent or fiduciary for such individuals.

**Employees** means all regional and district managers, store employees and headquarters employees of Cache, who are not Executive Officers.

**Executive Officers** means the Chief Executive Officer, Executive Vice Presidents and Senior Vice Presidents of Cache.

**Securities** means any stocks, bonds, notes, debentures, or other interests, instruments or documents commonly known as securities, and any rights thereto.

**Senior Compliance Officer** means the Manager of Human Resources.

## **COMPLIANCE WITH LAWS, RULES AND REGULATIONS**

### ***Compliance with Laws***

Cache conducts business nationwide. All employees, officers and directors are expected to comply with all applicable laws and regulations in every jurisdiction where Cache conducts business. You should consult with Cache's senior Compliance Officer or one of its Executive Officers when a question arises regarding any law or regulation. While the law prescribes a minimum standard of conduct, this Code requires conduct that often exceeds the legal standard.

### **Antitrust and Trade Regulation**

Laws against unfair competition, also known as antitrust, monopoly or fair trade laws, are designed to protect the competitive marketplace. Typically, it is illegal to agree with competitors to do any of the following:

- fix prices, terms or conditions;
- divide or allocate customers, markets or territories;
- refuse to do business with particular sources; or
- exchange or discuss nonpublic sales information

Improper agreements include not only specific commitments, whether oral or written, but also informal understandings. Consequently, you should never discuss with competitors, even casually, any of the prohibited activities described above or other matters that might be interpreted as an effort to improperly restrict or limit competition.

Trade regulation laws also prohibit engaging in false or deceptive advertising or other unlawful or unethical trade practices. You should consult Cache's Senior Compliance Officer or one of its Executive Officers regarding questions about any specific activities or circumstances.

### ***Work Environment and Conduct***

Cache requires that all employees treat one another with respect and in a manner that complies with this Code and all applicable laws and regulations.

### **Diversity & Equal Employment Opportunity**

Cache is committed to complying with all applicable civil rights, human rights, and labor laws; to provide equal employment opportunity to employees and job applicants; and to maintaining a diverse workforce and a workplace free from discrimination based on a protected characteristic, or harassment, intimidation, and retaliation in connection therewith. Cache seeks to recruit, hire train and promote the most qualified applicants and employees, without regard to

age, color, disability, ethnicity, marital or family status, national origin, race, religion, sex sexual orientation, veteran status or any other characteristic protected by law. All hiring and promotion decisions are based on the qualifications of the individual applicant or employees as such qualifications relate to the particular job.

### Harassment

Cache prohibits all forms of harassment and discrimination based on age, color, disability, ethnicity, marital or family status, national origin, race, religion, sex, sexual orientation, veteran status or any other characteristic protected by law. This policy applies not only to all Cache employees, officers and directors, but also to outside vendors, professionals and other providers of goods or services to Cache. This policy applies in workplace as well as in work-related settings outside the workplace, such as business trips and Cache-sponsored or authorized social events or other functions. Cache also prohibits retaliation for reporting in good faith any actual or suspected violation of law, regulation or this Code.

### Reporting Violations

All Cache employees, officers and directors should do their utmost to prevent workplace harassment, discrimination and retaliation. Cache urges employees to promptly report any instances of harassment, discrimination or retaliation to their immediate supervisor, their human resources representative, the Senior Compliance Officer or one of its Executive Officers. All reports will be addressed promptly and the reporting employee will be notified of the resolution.

## **CONFLICTS OF INTEREST**

A “conflict of interest” occurs when your private interest interferes in any way – or appears to interfere – with the interest of Cache as a whole. A conflict situation can arise when an employee, officer or director takes actions or has interests that may make it difficult to perform his or her work objectively or effectively. Conflicts of interest also arise when an employee, officer or director, or a member of his or her family, receives improper personal benefits as a result of his or her position in Cache. Loans to, or guarantees of obligations of, such persons are of special concern. You are expected to avoid all situations that might lead to a real or apparent material conflict between your self-interest and your duties and responsibilities as an employee, officer or director of Cache. You should direct questions to Cache’s Senior Compliance Officer or one of its Executive Officers.

## CONFIDENTIALITY

### ***Safeguarding Confidential Information***

Nonpublic information regarding Cache or its businesses, employees, customers and suppliers is confidential. As a Cache employee, officer or director, you are trusted with confidential information. You are only to use such confidential information for the business purpose intended. You are not to share confidential information with anyone outside of Cache, including family, friends, or with other employees who do not need the information to carry out their duties. You may be required to sign a specific confidentiality agreement in the course of your employment at Cache. You remain under an obligation to keep all information confidential even if your employment with Cache ends.

Confidential information is information that is not generally available to the public, and includes, but not limited to:

- Trade secrets, which include any business or technical information, such as formula, program method, technique, compilation or information that is valuable because it is not generally known.
- All rights to any invention or process developed by an employee using Cache facilities or trade secret information, resulting from any work for Cache, or relating to Cache's business, is considered to be "work-for-hire" under the United States copyright laws and shall belong to Cache.
- Proprietary information such as customer lists and customers' confidential information.
- Customer Payment Card information obtained or viewed in the course of conducting business. The safeguarding of payment card information includes credit card information and is subject to the requirements of the Payment Card Industry Data Security Standard (PCI DSS).
- Sales and marketing plans and information on advertising campaigns.
- The terms of any contract between Cache and any third party, the terms of which are not publicly disclosed.

In addition, no employee, officer or director of Cache shall agree to enter into any confidentiality, non-disclosure or similar agreement with any third party on behalf of Cache unless such agreement shall have been approved by Cache's Board of Directors or an authorized officer of Cache. See "Limits on Authority" below.

### ***Communications with Media and Public***

Cache is a public company, as such, subscribes to best practices relative to public disclosure and external communications. Policy requires Cache approval prior to the distribution

of press releases, public statements and marketing materials (both on-line and off-line) produced by Cache.

## **CORPORATE OPPORTUNITIES**

### ***Overview***

Employees, officers and directors are prohibited from (i) taking for themselves personally opportunities that are discovered through the use of corporate property, information or position; (ii) using corporate property, information or position for personal gain; and (iii) competing with Cache. Employees, officers and directors owe a duty to Cache to advance its legitimate interests when the opportunity to do so arises.

### ***Business Opportunities***

Business opportunities that are actively solicited by, or offered to, Cache, or that were pursued by any employee, officer or director using Cache's funds, facilities or personnel, belong to Cache. You should not take for your own benefit, or help others take for their benefit, a business opportunity that belongs to Cache, unless that opportunity is first offered to Cache and declined. A business opportunity includes a loan, lease, investment or other transaction. You should not use Cache's name or any of its property or resources to enhance your own or any other person's, economic interest in personal transactions or outside relationships. You should not engage in self-dealing or trade upon your position with Cache, or engage in a business that competes with or is a supplier to Cache, unless specifically authorized by the Board of Directors.

Neither you nor your Immediate Family should invest in or purchase personal or real property or securities owned or managed by Cache, except in situations where no undue advantage arises from your association with Cache or where Cache has a specific program that allows for such purchase.

### ***Gifts, Meals and Entertainment***

#### **General**

Neither you nor your Immediate Family should solicit, accept or retain any personal benefit from any client, customer, vendor or any other firm or individual doing or seeking to do business with Cache. A personal benefit includes any type of gift, gratuity, favor, service, loan, legacy (except from a relative), fee or compensation or anything of monetary value, except as otherwise permitted by this Code.

This policy is generally not intended to include gifts based on obvious family or close non-business personal relationships where the circumstances make it clear that the personal relationships, rather than the business of Cache, are the motivating factors.

### Gifts, Meals and Entertainment

Regardless of value, you should not accept gifts of (i) cash or cash equivalents (such as securities or gift certificates) or (ii) discounts and rebates on goods or services, unless they are available on the same terms to the general public or to all Cache employees.

However, you may accept personal benefits that fall within one of the following categories, provided there is, and appears to be, no intent to influence or reward you in connection with any business or transaction with Cache, and if the frequency of such personal benefits from one source is not excessive or unreasonable:

- gifts of a reasonable value that are related to commonly recognized holidays or occasions, such as a promotion, business closing, wedding or birth of a child, or religious holiday or ceremony;
- normal business courtesies, such as a golf game, attendance at an athletic event or the theater, etc., involving no more than ordinary amenities, provided there is a demonstrable business purpose;
- paid trips or guest accommodations that involve formal representation of Cache (provided prior written approval is obtained from your supervising officer), or which can be and are reciprocated on a personal basis;
- advertising or promotional material of a reasonable value;
- civic charitable, educational, religious or professional organization awards, having a customary and reasonable value, for recognition of service and accomplishments; and
- meals, refreshments and/or entertainment in the presence of the party paying for such meals and entertainment, provided there is a demonstrable business purpose and at a level of expense that would be reimbursable by Cache as a reasonable business expense.

Whether a gift, meal or other benefit is of a reasonable value depends on the facts and circumstances. A gift, meal or other benefit would be of a reasonable value if it could have been a reimbursable business expense under Cache's policy if it had not been paid by a third party. If you have any questions whether a particular personal benefit might be considered inappropriate or whether it falls within one of the above categories, you should consult with your supervisor or the Senior Compliance Officer. If you receive a gift, gratuity, award or advertising or promotional material that exceeds, or reasonably appears to exceed \$100 in value, you should report the receipt of that personal benefit to Cache's Senior Compliance Officer or one of its Executive Officers.

## **INSIDER TRADING**

It is both unethical and illegal to buy, sell, trade or otherwise participate in transactions involving Cache common stock or other security while in possession of material information concerning Cache that has not been released to the general public, but which when released may have an impact on the market price of the Cache common stock or other equity security. It is also unethical and illegal to buy, sell, trade or otherwise participate in transactions involving the common stock or other security of any other company, while in possession of similar non-public material information concerning such company. Any questions concerning the propriety of participating in a Cache or other company stock or other security transaction should be directed to Cache's Senior Compliance Officer, or one of its Executive Officers.

## **TRADING DURING PROFIT-SHARING OR BENEFIT PLAN BLACKOUT PERIODS**

Subject to certain limited exceptions, you are prohibited from, directly or indirectly, purchasing, selling or otherwise acquiring or transferring any equity security of Cache during a profit-sharing or benefit plan blackout period that temporarily prevents plan participants or beneficiaries from engaging in equity securities transactions through their plan accounts, if you acquired such equity security in connection with your service or employment as a director, executive officer or employee. Cache will provide you with notice about any blackout period.

## **OUTSIDE ACTIVITIES**

### ***General***

You should not engage in outside activities, accept outside employment or perform outside services for compensation, including fees received as a consultant, lecturer or author, if the activity may subject Cache to criticism or reflect adversely on Cache, constitutes a real or apparent conflict of interest, encroaches upon working time, or interferes with regular duties of Cache. You are encouraged to seek the guidance of your supervisor in determining the appropriateness of any such activity.

### ***Speaking Engagements and Publications***

The Senior Compliance Officer or one of Cache's Executive Officers must approve, in advance, public testimony before any legislative body or governmental agency, or other outside speaking engagements, industry conferences or publications relating or referring to the business of Cache.

Subject to the general limitations on outside activities, you may engage in any outside speaking engagements, public testimony or publications that do not relate or refer to the business of Cache, such as writing or speaking about non-business or non-apparel service topics.

### ***Civic and Charitable Activities***

Cache encourages employees to participate in charitable activities. Because of time demands and potential conflicts of interest, you are encouraged to consult with your supervisor if you would like to serve on the board of a nonprofit organization. If service as a director or trustee will involve significant time away from Cache, or might otherwise interfere with efficient performance of your normal duties, then you should obtain the prior approval of your supervisor. If you do business with the nonprofit sector, you should be aware of the potential for conflicts of interest from service as a director or trustee.

Service by an employee with a local, state or federal government entity may also result in the potential for conflicts of interest. Therefore, if you wish to serve in appointed or elected municipal or other governmental positions, including as a member, director, officer or employee of a municipal corporation, governmental agency, authority or advisory board, or public school or library board, you should obtain prior approval from Cache's Senior Compliance Officer or one of its Executive Officers.

### ***Outside Employment and Consulting***

No officer or employee may become a director, officer, owner or partner of any business without the prior approval of an Executive Officer or of the Senior Compliance Officer.

Subject to the general limitations on outside activities, you may obtain other secondary employment without the prior approval of your district manager, regional manager or of the Senior Compliance Officer.

### ***Political Activities***

You may not use any Cache property, equipment, funds or other assets to make a contribution to a political candidate or a political party, including direct contributions to a campaign or non-financial support to a political candidate, such as use of corporate facilities, equipment, or resources, except that contributions to political or lobbying activities sponsored by trade organizations may be made, with the prior approval of Cache's Senior Compliance Officer or one of its Executive Officers. You should direct questions regarding political contributions to Cache's Senior Compliance Officer or one of its Executive Officers.

Cache encourages its employee to participate in political activities on their own time outside of normal business hours, including making personal contributions to political candidates or activities, as long as they do not imply that they are acting on behalf of Cache. Individuals participating must be completely voluntary, and may not involve the use of Cache funds, personnel time, equipment, supplies or facilities.

## **FAIR DEALING**

Each employee, officer and director should undertake to deal fairly with Cache's customers, suppliers, competitors and employees. Additionally, no one should take advantage of another through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practices.

Employees must disclose prior to or at their time of hire, or to the extent applicable, promptly after receipt of this Code, the existence of any employment agreement, non-compete or non-solicitation agreement, confidentiality agreement or similar agreement with a former employer that in any way restricts or prohibits the performance of any duties or responsibilities of their positions with Cache. Copies of such agreements should be provided to the human resources department to permit evaluation of the agreement in light of the employee's position. In no event shall an employee use any trade secrets, proprietary information or other similar property, acquired in the course of his or her employment with another employer, in the performance of his or her duties for or on behalf of Cache.

## **PROTECTION AND PROPER USE OF CACHE PROPERTY**

### ***Overview***

All employees, officers and directors should protect Cache's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on Cache's profitability. All assets of Cache should be used for legitimate business purposes.

### ***Protection of Assets***

The assets of Cache should be used to meet the needs and achieve the business goals of Cache. You are responsible for protecting the assets of Cache and ensuring their efficient use, and for ensuring the safe and careful operation and maintenance of all of Cache's equipment. The assets of Cache include its physical assets, such as furniture, fixtures, equipment, supplies, facilities and systems hardware, and its intangible assets such as intellectual property. The intellectual property of Cache includes confidential or proprietary information (including business plans, acquisition plans and trade secrets), product information (including, without limitation, packaging designs), technology, research, customer information, sales and marketing plans, information on advertising campaigns, employee records and directories, trademarks and copyrighted materials.

You should not disclose Cache's proprietary information to anyone without proper authorization. You should keep proprietary documents and information protected and secure at all times. All work product that you develop within the scope of your employment with Cache is the sole and exclusive property of Cache and shall be deemed to be a work made for hire, whether or not the work product that you developed at Cache facilities, on Cache time or using Cache resources. You may use such work product solely for the benefit of, and to meet the needs and achieve the goals of, Cache.

## ***Use of Computer Systems, E-mail and the Internet***

All software, hardware and network systems of Cache and all e-mail and other messaging systems of Cache, whether used for internal or external communications are the property of Cache and are intended for business purposes. Similarly, Internet access using Cache's resources and Internet connections are intended for business purposes.

E-mail and other electronic data created, sent or stored on Cache's property (including data accessed, copied or printed from the Internet) is Cache property. Although e-mail looks different than traditional paper communications, e-mail is treated in most jurisdictions as a legal document to the same extent as a memorandum, letter or handwritten notes. E-mail and any other electronic transmission of information should be created, drafted and sent with the same level of prudence and professionalism as any other communication. All transmissions of confidential, privileged or restricted material (whether by document, e-mail, fax, other electronic transmission, or via the Internet) should be plainly marked as such, and, where possible encrypted before sending.

You should be aware that Cache monitors, and from time to time accesses, all electronic messaging systems belonging to Cache and all use of information viewed or downloaded from the Internet through Cache's Internet connection. Employees should have no expectation of privacy when using the Cache electronic mail or other messaging systems or the Cache Internet connection.

Employee working hours being considered a Company asset, management may also institute procedures deemed necessary to monitor the location and activities of employees during normal business hours. This may include the use of electronic means to determine the travel itinerary and mileage use by employees who spend their working day in multiple locations.

## ***Use of Cache Stationary***

Employees, officers and directors may not use Corporate or other official stationary for personal purposes.

## ***Suppliers***

You should award orders, contracts and commitments to suppliers of goods or services without real or apparent favoritism of any kind and strictly on the basis of merit and on an arms-length, negotiated third party basis.

## **LIMITS ON AUTHORITY**

You should be aware of the limitations of your authority to act on behalf of Cache and should not take any action that exceeds those limits. You should not sign any document on behalf of Cache, nor in any other way represent or exercise authority on behalf of Cache, unless specifically authorized to do so.

Cache is committed to doing business with suppliers that provide safe working conditions and treat their employees with respect and dignity, and therefore, you should not give business to suppliers that do not meet this standard.

## **BOOKS, RECORDS, ACCOUNTING AND FINANCIAL REPORTING**

The integrity of Cache's accounting books and records is essential. Cache must make and keep books, records and accounts that, in reasonable detail, accurately and fairly reflect Cache's transactions and the acquisitions and dispositions of its assets and liabilities. Cache has established internal accounting controls and recordkeeping policies in order to meet both its legal requirements and its business needs. All employees are required to maintain and adhere to these controls and policies.

All transactions must be properly authorized and approved in accordance with established policies and procedures. All receipts and expenditures incurred on behalf of Cache, including personal expense statements, must be supported by documents that accurately and properly describe such entries. If you are responsible for approving expenditures or for keeping any books, records and accounts for Cache, you should not approve or record any expenditures or entries without proper supporting documents.

All transactions should be recorded in accordance with standard procedures, into accounts that fairly reflect the true nature of the transaction. Transactions should be recorded on a timely basis in order to permit preparation of financial statements in accordance with generally accepted accounting principles. You are responsible for accurately and timely reporting any business expenses that you may incur.

No false or misleading entries shall be made in any of Cache's books, records or accounts for any reason, including but not limited to submitting any false personal expense statement or any claim for reimbursement of any non-business personal expense, or falsifying any employee benefit information or claim. No undisclosed or unrecorded funds or assets shall be established or maintained for any purpose. If any payments are made to any foreign official, political party or candidate, all financial entries should reflect the true nature, amount and purpose of all monies spent. Also, no "slush fund" or other pool of monies may be established that is not accurately reflected on Cache's Books.

No employee, officer or director, or other person acting under their direction shall take any action to fraudulently influence, coerce, manipulate or mislead any independent public or certified accountant engaged in performing an audit of Cache's financial statements for the purpose of rendering such financial statements materially misleading. No employee, officer or director shall make any false or misleading statements to an accountant in connection with any audit or examination of Cache's financial statements.

All information prepared and published in connection with Cache's public reporting pursuant to requirements of the Securities and Exchange Commission or any other regulatory agency, shall be complete, not misleading, fair and accurate to the best of your knowledge at the time you prepare or approve such information for inclusion in such filings.

The company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") are responsible for designing, establishing, maintaining, reviewing and evaluating on a quarterly basis the effectiveness of the Company's disclosure controls and procedures (as such term is defined by applicable SEC rules). The company's CEO, CFO, principal accounting officer or controller and persons performing similar functions, persons who meet the requirements of ITEM 406 of Regulation S-K and such other Company officers are designated from time to time by the Audit Committee of the Board of Directors (including, but not limited to, all Directors level and more senior employees) shall be deemed the Senior Officers of the Company. Senior Officers shall take all steps necessary or advisable to ensure that all disclosure in reports and documents filed with or submitted to the SEC, and all disclosure in other public communication made by the Company is full, fair, accurate, timely and understandable.

Senior Officers are also responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The senior Officers will take all necessary steps to ensure compliance with established accounting principles. Senior officers will ensure that the Company makes and keeps books, records and accounts, which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company. Senior Officers will also ensure that the Company devises and maintains a system of internal accounting controls sufficient to provide reasonable assurances that:

- transactions are executed in accordance with management's general or specific authorization;
- transactions are recorded as necessary (a) to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and (b) to maintain accountability for assets;
- access to assets is permitted, and receipts and expenditures are made, only in accordance with the management's general or specific authorization; and
- the recorded accountability of assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences, all to permit prevention of timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the Company's financial statements.

Any attempt to enter inaccurate or fraudulent information into the Company's accounting system will not be tolerated and will result in disciplinary action, up to and including termination of employment.

## REPORTING OF ILLEGAL OR UNETHICAL BEHAVIOR

You are responsible for keeping your immediate supervisor fully informed of all matters relating to Cache's affairs and business activities so that senior management is fully informed of all such matters on a timely basis. As part of this obligation, you are responsible for reporting any activity by a colleague, customer, supplier, vendor, or manufacturer that appears to violate applicable laws, rules, regulations or the principles and standards of this Code. Moreover, complete candor and cooperation is required when dealing with an internal investigation or otherwise with Cache's representatives, including its internal or independent auditors or attorneys and its human resources staff.

Fraud is an element of business that can significantly affect the reputation and success of Cache. Cache requires its employees, officers and directors to talk to supervisors, managers or other appropriate personnel to report and discuss any known or suspected criminal and other fraudulent activity involving Cache or its employees. If, during the course of employment, you become aware of any suspicious activity or behavior including concerns regarding the Company's financial disclosure, accounting practices, internal auditing controls, questionable accounting, or auditing matters, you **must** report violations of laws, rules, regulations of this Code to the Senior Compliance Officer or to the representative of the Audit Committee of the Cache's Board of Directors located in the important Contact information section of this policy. Reporting the activity will not subject the employee to discipline absent a knowingly false report.

## ADMINISTRATION AND WAIVER OF CODE

This Code shall be administered and monitored by the Cache human resources department. Any questions and further information on this Code should be directed to this department. All managers and direct supervisors are responsible for reviewing this Code with their subordinates each time a new edition of the Code is published. This Code is also available on the Cache website at [www.cache.com](http://www.cache.com).

This Code will be issued to all new employees, officers and directors at the time of employment or appointment and reissued to existing employees, officers and directors from time to time. Employees will be required to READ THE CODE OF ETHICS and sign a receipt from the Code indicating they have read this Code and will comply with its provisions.

Employees, officers and directors of Cache are expected to follow this Code at all times. Generally, there should be no waivers to this Code; however, in rare circumstances conflicts may arise that necessitate waivers. Waivers will be determined on a case-by-case basis by Cache's Chief Executive Officer with the advice of the Senior Compliance Officer. However, waivers for directors and executive officers must be determined by the Board of Directors. For members of the Board of Directors and executive officers, the Board of Directors shall have the sole and absolute discretionary authority to approve any deviation or waiver from this Code. Disclosure of any waiver shall be made in accordance with the applicable rules published by the Securities and Exchange Commission.

Known or suspected violations of this Code will be investigated and may result in disciplinary action up to and including immediate termination of employment.

## **Important Contact Information**

### ***Reporting Violations***

Senior Compliance Officer:           Margarita Croasdaile           Cache, Inc.  
1440 Broadway 5<sup>th</sup> Floor  
New York, NY 10018  
212-575-3209

Audit Committee Complaint:       Gene Gage                       Cache, Inc.  
1440 Broadway 5<sup>th</sup> Floor  
New York, NY 10018  
[ggage@cache.com](mailto:ggage@cache.com)

### ***Publication of the Code of Ethics; Amendments and Waivers of the Code Ethics***

The most current version of this Code will be posted and maintained on the Company's website and filed as an exhibit to the Company's Annual Report on Form 10-K. The Company's Annual Report on Form 10-K shall disclose that the Code is maintained on the website and shall disclose that substantive amendments and waiver will also be posted on the company's website.

Any substantive amendments or waivers of this Code (i.e., a material departure from the requirements of any provision) particularly applicable to or directed at executive officers or directors may be made only after approval by the Board of Directors and will be disclosed within five (5) business days of such action (a) on the Company's website for a period of not less than twelve (12) months and (b) in a Form 8-K filed with the Securities and Exchange Commission. Such disclosure shall include the reasons for any waiver. The Company shall retain the disclosure relating to any such amendment or waiver for less than five (5) years.

## **Other Important Policies and Handbooks**

**Cache Employee Handbook**  
**Cache Store Operations and POS (Point of Sale) Manual**

# ACKNOWLEDGEMENT

To: The Corporate Compliance Officer

From: \_\_\_\_\_  
(print name)

This is to acknowledge that I received, read, and understand Cache's Code of Ethics dated September 2009. I agree to comply fully with the standards contained in this code and related practices and procedures adopted by Cache and understand that compliance with such standards, practices, and procedures is a condition of my continued employment with Cache.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

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\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date