LEGAL AND REGULATORY REQUIREMENTS

Introduction

The following pages outline legal and regulatory requirements in the United States concerning the Foreign Corrupt Practices Act (FCPA), the Consumer Product Safety Commission (CPSC), and "conflict minerals" reporting requirements in Section 1502 of the Dodd Frank Wall Street Reform and Consumer Protection Act of 2010. This section also provides, in its entirety, Foot Locker, Inc.'s Letter to Suppliers and Global Sourcing Guidelines. This information is provided in this section to give both our branded and private label vendors an understanding of the regulations and requirements that must be met by vendors of Foot Locker, Inc. and its subsidiaries.

Foreign Corrupt Practices Act (FCPA)*

***Special Note:** Please visit http://www.justice.gov/criminal/fraud/fcpa/, the United States Department of Justice website, for the latest information on the Foreign Corrupt Practices Act.

Anticorruption laws, including the U.S. Foreign Corrupt Practices Act ("FCPA") apply to Foot Locker businesses worldwide. The FCPA exists to prevent corrupt practices in international transactions. The FCPA prohibits bribery of foreign officials and employees who work for foreign governments.

It is the policy of Foot Locker that our employees, agents, vendors (including their sub-contractors) and other third parties that do business with Foot Locker comply with the anti-bribery laws of the United States and of the foreign countries where Foot Locker does business.

Foot Locker expects that our vendors will never, directly or indirectly, offer, authorize, give, or promise any form of bribe or kickback to a government official or employee or a contractor in order to influence that person in an official capacity. Government officials include federal, state, and local government employees, political candidates, and even employees of businesses that are owned by the government. A "bribe" is any money, favor, or anything of value used to influence a foreign government official or to ensure a particular result or action. A bribe does not have to be cash; it could also be paying an inflated price to purchase a government official's property or services, or it could be providing lavish entertainment to a government official. Any hospitality must be lawful and reasonable in value and frequency and must always have a valid business purpose. A "kickback" is the return of money already paid or due to be paid as part of a contract as a reward for making business arrangements.

Bribery of any kind in the United States and abroad, regardless of local custom or practice, is strictly prohibited.

Consumer Product Safety Commission: Tracking Labels/General Certification of Conformity*

***Special Note:** Regulations may change from the time of publication.
Please visit http://www.cpsc.gov for the latest information on safety regulations.

Tracking Labels

The Consumer Product Safety Improvement Act of 2008 (CPSIA) requires that all products covered under the CPSIA and manufactured after August 14, 2009 have a tracking label. The purpose of this label is to provide information to the consumer regarding the name and location of the manufacturer and the date of production. The specifics regarding the methods in which to reflect this information is located in Section 103(a) of the CPSIA. In the event an article is deemed a safety concern, this information will increase the awareness of the consumer and allow retailers to more readily identify products that need to be removed from inventory.

The CPSIA provides that the marks are to "enable the manufacturer to ascertain the location and date of production, cohort information (including the batch, run number, or other identifying characteristic), and any other information determined by the manufacturer to facilitate ascertaining the specific source of the product by reference to those marks; and the ultimate purchaser to ascertain the manufacturer or private labeler, location and date of production of the product, and cohort information (including the batch, run number, or other identifying characteristic)."

While the title of Section 103 references "tracking labels," the focus of the text is "distinguishing marks." As such, manufacturers should look at the totality of the information permanently marked on the product and packaging and not interpret "label" to mean a singular collection in one location.

Foot Locker Retail, Inc. requires all vendors to affix the proper tracking labels to their products. Validation of the tracking labels will be conducted randomly to confirm compliance.

General Certification of Conformity

The Consumer Product Safety Act of 2008 states that products manufactured on or after November 12, 2008 are subject to a consumer product safety rule under the Consumer Product Safety Act, or similar rule, ban, standard or regulation under any other Act enforced by the Commission. The General Certification of Conformity (GCC) must be completed in its entirety for all import shipments to the United States. The GCC must be completed for all imported adult apparel (ages 13 and above). The Children's Product Certificate (CPC) must be completed for all imported children's products (ages 12 and under). The purpose of this regulation is to keep garments made out of dangerously flammable textiles out of commerce and to address the level of lead content in all children's products and what is deemed acceptable in the manufacture of these goods.

The Consumer Product Safety Commission believes that the documentation requirements will further validate their safety concerns and protect the consumer from potentially dangerous products. The following items must be addressed and documented at the time of production.

(US Styles) 16 CFR 1610 - Flammability Testing and Certification: Testing and certification must be performed for all fabrics that are comprised of the following,

Plain surface fabrics, regardless of fiber content, weighing 88.16 grams per square meter or less

Raised surface fiber fabrics made of cotton, such as fleece shirts, jackets and pants.

Examples of fabrics that are considered having raised fibers:
Fleece fabric
Suede fabric
Terry Loop fabrics (i.e. Terry Cloth)
Velvet
Corduroy

Examples of fabrics that are **NOT** considered having raised fibers:
Spandex or Lycra
Ribbed fibers
Hairy yarn or Mohair Yarn fabrics
All Thermal or Rib fabrics
Pique fabrics or any other tightly woven "design" fabrics

Raised surface fibers of **acrylic**, **modacrylic**, **nylon**, **olefin**, **polyester**, **wool**, or any combination of these fibers are exempt from the testing requirements

Special Note: Plain sweatshirts, with napped or tufted fibers on the inside that do not contain a hood or embroidery on the outer surface, for which consumers could possibly wear inside out so that the raised fibers are exposed. (Foot Locker considers un-hooded sweatshirts with embroidery patches of sizes 2" x 2" or less as items that could possibly be worn inside-out, thus requiring flammability testing.)

If the garment is applicable, flammability testing is required for any age (infants, children, youths, adults). Flammability testing can be done at the raw material stage – final garment testing is not required for flammability.

Lead content in Substrate CPSIA H.R. 4040 Title 1 Section 101:
Testing must be conducted for products containing metallic trim and intended for sale to children 12 years of age and younger.

The current and future lead substrate limits that all trim articles must adhere to are:
100 parts per million (ppm)

Examples of metallic trim articles requiring testing are: snaps, grommets, zippers, buttons, eyelets and the like.

This excludes component parts that are inaccessible to children. Inaccessible means that the metallic trim article has a sealed covering or casing (paint, coating or electroplating are not sufficient).

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Lead content in paint coating (16 CFR 1303): All garments containing trim articles with paint coating and/or after-treatment applications such as screen prints, transfers, decals or other prints and intended for sale to children 12 years of age and younger, must be tested and certified for lead in paint.
The current lead paint limit is as follows: **90 parts per million (ppm)**

(Canada Styles) Flammability Testing and Certification: Testing and certification must be performed for all fabrics and ages. There are not exemptions to the testing and certification requirements.

Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010*

***Special Note:** Please visit http://www.sec.gov, the United States Securities and Exchange Commission website, for the latest information on the regulations for conflict minerals.

Foot Locker is committed to maintaining a socially responsible supply chain and to sourcing components and materials from companies that share our values regarding human rights, ethics, and environmental responsibility. The use in Foot Locker products of "conflict minerals" from the Democratic Republic of Congo ("DRC") or an adjoining country that finance armed conflict would be inconsistent with this commitment. Conflict minerals are defined as tin, tantalum, tungsten and gold (commonly referred to as 3T&G), regardless of where they are sourced, processed or sold ("conflict minerals").

Suppliers will disclose to Foot Locker whether products containing minerals designated as "conflict minerals" under Section 1502 of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 or its implementing regulations (the "U.S. Dodd-Frank Act" or "Act") are supplied to Foot Locker. Suppliers must also disclose to Foot Locker whether such "conflict minerals" originated in the Democratic Republic of Congo or "covered countries" as defined by the Act.

Foot Locker expects its suppliers to commit to have in place a supply chain policy and processes to undertake and enable (1) a reasonable inquiry into the country of origin of "conflict minerals" incorporated into products provided to Foot Locker; (2) due diligence of its supply chain, as necessary, to determine if "conflict minerals" sourced from the DRC or covered countries directly or indirectly support unlawful conflict therein, and (3) risk assessment and mitigation actions necessary to implement the country of origin inquiry and due diligence procedures. Suppliers must cooperate with Foot Locker with regard to future inquiries regarding the source of conflict minerals in its products, and must include a commitment of the same cooperation from its subcontractors.