Burlington Coat Factory

Legal & Social Compliance Manual
LEGAL AND SOCIAL COMPLIANCE

Summary
This chapter explains Burlington Coat Factory’s (BCF) legal and social compliance terms of engagement. All vendors who conduct business with Burlington Coat Factory must abide by these terms.

Burlington Coat Factory Warehouse Corporation Code of Business Conduct and Ethics
Ethics are very important to Burlington Coat Factory, and the Company is committed to the highest ethical standards and to conducting its business with the highest level of integrity. Accordingly, we have a Code of Business Conduct and Ethics that we expect our employees to follow as well as all of our business partners.

At Burlington Coat Factory, we strive to work with vendors who treat their workers with dignity and respect, adhere to applicable laws and regulations, and maintain high standards of business conduct. We strongly believe that those vendors who do business with Burlington Coat Factory should comply with the principles reflected in our Code of Business Conduct and Ethics, and we reserve the right to refuse to do business with those who do not uphold, in action as well as words, the same principles. Although we recognize that our vendors are independent businesses, actions by those with whom Burlington Coat Factory does business are sometimes attributed to Burlington Coat Factory itself, affecting its reputation and the goodwill it has with its customers and others. It is only natural then that we expect our partners in business to act with honesty and integrity.

Accordingly, we ask that you review the Code of Business Conduct and Ethics in its entirety and maintain on file all documentation needed to demonstrate compliance with the Code and required laws. Please note that all vendors are responsible for abiding by the entirety of the Code; several vendor specific provisions are set forth below:

• **Vendor Relations.** Burlington Coat Factory’s policy is to give fair treatment to all of the Company’s vendors. The Company will use objective factors, such as the quality and cost of the goods and services offered, in determining whether or not to do business with a vendor.

• **Labor Standards.** We expect our vendors to comply with applicable national and international laws and regulations with regard to their employment practices and policies. Specifically, no vendor should use forced or child labor, and all vendors must pay their employees at least minimum wage, including using overtime only when each employee is fully compensated according to local law. Vendors should inform each employee at the time of hiring if mandatory overtime is a condition of employment and, on a regularly scheduled basis, provide one day off in seven, and require no more than 60 hours of work per week on a regularly scheduled basis, or comply with local limits if they are lower.

• **Financial Interests.** Burlington Coat Factory employees, officers and directors may not have financial interests in any vendor where such interest would influence, or appear to influence, their actions on behalf of the Company.
• **Loans.** Burlington Coat Factory employees, officers and directors are prohibited from making or receiving loans and/or guarantees to or from our vendors.

• **Outside Employment.** Burlington Coat Factory employees may not work for, receive compensation or other benefit from, or own a substantial interest in any vendor or other person with whom the Company conducts business or which derives a benefit from business transacted by the Company.

• **Family Members and Close Personal Relationships.** Burlington Coat Factory employees who have immediate family members or significant others who have an ownership interest in, or work in a managerial or executive capacity for, businesses which provide or seek to provide goods or services to the Company should always act in the best interest of the Company when performing their duties and making decisions for the Company. Such relationships must be disclosed as provided in the Code and the employee’s supervisor must approve all transactions with the other company and sign or countersign all documents relating thereto.

• **Purchases of Goods or Services for Personal Use.** Burlington Coat Factory employees are not permitted to purchase goods and/or services for personal use directly from vendors except (i) banks and financial institutions, (ii) insurance companies, (iii) bona fide retail outlets on an arm’s-length basis on terms no more favorable than those available to the public; and (iv) goods and services purchased through a Company-sponsored program.

• **Commercial Bribery.** Burlington Coat Factory employees are prohibited from soliciting or accepting a bribe under any circumstances.

• **Gifts.** Burlington Coat Factory employees may not request, encourage or accept any gift or gratuity from a vendor, potential vendor, or any person or entity having or seeking business with the Company. There are no exceptions based on season of year, gift giving occasion or value of the gift. Further, invitations from a vendor for an entertainment event (such as a theatrical production, sporting event, golf outing, fishing trip, concert or other similar event) may not be accepted by our employees.

• **Reporting.** Burlington Coat Factory employees are required to report to the Company any vendor which offers a gift or bribe.

If you have a question or concern about what is proper conduct for your organization under the Code, please feel free to contact Angela Curry, Compliance Counsel, at (609) 387-7800 ext. 2761.

[Click here](#) to view the Burlington Coat Factory Warehouse Corporation Code of Business Conduct and Ethics Document.
Terms of Engagement for Burlington Coat Factory’s Business Partners

These Terms of Engagement apply to all of Burlington Coat Factory Business Partners (“Partners”). Partners are defined as vendors, manufacturers, contractors, subcontractors, and other suppliers, sources, and agents who provide Burlington Coat Factory with goods or services ordered pursuant to any purchase order (PO), contract, or agreement issued directly by Burlington Coat Factory or ordered on Burlington Coat Factory’s behalf.

Burlington Coat Factory requires Partners to meet or exceed these Terms of Engagement and promote best practices and compliance in all factories in which Partners manufacture merchandise. While Burlington Coat Factory recognizes that there are different legal and cultural environments in which Partners operate throughout the world, these Terms of Engagement set forth the basic minimum requirements that Partners must meet in order to do business with Burlington Coat Factory.

Intellectual Property Rights Protection

Any vendor considering the sale of any trademarked product to Burlington Coat Factory (i.e., other than well-known vendors with longstanding relationship with the company) that do not own the trademark or are not an authorized licensee of the trademark, must have Legal Department approval before making any commitment to purchase. No Fendi, Louis Vuitton or Marc Jacobs products may be purchased from anyone. Moreover, if the vendor is a licensee of the trademark and we do not have an up-to-date copy of the license agreement in our possession, the vendor must furnish our merchant with a copy of the agreement before purchase is finalized. (The vendor is free to black out proprietary information such as prices and royalties so long as the document provided makes clear that the vendor is duly authorized to sell the trademarked product at the time of the purchase.)

If the vendor neither owns the trademark nor is licensed to sell the product, the Legal Department will advise as to what documentation will be needed in order to purchase the goods. Purchases may not proceed without proper documentation.

Legal Compliance

All products that a Vendor supplies to Burlington Coat Factory must comply with the applicable laws and regulations of the United States and those of the respective country of manufacture or exportation. As a Burlington Coat Factory vendor, you are expected to review, understand and comply with these requirements. Periodically, Burlington Coat Factory will provide you with compliance updates as new legal developments occur, however, the obligation to be aware of and comply with all applicable laws and regulations is yours alone.

All Vendors are responsible for maintaining the documentation necessary to show compliance with all applicable laws and regulations. The following is a brief summary of some laws and regulations that may apply to your product.
FEDERAL AND STATE LEGAL REQUIREMENTS

REPORTING

Section 15(b) of the Consumer Product Safety Act establishes reporting requirements for manufacturers, importers, distributors and retailers of consumer products. Each must notify the Consumer Product Safety Commission immediately if it obtains information which reasonably supports the conclusion that a product distributed in commerce (1) fails to comply with an applicable consumer product safety rule or with a voluntary consumer product safety standard, (2) fails to comply with any other rule, regulation, standard or ban, (3) contains a defect which could create a substantial product hazard, or (4) creates an unreasonable risk of serious injury or death.

Accordingly, vendors that are aware of an issue or receive consumer complaints or incidents must file a section 15(b) report with the Consumer Product Safety Commission and alert Burlington Coat Factory immediately.

LABELING

All Vendors are responsible for ensuring that their products are in compliance with all applicable laws and regulations governing packaging and product labeling. Some of these laws and regulations include the Fur Products Act, Wool Products Labeling Act, Textile Fibers Products Identification Act, Country of Origin labeling, Fair Packaging and Labeling Act, Uniform Packaging and Labeling Regulation, Uniform Packaging and Labeling Regulation, and Uniform Label Laws. All labeling must also meet current U.S. Federal Trade Commission (FTC) requirements and be in compliance with all U.S. Customs Service regulations. It is the responsibility of the vendor to understand and apply all labeling rules and requirements.

For further information about federal labeling requirements, you may contact the FTC:

U.S. Federal Trade Commission
Website: www.ftc.gov
Phone: (202) 326-3553

You may also consult the FTC’s Textile, Wool, Fur and Apparel Matters webpage (www.ftc.gov/os/statutes/textilejump.htm) and the FTC’s Facts for Businesses: Threading Your Way Through the Labeling Requirements Under the Textile and Wool Acts (http://business.ftc.gov/documents/bus21-threading-your-way-through-labeling-requirements-under-textile-and-wool-acts)


ADDITIONAL FUR AND FAUX FUR LABELING REQUIREMENTS

Please find below Burlington Coat Factory’s standards with respect to real fur and faux fur labeling. As we reminded you in March 2010 and December 2010, several states require special labeling of real fur and faux fur products, regardless of the dollar value of the fur item. In addition Congress has just passed a bill that eliminates the exception to the Fur Products Labeling Act for fur items valued at less than $150.
Accordingly, please review the following enhanced product labeling requirements for any article of clothing or covering for any part of the body (includes all wearing apparel, footwear, headwear, gloves, etc.) regardless of value:

1. **Products containing real fur (including shearling):**
   All products containing real fur must be completely and accurately labeled to meet all federal and state labeling requirements, regardless of value of the fur item, including the following:
   - A permanent label must include the words: “Real Fur.”
   - The name or names (as set forth in the Fur Products Name Guide) of the animal or animals that produced the fur;
   - The name of the country of origin of any imported furs used in the fur product preceded by the phrase “Fur Origin.”
   - A statement that discloses whether the fur is dyed, bleached, artificially colored and/or damaged if that is the case.
   - If the fur is not dyed, bleached, or the like, a statement that the fur is “natural” fur.
   - A statement that discloses whether the fur or article is made of pieces of fur if that is the case.

   **Order.** The required order of information on the label is:
   1. whether the fur is natural or pointed, bleached, or dyed
   2. if the product contains fur that has been sheared, plucked, or let-out (optional)
   3. the adjective form of the name of the country from which the animal originated (optional)
   4. name of the animal
   5. if the fur product is composed of pieces
   6. country of origin
   7. any other information that is required or permitted.

   The name or RN of the manufacturer or dealer may precede or follow the above.

   **Mechanics of Labeling Products Containing Real Fur**

   1. **Size.** Labels must be a minimum of 1¾ by 2¾ inches (4.5 x 7 cm).
   2. **Durability.** The label must be durable enough to remain on the fur until it is delivered to the consumer.
   3. **Lettering.** The required information must be no smaller than pica or 12 point type, with all parts of the information in letters of equal size and conspicuousness.

2. **Products containing faux fur:**
   - A permanent label must include the words: “Faux Fur.”

**Statutes:**
New Jersey: [http://www.njleg.state.nj.us/2008/Bills/AL09/156_.PDF](http://www.njleg.state.nj.us/2008/Bills/AL09/156_.PDF)
New York: [http://public.leginfo.state.ny.us/menugetf.cgi?COMMONQUERY=LAWS](http://public.leginfo.state.ny.us/menugetf.cgi?COMMONQUERY=LAWS)
To access text, click on “GBS General Business”, “Article 26”, “Section 399AAA”
Wisconsin: [http://nxt.legis.state.wi.us/nxt/gateway.dll?f=templates&fn=default.htm&d=stats&jd=top](http://nxt.legis.state.wi.us/nxt/gateway.dll?f=templates&fn=default.htm&d=stats&jd=top)
To access text, type “Furs to be labeled” in search box

**FEDERAL HAZARDOUS SUBSTANCE ACT**
All Vendors are responsible for ensuring that their products are in compliance with the Federal Hazardous Substances Act. The law not only covers hazardous substances, but also toys and other articles intended for children. The Act requires proper labeling and warning requirements and also mandates product testing.

**FLAMMABLE FABRICS ACT**
Wearing apparel and certain home furnishings must conform to the Flammable Fabrics Act and other federal standards for flammability. Products covered include clothing textiles, vinyl plastic film (used in clothing), carpets and rugs, children's sleepwear and mattresses and mattress pads.

**PROPOSITION 65**
All vendors are responsible for assuring that all products you provide to Burlington Coat Factory comply with California’s Proposition 65 (the California Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code § 25249.5 et seq.) when they are sold to consumers in California. Proposition 65 prohibits a business from exposing individuals to chemicals known to cause cancer or reproductive toxicity without first giving “clear and reasonable warning,” unless the business can prove that the level of exposure is not significant.

You can find more information about Proposition 65 online at [http://www.oehha.ca.gov](http://www.oehha.ca.gov).

For products that require a Proposition 65 warning, you must either include the warning on the product labeling, or inform us in writing at the time of sale to Stacy.Haigney@coat.com that warnings must be provided by point-of-sale signage. However, Burlington Coat Factory will not provide warnings, including but not limited to shelf labeling or point of purchase materials (other than those applied to the product by you), or attempt to segregate inventory destined for California, without specific advance written notice to the Legal Department. If we do not hear from you to the contrary by the time of sale, we will assume that your products comply with Proposition 65, either because they do not require a warning, or because they are labeled with a warning.

Certain products Burlington Coat Factory sells must meet Proposition 65 settlement levels such as jewelry. To the extent such products are also subject to CPSIA requirements, Burlington Coat Factory requires you to comply with the lower level. See below for common Proposition 65 compliance levels. Again, Burlington Coat Factory requires all vendors to comply with these and other Proposition 65 compliance levels or where applicable, affix a Proposition 65 warning label to each item.

A. **Vinyl**
You must ensure that all products containing vinyl comply with the following standards for lead content or contain a Proposition 65 warning with each item:
- **Soft food and beverage containers**: 200 ppm total lead.
- **Rain wear**: 30 ppm total lead.
- **Backpacks and Purses**: 200 ppm total lead.
- **Hand tools**: 200 ppm total lead content.
B. Jewelry
You must ensure that all products that are or contain adult and children’s jewelry comply with California Proposition 65 and California AB 1681 (Cal. Health & Safety Code § 25214.1 et seq., as amended).

Additional information can be found at http://www.dtsc.ca.gov/LeadInJewelry.cfm. Please refer to Appendix 8A (“Chart of Jewelry Standards”) for a listing of standards applicable to adult and children’s jewelry.

C. Decorated Glassware
You must ensure that all products that are or contain decorative glassware (such as mugs, drinkware, and barware) comply with the following standards under Proposition 65 or contain a Proposition 65 warning with each item:
- Decorative materials must contain less than 600 ppm lead;
- Designs or decorations within the top 20 millimeters of the exterior surface, less than 200 ppm total lead and less than 800 ppm total cadmium (excluding non-children’s products with less than a total of 60 millimeters of decorating area below the external rim with decorating materials containing less than 600 ppm lead).

D. Fashion Accessories
In 2010, certain manufacturers and retailers entered into a settlement regarding fashion accessories, regarding the content of Di(2-ethylhexyl) phthalate (“DEHP”) in the below categories of products. You must ensure that affected products comply with the following standard under Proposition 65 or contain a Proposition 65 warning with each item:
- Wallets and other coin or bill holders;
- Handbags, purses, clutches, and totes
- Belts
- Footwear
- Apparel, including gloves and headwear (and excluding sauna suits)
- Jewelry
- Key holders, keychains, and key caps
- Luggage tags and ID cases
- Bag charms and zipper pulls
- Eyeglass cases
- Coverings/cases for mobile electronic devices (e.g., for telephones, cameras, MP3 players, CDs/DVDs, and laptops)
- Coverings for journal/address books
- Cosmetic cases/bags; and
- Toiletry cases/bags
The fashion accessories Prop 65 settlement provided for the following timeline for reduction of DEHP in those products:

<table>
<thead>
<tr>
<th>Component Type</th>
<th>Limit (ppm)</th>
<th>Footwear</th>
<th>Footwear</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paints and Surface Coating</td>
<td>90 ppm</td>
<td>Manufacturing</td>
<td>Selling</td>
</tr>
<tr>
<td>PVC</td>
<td>300 ppm</td>
<td>Manufacturing</td>
<td>Selling</td>
</tr>
<tr>
<td>Leather</td>
<td>600 ppm</td>
<td>Manufacturing</td>
<td>Selling</td>
</tr>
<tr>
<td></td>
<td>Reduced to 300</td>
<td>Dec. 1, 2011</td>
<td>Dec. 1, 2012</td>
</tr>
<tr>
<td>All Other Components</td>
<td>300 ppm</td>
<td>Manufacturing</td>
<td>Selling</td>
</tr>
</tbody>
</table>

E. Halloween Products

You must ensure that the following classes of products comply with the limits as set in the 2012 settlement for certain Halloween products or contain a Proposition 65 warning with each item (children’s products must comply with the federal standards):

Products:
- Halloween costumes
- Halloween costume accessories – such as wigs, masks, gloves, footwear, belts, bags, hats, costume props, hosiery, weapons, and jewelry intended to accessorize a costume
  - Important note: Makeup is specifically excluded
- Halloween games and indoor/outdoor décor – such as Halloween candy bowls, lawn, wall, door and table ornaments and lights, decorative spiders/webs, lighting, ghosts, witches, goblins, skeletons, bats, cats, and tombstones

Limits
- **Lead**
  - 90 ppm total lead for all accessible surface coatings
  - 100 ppm total lead for all accessible substrates in products for children 12 years old and younger
  - 300 ppm total lead for all other accessible substrates in products for adults and children over 12 years of age
- **Arsenic**
  - 25 ppm soluble (ASTM-F963 test method) for all accessible components
- **Cadmium**
  - 300 ppm total cadmium and no intentionally added cadmium for mouthable components of products for children under 12 years old
  - 75 ppm soluble cadmium (ASTM-F963 method) for all other accessible components
- **Formaldehyde**
  - 20 ppm for accessible fabrics of products for children under 3 years old
  - 75 ppm for accessible fabrics for children 3 years and older and adults
- **Phthalates**
  - 1000 ppm total DEHP, BBP, and DBP each, for all accessible components
ILLINOIS LEAD LABELING
All vendors are responsible for assuring that all affected products you provide to Burlington Coat Factory comply with the Illinois Lead Poisoning Prevention Act requiring that children’s jewelry, child care articles and toys containing paint must bear a warning label if the total lead content of any component part of these items exceeds 40 parts per million (ppm) but is less than 600 ppm by total weight, or a lower standard for lead content as may be established by federal or state law or regulation. With the implementation of the U.S. Consumer Product Safety Improvement Act of 2008 (CPSIA), the total lead content of products intended for children currently cannot exceed 300 ppm, and lead in paint and similar surface coatings for these and certain other items cannot exceed 90 ppm. Therefore, as of January 1, 2010, in the state of Illinois, a warning label is required for children’s jewelry, child care articles and toys containing paint if their total lead content is between 40 ppm and 300 ppm or if lead in their paint or surface coatings is between 40 ppm and 90 ppm. Items exceeding the CPSIA limits cannot be distributed or sold in Illinois or in any other U.S. state.
Any such warning label must appear on the product itself or on the label of the product’s immediate container and must include at least the following statement: “WARNING: CONTAINS LEAD. MAY BE HARMFUL IF EATEN OR CHEWED. MAY GENERATE DUST CONTAINING LEAD." The warning must be conspicuous, legible, and located in a prominent place on the item or package, and it must contrast with the typography, layout and color of the other printed matter.

WASHINGTON CHILDREN’S SAFE PRODUCTS ACT
Vendors must ensure that all children’s products supplied to Burlington Coat Factory comply with the Washington Children’s Safe Products Act (WAC 173-334-010). Under the Act, manufacturers of children’s products are required to notify the Washington Department of Ecology when a chemical of high concern to children (CHCC) is present in their products. The presence of a CHCC in a children's product does not necessarily mean that the product is harmful to human health or that there is any violation of existing safety standards or laws. The reported information will help fill a data gap that exists for both consumers and agencies. The Act requires the Department of Ecology in consultation with the Department of Health to identify a list of chemicals for which manufacturers of children’s products are required to provide notice. The Act specifies both the characteristics of these chemicals and the notice requirements.

More information is available at http://www.ecy.wa.gov/programs/swfa/cspa/

THE MODEL TOXICS IN PACKAGING ACT
All vendors are responsible for ensuring that their products and any associated packaging is in compliance with the Model Toxics in Packaging Act which prohibits the intentional use of 4 heavy metals – lead, cadmium, mercury, and hexavalent chromium-- in packaging and packaging components. Vendors must test product packaging to ensure compliance with the criteria set by the Toxics in Packaging Clearing House.
Burlington Coat Factory is committed to the safety of children. We are working vigilantly on behalf of our customers to ensure the safety of the products we sell. To that end, we have implemented a strict safety assurance program for all products we carry and require that any product we purchase complies with all applicable laws and requirements including the Consumer Product Safety Improvement Act of 2008 (CPSIA). In order to assist our children’s product vendors with complying with CPSIA compliance, we have mandated the following safety standards and procedures for children’s products sold to Burlington Coat Factory.

**General Conformity Certifications**

Section 102 of the CPSIA requires manufacturers, importers, and private labelers to certify that each of their products complies with each Consumer Product Safety Commission administered rule, standard, regulation, law or ban. The certifications must be based on testing by an accredited laboratory or a reasonable testing program. All vendors are responsible for monitoring and remaining in compliance with these testing and certification requirements. Sample certifications are available through the links provided below.

<table>
<thead>
<tr>
<th>Lead Limits</th>
<th>Children’s Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>• General Conformity Certification required. Send to <a href="mailto:CPSIAcerts@coat.com">CPSIAcerts@coat.com</a>.</td>
<td></td>
</tr>
<tr>
<td>• Mandatory third party testing documentation must be made available to BCF upon request</td>
<td></td>
</tr>
<tr>
<td>• Substrate materials shall not exceed 100 ppm for all children’s products</td>
<td></td>
</tr>
<tr>
<td>• Surface coatings shall not exceed 90 ppm for all children’s products</td>
<td></td>
</tr>
<tr>
<td>• Vendors must provide BCF a written statement utilizing any categorical exemptions to the lead limits under the CPSIA. Send correspondence to <a href="mailto:CPSIAcerts@coat.com">CPSIAcerts@coat.com</a>. Your vendor name and “EXEMPTION” must appear in the subject line.</td>
<td></td>
</tr>
<tr>
<td>• BCF will use lead screening equipment as appropriate to conduct company audits.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Phthalates</th>
<th>Children’s Toys &amp; Child Care Articles</th>
</tr>
</thead>
<tbody>
<tr>
<td>• General Conformity Certification required. Send to <a href="mailto:CPSIAcerts@coat.com">CPSIAcerts@coat.com</a>.</td>
<td></td>
</tr>
<tr>
<td>• Mandatory third party testing documentation must be made available to BCF upon request.</td>
<td></td>
</tr>
<tr>
<td>• Children’s toys or child care articles shall not contain concentrations of more than 0.1% of di-(2-ethylhexyl) phthalate (DEHP), dibutyl phthalate (DBP) or benzyl butyl phthalate (BBP).</td>
<td></td>
</tr>
<tr>
<td>• Children’s toys that can be placed in a child’s mouth or child care articles shall not contain concentrations of more than 0.1% of diisononyl phthalate (DINP), diisodecyl phthalate (DIDP), or di-n-octyl phthalate (DnOP).</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>General Conformity Certification</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Required from manufacturers and importers of all regulated products subject to a rule, ban, standard, regulation or law administered by the CPSC. Products requiring GCCs include, but are not limited to, all Children’s Products and flammability of the following non-children’s products: vinyl plastic film, clothing textiles, and carpets and rugs.</td>
</tr>
<tr>
<td>• Mandatory third party testing documentation must be made available to BCF upon request.</td>
</tr>
<tr>
<td>• Sample General Conformity Certification available for <a href="#">domestic</a>.</td>
</tr>
</tbody>
</table>
manufacturers (Forms, page 15) and for when BCF is the importer (Forms, page 19) of record.

- BCF requires that you do one of the following:
  1. Provide us with a method of viewing electronic General Conformity Certifications for each product shipment. You may email this information to CPSIAcerts@coat.com. Your vendor name must appear in the subject line of your email.
  2. For domestic manufacturers, email General Conformity Certifications prior to each shipment to CPSIAcerts@coat.com. Your vendor name, style number, and purchase order number (if available) must appear in the subject line. When BCF is the importer of record, vendors must submit General Conformity Certifications to your BCF buyer to be submitted to the import specialist for final approval. Email imports@coat.com with import related questions.

| Tracking Labels | Every manufacturer of a children’s product shall place permanent, distinguishing marks on the product and/or its packaging to ensure the traceability of the products and enable consumers to ascertain the manufacturer or private labeler. To the extent practicable the tracking label shall enable:
|-----------------|------------------------------------------------|
| Children’s Products | 1. The manufacturer to determine: location and date of production, cohort information (batch, run number, etc.), any other information to assist in determining source of product
| | 2. The consumer to determine: manufacturer, product date and location, and cohort information (batch, run number, etc.).

| Labels | Vendors shall properly label all products with applicable cautionary statements and shall inform BCF of any cautionary statements under the Federal Hazardous Substances Act required for products offered for sale on BCF’s internet site. You may email this information to CPSIAlabel@coat.com. Your vendor name and style number must appear in the subject line.
| Toys & Games Sold on Internet Site | Manufacturers of durable infant or toddler products must ensure that products comply with ongoing rulemaking mandated under section 104 of the CPSIA. In addition, manufacturers must provide a postage prepaid registration card with each product and maintain a system of records of consumers who register their products in case of a safety notification or recall.

| Questions | Please email regulatory.questions@coat.com.

**Additional Information**

Additional information can be found on the U.S. Consumer Product Safety Commission’s website available at [www.cpsc.gov](http://www.cpsc.gov).

**NOTE:** BCF reserves the right to require testing or other preventative measures as it deems necessary in the purchase process of any goods.

**LEAD IN SURFACE COATING**

In addition to section 101 of the CPSIA’s ban on lead in paint or surface coating in excess of 90 ppm on children’s products, the same ban extends to surface coating on furniture.
**ASTM F963 (Mandatory Consumer Safety Requirements for Toys)**

Under the CPSIA, ASTM F-963 is the consumer product safety standard for toys and the products you supply to Burlington Coat Factory must meet this standard.

Information on ASTM F-963 is available at [http://www.cpsc.gov/info/toysafety/plain.html](http://www.cpsc.gov/info/toysafety/plain.html)

**LACEY ACT**


**CONFLICT MINERALS**

The Dodd-Frank Act enacted by Congress in July 2010 imposes a new reporting requirement on manufacturers of products for which “conflict minerals” are necessary to their functionality or production. Conflict minerals include the following and any derivatives and other minerals determined by the U.S. Secretary of State to be financing conflict in the Democratic Republic of the Congo (the “DRC”):

- columbite-tantalite (coltan)
- cassiterite (tin)
- gold
- wolframite (tungsten)

Companies that use conflict minerals in the production of their products must report to the U.S. Securities and Exchange Commission and make disclosure on their websites. As drafted, the legislation applies to “manufacturers.” Alert your Burlington Coat Factory buyer immediately if any of the products that you source or manufacture for Burlington Coat Factory contain the above-mentioned minerals.

**DRAWSTRING BAN IN CHILDREN’S UPPER OUTERWEAR**

Drawstrings in children’s upper outerwear can present a hazard if they become entangled with other objects. Accordingly, all youth apparel vendors are prohibited from supplying children’s upper outerwear garments with neck, hood or waist drawstrings in any size.

Information on the drawstring ban can be found at [http://www.cpsc.gov/businfo/drawstringsfaq.html](http://www.cpsc.gov/businfo/drawstringsfaq.html)

**CALIFORNIA FORMALDEHYDE COMPLIANCE IN COMPOSITE WOOD PRODUCTS**

California Airborne Toxic Control Measure to Reduce Formaldehyde Emissions from Composite Wood Products
Under California’s Airborne Toxic Control Measure to Reduce Formaldehyde Emissions from Composite Wood Products, 17 C.C.R. §§ 93120 – 93120.12, you must comply with applicable formaldehyde emissions standards in composite wood products. Burlington Coat Factory is required to secure written documentation from you that this is so.

To facilitate compliance, please review California’s formaldehyde regulation and complete and return the California Certificate of Compliance (Forms, page 20) to California.form@coat.com. Your vendor name must appear in the subject line of all emails.

As always, we remain committed to working with you to ensure compliance with all applicable laws and regulations. If you have questions regarding any of the above, please email regulatory.questions@coat.com. Thank you for your continued cooperation.

California Jewelry Law
All jewelry vendors must comply with the California Jewelry Law (Cal. Health & Safety Code § 25214.1 et seq.) and ensure that all jewelry supplied to Burlington Coat Factory comply with the lead or cadmium levels specified in the law.

Cosmetics
All cosmetic vendors must comply with all applicable laws and regulations including those governed by the U.S. Food and Drug Administration (FDA) and Federal Trade Commission (FTC) requirements. Care must be taken to avoid cosmetics with claims that may render the product an unapproved drug. See the Federal Food and Cosmetics Act.

Information on cosmetic labeling may be found at http://www.fda.gov/Cosmetics/CosmeticLabelingLabelClaims/CosmeticLabelingManual/default.htm

Further FDA information on cosmetics may be found at http://www.fda.gov/Cosmetics/ProductandIngredientSafety/default.htm

Food
All food items must be labeled and marketed in compliance with all applicable U.S. Food and Drug Administration (FDA) and Federal Trade Commission (FTC) requirements.

Information on FDA requirements may be found at http://www.fda.gov/Food/GuidanceComplianceRegulatoryInformation/default.htm

Information on FTC requirements on labeling, advertising, marketing, and any claims made regarding these products can be found at http://www.ftc.gov/bcp/policystmt/ad-food.shtm
**Pet Foods and Treats**

All pet food and treat vendors must ensure that their products are compliant with all federal, state and local regulations that allow distribution and sale of pet food and treats including registration of active licenses and permits to sell such products. In addition, vendors must properly register product labels where required.

**Social Compliance**

We require our vendors to warrant that all goods are made in compliance with all applicable laws — both U.S. laws and the laws of the country in which the goods are produced. This warranty includes the Fair Labor Standards Act of 1938, which governs how employers pay and treat their employees.

In light of the California Transparency in Supply Chains Act, set to take effect on January 1, 2012, we want to reiterate Burlington Coat Factory’s ongoing commitment to protecting workers, here and abroad, by promoting ethical and lawful employment practices. These practices are required to be followed by all our vendors and business partners.

Burlington Coat Factory maintains a Code of Business Conduct and Ethics which requires that our vendors comply with all applicable domestic and international employment laws and regulations. Our Code of Business Conduct and Ethics specifically forbids the use of forced and child labor and provides workers with other protections. All of our Company’s vendors are provided with these requirements which can be accessed on the “Vendor Relations” section of our website (http://www1.burlingtoncoatfactory.com/Others/VendorRelations.aspx).

Burlington Coat Factory will not tolerate any violation of our Code of Business Conduct and Ethics and will swiftly investigate any reports that forced or child labor was utilized in the manufacture of products we sell. We will not accept products or services from vendors that employ or utilize forced or child labor. We will provide such vendors with the opportunity to remedy any actual or potential violations through the implementation of a corrective action plan and we will conduct a subsequent audit. Should the vendor continue to fail to meet our standards, we reserve the right to take any actions as we deem appropriate, up to and including termination of our business relationship with the vendor.

We will conduct annual inspections of factories engaged in the production of products where we are the importer of record. We require that all our vendors review your Company’s compliance procedures and practices to ensure compliance with the California Transparency in Supply Chains Act, as well as our Code of Business Conduct and Ethics. Vendors must be able to demonstrate compliance at our request and may be subject to periodic audits. While we expect full compliance, any violations should be reported immediately.

Burlington Coat Factory appreciates your continued support of our organization and for sharing our commitment to lawful and ethical labor and employment practices.
EMPLOYMENT PRACTICES

- Burlington Coat Factory will only conduct business with Partners whose workers are:
  - Treated fairly
  - Present voluntarily
  - Not put at risk of physical harm
  - Fairly compensated
  - Allowed the right of free association
  - Not exploited
- Partners shall ensure procedures are in place by which workers, alleging violations of these Terms of Engagement, may do so without fear of negative repercussions.

In addition, Burlington Coat Factory Partners must adhere to the following:

**Child Labor and Prison Labor/Forced Labor:**
“Child” is defined as a person who is younger than 15 (or 14 where the law of that country permits) or younger than the age for completing compulsory education in the country where such age is higher than 15. Burlington Coat Factory will not utilize Partners who use or permit the use of child labor in any of their facilities.

“Forced Labor” is defined as any work or service that is extracted from any person under the threat of penalty for its non-performance and for which the worker does not offer himself voluntarily.

- Involuntarily keeping workers identification documents is prohibited.
- Observe all legal requirements for the work of authorized minors, particularly those relating to hours, wages, minimum education, and working conditions. Burlington Coat Factory supports the development of legitimate, workplace apprenticeship programs, and Partners will be expected to comply with all laws and regulations applicable to such apprenticeship programs.
- Partners shall not use or permit use of bonded, indentured, prison, forced, or child labor in the manufacture or finishing of products ordered by Burlington Coat Factory. These types of labor are strictly prohibited.

**Disciplinary Practices:**
- Partners shall treat workers with respect and dignity.
- The use of corporal punishment, physical, sexual, psychological, or verbal harassment, or other forms of mental or physical coercion, abuse, or intimidation or prohibited.
- Do not use or permit the use of fines as a disciplinary practice.

**Discrimination:**
- Employment (hiring, wages, benefits, advancement, termination, and retirement) is based on worker’s ability and not personal characteristics, including, but not limited to gender, age, disability, sexual orientation, racial characteristics, cultural or religious beliefs, or similar factors.

**Free Association:**
- Workers are free to join organizations of their own choice.
- Partners shall recognize and respect rights of workers to freedom of association and collective bargaining.
• Workers are not subject to intimidation or harassment in the peaceful exercise of their legal right to join or refrain from joining an organization.

Health & Safety:
• Partners must provide workers with a clean, safe, and healthful work environment designed to prevent accidents and injuries arising out of or occurring while in the course of work or as a result of the operation of a Business Partner’s facility.
• Partners must comply with all applicable, legally mandated standards for workplace health and safety.
• Partners who provide residential facilities for their workers must provide safe and healthy facilities, separate from production facilities, that comply with legally mandated standards for health and safety

Supply Chain Security:
• Suppliers should have a written security plan and regularly evaluate security procedures to protect the international supply chain from unauthorized access.

Wages and Benefits:
• Partners pay workers wages and legally mandated benefits that comply with the higher of:
  • (a) any applicable law, or
  • (b) to match the prevailing local manufacturing or industry practices
• Workers are compensated for overtime hours at legal premium rates, or in countries where such laws do not exist, at least equal to their regular hourly wage rate.

Women’s Rights:
• Ensure that workers who are women receive equal treatment in all aspects of employment.
• Pregnancy tests will not be a condition of employment or continuation thereof.
• Pregnancy testing, if provided, will be voluntary.
• Workers will not be exposed to hazards that may endanger reproductive health.
• Partners will not force workers to use contraception.

Working Hours:
• Partners operate based on prevailing local work hours. Any time worked over the norm for the area should be compensated as prescribed by the local labor laws
• Except in extraordinary circumstances, Partners limit hours that workers may work on a regularly scheduled basis to legal limits on regular and overtime hours established by local laws and regulations in the jurisdiction in which they manufacture.
• Subject to the requirements of local law, a regularly scheduled workweek of no more than 60 hours and one (1) day off in every seven (7) day period are encouraged.
• Comply with applicable laws that entitle workers to vacation time, leave periods, and holidays.
• Regularly provide reasonable rest periods and one (1) day off within a seven (7) day period.
• Working hours recorded by automated timekeeping system.
ETHICAL STANDARDS
• Burlington Coat Factory will seek to identify and work with Partners who aim to maintain a set of ethical standards compatible with Burlington Coat Factory standards.
• Bribes, kickbacks, or other similar unlawful or improper payments are strictly prohibited to be given to any person or entity to obtain or retain business.

ENVIRONMENTAL REQUIREMENTS
• Burlington Coat Factory will only do business with Partners who comply with all applicable government laws and regulations, international standards, U.S. regulations prohibiting the use of ozone depleting chemicals (hydrochlorofluorocarbons), and the International Trade in Endangered Species of Wild Fauna and Flora, as listed in the United States Endangered Species Act of 1973.

LEGAL REQUIREMENTS
• All Burlington Coat Factory Vendors must comply with both U.S. laws and the laws of the country in which the goods are produced for Burlington Coat Factory.
• Partners will comply with all applicable local and national laws, rules and regulations pertaining to all aspects of factory operations. This includes compliance with these Terms of Engagement and the terms and conditions of POs issued by Burlington Coat Factory or on Burlington Coat Factory’s behalf and also require attention to U.S. country of origin regulations that govern quota classification and the marking of products.
• Partners manufacturing facilities will comply with US Customs-Trade Partnership Against Terrorism (C-TPAT) requirements. All supplier manufacturing facilities where Burlington Coat Factory is the importer of record with respect to merchandise produced at such facilities will be required to undergo an annual third party audit. These audits will be conducted on site for compliance with C-TPAT requirements, along with a review for evidence of forced or child labor.

COMMUNICATION
• All Partners must post the Terms of Engagement in places in their factories readily accessible to workers, translated into the language of the workers and supervisors and communicate these provisions to all workers.
• Upon employment, as part of worker orientation, the Terms of Engagement shall be presented and explained to workers.
• Partners shall periodically review these Terms of Engagement with workers.

MONITORING/COMPLIANCE
• Burlington Coat Factory takes affirmative measures to monitor compliance with Burlington Coat Factory Terms of Engagement and Burlington Coat Factory PO Terms and Conditions. Such measures may include:
  • Prescreening Partners.
  • Scheduled or random, announced and unannounced on-site inspections of factories by Burlington Coat Factory representatives. Refusal or failure to cooperate may result in the termination of Burlington Coat Factory’s business relationship with said Partner.
  • Certification by Burlington Coat Factory Partners that Burlington Coat Factory Terms of Engagement have been complied with.
• Burlington Coat Factory associates and representatives have been asked to be watchful for violations of Burlington Coat Factory Terms of Engagement on visits to factories or manufacturing facilities and to report questionable conduct to management for follow up and when appropriate, for corrective action.

RECORD KEEPING
• All Partners must maintain in the factories producing merchandise for Burlington Coat Factory all documentation necessary to demonstrate compliance with Burlington Coat Factory Terms of Engagement.
• Partners must furnish Burlington Coat Factory representatives reasonable access to production facilities, employment records, and workers for confidential interviews in connection with monitoring factory or inspection visits.
• Partners must promptly respond to reasonable inquiries by Burlington Coat Factory representatives concerning the operations of factories with respect to Burlington Coat Factory Terms of Engagement.

SUBCONTRACTING
• Partners shall not utilize subcontractors for the production of Burlington Coat Factory merchandise, or components thereof, without Burlington Coat Factory prior written approval and only after the subcontractor has agreed to comply with Burlington Coat Factory Terms of Engagement.
• Partners shall require each Burlington Coat Factory approved subcontractor to abide by the Terms of Engagement.
• Partners shall be held accountable for a subcontractor’s failure to abide by Burlington Coat Factory Terms of Engagement.

CORRECTIVE ACTION
• If a Partner is in violation of Burlington Coat Factory Terms of Engagement, Burlington Coat Factory will work with the Partner to remediate the violation if possible.
• If this effort is unsuccessful or not possible, Burlington Coat Factory shall reevaluate its business relationship with the Partner and shall take appropriate corrective action.
• Corrective action may include:
  • Cancellation of the affected order
  • Prohibition of subsequent use of a factory
  • Termination of Burlington Coat Factory business relationship with any Partner found to be in violation of these Terms of Engagement, or exercising any other rights and remedies to which Burlington Coat Factory may be entitled under POs issued by Burlington Coat Factory or on behalf of Burlington Coat Factory, at law or otherwise.

COUNTRY EXCEPTIONS
• Partners will not produce merchandise for Burlington Coat Factory in countries, which are considered by Burlington Coat Factory to deny basic human rights.
• Burlington Coat Factory will not initiate or continue its business relationship with Partners that produce merchandise for Burlington Coat Factory where there are gross and systematic violations of human rights and when there is a recognized movement from within the country calling for withdrawal.

For questions or for information pertaining to Burlington Coat Factory Terms of Engagement E-mail vendor.relations@coat.com.
### Appendix 8A

#### CHART OF JEWELRY STANDARDS

**ADULT JEWELRY (13 AND OLDER) SPECIFICATIONS**

<table>
<thead>
<tr>
<th>CLASS 1 COMPONENTS</th>
<th>No Lead Content Restrictions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stainless and surgical steels</td>
<td></td>
</tr>
<tr>
<td>Karat gold</td>
<td></td>
</tr>
<tr>
<td>Sterling silver</td>
<td></td>
</tr>
<tr>
<td>Platinum, palladium, iridium, ruthenium, rhodium, or osmium (“platinum group metals”)</td>
<td></td>
</tr>
<tr>
<td>Natural and cultured pearls</td>
<td></td>
</tr>
<tr>
<td>Glass, ceramic, and crystal decorative components (e.g., cat’s eye, cubic zirconia (sometimes called cubic zirconium, CZ), glass, rhinestones, cloisonne).</td>
<td></td>
</tr>
<tr>
<td>Any gemstone that is cut and polished for ornamental purposes except the following: aragonite, bayldonite, boleite, cerussite, crocoite, ekanite, linarite, mimetite, phosgenite, samarskite, vanadinite, and wulfenite</td>
<td></td>
</tr>
<tr>
<td>Elastic, fabric, ribbon, rope, and string with no intentional lead and not otherwise listed as a Class 2 Component</td>
<td></td>
</tr>
<tr>
<td>Natural decorative materials (e.g., amber, bone, coral, feathers, fur, horn, leather, shell, wood) if treated in a way that does not add lead</td>
<td></td>
</tr>
<tr>
<td>Adhesives</td>
<td></td>
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<table>
<thead>
<tr>
<th>CLASS 2 COMPONENTS</th>
<th>Component Lead Content Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electroplated metal substrates (must be plated using the Best Management Practices described below).</td>
<td>Metal alloys with less than 6% lead by weight</td>
</tr>
<tr>
<td>Unplated metal not defined as Class 1 Components</td>
<td>1.5% (15,000 ppm)</td>
</tr>
<tr>
<td>Plastic/Rubber (e.g., acrylic, polystyrene, plastic beads/stones, polyvinyl chloride (PVC))</td>
<td>0.02% (200 ppm)</td>
</tr>
<tr>
<td>Dyes and Surface Coatings</td>
<td>0.06% (600 ppm)</td>
</tr>
<tr>
<td>Printing inks or ceramic glazes used in Children’s Products</td>
<td>0.06% (600 ppm)</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>CLASS 3 COMPONENTS</th>
<th>Component Lead Content Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any part of Jewelry that is not a Class 1 or Class 2 Component</td>
<td>0.06% (600 ppm)</td>
</tr>
</tbody>
</table>
Best Management Practices for Plating Facilities

Pre–Plating Procedure:
- The pieces must be cleaned. Any polishing compound must be removed before plating by cleaning with aqueous cleaning solution or solvent and rinsed with water.
- The pieces must be activated.
- The pieces must be rinsed in clean water before plating.

Plating Bath Maintenance:
- The temperature of each plating bath must be controlled to the appropriate temperature in accordance with the recommendations of the equipment and plating chemical suppliers.
- The nickel and nickel–substitute tanks must be agitated or aerated in accordance with the chemical suppliers' recommendations.
- All baths must be filtered continuously during plating and filters changed at least monthly.
- pH must be measured each day of plating and adjusted within the chemical supplier's recommendations.
- All plating employees must be trained on the use of the equipment in accordance with recommendation of equipment manufacturer and plating chemical suppliers.
- The plating baths must be maintained in accordance with the plating chemical suppliers recommendations.
- Plating tanks must be swept at least weekly.
- Anodes must be inspected monthly in accordance with the anode supplier's recommendations.
- Racks must be stripped at least annually.
- The electrical equipment must be sized appropriately for each tank in accordance with equipment manufacturer's recommendations and calibrated annually.

Plating Procedures:
Substantial pieces such as pendants, drops, and rings without prongs or other such feature shall be plated with at least 15 minutes combined plating with copper (copper strike and/or acid copper), nickel or nickel substitute, and/or finish coat. The pieces will also be rinsed between plating tanks. Finish decorative coatings include brass, bronze, copper, gold, gun metal, hematite, imitation rhodium, matt finish, palladium, platinum, rhodium, or silver. If desired, plated pieces can be treated to produce other finishes such as matt, oxidized, or smut black finishes.
Mechanical, functional (e.g., lobster claws, spacers, mechanical closures, connectors), or fine pieces such as prongs and fine chains may be plated to cover the exposed surface consistent with good manufacturing practices for appearance and function. Components that articulate closely together such as snake chain and tight hinges or that need to be manipulated into position will be plated to prevent binding, stiffness, and cracking of plating.
CHILDREN’S JEWELRY (12 AND YOUNGER) SPECIFICATIONS (PROP 65 AND CPSIA COMPLIANCE STANDARDS)

<table>
<thead>
<tr>
<th>CLASS 1 COMPONENTS</th>
<th></th>
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</thead>
<tbody>
<tr>
<td><strong>No Testing Required but Must Meet 100 ppm Lead Content Restrictions</strong></td>
<td></td>
</tr>
<tr>
<td>Surgical steels</td>
<td></td>
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<tr>
<td>Gold 10 Karat or greater</td>
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<tr>
<td>Silver at least 925/1000 pure</td>
<td></td>
</tr>
<tr>
<td>Platinum, palladium, iridium, ruthenium, rhodium, or osmium (“platinum group metals”)</td>
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<td>Natural and cultured pearls</td>
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<tr>
<td>Any gemstone that is cut and polished for ornamental purposes except the following: aragonite, bayldonite, boleite, cerussite, crocoite, ekanite, linarite, mimetite, phosgenite, samarskite, vanadinite, and wulfenite</td>
<td></td>
</tr>
<tr>
<td>Dyed and undyed yarn and textiles with no intentional lead</td>
<td></td>
</tr>
<tr>
<td>Natural decorative materials (e.g., amber, bone, coral, feathers, fur, horn, leather, shell, wood) if treated in a way that does not add lead</td>
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<table>
<thead>
<tr>
<th>CLASS 2 COMPONENTS</th>
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</thead>
<tbody>
<tr>
<td><strong>Third Party Testing and Certification Required for Metal Components and Surface Coatings (and for all components after 2/14/10)</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Component</strong></td>
<td><strong>Lead Content Limit</strong></td>
</tr>
<tr>
<td>Metal (plated and unplated)</td>
<td>0.01% (100 ppm)</td>
</tr>
<tr>
<td>Plastic/Rubber (e.g., acrylic, polystyrene, plastic beads/stones, polyvinyl chloride (PVC))</td>
<td>0.01% (100 ppm)</td>
</tr>
<tr>
<td>Dyes and Surface Coatings</td>
<td>0.009% (90 ppm)</td>
</tr>
<tr>
<td>Glass or crystal decorative components, including rhinestones</td>
<td>0.01% (100 ppm)</td>
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<tbody>
<tr>
<td><strong>Component</strong></td>
<td><strong>Lead Content Limit</strong></td>
</tr>
<tr>
<td>Any part of Jewelry that is not a Class 1 or Class 2 Component</td>
<td>0.01% (100 ppm)</td>
</tr>
</tbody>
</table>