

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 28, 2013

Foot Locker, Inc.

(Exact Name of Registrant as Specified in its Charter)

New York
(State or other Jurisdiction
of Incorporation)

1-10299
(Commission File Number)

13-3513936
(I.R.S. Employer
Identification No.)

112 West 34th Street, New York, New York
(Address of Principal Executive Offices)

10120
(Zip Code)

Registrant's telephone number, including area code: **212-720-3700**

Former Name/Address

(Former name or former address, if changed from last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- £ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - £ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - £ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - £ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

(e) (1) Establishment of Performance Goals.

(i) On March 28, 2013, the Compensation and Management Resources Committee (the “Compensation Committee”) of the Board of Directors of Foot Locker, Inc. (the “Company”) established the performance goals for the 2013 fiscal year under the Annual Incentive Compensation Plan (the “Annual Bonus Plan”). The goals for the executives are based on the Company’s pre-tax income. Under the Annual Bonus Plan, the amount that would be paid to the executives if the performance goals are met is based on a percentage of their annual base salaries earned for the plan year. The percentage of annual base salary payable at threshold, target, and maximum for each of the executives included as named executive officers in the Company’s 2013 proxy statement is stated in the table below:

Name	Percent of Annual Base Salary at Threshold Payout	Percent of Annual Base Salary at Target Payout	Percent of Annual Base Salary at Maximum Payout
Ken C. Hicks	31.25%	125%	218.75%
Richard A. Johnson	18.75%	75%	131.25%
Robert W. McHugh	16.25%	65%	113.75%
Lauren B. Peters	16.25%	65%	113.75%
Gary M. Bahler	12.5%	50%	87.5%

(ii) On March 28, 2013, the Compensation Committee established long-term incentive compensation performance goals for the 2013-2014 performance period based on a combination of the Company’s two-year average after-tax income and return-on-invested capital. Provided the performance goals are achieved, the payout structure of the executives’ long-term awards is as follows: (a) 50 percent of the award would be payable in cash under the Long-Term Incentive Compensation Plan (the “Long-Term Bonus Plan”), (b) 50 percent of the award would be payable in restricted stock units under the 2007 Stock Incentive Plan, as amended and restated (the “2007 Stock Incentive Plan”), and (c) both the cash portion and the restricted stock unit portion of the payout would be subject to a time-based, one-year holding period following the end of the performance period before payout to the executives.

Individual long-term target awards are expressed as a percentage of the executive’s annual base salary as approved by the Compensation Committee on March 28, 2013. The percentages shown in the table below represent the percent of 2013 annual base salary that would be paid to each of the named executive officers, in cash and restricted stock units as described in the foregoing paragraph, if the established goals are achieved.

Name	Performance Period	Percent of Annual Base Salary at Threshold Payout	Percent of Annual Base Salary at Target Payout	Percent of Annual Base Salary at Maximum Payout
Ken C. Hicks	2013-2014	43.75%	175%	350%
Richard A. Johnson	2013-2014	25.00%	100%	200%
Robert W. McHugh	2013-2014	18.75%	75%	150%
Lauren B. Peters	2013-2014	18.75%	75%	150%
Gary M. Bahler	2013-2014	18.75%	75%	150%

The threshold, target and maximum number of restricted stock units for each executive was calculated on March 28, 2013 on the basis of that day's closing stock price. The actual number of restricted stock units awarded will be based on the Company's performance compared to targets. The value of the restricted stock units received by an executive will depend upon the Company's stock price on the payment date.

(2) Stock Awards.

(i) On March 28, 2013, the Compensation Committee granted stock options to the following named executive officers under the 2007 Stock Incentive Plan. The options will vest in three equal installments, on March 28, 2014, March 28, 2015, and March 28, 2016. The options were granted at an exercise price of \$34.24 per share, which was 100 percent of the fair market value (closing price) of a share of the Company's Common Stock on the date of grant.

Name	Number of Shares
Ken C. Hicks	280,000
Richard A. Johnson	47,000
Robert W. McHugh	42,000
Lauren B. Peters	42,000
Gary M. Bahler	21,000

(ii) On March 29, 2013, the Compensation Committee granted to Ken C. Hicks a special stock option award under the 2007 Stock Incentive Plan for 232,000 shares of the Company's Common Stock at an exercise price of \$34.24 per share, which was 100 percent of the fair market value (closing price) of a share of the Company's Common Stock on March 28, 2013, as the Company's stock was not traded on March 29, 2013. The option will vest 50% on March 29, 2015 and 50% on March 29, 2016.

(iii) On March 29, 2013, the Compensation Committee granted a special award of 74,000 shares of restricted stock to Ken C. Hicks under the 2007 Stock Incentive Plan. The shares will vest 50% on March 29, 2015 and 50% on March 29, 2016, provided that Mr. Hicks remains employed by the Company through the vesting dates. Mr. Hicks will be entitled to receive and retain all cash dividends that are payable after the date of grant to record holders of the Company's Common Stock.

(3) Annual Base Salaries. On March 28, 2013, the Compensation Committee approved the annual base salaries, effective as of May 1, 2013, of the following executive officers of the Company who will be included as Named Executive Officers in the Company's 2013 proxy statement. As the Company's salary increases generally become effective on May 1 of each year, the annual base salary shown in the table may be higher than the actual salary earned by the executive for the year. The actual salary earned for the year is the amount that will be reflected in the Summary Compensation Table in the Company's proxy statement for the relevant year:

Name and Position	Year	Base Salary
Ken C. Hicks Chairman of the Board, President and Chief Executive Officer	2013	\$1,100,000
Richard A. Johnson Executive Vice President and Chief Operating Officer	2013	\$ 900,000
Robert W. McHugh Executive Vice President – Operations Support	2013	\$ 655,000
Lauren B. Peters Executive Vice President and Chief Financial Officer	2013	\$ 550,000
Gary M. Bahler Senior Vice President, General Counsel and Secretary	2013	\$ 540,000

(4) Amendment of Annual Bonus Plan. On March 28, 2013, the Compensation Committee approved an amendment to the Annual Bonus Plan. The named executive officers, as well as other officers and key employees of the Company, participate in this plan. As amended, the Annual Bonus Plan provides that in the event of a Change in Control of the Company, the Committee shall make a pro rata payment based on actual results achieved for the applicable Plan Year to any participant (a) who is a participant at the time of such Change in Control and (b) whose employment is terminated other than for cause prior to the end of the applicable Plan Year. Any payment to a terminated participant following such a double-trigger event would be payable at the same time as any payments for such Plan Year are made to actively employed participants. A copy of the Annual Bonus Plan, as amended, is attached hereto as Exhibit 10.1 and is incorporated herein in its entirety.

(5) Amendment of Long-Term Bonus Plan. On March 28, 2013, the Compensation Committee approved an amendment to the Long-Term Bonus Plan. The named executive officers, as well as other officers and key employees of the Company, participate in this plan. As amended, the Long-Term Bonus Plan provides that in the event of a Change in Control of the Company, the Committee shall make a pro rata payment based on actual results achieved for any completed year in the Performance Period and target results for the balance of the Performance Period to any participant (a) who is a participant at the time of such Change in Control and (b) whose employment is terminated other than for cause prior to the end of the applicable Performance Period. Any payment to a terminated participant following such a double-trigger event would be payable at the same time as any payments for such Performance Period are made to actively employed participants. A copy of the Long-Term Bonus Plan, as amended, is attached hereto as Exhibit 10.2 and is incorporated herein in its entirety.

(6) Performance-Based Restricted Stock Unit Awards. On April 1, 2013, the Company entered into Restricted Stock Unit Award Agreements with the named executive officers in the form attached hereto as Exhibit 10.3, with regard to the restricted stock unit portion of the long-term awards for the 2013-2014 performance period described in paragraph (e)(1)(ii) above.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits

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|------|---|
| 10.1 | Foot Locker Annual Incentive Compensation Plan, amended as of March 28, 2013 |
| 10.2 | Foot Locker Long-Term Incentive Compensation Plan, amended as of March 28, 2013 |
| 10.3 | Form of Restricted Stock Unit Award Agreement for long-term incentive compensation awards |
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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FOOT LOCKER, INC.
(Registrant)

Date: April 1, 2013

By: /s/ Laurie Petrucci
Senior Vice President – Human Resources

**FOOT LOCKER ANNUAL INCENTIVE COMPENSATION PLAN,
AS AMENDED AND RESTATED**

The Compensation and Management Resources Committee of the Board of Directors of Foot Locker, Inc. ("Foot Locker") amended the Foot Locker Annual Incentive Compensation Plan (the "Plan") as of March 28, 2013. The Plan was previously amended as of March 26, 2008, and the performance goals under the Plan were reapproved in 2012.

1. Purpose of the Plan.

The purposes of the Plan are:

(a) to reinforce corporate organizational and business development goals.

(b) to promote the achievement of year-to-year and long-range financial and other business objectives such as high quality of service and product, improved productivity and efficiencies for the benefit of our customers' satisfaction and to assure a reasonable return to Foot Locker's shareholders.

(c) to reward the performance of officers and key employees in fulfilling their personal responsibilities for annual achievements.

(d) to serve as a qualified performance-based compensation program under Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code") or any successor section and the Treasury regulations promulgated thereunder ("Section 162(m) of the Code").

2. Definitions.

The following terms, as used herein, shall have the following meanings:

(a) "**Annual Base Salary**" with respect to any Plan Year shall mean the total amount paid by Foot Locker and its subsidiaries to a participant during such Plan Year without reduction for any amounts withheld pursuant to participation in a qualified "cafeteria plan" under Section 125 of the Code, a qualified transportation arrangement under Section 132(f)(4) of the Code, or a cash or deferred arrangement under Section 401(k) of the Code. Annual Base Salary shall not include any amount paid or accruing to a participant under the Foot Locker Long-Term Incentive Compensation Plan or any other incentive compensation or bonus payment or extraordinary remuneration, expense allowances, imputed income or any other amounts deemed to be indirect compensation, severance pay and any contributions made by Foot Locker to this or any other plan maintained by Foot Locker or any other amounts which, in the opinion of the Committee, are not considered to be Annual Base Salary for purposes of the Plan.

(b) "**Board**" shall mean the Board of Directors of Foot Locker.

(c) “**Change in Control**” shall mean any of the following: (i) the merger or consolidation of the Company with, or the sale or disposition of all or substantially all of the assets of the Company to, any person other than (A) a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or parent entity) fifty percent (50%) or more of the combined voting power of the voting securities of the Company or such surviving or parent entity outstanding immediately after such merger or consolidation; or (B) a merger or capitalization effected to implement a recapitalization of the Company (or similar transaction) in which no person is or becomes the beneficial owner, directly or indirectly (as determined under Rule 13d-3 promulgated under the Securities Exchange Act of 1934), of securities representing more than the amounts set forth in (ii) below; (ii) the acquisition of direct or indirect beneficial ownership (as determined under Rule 13d-3 promulgated under the Securities Exchange Act of 1934), in the aggregate, of securities of the Company representing thirty-five percent (35%) or more of the total combined voting power of the Company’s then issued and outstanding voting securities by any person acting in concert; or (iii) during any period of not more than twelve (12) months, individuals who at the beginning of such period constitute the Board of Directors of the Company (referred to herein as the “Board”), and any new director whose election by the Board or nomination for election by the Company’s shareholders was approved by a vote of at least two-thirds ($\frac{2}{3}$) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority thereof.

(d) “**Committee**” shall mean two or more members of the Compensation and Management Resources Committee of the Board, each of whom is an “outside director” within the meaning of Section 162(m) of the Code.

(e) “**Covered Employee**” shall mean an officer or key employee of Foot Locker who is designated as an executive officer for purposes of Rule 3b-7 of the Securities Exchange Act of 1934 for the relevant Plan Year.

(f) “**Payment Date**” shall mean the date selected by the Committee for payments under the Plan to be made following the finalization, review and approval of performance goal achievements for the Plan Year, which date shall be within two and one-half months following the end of the Plan Year.

(g) “**Individual Target Award**” shall mean the targeted performance award for a Plan Year specified by the Committee as provided in Section 6 herein.

(h) “**Plan Year**” shall mean Foot Locker’s fiscal year during which the Plan is in effect.

(i) “**Termination**” shall mean: (1) a termination of service for reasons other than a military or personal leave of absence granted by the Company or a transfer of a Participant from or among the Company and a parent corporation or subsidiary corporation, as defined under Code Sections 424(e) or 424(f), respectively, or (2) when a subsidiary, which is employing a

Participant, ceases to be a subsidiary corporation, as defined under Section 424(f) of the Code.

3. Administration of the Plan.

The Plan shall be administered by the Committee. No member of the Committee while serving as such shall be eligible for participation in the Plan. The Committee shall have exclusive and final authority in all determinations and decisions affecting the Plan and its participants. The Committee shall also have the sole authority to interpret the Plan, to establish and revise rules and regulations relating to the Plan, to delegate such responsibilities or duties as it deems desirable, and to make any other determination that it believes necessary or advisable for the administration of the Plan including, but not limited to: (i) approving the designation of eligible participants; (ii) setting the performance criteria within the Plan guidelines; and (iii) certifying attainment of performance goals and other material terms. The Committee shall have the authority in its sole discretion, subject to and not inconsistent with the express provisions of the Plan, to incorporate provisions in the performance goals allowing for adjustments in recognition of unusual or non-recurring events affecting Foot Locker or the financial statements of Foot Locker, or in response to changes in applicable laws, regulations, or accounting principles; provided that the Committee shall have such authority with regard to the performance goals of Covered Employees solely to the extent permitted by Section 162(m) of the Code. To the extent any provision of the Plan creates impermissible discretion under Section 162(m) of the Code or would otherwise violate Section 162(m) of the Code with regard to the performance goals of Covered Employees, such provision shall have no force or effect.

4. Participation.

Participation in the Plan is limited to officers or key employees of Foot Locker. Individual participants shall be those employees selected in the sole discretion of the Committee (in the case of Covered Employees) or its designee (in the case of all other officers and key employees). In determining the persons to whom awards shall be granted, the Committee shall take into account such factors as the Committee shall deem appropriate in connection with accomplishing the purposes of the Plan. The Committee may from time to time designate additional participants who satisfy the criteria for participation as set forth herein and shall determine when an officer or key employee of Foot Locker ceases to be a participant in the Plan.

5. Right to Payment.

Unless otherwise determined by the Committee in its sole discretion, a participant shall have no right to receive payment under this Plan unless the participant remains in the employ of Foot Locker at all times through and including the Payment Date. In the event of a Change in Control, the Committee shall, to the extent permitted under Section 162(m) of the Code (if applicable), make a payment to any participant who is a participant at the time of such Change in Control and who has a Termination of employment other than for cause, as determined by the Committee, prior to the end of the Plan Year in an amount which is equal to the pro-rata portion (through the date of his or her Termination) of the Individual Target Award based on the actual performance results achieved for such Plan Year, which shall be payable at the same time as

payments for such Plan Year are made to actively employed participants, as provided under Section 7 of this Plan.

6. Payment.

(a) Payment under this Plan to a participant will be made in cash in an amount equal to the achieved percentage of such participant's Annual Base Salary as determined by the Committee for each Plan Year. Such percentage shall be based on the participant's achievement of his or her Individual Target Award. Payment shall be made only if and to the extent the performance goals with respect to the Plan Year are attained.

(b) At the beginning of each Plan Year (or, with respect to Covered Employees, within the time period prescribed by Section 162(m) of the Code), the Committee shall establish all performance goals and the Individual Target Awards for such Plan Year and Foot Locker shall inform each participant of the Committee's determination with respect to such participant for such Plan Year. Individual Target Awards shall be expressed as a percentage of such participant's Annual Base Salary. At the time the performance goals are established, the Committee shall prescribe a formula to determine the percentages of the Individual Target Award which may be payable based upon the degree of attainment of the performance goals during the Plan Year.

(c) Notwithstanding anything to the contrary contained in this Plan,

(1) the performance goals in respect of awards granted to participants who are Covered Employees, shall be based on one or more of the following criteria:

- (i) the attainment of certain target levels of, or percentage increase in, pre-tax profit;
 - (ii) the attainment of certain target levels of, or percentage increase in, division profit;
 - (iii) the attainment of certain target levels of, or a percentage increase in, after-tax profits of Foot Locker (or a subsidiary, division, or other operational unit of Foot Locker);
 - (iv) the attainment of certain target levels of, or a specified increase in, operational cash flow of Foot Locker (or a subsidiary, division, or other operational unit of Foot Locker);
 - (v) the achievement of a certain level of, reduction of, or other specified objectives with regard to limiting the level of increase in, all or a portion of, Foot Locker's bank debt or other long-term or short-term public or private debt or other similar financial obligations of Foot Locker, if any, which may be calculated net of
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such cash balances and/or other offsets and adjustments as may be established by the Committee;

- (vi) the attainment of a specified percentage increase in earnings per share or earnings per share from continuing operations of Foot Locker (or a subsidiary, division or other operational unit of Foot Locker);
- (vii) the attainment of certain target levels of, or a specified percentage increase in, revenues, net income, or earnings before (A) interest, (B) taxes, (C) depreciation and/or (D) amortization, of Foot Locker (or a subsidiary, division, or other operational unit of Foot Locker);
- (viii) the attainment of certain target levels of, or a specified increase in, return on invested capital or return on investment;
- (ix) the attainment of certain target levels of, or a percentage increase in, after-tax or pre-tax return on shareholders' equity of Foot Locker (or any subsidiary, division or other operational unit of Foot Locker); and
- (x) the attainment of a certain target level of, or reduction in, selling, general and administrative expense as a percentage of revenue of Foot Locker (or any subsidiary, division or other operational unit of Foot Locker), and

(2) in no event shall payment in respect of an award granted for a performance period be made to a participant who is a Covered Employee as of the end of such Plan Year in an amount which exceeds \$3 million. Subject to Section 3 of the Plan regarding certain adjustments, in connection with the establishment of the performance goals, the criteria listed above for Foot Locker (or any subsidiary, division or other operational unit of Foot Locker) shall be determined in accordance with generally accepted accounting principles consistently applied by Foot Locker, but before consideration of payments to be made pursuant to this Plan and pursuant to the Foot Locker Long-Term Incentive Compensation Plan.

7. Time of Payment.

All payments earned by participants under this Plan will be paid after performance goal achievements for the Plan Year have been finalized, reviewed, approved, and to the extent required by Section 162(m) of the Code, certified by the Committee but in no event later than two and one-half months following the end of the applicable Plan Year. Foot Locker's independent accountants shall, as of the close of the Plan Year, determine whether the performance goals have been achieved and communicate the results of such determination to the Committee.

8. Miscellaneous Provisions.

(a) A participant's rights and interests under the Plan may not be sold, assigned, transferred, pledged or alienated.

(b) In the case of a participant's death, payment, if any, under the Plan shall be made to his or her designated beneficiary, or in the event no beneficiary is designated or surviving, to the participant's estate.

(c) Neither this Plan nor any action taken hereunder shall be construed as giving any employee any right to be retained in the employ of Foot Locker.

(d) Foot Locker shall have the right to make such provisions as it deems necessary or appropriate to satisfy any obligations it may have to withhold federal, state or local income or other taxes incurred by reason of payments made pursuant to the Plan.

(e) While Foot Locker does not guarantee any particular tax treatment, the Plan is designed and intended to comply with the short-term deferral rules under Section 409A of the Code and the applicable regulations thereunder and shall be limited, construed and interpreted with such intent. All amounts payable under the Plan shall be payable within the short-term deferral period in accordance with Section 409A and regulations issued thereunder.

(f) The Plan is designed and intended to comply with Section 162(m) of the Code with regard to awards made to Covered Employees, and all provisions hereof shall be limited, construed and interpreted in a manner so to comply.

(g) The Board or the Committee may at any time and from time to time alter, amend, suspend or terminate the Plan in whole or in part; provided, that, no amendment which requires shareholder approval in order for the Plan to continue to comply with the exception for performance based compensation under Section 162(m) of the Code shall be effective unless the same shall be approved by the requisite vote of the shareholders of Foot Locker as determined under Section 162(m) of the Code. Notwithstanding the foregoing, no amendment shall affect adversely any of the rights of any participant, without such participant's consent, under the award theretofore granted under the Plan.

(h) The Plan shall be binding on Foot Locker and its successors by operation of law.

FOOT LOCKER LONG-TERM INCENTIVE COMPENSATION PLAN**Amended as of March 28, 2013**

Effective as of February 1, 1981, the Board of Directors of Foot Locker Specialty, Inc. adopted a Long-Term Incentive Compensation Plan (the "Plan") for certain executives of Foot Locker Specialty, Inc. and its subsidiaries. Effective as of August 7, 1989, Foot Locker, Inc. ("Foot Locker") adopted the Plan, as amended. The Plan has been amended and restated from time to time, and in accordance with the requirements of "Section 162(m) of the Code" (as defined below), the performance goals under the Plan were initially approved at the 1996 annual meeting of shareholders and were reapproved in 2001 and 2006, and 2011. The Plan was amended as of March 28, 2013 in the form set forth below.

The objectives of the Plan are:

(a) to reinforce corporate organizational and business-development goals.

(b) to promote the achievement of year-to-year and long-range financial and other business objectives such as high quality of service and product, improved productivity and efficiencies for the benefit of our customers' satisfaction and to assure a reasonable return to Foot Locker's shareholders.

(c) to reward the performance of individual executives in fulfilling their personal responsibilities for long-range achievements.

(d) to serve as a qualified performance-based compensation program under Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code") or any successor section and the Treasury regulations promulgated thereunder ("Section 162(m) of the Code").

(e) to award shares of Common Stock (as defined below) after attainment of pre-established performance goals and completion of the Performance Period (as defined below), which shall be considered "Other Stock-Based Awards" under the Foot Locker 2007 Stock Incentive Plan or other applicable stock incentive plan of the Company (the "Stock Incentive Plan").

1. **Definitions.** The following terms, as used herein, shall have the following meanings:

(a) "**Annual Base Salary**" shall mean the annual base salary approved by the Committee with respect to the executive at the time the performance goals are established by the Committee, as described in Section 5(b) hereof without reduction for any amounts withheld pursuant to participation in a "cafeteria plan" under Section 125 of the Code, a cash or deferred arrangement under Section 401(k) of the Code or a qualified transportation arrangement under Section 132(f) of the Code. Notwithstanding the foregoing in the event of an executive's promotion during a Performance Period, such participant's Annual Base Salary shall reflect any salary increase paid as a result of the participant's promotion.

(b) "**Board**" shall mean the Board of Directors of Foot Locker.

(c) "**Change in Control**" shall mean any of the following: (i) the merger or consolidation of the Company with, or the sale or disposition of all or substantially all of the assets of the

Company to, any person other than (A) a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or parent entity) fifty percent (50%) or more of the combined voting power of the voting securities of the Company or such surviving or parent entity outstanding immediately after such merger or consolidation; or (B) a merger or capitalization effected to implement a recapitalization of the Company (or similar transaction) in which no person is or becomes the beneficial owner, directly or indirectly (as determined under Rule 13d-3 promulgated under the Securities Exchange Act of 1934), of securities representing more than the amounts set forth in (ii) below; (ii) the acquisition of direct or indirect beneficial ownership (as determined under Rule 13d-3 promulgated under the Securities Exchange Act of 1934), in the aggregate, of securities of the Company representing thirty-five percent (35%) or more of the total combined voting power of the Company's then issued and outstanding voting securities by any person acting in concert; or (iii) during any period of not more than twelve (12) months, individuals who at the beginning of such period constitute the Board of Directors of the Company (referred to herein as the "Board"), and any new director whose election by the Board or nomination for election by the Company's shareholders was approved by a vote of at least two-thirds ($\frac{2}{3}$) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority thereof.

(d) "**Committee**" shall mean two or more members of the Compensation Committee of the Board, each of whom is an "outside director" within the meaning of Section 162(m) of the Code.

(e) "**Common Stock**" shall mean common stock of Foot Locker, par value \$0.01 per share.

(f) "**Consolidated Net Income**" shall mean the net income of Foot Locker and its subsidiaries for each fiscal year determined in accordance with generally accepted accounting principles and reported upon by Foot Locker's independent accountants but before provision for accrued expenses net of the related income tax reduction for payments to be made pursuant to this Plan.

(g) "**Fair Market Value**" of a share of Common Stock shall mean the average of the closing prices of a share of such Common Stock as reported on the Composite Tape for the New York Stock Exchange during the sixty (60) day period immediately preceding the payment date relating to the applicable Performance Period.

(h) "**Individual Target Award**" shall mean the targeted performance award for a Plan Year specified by the Committee as provided in Section 5 herein.

(i) "**Performance Period**" shall mean the period of three consecutive Plan Years or such other period as determined by the Committee, beginning with the Plan Year in which the award is made.

(j) "**Plan Year**" shall mean Foot Locker's fiscal year during which the Plan is in effect.

(k) "**Termination**" shall mean: (1) a termination of service for reasons other than a

military or personal leave of absence granted by the Company or a transfer of a Participant from or among the Company and a parent corporation or subsidiary corporation, as defined under Code Sections 424(e) or 424(f), respectively, or (2) when a subsidiary, which is employing a Participant, ceases to be a subsidiary corporation, as defined under Section 424(f) of the Code.

2. Administration of the Plan. The Plan shall be administered by the Committee. No member of the Committee while serving as such shall be eligible for participation in the Plan. The Committee shall have exclusive and final authority in all determinations and decisions affecting the Plan and its participants. The Committee shall also have the sole authority to interpret the Plan, to establish and revise rules and regulations relating to the Plan, to delegate such responsibilities or duties as it deems desirable, and to make any other determination that it believes necessary or advisable for the administration of the Plan including, but not limited to: (i) approving the designation of eligible participants; (ii) setting the performance criteria within the Plan guidelines; and (iii) certifying attainment of performance goals and other material terms. To the extent any provision of the Plan, other than Section 7 herein, creates impermissible discretion under Section 162(m) of the Code or would otherwise violate Section 162(m) of the Code, such provision shall have no force or effect.

3. Participation. Participation in the Plan is limited to officers or other key employees of Foot Locker or any subsidiary thereof, as selected by the Committee in its sole discretion. The Committee may from time to time designate additional participants who satisfy the criteria for participation as set forth herein, and shall determine when an officer or key employee of Foot Locker ceases to be a participant in the Plan.

4. Right to Payment. Unless otherwise determined by the Committee in its sole discretion, a participant shall have no right to receive payment under this Plan unless the participant remains in the employ of Foot Locker at all times during the applicable Performance Period; provided, however, that notwithstanding any other provision of the Plan, the Committee may make a pro-rata payment following the end of the Performance Period to any participant in circumstances the Committee deems appropriate including, but not limited to a participant's death, disability, retirement, or other termination of employment during the Performance Period, provided the performance goals for the Performance Period are met. Furthermore, upon a Change in Control the Committee shall, but only to the extent permitted under Section 162(m) of the Code (if applicable), make a payment to any participant who is a participant at the time of such Change in Control and who has a Termination of employment other than for cause, as determined by the Committee, prior to the end of the Performance Period, which is equal to the pro-rata portion (through the date of Termination) of the Individual Target Award based on (a) the actual performance results achieved relative to the Performance Period's performance goals with respect to any completed year and (b) the performance results at Target for the balance of such Performance Period. Any pro-ration required hereunder shall be based on a fraction, the numerator of which is the number of months completed before the Termination and the denominator of which is the number of months in the Performance Period, any such payment to be payable at the same time as payments for such Performance Period, if any, are made to actively employed participants, as provided under Section 6 of this Plan.

5. Payment.

(a) Payment to a participant under this Plan for each Performance Period shall be made in cash, shares of the Company's Common Stock, or any combination thereof, as determined by the

Committee for each Performance Period. If payment is to be made in shares of the Company's Common Stock, the number of shares of Common Stock shall be determined by the Committee by dividing the achieved percentage of such participant's Annual Base Salary payable in Common Stock (as determined by the Committee for each Performance Period) by the Fair Market Value of the Common Stock on the date of payment as determined in accordance with Section 4 or 6 herein. Such achieved percentage shall be based on the participant's achievement of his or her Individual Target Award. Except to the extent provided for in Section 4 hereof, payment shall be made only if and to the extent the relevant performance goals with respect to the Performance Period are attained. Awards of Common Stock made pursuant to this Plan are Other Stock-Based Awards (as defined in the Stock Incentive Plan) and are issued under and subject to, the applicable provisions of the Stock Incentive Plan including, without limitation, Section 9 (Other Stock-Based Awards) and Section 5 (Stock Subject to the Plan; Limitation on Grants). In the event that any payment results in other than a whole number of shares of Common Stock, the value of the fractional share of Common Stock shall be paid in cash.

(b) At the beginning of each Performance Period (or within the time period prescribed by Section 162(m) of the Code), the Committee shall establish all performance goals and the Individual Target Awards for such Performance Period and Foot Locker shall inform each participant of the Committee's determination with respect to such participant for such Performance Period. Individual Target Awards shall be expressed as a percentage of such participant's Annual Base Salary. At the time the performance goals are established, the Committee shall prescribe a formula to determine the percentage of the Individual Target Award which may be payable based upon the degree of attainment of the performance goals during the Performance Period.

(c) Notwithstanding anything to the contrary contained in this Plan,

(1) the performance goals in respect of awards granted to participants hereunder, shall be based on one or more of the following criteria:

(i) the attainment of certain target levels of, or percentage increase in, pre-tax profit;

(ii) the attainment of certain target levels of, or percentage increase in, division profit;

(iii) the attainment of certain target levels of, or a percentage increase in, after-tax profits of Foot Locker (or a subsidiary, division, or other operational unit of Foot Locker);

(iv) the attainment of certain target levels of, or a specified increase in, operational cash flow of Foot Locker (or a subsidiary, division, or other operational unit of Foot Locker);

(v) the achievement of a certain level of, reduction of, or other specified objectives with regard to limiting the level of increase in, all or a portion of, Foot Locker's bank debt or other long-term or short-term public or private debt or other similar financial obligations of Foot Locker, if any, which may be calculated net of such cash balances and/or other offsets and adjustments as may be established by the Committee;

(vi) the attainment of a specified percentage increase in earnings per share or earnings per share from continuing operations of Foot Locker (or a subsidiary, division or other operational unit of Foot Locker);

(vii) the attainment of certain target levels of, or a specified percentage increase in, revenues, net income, or earnings before (A) interest, (B) taxes, (C) depreciation and/or (D) amortization, of Foot Locker (or a subsidiary, division, or other operational unit of Foot Locker);

(viii) the attainment of certain target levels of, or a specified increase in, return on invested capital or return on investment;

(ix) the attainment of certain target levels of, or a percentage increase in, after-tax or pre-tax return on shareholders' equity of Foot Locker (or any subsidiary, division or other operational unit of Foot Locker);

(x) the attainment of a certain target level of, or reduction in, selling, general and administrative expense as a percentage of revenue of Foot Locker (or any subsidiary, division or other operational unit of Foot Locker); and

(xi) the attainment of a certain target level of, or percentage increase in, Consolidated Net Income.

In addition, performance goals may be based upon the attainment of specified levels of Foot Locker (or a subsidiary, division or other operational unit of Foot Locker) performance under one or more of the measures described above relative to the performance of other corporations. The Committee may designate additional business criteria on which the performance goals may be based or adjust, modify, or amend those criteria.

(2) To the extent permitted under Section 162(m) of the Code, unless otherwise determined by the Committee at the time the performance goals are set and incorporated into the performance goals, the Committee shall exclude the impact of any of the following events or occurrences:

(i) restructurings, discontinued operations, extraordinary items and other unusual or non-recurring charges;

(ii) any acquisition or divestiture of an operating business during the Plan Year or Performance Period;

(iii) impairment charges taken under relevant accounting rules;

(iv) an event either not directly related to the operations of the Company or not within the reasonable control of the Company's management; or

(v) a change in tax law or accounting standards required by generally accepted accounting principles.

(3) In no event shall payment in respect of an award granted for a Performance Period be made to a participant as of the end of such Performance Period in a dollar value which exceeds the lesser of (i) 300% of such participant's Annual Base Salary or (ii) \$5,000,000.

6. Time of Payment. Subject to Section 4 herein, all payments earned by participants under this Plan shall be based on the achievement of performance goals established by the Committee and will be paid in accordance with Section 5 herein after performance goal achievements for the Performance Period have been finalized, reviewed, approved and certified by the Committee, but in no event later than two and one-half months following the end of the fiscal year for the last year of the applicable Performance Period. Foot Locker's independent accountants shall examine as of the close of the Performance Period and communicate the results of such examination to the Committee as to the appropriateness of the proposed payments under the Plan.

7. Interim Participation. Notwithstanding anything else herein, the Committee may, in its sole discretion, grant an award hereunder to a participant who commences employment with Foot Locker during a Plan Year. Such award is not required to satisfy the exception for performance-based compensation set forth in Section 162(m) of the Code.

8. Miscellaneous Provisions.

(a) A participant's rights and interests under the Plan may not be sold, assigned, transferred, pledged or alienated.

(b) In the case of a participant's death, payment, if any, under the Plan shall be made to his or her designated beneficiary, or in the event no beneficiary is designated or surviving, to the participant's estate.

(c) Neither this Plan nor any action taken hereunder shall be construed as giving any employee any right to be retained in the employ of Foot Locker.

(d) Foot Locker shall have the right to make such provisions as it deems necessary or appropriate to satisfy any obligations it may have to withhold federal, state or local income or other taxes incurred by reason of payments made pursuant to this Plan.

(e) Except with regard to an award made pursuant to Section 7 herein, the Plan is designed and intended to comply with Section 162(m) of the Code and all provisions hereof shall be limited, construed and interpreted in a manner to so comply.

(f) While Foot Locker does not guarantee any particular tax treatment, the Plan is designed and intended to comply with the short-term deferral rules under Section 409A of the Code and the applicable regulations thereunder and shall be limited, construed and interpreted with such intent. All amounts payable under the Plan shall be payable within the short-term deferral period in accordance with Section 409A and regulations issued thereunder.

(g) The Board or the Committee may at any time and from time to time alter, amend, suspend or terminate the Plan in whole or in part; provided, that, no amendment which requires shareholder approval in order for the Plan to continue to comply with the exception for performance based compensation under Section 162(m) of the Code shall be effective unless the same shall be approved by the requisite vote of the shareholders of Foot Locker as determined under Section 162(m) of the Code. Notwithstanding the foregoing, no amendment shall affect adversely any of the rights of any participant, without such participant's consent, under the award theretofore granted under the Plan.

RESTRICTED STOCK UNIT AWARD AGREEMENT

Long-Term Incentive Compensation Award
 _____ Performance Period

This Restricted Stock Unit Award Agreement (the "Agreement") made under the Foot Locker 2007 Stock Incentive Plan, Amended and Restated as of May 19, 2010 (the "Plan") as of the ___ day of _____ by and between Foot Locker, Inc., a New York corporation with its principal office located at 112 West 34th Street, New York, New York 10120 (the "Company") and _____.

1. General. As a participant in the Company's long-term incentive compensation program for the _____ Performance Period which covers the fiscal years beginning _____ and _____ (the "Performance Period"), you were granted a long-term incentive award that will be payable following the end of the Performance Period, provided the performance goals set by the Compensation and Management Resources Committee (the "Compensation Committee") of the Board of Directors of the Company on _____ for the Performance Period are achieved. The award is payable as follows: 50 percent of the award is payable in cash under the Long-Term Incentive Compensation Plan (the "LTIP"), and 50 percent of the award is payable in restricted stock units ("RSUs") under the Plan as provided herein. The RSUs are intended to constitute "Other Stock-Based Awards" under the Plan. Each RSU represents the right to receive one share of the Company's Common Stock, par value \$.01 per share ("Common Stock"), upon the satisfaction of the terms and conditions set forth in this Agreement and the Plan.

This Agreement sets forth the terms and conditions with regard to the portion of your long-term award that is payable in RSUs. You have been granted _____ RSUs, subject to the conditions set forth herein. Unless otherwise indicated, any capitalized term used but not defined herein shall have the meaning ascribed to such term in the Plan.

2. Earning of RSUs. Subject to the terms and conditions of the Plan and this Agreement, you shall be entitled to receive, for each RSU earned in accordance with this Section 2 and Appendix A hereto, one share of Common Stock. You shall earn the number of RSUs set forth above for achievement at the maximum performance goal as specified in Appendix A attached hereto, subject to adjustment for achievement below the maximum performance goal in accordance with the provisions of Appendix A attached hereto. If the threshold performance level set forth in Appendix A is not achieved, none of the RSUs granted to you shall be earned. The Compensation Committee shall certify the level of achievement of the performance goals during the Company's first fiscal quarter in _____ and at such time shall determine the number of RSUs you are eligible to receive, subject to the provisions of Section 3 below.

3. Vesting and Delivery.

(a) The RSUs you are eligible to receive as described in Section 2 shall be

subject to a one-year holding period following the end of the Performance Period and shall become vested on _____ (the "Vesting Date"). Subject to the terms of this Agreement and the Plan, shares of Common Stock equal to the number of RSUs you earn shall be delivered to you as described below if you have been continuously employed by the Company or its subsidiaries within the meaning of Section 424 of the Code (the "Control Group") until such Vesting Date.

(b) Other than as specifically provided herein, there shall be no proportionate or partial vesting in the periods prior to the Vesting Date, and all vesting shall occur only on the Vesting Date, subject to your continued employment with the Control Group as described in Section 3(a).

(c) Upon a Change in Control as defined in Appendix B hereto that occurs following the end of the Performance Period and the certification by the Compensation Committee of the achievement of the performance goal, all unvested RSUs shall become immediately vested and shall be paid in accordance with Section 3(f).

(d) Upon a Change in Control as defined in Appendix B hereto that occurs prior to the end of the Performance Period, or coincident with or following the end of the Performance Period and prior to the certification by the Compensation Committee of the achievement of the performance goal, you shall be entitled to receive a pro rata portion of the RSUs that you would have been entitled to receive based on the actual performance level achieved for any completed year in the Performance Period and the achievement of a target performance level for the remainder of the Performance Period, as set forth in Appendix A, such RSUs shall become immediately vested and shall be paid in accordance with Section 3(f). The pro rated portion shall be determined by multiplying the number of RSUs you would have been entitled to receive without respect to the Change in Control by a fraction, the numerator of which is the number of days from _____ to date of the earlier of the Change in Control or the last day of the Performance Period and the denominator of which is the total number of days in the Performance Period without respect to the Change in Control.

(e) In the event of your Termination by reason of death, Disability (within the meaning of Code Section 409A(a)(2)(C)(i) or (ii)) or Retirement prior to the Vesting Date, on the Vesting Date you (or in the event of your death, your estate) shall receive a pro rata portion of the RSUs that you would have received if you had been employed by the Company on the Vesting Date, based on the actual level of achievement of the performance goals set forth in Appendix A. The pro rated portion shall be determined by multiplying the number of RSUs you would have been entitled to receive if you had not incurred such Termination by a fraction, the numerator of which is the number of days from _____ to the date of your Termination and the denominator of which is the total number of days in the Performance Period, and shall vest on the Vesting Date and shall be paid in accordance with Section 3(f). Notwithstanding the foregoing, in the event of a Change in Control following your death, Disability (within the meaning of Code Section 409A(a)(2)(C)(i) or (ii)) or Retirement, but prior to the certification by the Compensation Committee of the achievement of the performance goal, the provisions of Section 3(d) above shall supersede this Section 3(e).

(f) Subject to Section 8, the Company shall issue and deliver to you shares of the Company's Common Stock equal to the number of vested RSUs you earn within 30 days following the earlier of a Change in Control or the Vesting Date.

4. Forfeiture.

(a) Any RSUs that are not earned in accordance with Section 2 or vested in accordance with Section 3 of this Agreement shall be forfeited without compensation following the Compensation Committee's certification of the goals for the Performance Period.

(b) Except as expressly set forth in Section 3(e), in the event of your Termination prior to the Vesting Date or your breach of the Non-Competition Provision in Section 10, all unvested RSUs shall be forfeited to the Company, without compensation.

5. Adjustments. RSUs shall be subject to the adjustment provisions included in Section 5(e) of the Plan.

6. Withholding. You agree that:

(a) No later than the date on which any RSUs shall have become vested, you will pay to the Company, or make arrangements satisfactory to the Company regarding payment (including through the withholding of shares from the award) of, any federal, state, international, or local taxes of any kind required by law to be withheld with respect to any RSUs which shall have become so vested; and

(b) The Company shall, to the extent permitted by law, have the right to deduct from any payment of any kind otherwise due to you any federal, state, international or local taxes of any kind required by law to be withheld with respect to any RSUs which shall have become so vested.

7. Special Incentive Compensation. You agree that the award of the RSUs is special incentive compensation and that the RSUs will not be taken into account as "salary" or "compensation" or "bonus" in determining the amount of any payment under any pension, retirement or profit-sharing plan of the Company or any life insurance, disability or other benefit plan of the Company, except as specifically provided in any such plan.

8. Delivery Delay. Notwithstanding anything herein, the delivery of any shares of Common Stock for vested RSUs may be postponed by the Company for such period as may be required for it to comply with any applicable federal or state securities law, or any national securities exchange listing requirements and the Company is not obligated to issue or deliver any securities if, in the opinion of counsel for the Company, the issuance of such shares shall constitute a violation by you or the Company of any provisions of any law or of any regulations of any governmental authority or any national securities exchange.

9. Restriction on Transfer of RSUs. You shall not sell, negotiate, transfer, pledge, hypothecate, assign or otherwise dispose of the RSUs. Any attempted sale, negotiation, transfer, pledge, hypothecation, assignment or other disposition of the RSUs or unvested shares in violation of the Plan or this Agreement shall be null and void.

10. Non-Competition.

(a) Competition. By accepting this award of RSUs, as provided below, you agree that during the “Non-Competition Period” you will not engage in “Competition” with the Control Group. As used herein, “Competition” means:

(i) participating, directly or indirectly, as an individual proprietor, stockholder, officer, employee, director, joint venturer, investor, lender, or in any capacity whatsoever within the United States of America or in any other country where any of your former employing members of the Control Group does business, in (A) a business in competition with the retail, catalog, or on-line sale of athletic footwear, athletic apparel and sporting goods conducted by the Control Group (the “Athletic Business”), or (B) a business that in the prior fiscal year supplied product to the Control Group for the Athletic Business having a value of \$20 million or more at cost to the Control Group; provided, however, that such participation shall not include (X) the mere ownership of not more than 1 percent of the total outstanding stock of a publicly held company; (Y) the performance of services for any enterprise to the extent such services are not performed, directly or indirectly, for a business in competition with the Athletic Business or for a business which supplies product to the Control Group for the Athletic Business; or (Z) any activity engaged in with the prior written approval of the Chief Executive Officer of the Company; or

(ii) intentionally recruiting, soliciting or inducing, any employee or employees of the Control Group to terminate their employment with, or otherwise cease their relationship with the former employing members of the Control Group where such employee or employees do in fact so terminate their employment.

(b) “Non-Competition Period”. As used herein, “Non-Competition Period” means: the period commencing _____ and ending on the Vesting Date, or any part thereof, during which you are employed by the Control Group and (ii) if your employment with the Control Group terminates for any reason during such period, the one/two-year period commencing on the date your employment with the Control Group terminates. Notwithstanding the foregoing, the Non-Competition Period shall not extend beyond the date your employment with the Control Group terminates if such termination of employment occurs following a “Change in Control” as defined in Attachment B hereto.

(c) Breach of Non-Competition Provision. You agree that your breach of the provisions included herein under Section 10 under the heading “Non-Competition” (the “Non-Competition Provision”) would result in irreparable injury and damage to the Company for which the Company would have no adequate remedy at law. You agree, therefore, that in the event of a breach or a threatened breach of the Non-Competition Provision, the Company shall be entitled to (i) an immediate injunction and restraining order to prevent such breach, threatened breach, or continued breach, including by any and all persons acting for or with you, without having to prove damages, and (ii) any other remedies to which the Company may be entitled at

law or in equity. The terms of this paragraph shall not prevent the Company from pursuing any other available remedies for any breach or threatened breach of the Non-Competition Provision, including, but not limited to, recovery of damages. In addition, in the event of your breach of the Non-Competition Provision, the RSUs covered by this Agreement that are then unvested shall be immediately forfeited. You and the Company further agree that the Non-Competition Provision is reasonable and that the Company would not have granted the award of RSUs provided for in this Agreement but for the inclusion of the Non-Competition Provision herein. If any provision of the Non-Competition Provision is found by any court of competent jurisdiction to be unenforceable because it extends for too long a period of time or over too great a range of activities or in too broad a geographic area, it shall be interpreted to extend over the maximum period of time, range of activities, or geographic area as to which it may be enforceable. The validity, construction, and performance of the Non-Competition Provision shall be governed by the laws of the State of New York without regard to its conflicts of laws principles. For purposes of the Non-Competition Provision, you and the Company consent to the jurisdiction of state and federal courts in New York County, New York.

11. Not an Employment Agreement.

The award of RSUs hereunder does not constitute an agreement by the Company to continue to employ you during the entire, or any portion of the, term of this Agreement, including but not limited to any period during which the RSUs are outstanding.

12. Miscellaneous.

(a) In no event shall any dividend equivalents accrue or be paid on any RSUs.

(b) This Agreement shall inure to the benefit of and be binding upon all parties hereto and their respective heirs, legal representatives, successors and assigns.

(c) This Agreement shall be subject to any compensation recoupment policy that the Company may adopt.

(d) This Agreement constitutes the entire agreement between the parties and cannot be changed or terminated orally. No modification or waiver of any of the provisions hereof shall be effective unless in writing and signed by the party against whom it is sought to be enforced.

(e) This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one contract.

(f) The failure of any party hereto at any time to require performance by another party of any provision of this Agreement shall not affect the right of such party to require performance of that provision, and any waiver by any party of any breach of any provision of this Agreement shall not be construed as a waiver of any continuing or succeeding breach of such provision, a waiver of the provision itself, or a waiver of any right under this Agreement.

(g) This Agreement is subject, in all respects, to the provisions of the Plan, and to the extent any provision of this Agreement contravenes or is inconsistent with any provision of the Plan, the provisions of the Plan shall govern.

(h) The headings of the sections of this Agreement have been inserted for convenience of reference only and shall in no way restrict or modify any of the terms or provisions hereof.

(i) All notices, consents, requests, approvals, instructions and other communications provided for herein shall be in writing and validly given or made when delivered, or on the second succeeding business day after being mailed by registered or certified mail, whichever is earlier, to the persons entitled or required to receive the same, at, in the case of the Company, the address set forth at the heading of this Agreement and, in the case of you, your principal residence address as shown in the records of the Company, or to such other address as either party may designate by like notice. Notices to the Company shall be addressed to the General Counsel.

(j) This Agreement shall be governed and construed and the legal relationships of the parties determined in accordance with the laws of the State of New York without regard to its conflicts of laws principles.

(k) Although the Company does not guarantee the tax treatment of the RSUs, this Agreement is intended to comply with, or be exempt from, the applicable requirements of Code Section 409A and shall be limited, construed and interpreted in accordance with such intent. Accordingly, in the event that you are a "specified employee" within the meaning of Code Section 409A as of the date of your separation from service (as determined pursuant to Code Section 409A and any procedure set by the Company), any award of RSUs payable as a result of such separation from service shall be settled no earlier than the day following the six- month anniversary of your separation from service, or, if earlier, your death.

(l) To indicate your acceptance of the terms of this Agreement, you must sign and deliver or mail not later than _____ a copy of this Agreement to the General Counsel of the Company at the address provided in the heading of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

FOOT LOCKER, INC.

By: _____

Executive

APPENDIX B

Change in Control

A Change in Control shall mean any of the following: (i) the merger or consolidation of the Company with, or the sale or disposition of all or substantially all of the assets of the Company to, any Person other than (A) a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or parent entity) fifty percent (50%) or more of the combined voting power of the voting securities of the Company or such surviving or parent entity outstanding immediately after such merger or consolidation; or (B) a merger or capitalization effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the beneficial owner, directly or indirectly (as determined under Rule 13d-3 promulgated under the Securities Exchange Act of 1934), of securities representing more than the amounts set forth in (ii) below; (ii) the acquisition of direct or indirect beneficial ownership (as determined under Rule 13d-3 promulgated under the Securities Exchange Act of 1934), in the aggregate, of securities of the Company representing thirty-five percent (35%) or more of the total combined voting power of the Company's then issued and outstanding voting securities by any Person acting in concert as of the date of this Agreement; or (iii) during any period of not more than twelve (12) months, individuals who at the beginning of such period constitute the Board of Directors of the Company (referred to herein as the "Board"), and any new director whose election by the Board or nomination for election by the Company's shareholders was approved by a vote of at least two-thirds ($\frac{2}{3}$) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority thereof.
