



EST. 1941

Coach, Inc. Audit Committee Charter

1. Composition of the Audit Committee. The Audit Committee shall consist of at least three Directors who (a) are neither officers nor employees of the Corporation or any subsidiary thereof; (b) have no relationship to the Corporation that may interfere with the exercise of their independence from management or the Corporation; (c) shall not accept, directly or indirectly, any consulting, advisory or other compensatory fees (other than fees for serving as a director or committee member/chairperson) from the Corporation, and (d) otherwise satisfy the applicable requirements under the published rules of the New York Stock Exchange, Inc. and the Securities Exchange Act of 1934, as amended, and the rules promulgated thereunder (the “Exchange Act”), as such requirements are interpreted by the Board of Directors in its business judgment. At least one member of the Audit Committee shall be an “audit committee financial expert” as defined by the regulations of the Securities and Exchange Commission (the “SEC”).

2. Purposes of the Audit Committee. The purposes of the Audit Committee are to assist or represent the Board of Directors:

- (a) in its oversight of the preparation of the Corporation’s accounting and financial reporting principles and policies and internal audit controls and procedures;
- (b) in its oversight of the preparation of the Corporation’s financial statements and the internal and independent audits thereof;
- (c) in selecting the outside auditors (whether or not subject to ratification by the stockholders), determining compensation paid, overseeing, evaluating and, where deemed appropriate, replacing the outside auditors;
- (d) by selecting the internal auditors, evaluating and, where deemed appropriate, replacing the internal auditors;
- (e) in evaluating the independence and qualifications of the outside auditors; and;
- (f) in performing the duties set forth in Section 3 below.

The primary function of the Audit Committee is the appointment, compensation and oversight of the Corporation’s outside auditors. The management of the Corporation is

responsible for the preparation, presentation and integrity of the Corporation's financial statements. Management and the person/firm performing the internal audit function are responsible for maintaining appropriate accounting and financial reporting principles and policies and internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations. The outside auditors are responsible for planning and carrying out a proper audit and reviews, including reviews of the Corporation's quarterly financial statements prior to the filing of each quarterly report on Form 10-Q, and other procedures. In fulfilling their responsibilities hereunder, it is recognized that members of the Audit Committee are not full-time employees of the Corporation and are not, and do not represent themselves to be, accountants or auditors by profession or experts in the fields of accounting or auditing, except to the extent required by applicable law or the published requirements of the New York Stock Exchange, Inc. As such, it is not the duty or responsibility of the Audit Committee or its members to conduct "field work" or other types of auditing or accounting reviews or procedures, and each member of the Audit Committee shall be entitled to rely, to the maximum extent permitted under applicable law, on (i) the integrity of those persons and organizations within and outside the Corporation from which it receives information and (ii) the accuracy of the financial and other information provided to the Audit Committee by such persons or organizations absent actual knowledge to the contrary (which shall be promptly reported to the Board of Directors).

The outside auditors and the internal auditors for the Corporation are ultimately accountable to the Audit Committee. The Audit Committee has the ultimate authority and responsibility, on behalf of the Board of Directors, to select, evaluate and, where appropriate, replace the outside auditors (whether or not subject to ratification by the stockholders) and the internal auditors.

The outside auditors shall submit to the Audit Committee annually a formal written statement describing:

- (a) the firm's internal quality-control procedures;
- (b) any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with such issues; and
- (c) (to assess the auditors' independence) delineating all relationships between the outside auditors and the Corporation (a "Statement as to Independence"), addressing at least the matters set forth in PCAOB Rule 3526.

3. Duties and Powers of the Audit Committee. The Audit Committee shall have the following duties and powers:

- (a) to select annually the independent public accountants (whether or not subject to ratification by the stockholders) as the outside auditors to audit

the books, records and accounts of the Corporation and its subsidiaries with respect to each of their fiscal years (the “Annual Audit”) and review with the outside auditors the scope of the prospective Annual Audit;

- (b) Review and preapprove (which may be pursuant to preapproval policies and procedures) both audit and non-audit services to be provided by the outside auditors. The authority to grant preapprovals may be delegated to one or more designated members of the audit committee, whose decisions will be presented to the full audit committee at its next regularly scheduled meeting;
- (c) to ensure that the outside auditors prepare and deliver annually a Statement as to Independence (it being understood that the outside auditors are responsible for the accuracy and completeness of such Statement), to discuss with the outside auditors any relationships or services disclosed in such Statement that may have an impact on the objectivity and independence of the Corporation’s outside auditors and to take appropriate action in response to such Statement to satisfy itself of the outside auditors’ independence;
- (d) to instruct the outside auditors that the outside auditors are ultimately accountable to the Board of Directors and the Audit Committee;
- (e) to appoint, evaluate and replace the person/firm who has direct responsibility for the internal audit function of the Corporation;
- (f) to advise the person/firm responsible for the internal audit function that they are expected to provide to the Audit Committee summaries of and, as appropriate, the significant reports to management prepared by the person/firm responsible for the internal audit function and management’s responses thereto;
- (g) to advise management, the person/firm responsible for the internal audit function and the outside auditors that they are expected to provide to the Audit Committee a timely analysis of significant financial reporting issues and practices;
- (h) to review compliance by management of the Corporation with the existing major accounting and financial policies of the Corporation;
- (i) to review, at least annually, the reserves established for contingent liabilities of the Corporation and its subsidiaries;
- (j) to consider any reports or communications (and the response thereto of management’s and/or the person/firm responsible for the internal audit function) submitted to the Audit Committee by the outside auditors required by or referred to in Statement on Auditing Standards No. 114, as

amended or supplemented, including discussions with the outside auditors regarding the following items included in such reports:

- (i) Critical accounting policies and practices, including any significant changes or major issues related thereto;
 - (ii) Alternative treatments of financial information within generally accepted accounting principles related to material items that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the outside auditors; and
 - (iii) Other material written communications between the outside auditors and management, including, but not limited to, the management representation letter and schedule of unadjusted differences;
- (k) to review with management and the outside auditors, the audited financial statements (including the Corporation's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations") to be included in the Corporation's Annual Report on Form 10-K prior to its filing and to review, without the presence of management employees of the Corporation, (i) the results of the Annual Audit with the outside auditors, (ii) the performance, competence and cooperation of the financial officers and staff of the corporate office and operating companies of the Corporation, respectively, (iii) the adequacy of the Corporation's internal audit function, and (iv) the annual management certifications required by the Sarbanes-Oxley Act of 2002;
- (l) to review with a representative of management and the outside auditors the Corporation's:
- (i) internal financial results to be included in the Corporation's quarterly reports on Form 10-Q prior to the filing of the reports;
 - (ii) quarterly and year-end earnings announcements prior to their release, including general policies and types of information and presentation for financial information and earnings guidance provided to analysts and rating agencies, paying particular attention to any pro forma or adjusted non-GAAP information. Such discussions may be in general terms (*i.e.*, discussion of the types of information to be disclosed and the type of presentations to be made); and
 - (iii) the quarterly management certifications required by the Sarbanes-Oxley Act of 2002.

The Chairperson of the Committee, or one or more members of the Committee, may represent the entire Audit Committee for purposes of these reviews;

- (m) to review with the person/firm responsible for the internal audit function (or other appropriate employee) (i) the results of audits performed by the internal audit function during the immediately preceding fiscal year, (ii) the independence from management of the Corporation of the internal audit function to determine audit scopes and (iii) the overall performance of the person/firm responsible for the internal audit function;
- (n) following the completion of the reviews described above, to meet separately with the internal auditors, outside auditors and the management of the Corporation for the purpose of discussing and clarifying issues and questions raised by the internal or outside auditors with respect to the Annual Audit, and to report the Audit Committee's findings with respect thereto to the Board of Directors within 60 days after the completion of such meetings;
- (o) to obtain from the outside auditors assurance that the audit was conducted in a manner consistent with the procedures set forth in Section 10A of the Securities Exchange Act of 1934, as amended (the "Exchange Act");
- (p) to be available from time to time to receive, or at the discretion of the Chairman of the Audit Committee to meet with respect to, reports, suggestions, questions or recommendations from the outside auditors, the Chief Executive Officer, the Chief Financial Officer, the Chief Accounting Officer, the person/firm responsible for the internal audit function or the General Counsel of the Corporation (or other appropriate officers or employees), respectively, relating to the responsibilities and functions of the Audit Committee;
- (q) to review, at least annually, management's procedures and policies to implement and maintain adequate and effective internal accounting controls in the Corporation and review management's programs to assure compliance with the accounting and financial recordkeeping provisions under the Exchange Act and other federal and state laws, including receiving and reviewing any disclosure from the company's CEO or CFO made in connection with the certification of the company's quarterly and annual reports filed with the SEC of: (1) significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize, and report financial data, and (2) any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal controls;

- (r) to prepare any report, including any recommendation of the Audit Committee, required by the rules of the SEC (including, but not limited to, the requirements of Item 407(d)(3)(i) of Regulation S-K) to be prepared by the Audit Committee and included in the Corporation's annual proxy statement;
- (s) to review this Charter periodically as deemed appropriate by the Audit Committee and recommend any changes to the Board of Directors;
- (t) to report its activities to the Board of Directors on a regular basis and to make such recommendations with respect to the above and other matters as the Audit Committee may deem necessary or appropriate;
- (u) to resolve disputes between the outside auditors and management regarding financial reporting;
- (v) to establish procedures for (A) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters, and (B) the confidential, anonymous submission to the Audit Committee by employees of the Corporation of concerns regarding questionable accounting or auditing matters;
- (w) to review analyses prepared by management and the outside auditors of the effect of regulatory and accounting initiatives, as well as off-balance-sheet structures, on the financial statements of the company;
- (x) to review analyses prepared by management (and the outside auditors) setting forth the significant reporting issues and judgments made in connection with the preparation of the financial statement, including analyses of the effects of alternative GAAP methods on the financial statements;
- (y) to consult with management regarding the promotion of ethical business behavior and the legal and regulatory compliance of the Corporation;
- (z) to discuss with management policies with respect to risk assessment and risk management;
- (aa) to set clear hiring policies for employees or former employees of the Corporation's outside auditors; and
- (bb) to perform a self-evaluation of the Audit Committee's performance at least annually and report the findings of such evaluation to the Board of Directors.

The Audit Committee may form, and delegate these duties and powers to, subcommittees of one or more members where appropriate.

4. Meetings of the Audit Committee. The Audit Committee shall meet as often as is necessary to carry out the duties and powers referred to herein. Meetings of the Audit Committee shall be held in accordance with the Bylaws of the Corporation.

5. Authority of Audit Committee. The Audit Committee shall have the authority, and access to the necessary funding and other resources, appropriate to discharge its responsibilities, including, without limitation, the authority to engage outside auditors for special audits, reviews and other procedures and to retain special counsel and other experts, consultants or advisors. The Audit Committee shall have the authority to determine fees and other the terms of engagement and the extent of funding necessary for payment of compensation to any advisors retained.

Adopted: September 12, 2000
Last Amended: February 2, 2010