
**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):
June 20, 2017

COACH, INC.

(Exact name of registrant as specified in its charter)

Maryland

(State of Incorporation)

1-16153

(Commission File Number)

52-2242751

(IRS Employer Identification No.)

10 Hudson Yards, New York, NY 10001

(Address of principal executive offices) (Zip Code)

(212) 594-1850

(Registrant's telephone number, including area code)

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01 Entry into a Material Definitive Agreement.

On June 6, 2017, Coach, Inc., a Maryland corporation (the “Company”), entered into a previously announced underwriting agreement (the “Underwriting Agreement”) with Merrill Lynch, Pierce, Fenner & Smith Incorporated and J.P. Morgan Securities LLC, as representatives of the several underwriters named therein (collectively, the “Underwriters”), providing for its underwritten public offering of \$400,000,000 aggregate principal amount of 3.000% senior unsecured notes due 2022 (the “2022 Notes”) and \$600,000,000 aggregate principal amount of 4.125% senior unsecured notes due 2027 (the “2027 Notes,” and together with the 2022 Notes, the “Notes”). On June 20, 2017, the Notes were issued under an Indenture, dated as of March 2, 2015 (the “Base Indenture”), as supplemented by the Second Supplemental Indenture, dated as of June 20, 2017, with respect to the 2022 Notes (the “Second Supplemental Indenture”) and the Third Supplemental Indenture, dated as of June 20, 2017, with respect to the 2027 Notes (the “Third Supplemental Indenture” and, together with the Base Indenture and the Second Supplemental Indenture, the “Indenture”), each between the Company and U.S. Bank National Association, as trustee.

The 2022 Notes will bear interest at a rate of 3.000% per year and the 2027 Notes will bear interest at a rate of 4.125% per year, subject to adjustments from time to time if either Moody’s or S&P (or a substitute rating agency therefor) downgrades (or downgrades and subsequently upgrades) the credit rating assigned to the 2022 Notes or the 2027 Notes, as applicable, as set forth in more detail in the prospectus supplement filed by the Company with the Securities and Exchange Commission (the “SEC”) on June 7, 2017. Interest on the 2022 Notes and the 2027 Notes is payable semi-annually on January 15 and July 15 of each year, beginning on January 15, 2018. The Notes will be unsecured, senior obligations and rank equally in right of payment with all of the Company’s existing and future senior unsecured indebtedness, senior in right of payment to any of the Company’s future subordinated indebtedness, effectively subordinated in right of payment to any of the Company’s subsidiaries’ obligations (including secured and unsecured obligations) and effectively subordinated in right of payment to any of the Company’s secured obligations, to the extent of the assets securing such obligations.

The Indenture contains covenants limiting the Company’s ability to: (1) create certain liens, (2) enter into certain sale and leaseback transactions and (3) merge, or consolidate or transfer, sell or lease all or substantially all of the Company’s assets. These covenants are subject to important limitations and exceptions that are described in the Indenture.

The Notes were offered pursuant to a shelf registration statement on Form S-3 (File No. 333-200642), which became immediately effective upon its filing with the SEC on December 1, 2014. A preliminary Prospectus Supplement dated June 6, 2017 relating to the Notes was filed with the SEC on June 6, 2017, and a final Prospectus Supplement dated June 6, 2017 was filed with the SEC on June 7, 2017.

Some of the underwriters and their affiliates have engaged in, and may in the future engage in, various financial advisory, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

The description of the Indenture in this Current Report on Form 8-K is a summary of, and is qualified in its entirety by, the terms of the Indenture. A copy of the Base Indenture was filed as Exhibit 4.1 to the Company’s Current Report on Form 8-K, filed on March 2, 2015, and is incorporated herein by reference. A copy of the Second Supplemental Indenture is filed as Exhibit 4.1 to this report and incorporated herein by reference. A copy of the Third Supplemental Indenture is filed as Exhibit 4.2 to this report and incorporated herein by reference.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information contained in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

Item 8.01 Other Events.

On June 20, 2017, the Company issued a press release announcing the closing of its underwritten public offering of \$400,000,000 aggregate principal amount of 3.000% senior unsecured notes due 2022 and \$600,000,000 aggregate principal amount of 4.125% senior unsecured notes due 2027, a copy of which is filed as Exhibit 99.1 to this report.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

- 4.1 Second Supplemental Indenture, dated as of June 20, 2017, relating to the 3.000% senior unsecured notes due 2022, between the Company and U.S. Bank National Association, as trustee
 - 4.2 Third Supplemental Indenture, dated as of June 20, 2017, relating to the 4.125% senior unsecured notes due 2027, between the Company and U.S. Bank National Association, as trustee
 - 4.3 Form of 3.000% senior unsecured notes due 2022 (included in the Second Supplemental Indenture filed as Exhibit 4.1 of this Current Report on Form 8-K)
 - 4.4 Form of 4.125% senior unsecured notes due 2027 (included in the Third Supplemental Indenture filed as Exhibit 4.2 of this Current Report on Form 8-K)
 - 5.1 Opinion of Venable LLP
 - 5.2 Opinion of Fried, Frank, Harris, Shriver & Jacobson LLP
 - 99.1 Press Release issued by the Company on June 20, 2017, announcing the closing of its underwritten public offering of \$400,000,000 aggregate principal amount of 3.000% senior unsecured notes due 2022 and \$600,000,000 aggregate principal amount of 4.125% senior unsecured notes due 2027
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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.

Dated: June 20, 2017

COACH, INC.

By: /s/ Todd Kahn

Todd Kahn

President, Chief Administrative Officer & Secretary

EXHIBIT INDEX

Exhibit No.	Description
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SECOND SUPPLEMENTAL INDENTURE

Dated as of June 20, 2017

to

INDENTURE

Dated as of March 2, 2015

3.000% SENIOR NOTES DUE 2022

COACH, INC.

as the Company

U.S. BANK NATIONAL ASSOCIATION

as the Trustee

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RECITALS

WHEREAS, the Company has heretofore executed and delivered to the Trustee an indenture dated as of March 2, 2015 (the “**Base Indenture**”), providing for the issuance from time to time of one or more series of the Company’s senior notes;

WHEREAS, the Company desires and has requested the Trustee pursuant to Section 9.01 of the Base Indenture to join with it in the execution and delivery of this Supplemental Indenture in order to supplement the Base Indenture as and to the extent set forth herein to provide for the issuance and the terms of the Notes (as defined below);

WHEREAS, the execution and delivery of this Supplemental Indenture has been duly authorized by a resolution of the Board of Directors of the Company;

WHEREAS, all conditions and requirements necessary to make this Supplemental Indenture a valid, binding and legal instrument in accordance with its terms have been performed and fulfilled by the parties hereto and the execution and delivery thereof have been in all respects duly authorized by the parties hereto;

NOW, THEREFORE, the Company and the Trustee mutually covenant and agree for the benefit of each other and for the equal and proportionate benefit of the Holders (as defined herein) of the 3.000% Senior Notes due 2022 (the “**Notes**”) as follows:

ARTICLE I

DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.01 *Relationship with Base Indenture*. The terms and provisions contained in the Base Indenture will constitute, and are hereby expressly made, a part of this Supplemental Indenture and the Company and the Trustee, by their execution and delivery of this Supplemental Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent any provision of the Base Indenture conflicts with the express provisions of this Supplemental Indenture, the provisions of this Supplemental Indenture will govern and be controlling in respect of the Notes.

Section 1.02 *Definitions*. Capitalized terms used herein without definition shall have the respective meanings set forth in the Base Indenture. The following terms have the meanings given to them in this Section 1.02:

“**Acquisition Deadline**” has the meaning assigned to such term in Section 3.06 hereof.

“**Additional Notes**” has the meaning assigned to such term in Section 2.03 hereof.

“**Adjusted Treasury Rate**” means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date, plus 25 basis points.

“**Attributable Debt**” means, on the date of any determination, the present value of the obligation of the lessee for Net Rental Payments during the remaining term of the lease included in a Sale and Leaseback Transaction, including any period for which such lease has been extended or may, at the option of the lessor, be extended. Such present value shall be calculated using a discount rate equal to the interest rate set forth or implicit in the terms of such lease or, if not practicable to determine such rate, the weighted average interest rate per annum borne by the Notes on such date of determination, in either case compounded semi-annually.

“**Base Indenture**” has the meaning set forth in the recitals to this Supplemental Indenture, as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.

“**Business Day**” means any day other than a Saturday, a Sunday or a day on which banking institutions in New York City are authorized or required by law, regulation or executive order to close.

“**Change of Control**” means the occurrence of any one of the following:

- (1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the Company’s assets and the assets of the Company’s Subsidiaries taken as a whole to any person other than to the Company or one of the Company’s Subsidiaries;
- (2) the consummation of any transaction (including without limitation, any merger or consolidation) the result of which is that any person (other than the Company or one of the Company’s Subsidiaries) becomes the “beneficial owner” (as such terms are defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the Company’s outstanding Voting Stock or the Voting Stock of any parent company or other Voting Stock into which the Company’s Voting Stock or the Voting Stock of any parent company is reclassified, consolidated, exchanged or changed, measured by voting power rather than number of shares;
- (3) the Company or any parent company consolidates with, or merges with or into, any person, or any person consolidates with, or merges with or into, the Company or any parent company, in any such event pursuant to a transaction in which any of the Company’s outstanding Voting Stock, the Voting Stock of such parent company or the Voting Stock of such other person is converted into or exchanged for cash, securities or other property, other than any such transaction where the shares of the Company’s Voting Stock or the Voting Stock of such parent company outstanding immediately prior to such transaction constitute, or are converted into or exchanged for, a majority of the Voting Stock of the surviving person or any direct or indirect parent company of the surviving person immediately after giving effect to such transaction;

- (4) the first day on which the majority of the members of the Company's Board of Directors or the Board of Directors of any parent company cease to be Continuing Directors; or
- (5) the adoption of a plan relating to the Company's liquidation or dissolution.

Notwithstanding the foregoing, a transaction will not be deemed to involve a Change of Control under clause (2) above if (i) the Company becomes a direct or indirect wholly-owned subsidiary of a holding company (a "parent company"), and (ii) the Holders of the Company's Voting Stock or the Voting Stock of any parent company immediately prior to that transaction hold at least a majority of the Voting Stock of the Company or such parent company immediately following that transaction; provided that any series of related transactions shall be treated as a single transaction. The term "person," as used in this definition, has the meaning given thereto in Section 13(d)(3) of the Exchange Act.

The term "**Voting Stock**", solely as used in the definition of Change of Control, means, with respect to any person as of any date, the capital stock of such person that is at the time entitled to vote generally in the election of the Board of Directors (or other analogous managing body) of such person.

"**Change of Control Offer**" has the meaning assigned to such term in Section 4.03 hereof.

"**Change of Control Payment**" has the meaning assigned to such term in Section 4.03 hereof.

"**Change of Control Payment Date**" has the meaning assigned to such term in Section 4.03 hereof.

"**Change of Control Triggering Event**" means the occurrence of both a Change of Control and a related Rating Event.

"**Code**" has the meaning assigned to such term in Section 3.05 hereof.

"**Comparable Treasury Issue**" means the United States Treasury security or securities selected by a Quotation Agent as having an actual or interpolated maturity comparable to the remaining term of the Notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, with a maturity of June 15, 2022 (one month prior to the scheduled maturity date of the Notes).

"**Comparable Treasury Price**" means, with respect to any redemption date for the Notes, (1) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or (2) if the Quotation Agent obtains fewer than four such Reference Treasury Dealer Quotations, the average of all quotations obtained.

“**Consolidated Net Tangible Assets**” means, on the date of any determination, the aggregate amount of assets, less applicable reserves and other properly deductible items, after deducting from that net amount

- (a) all current liabilities, and
- (b) goodwill, trademarks, trade names, patents, unamortized debt-discount and other like intangibles,

in each case as set forth on the Company’s most recently available consolidated balance sheet, in accordance with GAAP.

“**Continuing Director**” means, as of any date of determination:

- (1) with respect to any member of the Board of Directors of the Company, any member who: (i) was a member of such Board of Directors on the date of the initial issuance of the Notes; or (ii) was nominated for election, elected or appointed to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination, election or appointment; and
- (2) with respect to any member of the Board of Directors of any parent company, any member who: (i) was a member of the Company’s Board of Directors on the date such parent company became the Company’s parent company; or (ii) was nominated for election, elected or appointed to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination, election or appointment.

“**Depository**” means, with respect to the Notes issuable or issued in whole or in part in global form, the Person specified in Section 2.01 hereof as the Depository with respect to the Notes, and any and all successors thereto appointed as depository hereunder and having become such pursuant to the applicable provision of this Supplemental Indenture.

“**DTC**” has the meaning assigned to such term in Section 2.01 hereof.

“**Fitch**” means Fitch Ratings, Inc., and its successors.

“**Foreign Successor Issuer**” means any Person that is organized in a jurisdiction other than the United States of America, any state thereof or the District of Columbia and that assumes the Company’s obligations under the Notes after the date of this Supplemental Indenture in accordance with the provisions of Article 5 of the Base Indenture.

“**Funded Debt**” means all indebtedness for money borrowed, including purchase money indebtedness, (i) having a maturity of more than one year from the date of its creation or having a maturity of less than one year but by its terms being renewable or extendible, at the option of the obligor in respect of such indebtedness, beyond one year from its creation and (ii) which is not subordinated in right of payment to the Notes.

“**Global Notes**” means, individually and collectively, the Global Notes, in the form or forms of Exhibit A hereto issued in accordance with Section 2.01 hereof.

“**Hudson Yards Development**” means (a) that certain Agreement of Severed Parcel Lease (Eastern Rail Yard Section of the John D. Caemmerer West Side Yard) (the “Ground Lease”), dated as of April 10, 2013, between the Metropolitan Transportation Authority and Legacy Yards Tenant LLC (“Legacy Yards Tenant”); (b) any improvements now or hereafter located on the land demised pursuant to the Ground Lease, including, but not limited to, that certain commercial building to be built thereon (the “Building”) and any condominium units or common areas that may be created therein and thereon; and/or (c) Legacy Yards Tenant.

“**Holder**” means a Person in whose name a Note is registered.

“**Indenture**” means the Base Indenture, as supplemented by this Supplemental Indenture, governing the Notes, together, as amended, supplemented or restated from time to time.

“**Initial Notes**” means the first \$400,000,000 aggregate principal amount of Notes issued under this Supplemental Indenture on the date hereof.

“**Investment Grade**” means a rating of Baa3 or better by Moody’s (or its equivalent under any successor rating category), a rating of BBB- or better by Standard & Poor’s (or its equivalent under any successor rating category) and a rating of BBB- or better by Fitch (or its equivalent under any successor rating category).

“**Kate Spade**” means Kate Spade & Company, a Delaware corporation.

“**Merger Agreement**” means the Agreement and Plan of Merger, dated as of May 7, 2017, by and among the Company, Kate Spade and Chelsea Merger Sub Inc., a Delaware corporation.

“**Moody’s**” means Moody’s Investors Service, Inc., and its successors.

“**Net Proceeds**” means, with respect to a Sale and Leaseback Transaction, the aggregate amount of cash or cash equivalents received by the Company or any of its Significant Subsidiaries, less the sum of all payments, fees, commissions and expenses incurred in connection with such transaction, and less the amount (estimated reasonably and in good faith by the Company) of income, franchise, sales and other applicable taxes required to be paid by the Company or any of its Significant Subsidiaries in connection with such transaction in the taxable year that such transaction is consummated or in the immediately succeeding taxable year, the computation of which shall take into account the reduction in tax liability resulting from any available operating losses and net operating loss carryovers, tax credits and tax credit carryforwards, and similar tax attributes.

“**Net Rental Payments**” means the total amount of rent payable by the lessee after excluding amounts required to be paid on account of maintenance and repairs, insurance, taxes, assessments, water rates and similar charges.

“**Notes**” has the meaning assigned to it in the preamble to this Supplemental Indenture.

“**Person**” means any individual, corporation, limited liability company, partnership, joint venture, trust, unincorporated organization or government or any agency or political subdivision thereof.

“**Principal Property**” means any manufacturing plant or other similar facility, office facility, warehouse, distribution center or any parcel of real estate or group of contiguous parcels of real estate located within the United States owned or leased by the Company or any of its Subsidiaries and the gross book value, without deduction of any depreciation reserves, of which on the date as of which the determination is being made exceeds 1% of Consolidated Net Tangible Assets; provided that the term ‘Principal Property’ shall not include any direct or indirect legal, beneficial or equitable interest in any corporate headquarters or any direct or indirect legal, beneficial or equitable interest in the Hudson Yards Development.

“**Quotation Agent**” means the Reference Treasury Dealer appointed by the Company.

“**Rating Agency**” means:

- (1) each of Moody’s, S&P and Fitch; and
- (2) if any of Moody’s, S&P or Fitch ceases to rate the Notes or fails to make a rating of the Notes publicly available for reasons outside of the Company’s control, a Substitute Rating Agency in lieu thereof.

“**Rating Event**” with respect to the Notes means (i) the rating of the Notes is lowered by at least two of the three Rating Agencies during the period (the “**Trigger Period**”) commencing on the earlier of the first public notice of (a) the occurrence of a Change of Control or (b) the Company’s intention to effect a Change of Control and ending 60 days following consummation of such Change of Control (which period shall be extended so long as the rating of the Notes is under publicly announced consideration for a possible downgrade by any of the Rating Agencies) and (ii) the Notes are rated below an Investment Grade rating by at least two of the three Rating Agencies on any day during the Trigger Period. Notwithstanding the foregoing, a Rating Event will not be deemed to have occurred in respect of a particular Change of Control (and thus will not be deemed a Rating Event for purposes of the definition of Change of Control Triggering Event) if the Rating Agencies making the reduction in rating to which this definition would otherwise apply do not publicly announce or confirm or inform the Trustee in writing at the Company’s request that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, such Change of Control (whether or not the applicable Change of Control has occurred at the time of the Rating Event). Unless at least two of the three Rating Agencies are providing a rating for the Notes at the commencement of any Trigger Period, there will be deemed to have been a Rating Event with respect to the Notes during that Trigger Period.

“**Reference Treasury Dealer**” means (1) each of Merrill Lynch, Pierce, Fenner & Smith Incorporated and J.P. Morgan Securities LLC (or any of their respective affiliates which are Primary Treasury Dealers), and their respective successors; provided, however, that if any of the foregoing shall cease to be a primary U.S. Government securities dealer in the United States of America (a “Primary Treasury Dealer”), the Company shall substitute therefor another Primary Treasury Dealer, and (2) any other Primary Treasury Dealer selected by the Company.

“**Reference Treasury Dealer Quotations**” means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Company, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Quotation Agent by such Reference Treasury Dealer as of 5:00 p.m., New York City time, on the third Business Day preceding such redemption date.

“**Sale and Leaseback Transaction**” means any arrangement whereby the Company or any of its Significant Subsidiaries has sold or transferred, or will sell or transfer, property and has or will take back a lease pursuant to which the rental payments are calculated to amortize the purchase price of the property substantially over the useful life of such property.

“**S&P**” means Standard & Poor’s Financial Services LLC, and its successors.

“**Significant Subsidiary**” means a Subsidiary of the Company which owns or leases a Principal Property.

“**special mandatory redemption**” has the meaning assigned to such term in Section 3.06 hereof.

“**special mandatory redemption date**” has the meaning assigned to such term in Section 3.06 hereof.

“**Subsidiary**” means with respect to the Company at any date, any corporation, limited liability company, partnership, association or other entity of which the Company, or the Company and one or more Subsidiaries, or any one or more Subsidiaries, directly or indirectly own more than 50% of the Voting Stock.

“**Substitute Rating Agency**” means a “nationally recognized statistical rating organization” within the meaning of Section 3(a)(62) under the Exchange Act, selected by the Company (as certified by a resolution of the Company’s Board of Directors) as a replacement agency for any or all of Moody’s, S&P or Fitch, as the case may be.

“**substitute rating agency**” has the meaning assigned to such term in Section 2.02 hereof.

“**Supplemental Indenture**” means this Second Supplemental Indenture, dated as of the date hereof, by and among the Company and the Trustee, governing the Notes, as amended, supplemented or otherwise modified from time to time in accordance with the Base Indenture and the terms hereof.

“**Termination Date**” has the meaning assigned to such term in the Merger Agreement.

“**Voting Stock**” means capital stock the holders of which have general voting power under ordinary circumstances to elect at least a majority of the Board of Directors of a corporation; provided that, for the purpose of such definition, capital stock which carries only the right to vote conditioned on the occurrence of an event shall not be considered Voting Stock whether or not such event shall have occurred.

ARTICLE II

THE NOTES

Section 2.01 *Form and Dating.* (a) The Notes and the Trustee’s certificate of authentication included thereon will be substantially in the form or forms of Exhibit A attached hereto. The Notes may have notations, legends or endorsements required by law, stock exchange rule or usage. Each Note will be dated the date of its authentication. The Notes will initially be issued in the form of one or more Registered Global Securities, without coupons, in minimum denominations of \$2,000 with integral multiples of \$1,000 in excess thereof.

The terms and provisions contained in the Notes will constitute, and are hereby expressly made, a part of this Supplemental Indenture, and the Company and the Trustee, by their execution and delivery of this Supplemental Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent any provision of this Supplemental Indenture or any Note conflicts with the express provisions of the Base Indenture, the provisions of this Supplemental Indenture or the Notes, as the case may be, will govern and be controlling.

(b) Notes issued in global form will be substantially in the form or forms of Exhibit A attached hereto. Each Global Note will represent such of the outstanding Notes as will be specified therein and each will provide that it will represent the aggregate principal amount of outstanding Notes from time to time endorsed thereon and that the aggregate principal amount of outstanding Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the aggregate principal amount of outstanding Notes represented thereby will be made by the Trustee or the custodian of the Notes, at the direction of the Trustee, in accordance with written instructions given by the Holder thereof as required by Section 2.03 hereof. The Company initially appoints DTC to act as Depositary with respect to the Global Notes.

(c) The Notes shall not be exchangeable for nor convertible into the common stock of the Company or any other security.

(d) The Company will not pay additional amounts on Notes held by a person who is not a U.S. person in respect of any tax, assessment or governmental charge withheld or deducted.

(e) The following legends will appear on the face of all Global Notes issued under this Supplemental Indenture.

“THIS SECURITY IS A REGISTERED GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF THE DEPOSITARY OR A NOMINEE OF THE DEPOSITARY, WHICH MAY BE TREATED BY THE COMPANY, THE TRUSTEE AND ANY AGENT THEREOF AS OWNER AND HOLDER OF THIS SECURITY FOR ALL PURPOSES.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (“DTC”) TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY, OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY, OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY.”

Section 2.02 *Interest Rate Adjustment.* (a) The annual interest rate payable on the Notes will be subject to adjustments from time to time if either Moody’s or S&P or, if either of Moody’s or S&P ceases to rate the Notes or fails to make a rating of the Notes publicly available, in each case for reasons outside of the Company’s control, a “nationally recognized statistical rating organization” within the meaning of Section 3(a)(62) of the Exchange Act selected pursuant to the definition of “**Rating Agency**” as it relates to Moody’s and S&P (a “**substitute rating agency**”) therefor, downgrades (or downgrades and subsequently upgrades) the credit rating assigned to the Notes, in the manner described below in this Section 2.02.

(b) Subject to the remaining provisions of this Section 2.02, if the rating assigned by Moody’s (or any substitute rating agency therefor) of the Notes is decreased to a rating set forth in the immediately following table, the interest rate on the Notes will increase such that it will equal the interest rate payable on the Notes on the date of their initial issuance plus the percentage set forth opposite the rating in the table below (plus, if applicable, the percentage set forth opposite the rating in the table in clause (c) below):

Moody’s Rating*

Ba1	0.25%
Ba2	0.50%
Ba3	0.75%
B1 or below	1.00%

* Including the equivalent ratings of any substitute rating agency.

(c) Subject to the remaining provisions of this Section 2.02, if the rating assigned by S&P (or any substitute rating agency therefor) of the Notes is decreased to a rating set forth in the immediately following table, the interest rate on the Notes will increase such that it will equal the interest rate payable on the Notes on the date of their initial issuance plus the percentage set forth opposite the rating in the table below (plus, if applicable, the percentage set forth opposite the rating in the table in clause (b) above):

S&P Rating*	
BB+	0.25%
BB	0.50%
BB-	0.75%
B+ or below	1.00%

* Including the equivalent ratings of any substitute rating agency.

(d) If at any time the interest rate on the Notes has been increased and either Moody's or S&P (or, in either case, a substitute rating agency therefor), as the case may be, subsequently upgrades its rating of the Notes to any of the threshold ratings set forth above, the interest rate on the Notes will be decreased such that the interest rate for the Notes equals the interest rate payable on the Notes on the date of their initial issuance plus the percentages set forth opposite the ratings from the tables in clauses (b) and (c) above in effect immediately following the upgrade in rating. If Moody's (or any substitute rating agency therefor) subsequently upgrades its rating of the Notes to Baa3 (or its equivalent, in the case of a substitute rating agency) or higher, and S&P (or any substitute rating agency therefor) upgrades its rating to BBB- (or its equivalent, in the case of a substitute rating agency) or higher, the interest rate on the Notes will be decreased to the interest rate payable on the Notes on the date of their initial issuance (and if one such upgrade occurs and the other does not, the interest rate on the Notes will be decreased so that it does not reflect any increase attributable to the upgrading rating agency). In addition, the interest rates on the Notes will permanently cease to be subject to any adjustment described in this Section 2.02 (notwithstanding any subsequent downgrade in the ratings by either or both rating agencies) if the Notes becomes rated Baa1 and BBB+ (or, in either case, the equivalent thereof, in the case of a substitute rating agency) or higher by Moody's and S&P (or, in either case, a substitute rating agency therefor), respectively (or one of these ratings if the Notes are only rated by one of Moody's or S&P (or, in either case, a substitute rating agency therefor), respectively).

(e) Each adjustment required by any downgrade or upgrade in a rating set forth above, whether occasioned by the action of Moody's or S&P (or, in either case, a substitute rating agency therefor), will be made independent of any and all other adjustments. In no event will (i) the interest rate for the Notes be reduced to below the interest rate payable on the Notes on the date of their initial issuance or (ii) the total increase in the interest rate on the Notes exceed 2.00% above the interest rate payable on the Notes on the date of their initial issuance.

(f) No adjustments in the interest rate of the Notes will be made solely as a result of Moody's or S&P (or, in either case, a substitute rating agency therefor) ceasing to provide a rating of the Notes. If at any time Moody's or S&P ceases to provide a rating of the Notes, the Company will use its commercially reasonable efforts to obtain a rating of the Notes from a substitute rating agency, if one exists, in which case, for purposes of determining any increase or decrease in the interest rate on the Notes pursuant to the tables above (i) such substitute rating agency will be substituted for the last rating agency to provide a rating of the Notes but which has since ceased to provide such rating, (ii) the relative rating scale used by such substitute rating agency to assign ratings to senior unsecured debt will be determined in good faith by an independent investment banking institution of national standing appointed by the Company and, for purposes of determining the applicable ratings included in the applicable table above with respect to such substitute rating agency, such ratings will be deemed to be the equivalent ratings used by Moody's or S&P, as applicable, in such table and (iii) the interest rate on the Notes will increase or decrease, as the case may be, such that the interest rate equals the interest rate payable on the Notes on the date of their initial issuance plus the appropriate percentage, if any, set forth opposite the deemed equivalent rating from such substitute rating agency in the applicable table above (taking into account the provisions of clause (ii) above) (plus any applicable percentage resulting from a decreased rating by the other rating agency).

(g) For so long as only one of Moody's or S&P (or, in either case, a substitute rating agency therefor) provides a rating of the Notes, any subsequent increase or decrease in the interest rate of the Notes necessitated by a reduction or increase in the rating by the rating agency providing the rating will be twice the applicable percentage set forth in the applicable table above. For so long as neither Moody's nor S&P (nor, in either case, a substitute rating agency therefor) provides a rating of the Notes, the interest rate on the Notes will increase to, or remain at, as the case may be, 2.00% above the interest rate payable on the Notes on the date of their initial issuance.

(h) Any interest rate increase or decrease described above will take effect from the first interest payment date following the date on which a rating change occurs that requires an adjustment in the interest rate. As such, interest will not accrue at such increased or decreased rate until the next interest payment date following the date on which a rating change occurs. If Moody's or S&P (or, in either case, a substitute rating agency therefor) changes its rating of the Notes more than once prior to any particular interest payment date, the last change by such agency prior to such interest payment date will control for purposes of any interest rate increase or decrease with respect to the Notes described above relating to such rating agency's action. If the interest rate payable on the Notes is increased as described above, the term "interest," as used with respect to the Notes, will be deemed to include any such additional interest unless the context otherwise requires.

(i) The Company will promptly give notice of any interest rate increase to the Trustee, and the Trustee shall cause notice of such interest rate increase, in a form specified by the Company, to be distributed to the Holders.

Section 2.03 Issuance of Additional Notes. The Company will be entitled, upon delivery to the Trustee of an authentication or company order, Officers' Certificate and an Opinion of Counsel, to issue Additional Notes under this Supplemental Indenture which will have identical terms as the Initial Notes issued on the date hereof, other than with respect to the date of issuance, the issue price and, in some cases, the first interest payment date ("**Additional Notes**"), provided that the Company is in compliance with the covenants contained in this Supplemental Indenture and the Base Indenture. The Initial Notes issued on the date hereof and any Additional Notes issued will be treated as a single class for all purposes under this Supplemental Indenture, provided that, if any Additional Notes subsequently issued are not fungible for U.S. federal income tax purposes with the Initial Notes previously issued, such Additional Notes shall be issued under a separate CUSIP, ISIN and/or any other identifying number, but shall otherwise be treated as a single class with all other Notes issued under this Supplemental Indenture.

With respect to any Additional Notes, the Company shall provide to the Trustee a resolution of its Board of Directors and an Officers' Certificate which shall contain the following information:

- (a) the aggregate principal amount of such Additional Notes to be authenticated and delivered pursuant to this Supplemental Indenture; and
- (b) the issue price, the issue date, the initial interest payment date and the CUSIP number of such Additional Notes.

ARTICLE III

REDEMPTION AND PREPAYMENT

Section 3.01 Notice of Redemption; Selection of Notes. The Company will send by first class mail, or by electronic transmission in the case of Notes held in book-entry form, notice of any redemption at least 30 days but not more than 60 days before the date of redemption to each Holder of the Notes (with a copy to the Trustee) to be redeemed setting forth the information to be stated in such notice as provided in Article 3 of the Base Indenture. If less than all of the Notes are to be redeemed, the Notes to be redeemed shall be selected by the Trustee on a pro rata basis or by lot and in accordance with the procedures of DTC.

Section 3.02 Notes Redeemed in Part. No Notes of principal amount of \$2,000 or less may be redeemed in part.

Section 3.03 Optional Redemption. Prior to June 15, 2022 (one month prior to the scheduled maturity date), the Company may redeem the Notes at its option, in whole or in part, at any time or from time to time, at a redemption price equal to the greater of (1) 100% of the principal amount of the Notes to be redeemed or (2) as determined by a Quotation Agent, the sum of the present values of the remaining scheduled payments of principal and interest thereon that would have been payable in respect of such Notes calculated as if the maturity date of such Notes was June 15, 2022 (the date that is one month prior to the scheduled maturity date) (not including any portion of payments of interest accrued to the date of redemption), discounted to the redemption date on a semi-annual basis (assuming a 360 day year consisting of twelve 30 day months) at the Adjusted Treasury Rate plus, in the case of each of (1) and (2), accrued and unpaid interest to the redemption date.

On and after June 15, 2022 (one month prior to the scheduled maturity date), the Company may redeem the Notes at its option, in whole or in part, at any time, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest to the redemption date.

The redemption prices will be calculated assuming a 360-day year consisting of twelve 30-day months. Prior to the redemption date, the Company will deliver or cause to be delivered to the Trustee (i) an Officers' Certificate or Opinion of Counsel stating that the conditions precedent to the Company's right to so redeem have occurred and (ii) an Officers' Certificate setting forth the redemption price, showing the calculation in reasonable detail. If the date of redemption is on or after an interest record date and on or before the related interest payment date, the accrued and unpaid interest, if any, will be paid to the Person in whose name the Note is registered at the close of business on such interest record date, and no additional interest is payable to Holders whose Notes will be subject to redemption by the Company. Unless the Company defaults in payment of the redemption price, on and after the date of redemption, interest shall cease to accrue on the Notes or the portions thereof called for redemption.

Section 3.04 Optional Redemption for Changes in Withholding Taxes. A Foreign Successor Issuer may redeem the Notes, at its option, at any time in whole but not in part, upon not less than 30 nor more than 60 days' notice (which notice will be irrevocable), at a redemption price equal to 100% of the outstanding principal amount of the Notes, plus accrued and unpaid interest to, but excluding, the date fixed for redemption and any Additional Amounts (as defined below) (if any) then due and which will become due on the applicable redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date and Additional Amounts (if any) in respect thereof), in the event that such Foreign Successor Issuer determines in good faith that such Foreign Successor Issuer has become or would become obligated to pay, on the next date on which any amount would be payable with respect to the Notes, Additional Amounts and such obligation cannot be avoided by taking reasonable measures available to such Foreign Successor Issuer (including making payment through a paying agent located in another jurisdiction), as a result of:

- (a) a change in or an amendment to the laws (including any regulations or rulings promulgated thereunder) of any Relevant Jurisdiction (as defined below) affecting taxation, which change or amendment is announced or becomes effective on or after the date on which a Foreign Successor Issuer becomes a Foreign Successor Issuer (or, where a jurisdiction in question does not become a Relevant Jurisdiction until a later date, such later date); or
- (b) any change in or amendment to any official position of a taxing authority in any Relevant Jurisdiction regarding the application, administration or interpretation of such laws, regulations or rulings (including a holding, judgment or order by a court of competent jurisdiction), which change or amendment is announced or becomes effective on or after the date on which a Foreign Successor Issuer becomes a Foreign Successor Issuer (or, where a jurisdiction in question does not become a Relevant Jurisdiction until a later date, such later date).

Notwithstanding the foregoing, no notice of redemption for changes in withholding taxes may be given earlier than 60 days prior to the earliest date on which such Foreign Successor Issuer would be obligated to pay Additional Amounts if a payment in respect of the Notes were then due. At least five calendar days before such Foreign Successor Issuer provides notice of redemption of the Notes, such Foreign Successor Issuer will deliver to the Trustee and paying agent (i) an officers' certificate stating that such Foreign Successor Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to its right to so redeem have occurred, (ii) an opinion of independent legal counsel of recognized standing (which opinion shall be satisfactory to the Trustee) as to the satisfaction of conditions precedent in connection with such redemption, and (iii) an opinion of independent legal counsel of recognized standing (which opinion shall be satisfactory to the Trustee and paying agent) that such Foreign Successor Issuer has or will become obligated to pay Additional Amounts as a result of the circumstances referred to in clause (a) or (b) of this Section 3.04.

The Trustee and paying agent shall receive and will be entitled to conclusively rely upon the officers' certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent described above, in which case they will be conclusive and binding on the holders.

Section 3.05 Payment of Additional Amounts.

(a) All payments of Principal, premium and interest made by a Foreign Successor Issuer in respect of the Notes will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (“**Taxes**”) imposed or levied by or within any jurisdiction in which such Foreign Successor Issuer is incorporated or organized or where such Foreign Successor Issuer is otherwise considered by a taxing authority to be a resident or doing business for tax purposes or from or through which such Foreign Successor Issuer makes any payment on the Notes (in each case, including any political subdivision or any authority therein or thereof having the power to tax) (each a “**Relevant Jurisdiction**”), unless such withholding or deduction of such Taxes is required by law. For the avoidance of doubt, a Relevant Jurisdiction shall not include the United States, any state thereof or the District of Columbia. If a Foreign Successor Issuer is required to make such withholding or deduction, the Foreign Successor Issuer will pay such additional amounts (“**Additional Amounts**”) as will result in receipt by each Holder of any Notes of such amounts as would have been received by such Holder had no such withholding or deduction of such Taxes been required, except that no such Additional Amounts shall be payable:

(i) in respect of any such Taxes that would not have been imposed, deducted or withheld but for the existence of any connection (whether present or former) between the Holder or beneficial owner of a Note and the Relevant Jurisdiction other than merely holding such Note or receiving Principal, premium (if any) or interest in respect thereof (including such Holder or beneficial owner being or having been a national, domiciliary or resident of such Relevant Jurisdiction or treated as a resident thereof or being or having been physically present or engaged in a trade or business therein or having or having had a permanent establishment therein);

(ii) in respect of any Note presented for payment (where presentation is required) more than 30 days after the relevant date, except to the extent that the Holder thereof would have been entitled to such Additional Amounts on presenting the same for payment on the last day of such 30-day period. For this purpose, the “**relevant date**” in relation to any Note means the later of (a) the due date for such payment or (b) the date such payment was made or duly provided for;

(iii) in respect of any Taxes that would not have been imposed, deducted or withheld but for a failure of the Holder or beneficial owner of a Note to comply with a timely request by the Foreign Successor Issuer addressed to the Holder or beneficial owner to provide information or certification concerning such Holder's or beneficial owner's nationality, residence, identity or connection with any Relevant Jurisdiction, if and to the extent that due and timely compliance with such request is required under the tax laws of such jurisdiction in order to reduce or eliminate any withholding or deduction as to which Additional Amounts would have otherwise been payable to such Holder;

(iv) in respect of any Taxes imposed as a result of a Note being presented for payment (where presentation is required) in the Relevant Jurisdiction, unless such Note could not have been presented for payment elsewhere;

(v) in respect of any estate, inheritance, gift, sale, transfer, personal property or similar Taxes;

(vi) to any Holder of a Note that is a fiduciary, partnership or person other than the sole beneficial owner of any payment to the extent that such payment would be required to be included in the income under the laws of a Relevant Jurisdiction, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, or a member of that partnership or a beneficial owner who would not have been entitled to such Additional Amounts had that beneficiary, settlor, partner or beneficial owner been the Holder thereof;

(vii) with respect to any withholding or deduction that is imposed in connection with Sections 1471-1474 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") (or any amended or successor versions of such Sections) and U.S. Treasury regulations thereunder or official interpretations thereof, any agreement entered into pursuant to Section 1471(b)(1) of the Code, any intergovernmental agreement between the United States and any other jurisdiction implementing or relating to such Sections or any non-U.S. law, regulation or guidance enacted or issued with respect to the foregoing;

(viii) any such Taxes payable otherwise than by deduction or withholding from payments under or with respect to any Note;

(ix) in respect of any Taxes required to be withheld or deducted where such withholding or deduction is imposed pursuant to European Council Directive 2003/48/EC on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such European Council Directive or any amendment thereto; or

(x) any combination of Taxes referred to in the preceding items (i) through (ix) above.

(b) Any Foreign Successor Issuer will (i) make any such withholding or deduction required by applicable law and (ii) remit the full amount deducted or withheld to the relevant authority in accordance with applicable law. The Foreign Successor Issuer will make reasonable efforts to obtain certified copies of tax receipts evidencing the payment of any Taxes so deducted or withheld from each Relevant Jurisdiction imposing such Taxes. The Foreign Successor Issuer will provide to the Trustee, within a reasonable time after the date the payment of any Taxes so deducted or withheld are due pursuant to applicable law, either a certified copy of tax receipts evidencing such payment, or, if such tax receipts are not reasonably available to the Foreign Successor Issuer, such other documentation that provides reasonable evidence of such payment by the Foreign Successor Issuer.

(c) Any Foreign Successor Issuer will indemnify and hold harmless the Holders of Notes, and, upon written request of any Holder of Notes, reimburse such Holder for the amount of (i) any Taxes levied or imposed by a Relevant Jurisdiction and payable by such Holder in connection with payments made under or with respect to the Notes, held by such Holder; and (ii) any Taxes levied or imposed by a Relevant Jurisdiction with respect to any reimbursement under the foregoing clause (i) or this clause (ii), so that the net amount received by such Holder after such reimbursement will not be less than the net amount such Holder would have received if the Taxes giving rise to the reimbursement described in clauses (i) and/or (ii) of this clause (c) of Section 3.05 had not been imposed, provided, however, that the indemnification obligation provided for in this clause (c) shall not extend to Taxes imposed for which the Holder of the Notes would not have been eligible to receive payment of Additional Amounts hereunder by virtue of clauses (i) through (x) in clause (a) above or to the extent such Holder received Additional Amounts with respect to such payments.

(d) Any Foreign Successor Issuer will pay any stamp, issue, registration, court, documentation, excise or other similar taxes, charges and duties, including interest and penalties with respect thereto, imposed by any Relevant Jurisdiction at any time after the merger described above in respect of the execution, issuance, registration or delivery of the Notes or any other document or instrument referred to thereunder and any such taxes, charges or duties imposed by any Relevant Jurisdiction at any time after the merger described above as a result of, or in connection with, any payments made pursuant to the Notes and/or the enforcement of the Notes and/or any other such document or instrument.

(e) Whenever there is mentioned, in any context, the payment of Principal, premium or interest in respect of any Note, such mention shall be deemed to include the payment of Additional Amounts provided for in this Supplemental Indenture, to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof pursuant to this Supplemental Indenture.

(f) The obligation to make payments of Additional Amounts under the terms and conditions described above will survive any termination, defeasance or discharge of this Supplemental Indenture and will apply *mutatis mutandis* to any successor Person to any Foreign Successor Issuer (other than a Person organized under the laws of the United States, any state thereof or the District of Columbia) and to any jurisdiction in which such successor is organized or is otherwise resident for tax purposes or any jurisdiction from or through which payment is made by such successor or its respective agents.

Section 3.06 Special Mandatory Redemption.

(a) If (i) the merger contemplated by the Merger Agreement has not been completed by February 7, 2018 (or such later date to which the “**Termination Date**” under the Merger Agreement is extended by agreement between the Company and Kate Spade) or (ii) prior to such date, the Merger Agreement is terminated in accordance with its terms (the earlier of such date of termination and the Termination Date, the “**Acquisition Deadline**”), then the Company must redeem (such redemption, a “**special mandatory redemption**”) all of the Notes at a redemption price equal to 101% of the aggregate principal amount of the Notes, plus accrued and unpaid interest from the date of initial issuance, or the most recent date to which interest has been paid or provided for, whichever is later, to, but not including, the special mandatory redemption date. The “**special mandatory redemption date**” means the 10th day (or if such day is not a business day, the first business day thereafter) following the transmission of a notice of special mandatory redemption.

(b) The Company will cause notice of a special mandatory redemption to be transmitted to each holder of Notes at its registered address, with a copy to the Trustee, no later than 20 days after the occurrence of the Acquisition Deadline. If funds sufficient to pay the special mandatory redemption price of the Notes on the special mandatory redemption date (plus accrued and unpaid interest, if any, to, but not including, the special mandatory redemption date) are deposited with the Trustee on or before such special mandatory redemption date, the Notes will cease to bear interest on and after the special mandatory redemption date.

Section 3.07 No Sinking Fund. The Company is not required to make any sinking fund payments with respect to the Notes.

PARTICULAR COVENANTS

Section 4.01 Limitation on Liens. The Company will not, and will not permit any Significant Subsidiary to, incur, issue, assume or guarantee any notes, bonds, debentures or other similar evidences of indebtedness for money borrowed (herein called “**debt**”) secured by a pledge of, or mortgage or other lien on, any Principal Property, now owned or hereafter owned by the Company or any Significant Subsidiary, or any shares of capital stock or debt of any Significant Subsidiary (herein called “**liens**”), without providing that the Notes (together with, if the Company shall so determine, any other debt or obligations of the Company or any Significant Subsidiary ranking equally with the Notes and then existing or thereafter created) shall be secured equally and ratably with (or, at its option, prior to) such secured debt so long as such secured debt shall be so secured. The foregoing restrictions shall not apply to:

(a) liens existing as of the date of this Supplemental Indenture;

(b) liens on any property acquired (whether by merger, consolidation, purchase, lease or otherwise), constructed or improved by the Company or any Significant Subsidiary after the date of this Supplemental Indenture which are created or assumed prior to, contemporaneously with, or within 360 days after, such acquisition, construction or improvement, to secure or provide for the payment of all or any part of the cost of such acquisition, construction or improvement (including related expenditures capitalized for federal income tax purposes in connection therewith) incurred after the date of this Supplemental Indenture;

(c) liens on any property, shares of capital stock or debt existing at the time of the acquisition thereof, whether by merger, consolidation, purchase, lease or otherwise (including liens on property, shares of capital stock or indebtedness of a corporation existing at the time such Person becomes a Significant Subsidiary); provided that such lien was not created in anticipation of the Person becoming a Significant Subsidiary;

(d) liens in favor of, or which secure debt owing to, the Company or any Significant Subsidiary; and

(e) any extension, renewal or replacement (or successive extensions, removals or replacements) as a whole or in part, of any lien referred to in the foregoing clauses (a) – (d), inclusive; provided that (i) such extension, renewal or replacement lien shall be limited to all or a part of the same property, shares of capital stock or debt that secured the lien extended, renewed or replaced (plus improvements on such property) and (ii) the debt secured by such lien at such time is not increased.

Notwithstanding the restrictions described above, the Company or any Significant Subsidiary may incur, issue, assume or guarantee any debt secured by a lien which would otherwise be subject to the foregoing restrictions without equally and ratably securing the Notes, provided that at the time of such incurrence, issuance, assumption or guarantee, after giving effect thereto, the aggregate amount of all outstanding debt secured by liens which could not have been incurred, issued, assumed or guaranteed by the Company or a Significant Subsidiary without equally and ratably securing the Notes then outstanding except for the provisions of this paragraph, together with the aggregate amount of Attributable Debt incurred pursuant to Section 4.02(a) does not at such time exceed 15% of the Company’s Consolidated Net Tangible Assets.

Section 4.02 Limitation on Sale/Leaseback Transactions. The Company may not, and may not permit any Significant Subsidiary to, enter into any Sale and Leaseback Transaction involving any Principal Property, unless either of the following conditions are met:

(a) after giving effect thereto, the aggregate amount of all Attributable Debt with respect to Sale and Leaseback Transactions plus the aggregate amount of debt secured by a lien incurred without equally and ratably securing the Notes pursuant to the last paragraph of Section 4.01 above would not exceed 15% of the Company’s Consolidated Net Tangible Assets, or

- (b) within 180 days of such Sale and Leaseback Transaction, the Company or such Significant Subsidiary applies to (a) the retirement or prepayment, and in either case, the permanent reduction, of Funded Debt of the Company or any Significant Subsidiary (including that in the case of a revolver or similar arrangement that makes credit available, such commitment is so permanently reduced by such amount) or (b) the purchase of other property that will constitute Principal Property, an amount not less than the Net Proceeds of the Sale and Leaseback Transaction.

This restriction will not apply to any Sale and Leaseback Transaction, and there will be excluded from Attributable Debt in any computation described in this Section 4.02 or under Section 4.01 above with respect to any such transaction (x) solely between the Company and a Significant Subsidiary or solely between Significant Subsidiaries; and (y) in which the applicable lease is for a period, including renewal rights, of three years or less.

Section 4.03 Offer to Purchase Upon Change of Control Triggering Event. (a) Upon the occurrence of a Change of Control Triggering Event, unless the Company has exercised its right to redeem all of the Notes pursuant to Section 3.03 hereof or the Company has redeemed, or the Company is required to redeem, the Notes pursuant to a special mandatory redemption pursuant to Section 3.06 hereof, each Holder will have the right to require the Company to repurchase all or a portion (equal to \$2,000 or an integral multiple of \$1,000 in excess thereof) of such Holder's Notes pursuant to the offer described below (the "**Change of Control Offer**"), at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of repurchase (the "**Change of Control Payment**"), subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date.

(b) Within 30 days following the date upon which a Change of Control Triggering Event occurs, or at its option, prior to any Change of Control Offer but after the public announcement of the pending Change of Control, the Company will be required to send, by first class mail, a notice to each Holder at its registered address, with a copy to the Trustee, which notice will govern the terms of the Change of Control Offer. Such notice will state:

(i) that such Change of Control Triggering Event has occurred and that such Holder has the right to require the Company to repurchase such Holder's Notes at a purchase price in cash equal to 101% of the principal amount of the Notes plus accrued and unpaid interest, if any, to the date of repurchase (subject to the rights of Holders of records on the relevant interest record date to receive interest due on the relevant interest payment date) (the "**Change of Control Payment**");

(ii) the date of repurchase, which must be no earlier than 30 days nor later than 60 days from the date the Change of Control Offer is mailed, other than as may be required by law (the "**Change of Control Payment Date**");

(iii) the procedures determined by the Company, consistent with the Indenture, that a Holder must follow in order to have its Notes repurchased; and

(iv) if the notice is mailed prior to the date of consummation of the Change of Control, that the Change of Control Offer is conditioned on the Change of Control Triggering Event occurring on or prior to the Change of Control Payment Date.

(c) On the Change of Control Payment Date, the Company shall, to the extent lawful, accept for payment, all Notes or portions thereof validly tendered and not withdrawn pursuant to the Change of Control Offer, and shall deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes so tendered. The Company shall also deliver or cause to be delivered to the Trustee the Notes so accepted together with an Officers' Certificate stating the aggregate principal amount of Notes or portions of Notes being repurchased by the Company. The Paying Agent shall deliver or cause to be delivered to each tendering Holder the Change of Control Payment for the Notes tendered by such Holder and accepted by the Company for purchase, and the Trustee, upon receipt of an order from the Company, shall promptly authenticate and cause to be delivered (or cause to be transferred by book-entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Note surrendered, if any, provided that each such new Note shall be in a principal amount of \$2,000 and integral multiples of \$1,000 in excess thereof. Notwithstanding the foregoing, in the event that on the Change of Control Payment Date, there has occurred and is continuing an Event of Default (other than any Event of Default arising solely by failure to pay the Change of Control Payment), the Company shall not be obligated to accept Notes tendered pursuant to this Section 4.03 or to deposit with the Paying Agent any amounts representing any Change of Control Payments, and the Paying Agent shall not deliver or cause to be delivered to any tendering Holders any amounts representing any Change of Control Payments.

(d) If the Change of Control Payment Date is on or after an interest record date and on or before the related interest payment date, any accrued and unpaid interest, if any, shall be paid to the Person in whose name a Note is registered at the close of business on such interest record date, and no additional interest will be payable to Holders who tender pursuant to the Change of Control Offer.

(e) Holders of Notes electing to have Notes repurchased pursuant to a Change of Control Offer will be required to surrender their Notes, with the form entitled "Option of Holder to Elect Repurchase" on the reverse of the Note completed, to the Trustee at the address specified in the notice, or transfer their Notes to the Company by book-entry transfer pursuant to the applicable procedures of the Trustee, prior to the close of business on the third Business Day prior to the Change of Control Payment Date.

(f) The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of Notes as a result of a Change of Control Triggering Event. To the extent that the provisions of any such securities laws or regulations conflict with the Change of Control Offer provisions of the Notes, the Company will comply with those securities laws and regulations and will not be deemed to have breached its obligations under the Change of Control Offer provisions of the Notes by virtue of any such conflict.

(g) The Company shall not be required to make a Change of Control Offer if a third party makes such an offer in the manner and at the times required and otherwise in compliance with the requirements for such an offer made by the Company, and such third party purchases all Notes validly tendered and not withdrawn under its offer.

ARTICLE V

DEFAULTS

Section 5.01 Defaults. In addition to the Events of Default described in the Base Indenture, the following shall constitute an “Event of Default” under this Supplemental Indenture:

- (a) if the Company or any of its Significant Subsidiaries default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any indebtedness for money borrowed by the Company or such Significant Subsidiary, as the case may be, whether such indebtedness now exists, or is created after the date of this Indenture, if that Default:
- (i) is caused by a failure to pay Principal when due at maturity (a “**Principal Payment Default**”); or
 - (ii) results in the acceleration of such indebtedness prior to its stated maturity (an “**Acceleration Event**”);

and, in each case, the principal amount of any such indebtedness, together with the principal amount of any other such indebtedness under which there has been a Principal Payment Default or an Acceleration Event, aggregates \$75 million or more.

ARTICLE VI

MISCELLANEOUS

Section 6.01 Trust Indenture Act Controls. This Supplemental Indenture shall incorporate and be governed by the provisions of the Trust Indenture Act that are required to be part of and to govern indentures qualified under the Trust Indenture Act.

Section 6.02 Governing Law. The laws of the State of New York shall govern this Supplemental Indenture and the Notes.

Section 6.03 Consent to Jurisdiction. A Foreign Successor Issuer will irrevocably submit to the non-exclusive jurisdiction of any New York state court or any U.S. federal court sitting in the Borough of Manhattan, The City of New York, in respect of any legal action or proceeding arising out of or in relation to the indenture or the Securities, and will agree that all claims in respect of such legal action or proceeding may be heard and determined in such New York state or U.S. federal court and will waive, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of any such action or proceeding in any such court.

Section 6.04 Successors. All agreements of the Company in this Supplemental Indenture and the Notes will bind their respective successors. All agreements of the Trustee in this Supplemental Indenture will bind its successors.

Section 6.05 Severability. In case any provision in this Supplemental Indenture or in the Notes will be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

Section 6.06 Counterpart Originals. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy will be an original, but all of them together represent the same agreement. The exchange of copies of this Supplemental Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Supplemental Indenture as to the parties hereto and may be used in lieu of the original Supplemental Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or PDF shall be deemed to be their original signatures for all purposes.

Section 6.07 Table of Contents, Headings, Etc. The Table of Contents and Headings of the Articles and Sections of this Supplemental Indenture have been inserted for convenience of reference only, are not to be considered a part of this Supplemental Indenture and will in no way modify or restrict any of the terms or provisions hereof.

Section 6.08 Validity or Sufficiency of Supplemental Indenture. The Trustee is not responsible for the validity or sufficiency of this Supplemental Indenture, or for the recitals contained herein.

Section 6.09 Waiver of Jury Trial. EACH OF THE COMPANY AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS SUPPLEMENTAL INDENTURE, THE NOTES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

[Signatures on following page]

SIGNATURES

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed, all as of the date first written above.

COACH, INC., as the Company

By: /s/ Kevin Wills

Name: Kevin Wills

Title: Chief Financial Officer

[Signature Page to Second Supplemental Indenture]

U.S. Bank National Association, as the Trustee

By: /s/ Beverly A. Freeney

Name: Beverly A. Freeney

Title: Vice President

[Signature Page to Second Supplemental Indenture]

FORM OF FACE OF NOTE

[GLOBAL SECURITY LEGEND]

THIS SECURITY IS A REGISTERED GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF THE DEPOSITARY OR A NOMINEE OF THE DEPOSITARY, WHICH MAY BE TREATED BY THE COMPANY, THE TRUSTEE AND ANY AGENT THEREOF AS OWNER AND HOLDER OF THIS SECURITY FOR ALL PURPOSES.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY (“DTC”) TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY, OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY, OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY.

Coach, Inc.CUSIP No. 189754 AB0
ISIN No. US189754AB06
\$[●]

No. [001]

Interest. COACH, INC., a Maryland corporation, (herein called the “**Company**”), for value received, hereby promises to pay to CEDE & CO., or registered assigns, the principal sum of [●] United States dollars (U.S.\$ [●]), as revised by the Schedule of Increases or Decreases attached hereto, on July 15, 2022 and to pay interest thereon from June 20, 2017 or from the most recent interest payment date to which interest has been paid or duly provided for, semi-annually in arrears on January 15 and July 15 in each year, commencing January 15, 2018, at the rate of 3.000% per annum, subject to the interest rate adjustment provisions in Section 2.02 of the Indenture (as defined on the reverse hereof), until the principal hereof is paid or made available for payment. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Method of Payment. The interest so payable, and punctually paid or duly provided for, on any interest payment date will, as provided in the Indenture, be paid to the Person in whose name this Note (or one or more predecessor Notes) is registered at the close of business on the relevant record date for such interest, which shall be January 1 or July 1, as the case may be, next preceding such interest payment date.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Authentication. Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Dated: June 20, 2017

COACH, INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

[Signature Page to 2022 Note]

TRUSTEE’S CERTIFICATE OF AUTHENTICATION

This is one of the Notes of the series designated therein referred to in the within-mentioned Indenture.

Date of authentication:

U.S. Bank National Association, as Trustee

By:

Authorized Signatory

[Signature Page to 2022 Note]

Indenture. This Note is one of a duly authorized issue of securities of the Company (herein called the “Notes”), issued and to be issued in one or more series under an Indenture, dated as of March 2, 2015, as supplemented by a Second Supplemental Indenture dated as of June 20, 2017 (as so supplemented, herein called the “Indenture”), between the Company and U.S. Bank National Association, as Trustee (herein called the “Trustee”, which term includes any successor trustee under the Indenture), to which Indenture reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Notes and of the terms upon which the Notes are, and are to be, authenticated and delivered. This Note is one of the series designated on the face hereof, initially limited in aggregate principal amount to \$400,000,000.

Optional Redemption. Prior to June 15, 2022 (one month prior to the scheduled maturity date), the Company may redeem the Notes at its option, in whole or in part, at any time or from time to time, at a redemption price equal to the greater of (1) 100% of the principal amount of the Notes to be redeemed or (2) as determined by a Quotation Agent, the sum of the present values of the remaining scheduled payments of principal and interest thereon that would have been payable in respect of such Notes calculated as if the maturity date of such Notes was June 15, 2022 (the date that is one month prior to the scheduled maturity date) (not including any portion of such payments of interest accrued to the date of redemption), discounted to the redemption date on a semi-annual basis at the Adjusted Treasury Rate plus, in the case of each of (1) and (2), accrued and unpaid interest to the redemption date.

On and after June 15, 2022 (one month prior to the scheduled maturity date), the Company may redeem the Notes at its option, in whole or in part, at any time, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest to the redemption date.

The redemption prices will be calculated assuming a 360-day year consisting of twelve 30-day months. If the date of redemption is on or after an interest record date and on or before the related interest payment date, the accrued and unpaid interest, if any, will be paid to the Person in whose name the Note is registered at the close of business on such interest record date, and no additional interest is payable to Holders whose Notes will be subject to redemption by the Company. Unless the Company Defaults in payment of the redemption price, on and after the date of redemption, interest shall cease to accrue on the Notes or the portions thereof called for redemption.

For purposes of determining the optional redemption price, the following definitions are applicable:

“*Business Day*” means any day other than a Saturday, a Sunday or a day on which banking institutions in New York City are authorized or required by law, regulation or executive order to close.

“*Comparable Treasury Issue*” means the United States Treasury security or securities selected by a Quotation Agent as having an actual or interpolated maturity comparable to the remaining term of the Notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, with a maturity of June 15, 2022 (one month prior to the scheduled maturity date of the Notes).

“*Comparable Treasury Price*” means, with respect to any redemption date for the Notes, (1) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or (2) if the Quotation Agent obtains fewer than four such Reference Treasury Dealer Quotations, the average of all quotations obtained.

“*Quotation Agent*” means the Reference Treasury Dealer appointed by the Company.

“*Reference Treasury Dealer*” means (1) each of Merrill Lynch, Pierce, Fenner & Smith Incorporated and J.P. Morgan Securities LLC (or any of their respective affiliates which are Primary Treasury Dealers), and their respective successors; provided, however, that if any of the foregoing shall cease to be a primary U.S. Government securities dealer in the United States of America (a “Primary Treasury Dealer”), the Company shall substitute therefor another Primary Treasury Dealer, and (2) any other Primary Treasury Dealer selected by the Company.

“*Reference Treasury Dealer Quotations*” means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Company, of the bid and asked prices for the Comparable Treasury Issue (expressed as a percentage of its principal amount) quoted in writing to the Quotation Agent by such Reference Treasury Dealer as of 5:00 p.m., New York City time, on the third Business Day preceding such redemption date.

Notice of any redemption will be mailed by first-class mail, or by electronic transmission in the case of Notes held in book-entry form, at least 30 days but not more than 60 days before the date of redemption to each Holder of the Notes to be redeemed. If less than all the Notes are to be redeemed, the Notes to be redeemed shall be selected by the Trustee on a pro rata basis or by lot and in accordance with the procedures of DTC.

Except as set forth above, the Notes will not be redeemable by the Company prior to maturity and will not be entitled to the benefit of any sinking fund.

Defaults and Remedies. If an Event of Default with respect to Notes of this series shall occur and be continuing, the principal of the Notes of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

Amendment, Modification and Waiver. The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Notes of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in aggregate principal amount of the Notes of each series at the time outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of a majority in aggregate principal amount of the Notes of each affected series at the time outstanding, on behalf of the Holders of all Notes of such affected series, to waive compliance by the Company with certain provisions of the Indenture and certain past Defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Note.

Restrictive Covenants. The Indenture contains customary limitations that restrict the Company's ability to merge, consolidate or sell substantially all of its or their assets, place liens on its or their property or assets and engage in sale/leaseback transactions. Upon a Change of Control Triggering Event, a Holder of Notes will have the right, subject to certain terms and conditions specified in the Indenture, to cause the Company to repurchase all or any part of the Notes of such Holder at a purchase price equal to 101% of the principal amount of the Notes to be repurchased plus accrued and unpaid interest, if any, to the date of repurchase.

Denominations, Transfer and Exchange. The Notes of this series are issuable only in registered form without coupons in denominations of \$2,000 and in integral multiples of \$1,000 in excess thereof. As provided in the Indenture and subject to certain limitations therein set forth, Notes of this series are exchangeable for a like aggregate principal amount of Notes of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note is registerable in the Security Register, upon surrender of this Note for registration of transfer at the Registrar accompanied by a written request for transfer in form satisfactory to the Company and the Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Notes of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Persons Deemed Owners. Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the owner hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

Miscellaneous. The Indenture and this Note shall be governed by and construed in accordance with the laws of the State of New York.

All terms used in this Note and not defined herein shall have the meanings assigned to them in the Indenture.

SCHEDULE OF INCREASES OR DECREASES

The following increases or decreases in this Note have been made:

Date of Exchange	Amount of increase in Principal Amount of this Note	Amount of decrease in Principal Amount of this Note	Principal Amount of this Note following each decrease or increase	Signature of authorized signatory of Trustee

FORM OPTION OF HOLDER TO ELECT REPURCHASE

If you want to elect to have this Note purchased by the Company pursuant to Section 4.03 (Change of Control) of the Supplemental Indenture, check the box:

☐

If you want to elect to have only part of this Note purchased by the Company pursuant to Section 4.03 of the Supplemental Indenture, state the amount:

\$

Date: _____ Your Signature: _____

(Sign exactly as your name appears on the other side of the Note)

Signature Guarantee: _____

Signature must be guaranteed by a participant in a recognized signature guaranty medallion program or other signature guarantor acceptable to the Trustee.

THIRD SUPPLEMENTAL INDENTURE

Dated as of June 20, 2017

to

INDENTURE

Dated as of March 2, 2015

4.125% SENIOR NOTES DUE 2027

COACH, INC.

as the Company

U.S. BANK NATIONAL ASSOCIATION

as the Trustee

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RECITALS

WHEREAS, the Company has heretofore executed and delivered to the Trustee an indenture dated as of March 2, 2015 (the “**Base Indenture**”), providing for the issuance from time to time of one or more series of the Company’s senior notes;

WHEREAS, the Company desires and has requested the Trustee pursuant to Section 9.01 of the Base Indenture to join with it in the execution and delivery of this Supplemental Indenture in order to supplement the Base Indenture as and to the extent set forth herein to provide for the issuance and the terms of the Notes (as defined below);

WHEREAS, the execution and delivery of this Supplemental Indenture has been duly authorized by a resolution of the Board of Directors of the Company;

WHEREAS, all conditions and requirements necessary to make this Supplemental Indenture a valid, binding and legal instrument in accordance with its terms have been performed and fulfilled by the parties hereto and the execution and delivery thereof have been in all respects duly authorized by the parties hereto;

NOW, THEREFORE, the Company and the Trustee mutually covenant and agree for the benefit of each other and for the equal and proportionate benefit of the Holders (as defined herein) of the 4.125% Senior Notes due 2027 (the “**Notes**”) as follows:

ARTICLE I

DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.01 *Relationship with Base Indenture.* The terms and provisions contained in the Base Indenture will constitute, and are hereby expressly made, a part of this Supplemental Indenture and the Company and the Trustee, by their execution and delivery of this Supplemental Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent any provision of the Base Indenture conflicts with the express provisions of this Supplemental Indenture, the provisions of this Supplemental Indenture will govern and be controlling in respect of the Notes.

Section 1.02 *Definitions.* Capitalized terms used herein without definition shall have the respective meanings set forth in the Base Indenture. The following terms have the meanings given to them in this Section 1.02:

“**Acquisition Deadline**” has the meaning assigned to such term in Section 3.06 hereof.

“**Additional Notes**” has the meaning assigned to such term in Section 2.03 hereof.

“**Adjusted Treasury Rate**” means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date, plus 30 basis points.

“**Attributable Debt**” means, on the date of any determination, the present value of the obligation of the lessee for Net Rental Payments during the remaining term of the lease included in a Sale and Leaseback Transaction, including any period for which such lease has been extended or may, at the option of the lessor, be extended. Such present value shall be calculated using a discount rate equal to the interest rate set forth or implicit in the terms of such lease or, if not practicable to determine such rate, the weighted average interest rate per annum borne by the Notes on such date of determination, in either case compounded semi-annually.

“**Base Indenture**” has the meaning set forth in the recitals to this Supplemental Indenture, as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.

“**Business Day**” means any day other than a Saturday, a Sunday or a day on which banking institutions in New York City are authorized or required by law, regulation or executive order to close.

“**Change of Control**” means the occurrence of any one of the following:

- (1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the Company’s assets and the assets of the Company’s Subsidiaries taken as a whole to any person other than to the Company or one of the Company’s Subsidiaries;
- (2) the consummation of any transaction (including without limitation, any merger or consolidation) the result of which is that any person (other than the Company or one of the Company’s Subsidiaries) becomes the “beneficial owner” (as such terms are defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the Company’s outstanding Voting Stock or the Voting Stock of any parent company or other Voting Stock into which the Company’s Voting Stock or the Voting Stock of any parent company is reclassified, consolidated, exchanged or changed, measured by voting power rather than number of shares;
- (3) the Company or any parent company consolidates with, or merges with or into, any person, or any person consolidates with, or merges with or into, the Company or any parent company, in any such event pursuant to a transaction in which any of the Company’s outstanding Voting Stock, the Voting Stock of such parent company or the Voting Stock of such other person is converted into or exchanged for cash, securities or other property, other than any such transaction where the shares of the Company’s Voting Stock or the Voting Stock of such parent company outstanding immediately prior to such transaction constitute, or are converted into or exchanged for, a majority of the Voting Stock of the surviving person or any direct or indirect parent company of the surviving person immediately after giving effect to such transaction;

(4) the first day on which the majority of the members of the Company's Board of Directors or the Board of Directors of any parent company cease to be Continuing Directors; or

(5) the adoption of a plan relating to the Company's liquidation or dissolution.

Notwithstanding the foregoing, a transaction will not be deemed to involve a Change of Control under clause (2) above if (i) the Company becomes a direct or indirect wholly-owned subsidiary of a holding company (a "parent company"), and (ii) the Holders of the Company's Voting Stock or the Voting Stock of any parent company immediately prior to that transaction hold at least a majority of the Voting Stock of the Company or such parent company immediately following that transaction; provided that any series of related transactions shall be treated as a single transaction. The term "person," as used in this definition, has the meaning given thereto in Section 13(d)(3) of the Exchange Act.

The term "**Voting Stock**", solely as used in the definition of Change of Control, means, with respect to any person as of any date, the capital stock of such person that is at the time entitled to vote generally in the election of the Board of Directors (or other analogous managing body) of such person.

"**Change of Control Offer**" has the meaning assigned to such term in Section 4.03 hereof.

"**Change of Control Payment**" has the meaning assigned to such term in Section 4.03 hereof.

"**Change of Control Payment Date**" has the meaning assigned to such term in Section 4.03 hereof.

"**Change of Control Triggering Event**" means the occurrence of both a Change of Control and a related Rating Event.

"**Code**" has the meaning assigned to such term in Section 3.05 hereof.

"**Comparable Treasury Issue**" means the United States Treasury security or securities selected by a Quotation Agent as having an actual or interpolated maturity comparable to the remaining term of the Notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, with a maturity of April 15, 2027 (three months prior to the scheduled maturity date of the Notes).

"**Comparable Treasury Price**" means, with respect to any redemption date for the Notes, (1) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or (2) if the Quotation Agent obtains fewer than four such Reference Treasury Dealer Quotations, the average of all quotations obtained.

“**Consolidated Net Tangible Assets**” means, on the date of any determination, the aggregate amount of assets, less applicable reserves and other properly deductible items, after deducting from that net amount

(a) all current liabilities, and

(b) goodwill, trademarks, trade names, patents, unamortized debt-discount and other like intangibles,

in each case as set forth on the Company’s most recently available consolidated balance sheet, in accordance with GAAP.

“**Continuing Director**” means, as of any date of determination:

- (1) with respect to any member of the Board of Directors of the Company, any member who: (i) was a member of such Board of Directors on the date of the initial issuance of the Notes; or (ii) was nominated for election, elected or appointed to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination, election or appointment; and
- (2) with respect to any member of the Board of Directors of any parent company, any member who: (i) was a member of the Company’s Board of Directors on the date such parent company became the Company’s parent company; or (ii) was nominated for election, elected or appointed to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination, election or appointment.

“**Depository**” means, with respect to the Notes issuable or issued in whole or in part in global form, the Person specified in Section 2.01 hereof as the Depository with respect to the Notes, and any and all successors thereto appointed as depository hereunder and having become such pursuant to the applicable provision of this Supplemental Indenture.

“**DTC**” has the meaning assigned to such term in Section 2.01 hereof.

“**Fitch**” means Fitch Ratings, Inc., and its successors.

“**Foreign Successor Issuer**” means any Person that is organized in a jurisdiction other than the United States of America, any state thereof or the District of Columbia and that assumes the Company’s obligations under the Notes after the date of this Supplemental Indenture in accordance with the provisions of Article 5 of the Base Indenture.

“**Funded Debt**” means all indebtedness for money borrowed, including purchase money indebtedness, (i) having a maturity of more than one year from the date of its creation or having a maturity of less than one year but by its terms being renewable or extendible, at the option of the obligor in respect of such indebtedness, beyond one year from its creation and (ii) which is not subordinated in right of payment to the Notes.

“**Global Notes**” means, individually and collectively, the Global Notes, in the form or forms of Exhibit A hereto issued in accordance with Section 2.01 hereof.

“**Hudson Yards Development**” means (a) that certain Agreement of Severed Parcel Lease (Eastern Rail Yard Section of the John D. Caemmerer West Side Yard) (the “Ground Lease”), dated as of April 10, 2013, between the Metropolitan Transportation Authority and Legacy Yards Tenant LLC (“Legacy Yards Tenant”); (b) any improvements now or hereafter located on the land demised pursuant to the Ground Lease, including, but not limited to, that certain commercial building to be built thereon (the “Building”) and any condominium units or common areas that may be created therein and thereon; and/or (c) Legacy Yards Tenant.

“**Holder**” means a Person in whose name a Note is registered.

“**Indenture**” means the Base Indenture, as supplemented by this Supplemental Indenture, governing the Notes, together, as amended, supplemented or restated from time to time.

“**Initial Notes**” means the first \$600,000,000 aggregate principal amount of Notes issued under this Supplemental Indenture on the date hereof.

“**Investment Grade**” means a rating of Baa3 or better by Moody’s (or its equivalent under any successor rating category), a rating of BBB- or better by Standard & Poor’s (or its equivalent under any successor rating category) and a rating of BBB- or better by Fitch (or its equivalent under any successor rating category).

“**Kate Spade**” means Kate Spade & Company, a Delaware corporation.

“**Merger Agreement**” means the Agreement and Plan of Merger, dated as of May 7, 2017, by and among the Company, Kate Spade and Chelsea Merger Sub Inc., a Delaware corporation.

“**Moody’s**” means Moody’s Investors Service, Inc., and its successors.

“**Net Proceeds**” means, with respect to a Sale and Leaseback Transaction, the aggregate amount of cash or cash equivalents received by the Company or any of its Significant Subsidiaries, less the sum of all payments, fees, commissions and expenses incurred in connection with such transaction, and less the amount (estimated reasonably and in good faith by the Company) of income, franchise, sales and other applicable taxes required to be paid by the Company or any of its Significant Subsidiaries in connection with such transaction in the taxable year that such transaction is consummated or in the immediately succeeding taxable year, the computation of which shall take into account the reduction in tax liability resulting from any available operating losses and net operating loss carryovers, tax credits and tax credit carryforwards, and similar tax attributes.

“**Net Rental Payments**” means the total amount of rent payable by the lessee after excluding amounts required to be paid on account of maintenance and repairs, insurance, taxes, assessments, water rates and similar charges.

“**Notes**” has the meaning assigned to it in the preamble to this Supplemental Indenture.

“**Person**” means any individual, corporation, limited liability company, partnership, joint venture, trust, unincorporated organization or government or any agency or political subdivision thereof.

“**Principal Property**” means any manufacturing plant or other similar facility, office facility, warehouse, distribution center or any parcel of real estate or group of contiguous parcels of real estate located within the United States owned or leased by the Company or any of its Subsidiaries and the gross book value, without deduction of any depreciation reserves, of which on the date as of which the determination is being made exceeds 1% of Consolidated Net Tangible Assets; provided that the term ‘Principal Property’ shall not include any direct or indirect legal, beneficial or equitable interest in any corporate headquarters or any direct or indirect legal, beneficial or equitable interest in the Hudson Yards Development.

“**Quotation Agent**” means the Reference Treasury Dealer appointed by the Company.

“**Rating Agency**” means:

- (1) each of Moody’s, S&P and Fitch; and
- (2) if any of Moody’s, S&P or Fitch ceases to rate the Notes or fails to make a rating of the Notes publicly available for reasons outside of the Company’s control, a Substitute Rating Agency in lieu thereof.

“**Rating Event**” with respect to the Notes means (i) the rating of the Notes is lowered by at least two of the three Rating Agencies during the period (the “**Trigger Period**”) commencing on the earlier of the first public notice of (a) the occurrence of a Change of Control or (b) the Company’s intention to effect a Change of Control and ending 60 days following consummation of such Change of Control (which period shall be extended so long as the rating of the Notes is under publicly announced consideration for a possible downgrade by any of the Rating Agencies) and (ii) the Notes are rated below an Investment Grade rating by at least two of the three Rating Agencies on any day during the Trigger Period. Notwithstanding the foregoing, a Rating Event will not be deemed to have occurred in respect of a particular Change of Control (and thus will not be deemed a Rating Event for purposes of the definition of Change of Control Triggering Event) if the Rating Agencies making the reduction in rating to which this definition would otherwise apply do not publicly announce or confirm or inform the Trustee in writing at the Company’s request that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, such Change of Control (whether or not the applicable Change of Control has occurred at the time of the Rating Event). Unless at least two of the three Rating Agencies are providing a rating for the Notes at the commencement of any Trigger Period, there will be deemed to have been a Rating Event with respect to the Notes during that Trigger Period.

“**Reference Treasury Dealer**” means (1) each of Merrill Lynch, Pierce, Fenner & Smith Incorporated and J.P. Morgan Securities LLC (or any of their respective affiliates which are Primary Treasury Dealers), and their respective successors; provided, however, that if any of the foregoing shall cease to be a primary U.S. Government securities dealer in the United States of America (a “Primary Treasury Dealer”), the Company shall substitute therefor another Primary Treasury Dealer, and (2) any other Primary Treasury Dealer selected by the Company.

“**Reference Treasury Dealer Quotations**” means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Company, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Quotation Agent by such Reference Treasury Dealer as of 5:00 p.m., New York City time, on the third Business Day preceding such redemption date.

“**Sale and Leaseback Transaction**” means any arrangement whereby the Company or any of its Significant Subsidiaries has sold or transferred, or will sell or transfer, property and has or will take back a lease pursuant to which the rental payments are calculated to amortize the purchase price of the property substantially over the useful life of such property.

“**S&P**” means Standard & Poor’s Financial Services LLC, and its successors.

“**Significant Subsidiary**” means a Subsidiary of the Company which owns or leases a Principal Property.

“**special mandatory redemption**” has the meaning assigned to such term in Section 3.06 hereof.

“**special mandatory redemption date**” has the meaning assigned to such term in Section 3.06 hereof.

“**Subsidiary**” means with respect to the Company at any date, any corporation, limited liability company, partnership, association or other entity of which the Company, or the Company and one or more Subsidiaries, or any one or more Subsidiaries, directly or indirectly own more than 50% of the Voting Stock.

“**Substitute Rating Agency**” means a “nationally recognized statistical rating organization” within the meaning of Section 3(a)(62) under the Exchange Act, selected by the Company (as certified by a resolution of the Company’s Board of Directors) as a replacement agency for any or all of Moody’s, S&P or Fitch, as the case may be.

“**substitute rating agency**” has the meaning assigned to such term in Section 2.02 hereof.

“**Supplemental Indenture**” means this Third Supplemental Indenture, dated as of the date hereof, by and among the Company and the Trustee, governing the Notes, as amended, supplemented or otherwise modified from time to time in accordance with the Base Indenture and the terms hereof.

“**Termination Date**” has the meaning assigned to such term in the Merger Agreement.

“**Voting Stock**” means capital stock the holders of which have general voting power under ordinary circumstances to elect at least a majority of the Board of Directors of a corporation; provided that, for the purpose of such definition, capital stock which carries only the right to vote conditioned on the occurrence of an event shall not be considered Voting Stock whether or not such event shall have occurred.

ARTICLE II

THE NOTES

Section 2.01 *Form and Dating.* (a) The Notes and the Trustee’s certificate of authentication included thereon will be substantially in the form or forms of Exhibit A attached hereto. The Notes may have notations, legends or endorsements required by law, stock exchange rule or usage. Each Note will be dated the date of its authentication. The Notes will initially be issued in the form of one or more Registered Global Securities, without coupons, in minimum denominations of \$2,000 with integral multiples of \$1,000 in excess thereof.

The terms and provisions contained in the Notes will constitute, and are hereby expressly made, a part of this Supplemental Indenture, and the Company and the Trustee, by their execution and delivery of this Supplemental Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent any provision of this Supplemental Indenture or any Note conflicts with the express provisions of the Base Indenture, the provisions of this Supplemental Indenture or the Notes, as the case may be, will govern and be controlling.

(b) Notes issued in global form will be substantially in the form or forms of Exhibit A attached hereto. Each Global Note will represent such of the outstanding Notes as will be specified therein and each will provide that it will represent the aggregate principal amount of outstanding Notes from time to time endorsed thereon and that the aggregate principal amount of outstanding Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the aggregate principal amount of outstanding Notes represented thereby will be made by the Trustee or the custodian of the Notes, at the direction of the Trustee, in accordance with written instructions given by the Holder thereof as required by Section 2.03 hereof. The Company initially appoints DTC to act as Depositary with respect to the Global Notes.

(c) The Notes shall not be exchangeable for nor convertible into the common stock of the Company or any other security.

(d) The Company will not pay additional amounts on Notes held by a person who is not a U.S. person in respect of any tax, assessment or governmental charge withheld or deducted.

(e) The following legends will appear on the face of all Global Notes issued under this Supplemental Indenture.

“THIS SECURITY IS A REGISTERED GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF THE DEPOSITARY OR A NOMINEE OF THE DEPOSITARY, WHICH MAY BE TREATED BY THE COMPANY, THE TRUSTEE AND ANY AGENT THEREOF AS OWNER AND HOLDER OF THIS SECURITY FOR ALL PURPOSES.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (“DTC”) TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY, OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY, OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY.”

Section 2.02 Interest Rate Adjustment. (a) The annual interest rate payable on the Notes will be subject to adjustments from time to time if either Moody’s or S&P or, if either of Moody’s or S&P ceases to rate the Notes or fails to make a rating of the Notes publicly available, in each case for reasons outside of the Company’s control, a “nationally recognized statistical rating organization” within the meaning of Section 3(a)(62) of the Exchange Act selected pursuant to the definition of “**Rating Agency**” as it relates to Moody’s and S&P (a “**substitute rating agency**”) therefor, downgrades (or downgrades and subsequently upgrades) the credit rating assigned to the Notes, in the manner described below in this Section 2.02.

(b) Subject to the remaining provisions of this Section 2.02, if the rating assigned by Moody’s (or any substitute rating agency therefor) of the Notes is decreased to a rating set forth in the immediately following table, the interest rate on the Notes will increase such that it will equal the interest rate payable on the Notes on the date of their initial issuance plus the percentage set forth opposite the rating in the table below (plus, if applicable, the percentage set forth opposite the rating in the table in clause (c) below):

Moody’s Rating*

Ba1	0.25%
Ba2	0.50%
Ba3	0.75%
B1 or below	1.00%

* Including the equivalent ratings of any substitute rating agency.

(c) Subject to the remaining provisions of this Section 2.02, if the rating assigned by S&P (or any substitute rating agency therefor) of the Notes is decreased to a rating set forth in the immediately following table, the interest rate on the Notes will increase such that it will equal the interest rate payable on the Notes on the date of their initial issuance plus the percentage set forth opposite the rating in the table below (plus, if applicable, the percentage set forth opposite the rating in the table in clause (b) above):

S&P Rating*	
BB+	0.25%
BB	0.50%
BB-	0.75%
B+ or below	1.00%

* Including the equivalent ratings of any substitute rating agency.

(d) If at any time the interest rate on the Notes has been increased and either Moody's or S&P (or, in either case, a substitute rating agency therefor), as the case may be, subsequently upgrades its rating of the Notes to any of the threshold ratings set forth above, the interest rate on the Notes will be decreased such that the interest rate for the Notes equals the interest rate payable on the Notes on the date of their initial issuance plus the percentages set forth opposite the ratings from the tables in clauses (b) and (c) above in effect immediately following the upgrade in rating. If Moody's (or any substitute rating agency therefor) subsequently upgrades its rating of the Notes to Baa3 (or its equivalent, in the case of a substitute rating agency) or higher, and S&P (or any substitute rating agency therefor) upgrades its rating to BBB- (or its equivalent, in the case of a substitute rating agency) or higher, the interest rate on the Notes will be decreased to the interest rate payable on the Notes on the date of their initial issuance (and if one such upgrade occurs and the other does not, the interest rate on the Notes will be decreased so that it does not reflect any increase attributable to the upgrading rating agency). In addition, the interest rates on the Notes will permanently cease to be subject to any adjustment described in this Section 2.02 (notwithstanding any subsequent downgrade in the ratings by either or both rating agencies) if the Notes becomes rated Baa1 and BBB+ (or, in either case, the equivalent thereof, in the case of a substitute rating agency) or higher by Moody's and S&P (or, in either case, a substitute rating agency therefor), respectively (or one of these ratings if the Notes are only rated by one of Moody's or S&P (or, in either case, a substitute rating agency therefor), respectively).

(e) Each adjustment required by any downgrade or upgrade in a rating set forth above, whether occasioned by the action of Moody's or S&P (or, in either case, a substitute rating agency therefor), will be made independent of any and all other adjustments. In no event will (i) the interest rate for the Notes be reduced to below the interest rate payable on the Notes on the date of their initial issuance or (ii) the total increase in the interest rate on the Notes exceed 2.00% above the interest rate payable on the Notes on the date of their initial issuance.

(f) No adjustments in the interest rate of the Notes will be made solely as a result of Moody's or S&P (or, in either case, a substitute rating agency therefor) ceasing to provide a rating of the Notes. If at any time Moody's or S&P ceases to provide a rating of the Notes, the Company will use its commercially reasonable efforts to obtain a rating of the Notes from a substitute rating agency, if one exists, in which case, for purposes of determining any increase or decrease in the interest rate on the Notes pursuant to the tables above (i) such substitute rating agency will be substituted for the last rating agency to provide a rating of the Notes but which has since ceased to provide such rating, (ii) the relative rating scale used by such substitute rating agency to assign ratings to senior unsecured debt will be determined in good faith by an independent investment banking institution of national standing appointed by the Company and, for purposes of determining the applicable ratings included in the applicable table above with respect to such substitute rating agency, such ratings will be deemed to be the equivalent ratings used by Moody's or S&P, as applicable, in such table and (iii) the interest rate on the Notes will increase or decrease, as the case may be, such that the interest rate equals the interest rate payable on the Notes on the date of their initial issuance plus the appropriate percentage, if any, set forth opposite the deemed equivalent rating from such substitute rating agency in the applicable table above (taking into account the provisions of clause (ii) above) (plus any applicable percentage resulting from a decreased rating by the other rating agency).

(g) For so long as only one of Moody's or S&P (or, in either case, a substitute rating agency therefor) provides a rating of the Notes, any subsequent increase or decrease in the interest rate of the Notes necessitated by a reduction or increase in the rating by the rating agency providing the rating will be twice the applicable percentage set forth in the applicable table above. For so long as neither Moody's nor S&P (nor, in either case, a substitute rating agency therefor) provides a rating of the Notes, the interest rate on the Notes will increase to, or remain at, as the case may be, 2.00% above the interest rate payable on the Notes on the date of their initial issuance.

(h) Any interest rate increase or decrease described above will take effect from the first interest payment date following the date on which a rating change occurs that requires an adjustment in the interest rate. As such, interest will not accrue at such increased or decreased rate until the next interest payment date following the date on which a rating change occurs. If Moody's or S&P (or, in either case, a substitute rating agency therefor) changes its rating of the Notes more than once prior to any particular interest payment date, the last change by such agency prior to such interest payment date will control for purposes of any interest rate increase or decrease with respect to the Notes described above relating to such rating agency's action. If the interest rate payable on the Notes is increased as described above, the term "interest," as used with respect to the Notes, will be deemed to include any such additional interest unless the context otherwise requires.

(i) The Company will promptly give notice of any interest rate increase to the Trustee, and the Trustee shall cause notice of such interest rate increase, in a form specified by the Company, to be distributed to the Holders.

Section 2.03 Issuance of Additional Notes. The Company will be entitled, upon delivery to the Trustee of an authentication or company order, Officers' Certificate and an Opinion of Counsel, to issue Additional Notes under this Supplemental Indenture which will have identical terms as the Initial Notes issued on the date hereof, other than with respect to the date of issuance, the issue price and, in some cases, the first interest payment date ("**Additional Notes**"), provided that the Company is in compliance with the covenants contained in this Supplemental Indenture and the Base Indenture. The Initial Notes issued on the date hereof and any Additional Notes issued will be treated as a single class for all purposes under this Supplemental Indenture, provided that, if any Additional Notes subsequently issued are not fungible for U.S. federal income tax purposes with the Initial Notes previously issued, such Additional Notes shall be issued under a separate CUSIP, ISIN and/or any other identifying number, but shall otherwise be treated as a single class with all other Notes issued under this Supplemental Indenture.

With respect to any Additional Notes, the Company shall provide to the Trustee a resolution of its Board of Directors and an Officers' Certificate which shall contain the following information:

- (a) the aggregate principal amount of such Additional Notes to be authenticated and delivered pursuant to this Supplemental Indenture; and
- (b) the issue price, the issue date, the initial interest payment date and the CUSIP number of such Additional Notes.

ARTICLE III

REDEMPTION AND PREPAYMENT

Section 3.01 Notice of Redemption; Selection of Notes. The Company will send by first class mail, or by electronic transmission in the case of Notes held in book-entry form, notice of any redemption at least 30 days but not more than 60 days before the date of redemption to each Holder of the Notes (with a copy to the Trustee) to be redeemed setting forth the information to be stated in such notice as provided in Article 3 of the Base Indenture. If less than all of the Notes are to be redeemed, the Notes to be redeemed shall be selected by the Trustee on a pro rata basis or by lot and in accordance with the procedures of DTC.

Section 3.02 Notes Redeemed in Part. No Notes of principal amount of \$2,000 or less may be redeemed in part.

Section 3.03 Optional Redemption. Prior to April 15, 2027 (three months prior to the scheduled maturity date), the Company may redeem the Notes at its option, in whole or in part, at any time or from time to time, at a redemption price equal to the greater of (1) 100% of the principal amount of the Notes to be redeemed or (2) as determined by a Quotation Agent, the sum of the present values of the remaining scheduled payments of principal and interest thereon that would have been payable in respect of such Notes calculated as if the maturity date of such Notes was April 15, 2027 (the date that is three months prior to the scheduled maturity date) (not including any portion of payments of interest accrued to the date of redemption), discounted to the redemption date on a semi-annual basis (assuming a 360 day year consisting of twelve 30 day months) at the Adjusted Treasury Rate plus, in the case of each of (1) and (2), accrued and unpaid interest to the redemption date.

On and after April 15, 2027 (three months prior to the scheduled maturity date), the Company may redeem the Notes at its option, in whole or in part, at any time, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest to the redemption date.

The redemption prices will be calculated assuming a 360-day year consisting of twelve 30-day months. Prior to the redemption date, the Company will deliver or cause to be delivered to the Trustee (i) an Officers' Certificate or Opinion of Counsel stating that the conditions precedent to the Company's right to so redeem have occurred and (ii) an Officers' Certificate setting forth the redemption price, showing the calculation in reasonable detail. If the date of redemption is on or after an interest record date and on or before the related interest payment date, the accrued and unpaid interest, if any, will be paid to the Person in whose name the Note is registered at the close of business on such interest record date, and no additional interest is payable to Holders whose Notes will be subject to redemption by the Company. Unless the Company defaults in payment of the redemption price, on and after the date of redemption, interest shall cease to accrue on the Notes or the portions thereof called for redemption.

Section 3.04 Optional Redemption for Changes in Withholding Taxes. A Foreign Successor Issuer may redeem the Notes, at its option, at any time in whole but not in part, upon not less than 30 nor more than 60 days' notice (which notice will be irrevocable), at a redemption price equal to 100% of the outstanding principal amount of the Notes, plus accrued and unpaid interest to, but excluding, the date fixed for redemption and any Additional Amounts (as defined below) (if any) then due and which will become due on the applicable redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date and Additional Amounts (if any) in respect thereof), in the event that such Foreign Successor Issuer determines in good faith that such Foreign Successor Issuer has become or would become obligated to pay, on the next date on which any amount would be payable with respect to the Notes, Additional Amounts and such obligation cannot be avoided by taking reasonable measures available to such Foreign Successor Issuer (including making payment through a paying agent located in another jurisdiction), as a result of:

(a) a change in or an amendment to the laws (including any regulations or rulings promulgated thereunder) of any Relevant Jurisdiction (as defined below) affecting taxation, which change or amendment is announced or becomes effective on or after the date on which a Foreign Successor Issuer becomes a Foreign Successor Issuer (or, where a jurisdiction in question does not become a Relevant Jurisdiction until a later date, such later date); or

(b) any change in or amendment to any official position of a taxing authority in any Relevant Jurisdiction regarding the application, administration or interpretation of such laws, regulations or rulings (including a holding, judgment or order by a court of competent jurisdiction), which change or amendment is announced or becomes effective on or after the date on which a Foreign Successor Issuer becomes a Foreign Successor Issuer (or, where a jurisdiction in question does not become a Relevant Jurisdiction until a later date, such later date).

Notwithstanding the foregoing, no notice of redemption for changes in withholding taxes may be given earlier than 60 days prior to the earliest date on which such Foreign Successor Issuer would be obligated to pay Additional Amounts if a payment in respect of the Notes were then due. At least five calendar days before such Foreign Successor Issuer provides notice of redemption of the Notes, such Foreign Successor Issuer will deliver to the Trustee and paying agent (i) an officers' certificate stating that such Foreign Successor Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to its right to so redeem have occurred, (ii) an opinion of independent legal counsel of recognized standing (which opinion shall be satisfactory to the Trustee) as to the satisfaction of conditions precedent in connection with such redemption, and (iii) an opinion of independent legal counsel of recognized standing (which opinion shall be satisfactory to the Trustee and paying agent) that such Foreign Successor Issuer has or will become obligated to pay Additional Amounts as a result of the circumstances referred to in clause (a) or (b) of this Section 3.04.

The Trustee and paying agent shall receive and will be entitled to conclusively rely upon the officers' certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent described above, in which case they will be conclusive and binding on the holders.

Section 3.05 Payment of Additional Amounts.

(a) All payments of Principal, premium and interest made by a Foreign Successor Issuer in respect of the Notes will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (“**Taxes**”) imposed or levied by or within any jurisdiction in which such Foreign Successor Issuer is incorporated or organized or where such Foreign Successor Issuer is otherwise considered by a taxing authority to be a resident or doing business for tax purposes or from or through which such Foreign Successor Issuer makes any payment on the Notes (in each case, including any political subdivision or any authority therein or thereof having the power to tax) (each a “**Relevant Jurisdiction**”), unless such withholding or deduction of such Taxes is required by law. For the avoidance of doubt, a Relevant Jurisdiction shall not include the United States, any state thereof or the District of Columbia. If a Foreign Successor Issuer is required to make such withholding or deduction, the Foreign Successor Issuer will pay such additional amounts (“**Additional Amounts**”) as will result in receipt by each Holder of any Notes of such amounts as would have been received by such Holder had no such withholding or deduction of such Taxes been required, except that no such Additional Amounts shall be payable:

(i) in respect of any such Taxes that would not have been imposed, deducted or withheld but for the existence of any connection (whether present or former) between the Holder or beneficial owner of a Note and the Relevant Jurisdiction other than merely holding such Note or receiving Principal, premium (if any) or interest in respect thereof (including such Holder or beneficial owner being or having been a national, domiciliary or resident of such Relevant Jurisdiction or treated as a resident thereof or being or having been physically present or engaged in a trade or business therein or having or having had a permanent establishment therein);

(ii) in respect of any Note presented for payment (where presentation is required) more than 30 days after the relevant date, except to the extent that the Holder thereof would have been entitled to such Additional Amounts on presenting the same for payment on the last day of such 30-day period. For this purpose, the “**relevant date**” in relation to any Note means the later of (a) the due date for such payment or (b) the date such payment was made or duly provided for;

(iii) in respect of any Taxes that would not have been imposed, deducted or withheld but for a failure of the Holder or beneficial owner of a Note to comply with a timely request by the Foreign Successor Issuer addressed to the Holder or beneficial owner to provide information or certification concerning such Holder's or beneficial owner's nationality, residence, identity or connection with any Relevant Jurisdiction, if and to the extent that due and timely compliance with such request is required under the tax laws of such jurisdiction in order to reduce or eliminate any withholding or deduction as to which Additional Amounts would have otherwise been payable to such Holder;

(iv) in respect of any Taxes imposed as a result of a Note being presented for payment (where presentation is required) in the Relevant Jurisdiction, unless such Note could not have been presented for payment elsewhere;

(v) in respect of any estate, inheritance, gift, sale, transfer, personal property or similar Taxes;

(vi) to any Holder of a Note that is a fiduciary, partnership or person other than the sole beneficial owner of any payment to the extent that such payment would be required to be included in the income under the laws of a Relevant Jurisdiction, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, or a member of that partnership or a beneficial owner who would not have been entitled to such Additional Amounts had that beneficiary, settlor, partner or beneficial owner been the Holder thereof;

(vii) with respect to any withholding or deduction that is imposed in connection with Sections 1471-1474 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”) (or any amended or successor versions of such Sections) and U.S. Treasury regulations thereunder or official interpretations thereof, any agreement entered into pursuant to Section 1471(b)(1) of the Code, any intergovernmental agreement between the United States and any other jurisdiction implementing or relating to such Sections or any non-U.S. law, regulation or guidance enacted or issued with respect to the foregoing;

(viii) any such Taxes payable otherwise than by deduction or withholding from payments under or with respect to any Note;

(ix) in respect of any Taxes required to be withheld or deducted where such withholding or deduction is imposed pursuant to European Council Directive 2003/48/EC on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such European Council Directive or any amendment thereto; or

(x) any combination of Taxes referred to in the preceding items (i) through (ix) above.

(b) Any Foreign Successor Issuer will (i) make any such withholding or deduction required by applicable law and (ii) remit the full amount deducted or withheld to the relevant authority in accordance with applicable law. The Foreign Successor Issuer will make reasonable efforts to obtain certified copies of tax receipts evidencing the payment of any Taxes so deducted or withheld from each Relevant Jurisdiction imposing such Taxes. The Foreign Successor Issuer will provide to the Trustee, within a reasonable time after the date the payment of any Taxes so deducted or withheld are due pursuant to applicable law, either a certified copy of tax receipts evidencing such payment, or, if such tax receipts are not reasonably available to the Foreign Successor Issuer, such other documentation that provides reasonable evidence of such payment by the Foreign Successor Issuer.

(c) Any Foreign Successor Issuer will indemnify and hold harmless the Holders of Notes, and, upon written request of any Holder of Notes, reimburse such Holder for the amount of (i) any Taxes levied or imposed by a Relevant Jurisdiction and payable by such Holder in connection with payments made under or with respect to the Notes, held by such Holder; and (ii) any Taxes levied or imposed by a Relevant Jurisdiction with respect to any reimbursement under the foregoing clause (i) or this clause (ii), so that the net amount received by such Holder after such reimbursement will not be less than the net amount such Holder would have received if the Taxes giving rise to the reimbursement described in clauses (i) and/or (ii) of this clause (c) of Section 3.05 had not been imposed, provided, however, that the indemnification obligation provided for in this clause (c) shall not extend to Taxes imposed for which the Holder of the Notes would not have been eligible to receive payment of Additional Amounts hereunder by virtue of clauses (i) through (x) in clause (a) above or to the extent such Holder received Additional Amounts with respect to such payments.

(d) Any Foreign Successor Issuer will pay any stamp, issue, registration, court, documentation, excise or other similar taxes, charges and duties, including interest and penalties with respect thereto, imposed by any Relevant Jurisdiction at any time after the merger described above in respect of the execution, issuance, registration or delivery of the Notes or any other document or instrument referred to thereunder and any such taxes, charges or duties imposed by any Relevant Jurisdiction at any time after the merger described above as a result of, or in connection with, any payments made pursuant to the Notes and/or the enforcement of the Notes and/or any other such document or instrument.

(e) Whenever there is mentioned, in any context, the payment of Principal, premium or interest in respect of any Note, such mention shall be deemed to include the payment of Additional Amounts provided for in this Supplemental Indenture, to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof pursuant to this Supplemental Indenture.

(f) The obligation to make payments of Additional Amounts under the terms and conditions described above will survive any termination, defeasance or discharge of this Supplemental Indenture and will apply *mutatis mutandis* to any successor Person to any Foreign Successor Issuer (other than a Person organized under the laws of the United States, any state thereof or the District of Columbia) and to any jurisdiction in which such successor is organized or is otherwise resident for tax purposes or any jurisdiction from or through which payment is made by such successor or its respective agents.

(a) If (i) the merger contemplated by the Merger Agreement has not been completed by February 7, 2018 (or such later date to which the “**Termination Date**” under the Merger Agreement is extended by agreement between the Company and Kate Spade) or (ii) prior to such date, the Merger Agreement is terminated in accordance with its terms (the earlier of such date of termination and the Termination Date, the “**Acquisition Deadline**”), then the Company must redeem (such redemption, a “**special mandatory redemption**”) all of the Notes at a redemption price equal to 101% of the aggregate principal amount of the Notes, plus accrued and unpaid interest from the date of initial issuance, or the most recent date to which interest has been paid or provided for, whichever is later, to, but not including, the special mandatory redemption date. The “**special mandatory redemption date**” means the 10th day (or if such day is not a business day, the first business day thereafter) following the transmission of a notice of special mandatory redemption.

(b) The Company will cause notice of a special mandatory redemption to be transmitted to each holder of Notes at its registered address, with a copy to the Trustee, no later than 20 days after the occurrence of the Acquisition Deadline. If funds sufficient to pay the special mandatory redemption price of the Notes on the special mandatory redemption date (plus accrued and unpaid interest, if any, to, but not including, the special mandatory redemption date) are deposited with the Trustee on or before such special mandatory redemption date, the Notes will cease to bear interest on and after the special mandatory redemption date.

Section 3.07 *No Sinking Fund.* The Company is not required to make any sinking fund payments with respect to the Notes.

ARTICLE IV

PARTICULAR COVENANTS

Section 4.01 *Limitation on Liens.* The Company will not, and will not permit any Significant Subsidiary to, incur, issue, assume or guarantee any notes, bonds, debentures or other similar evidences of indebtedness for money borrowed (herein called “**debt**”) secured by a pledge of, or mortgage or other lien on, any Principal Property, now owned or hereafter owned by the Company or any Significant Subsidiary, or any shares of capital stock or debt of any Significant Subsidiary (herein called “**liens**”), without providing that the Notes (together with, if the Company shall so determine, any other debt or obligations of the Company or any Significant Subsidiary ranking equally with the Notes and then existing or thereafter created) shall be secured equally and ratably with (or, at its option, prior to) such secured debt so long as such secured debt shall be so secured. The foregoing restrictions shall not apply to:

- (a) liens existing as of the date of this Supplemental Indenture;

(b) liens on any property acquired (whether by merger, consolidation, purchase, lease or otherwise), constructed or improved by the Company or any Significant Subsidiary after the date of this Supplemental Indenture which are created or assumed prior to, contemporaneously with, or within 360 days after, such acquisition, construction or improvement, to secure or provide for the payment of all or any part of the cost of such acquisition, construction or improvement (including related expenditures capitalized for federal income tax purposes in connection therewith) incurred after the date of this Supplemental Indenture;

(c) liens on any property, shares of capital stock or debt existing at the time of the acquisition thereof, whether by merger, consolidation, purchase, lease or otherwise (including liens on property, shares of capital stock or indebtedness of a corporation existing at the time such Person becomes a Significant Subsidiary); provided that such lien was not created in anticipation of the Person becoming a Significant Subsidiary;

(d) liens in favor of, or which secure debt owing to, the Company or any Significant Subsidiary; and

(e) any extension, renewal or replacement (or successive extensions, removals or replacements) as a whole or in part, of any lien referred to in the foregoing clauses (a) – (d), inclusive; provided that (i) such extension, renewal or replacement lien shall be limited to all or a part of the same property, shares of capital stock or debt that secured the lien extended, renewed or replaced (plus improvements on such property) and (ii) the debt secured by such lien at such time is not increased.

Notwithstanding the restrictions described above, the Company or any Significant Subsidiary may incur, issue, assume or guarantee any debt secured by a lien which would otherwise be subject to the foregoing restrictions without equally and ratably securing the Notes, provided that at the time of such incurrence, issuance, assumption or guarantee, after giving effect thereto, the aggregate amount of all outstanding debt secured by liens which could not have been incurred, issued, assumed or guaranteed by the Company or a Significant Subsidiary without equally and ratably securing the Notes then outstanding except for the provisions of this paragraph, together with the aggregate amount of Attributable Debt incurred pursuant to Section 4.02(a) does not at such time exceed 15% of the Company's Consolidated Net Tangible Assets.

Section 4.02 Limitation on Sale/Leaseback Transactions. The Company may not, and may not permit any Significant Subsidiary to, enter into any Sale and Leaseback Transaction involving any Principal Property, unless either of the following conditions are met:

- (a) after giving effect thereto, the aggregate amount of all Attributable Debt with respect to Sale and Leaseback Transactions plus the aggregate amount of debt secured by a lien incurred without equally and ratably securing the Notes pursuant to the last paragraph of Section 4.01 above would not exceed 15% of the Company's Consolidated Net Tangible Assets, or

- (b) within 180 days of such Sale and Leaseback Transaction, the Company or such Significant Subsidiary applies to (a) the retirement or prepayment, and in either case, the permanent reduction, of Funded Debt of the Company or any Significant Subsidiary (including that in the case of a revolver or similar arrangement that makes credit available, such commitment is so permanently reduced by such amount) or (b) the purchase of other property that will constitute Principal Property, an amount not less than the Net Proceeds of the Sale and Leaseback Transaction.

This restriction will not apply to any Sale and Leaseback Transaction, and there will be excluded from Attributable Debt in any computation described in this Section 4.02 or under Section 4.01 above with respect to any such transaction (x) solely between the Company and a Significant Subsidiary or solely between Significant Subsidiaries; and (y) in which the applicable lease is for a period, including renewal rights, of three years or less.

Section 4.03 *Offer to Purchase Upon Change of Control Triggering Event*. (a) Upon the occurrence of a Change of Control Triggering Event, unless the Company has exercised its right to redeem all of the Notes pursuant to Section 3.03 hereof or the Company has redeemed, or the Company is required to redeem, the Notes pursuant to a special mandatory redemption pursuant to Section 3.06 hereof, each Holder will have the right to require the Company to repurchase all or a portion (equal to \$2,000 or an integral multiple of \$1,000 in excess thereof) of such Holder's Notes pursuant to the offer described below (the "**Change of Control Offer**"), at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of repurchase (the "**Change of Control Payment**"), subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date.

(b) Within 30 days following the date upon which a Change of Control Triggering Event occurs, or at its option, prior to any Change of Control Offer but after the public announcement of the pending Change of Control, the Company will be required to send, by first class mail, a notice to each Holder at its registered address, with a copy to the Trustee, which notice will govern the terms of the Change of Control Offer. Such notice will state:

(i) that such Change of Control Triggering Event has occurred and that such Holder has the right to require the Company to repurchase such Holder's Notes at a purchase price in cash equal to 101% of the principal amount of the Notes plus accrued and unpaid interest, if any, to the date of repurchase (subject to the rights of Holders of records on the relevant interest record date to receive interest due on the relevant interest payment date) (the "**Change of Control Payment**");

(ii) the date of repurchase, which must be no earlier than 30 days nor later than 60 days from the date the Change of Control Offer is mailed, other than as may be required by law (the "**Change of Control Payment Date**");

(iii) the procedures determined by the Company, consistent with the Indenture, that a Holder must follow in order to have its Notes repurchased; and

(iv) if the notice is mailed prior to the date of consummation of the Change of Control, that the Change of Control Offer is conditioned on the Change of Control Triggering Event occurring on or prior to the Change of Control Payment Date.

(c) On the Change of Control Payment Date, the Company shall, to the extent lawful, accept for payment, all Notes or portions thereof validly tendered and not withdrawn pursuant to the Change of Control Offer, and shall deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes so tendered. The Company shall also deliver or cause to be delivered to the Trustee the Notes so accepted together with an Officers' Certificate stating the aggregate principal amount of Notes or portions of Notes being repurchased by the Company. The Paying Agent shall deliver or cause to be delivered to each tendering Holder the Change of Control Payment for the Notes tendered by such Holder and accepted by the Company for purchase, and the Trustee, upon receipt of an order from the Company, shall promptly authenticate and cause to be delivered (or cause to be transferred by book-entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Note surrendered, if any, provided that each such new Note shall be in a principal amount of \$2,000 and integral multiples of \$1,000 in excess thereof. Notwithstanding the foregoing, in the event that on the Change of Control Payment Date, there has occurred and is continuing an Event of Default (other than any Event of Default arising solely by failure to pay the Change of Control Payment), the Company shall not be obligated to accept Notes tendered pursuant to this Section 4.03 or to deposit with the Paying Agent any amounts representing any Change of Control Payments, and the Paying Agent shall not deliver or cause to be delivered to any tendering Holders any amounts representing any Change of Control Payments.

(d) If the Change of Control Payment Date is on or after an interest record date and on or before the related interest payment date, any accrued and unpaid interest, if any, shall be paid to the Person in whose name a Note is registered at the close of business on such interest record date, and no additional interest will be payable to Holders who tender pursuant to the Change of Control Offer.

(e) Holders of Notes electing to have Notes repurchased pursuant to a Change of Control Offer will be required to surrender their Notes, with the form entitled "Option of Holder to Elect Repurchase" on the reverse of the Note completed, to the Trustee at the address specified in the notice, or transfer their Notes to the Company by book-entry transfer pursuant to the applicable procedures of the Trustee, prior to the close of business on the third Business Day prior to the Change of Control Payment Date.

(f) The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of Notes as a result of a Change of Control Triggering Event. To the extent that the provisions of any such securities laws or regulations conflict with the Change of Control Offer provisions of the Notes, the Company will comply with those securities laws and regulations and will not be deemed to have breached its obligations under the Change of Control Offer provisions of the Notes by virtue of any such conflict.

(g) The Company shall not be required to make a Change of Control Offer if a third party makes such an offer in the manner and at the times required and otherwise in compliance with the requirements for such an offer made by the Company, and such third party purchases all Notes validly tendered and not withdrawn under its offer.

ARTICLE V

DEFAULTS

Section 5.01 Defaults. In addition to the Events of Default described in the Base Indenture, the following shall constitute an “Event of Default” under this Supplemental Indenture:

(a) if the Company or any of its Significant Subsidiaries default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any indebtedness for money borrowed by the Company or such Significant Subsidiary, as the case may be, whether such indebtedness now exists, or is created after the date of this Indenture, if that Default:

- (i) is caused by a failure to pay Principal when due at maturity (a “**Principal Payment Default**”); or
- (ii) results in the acceleration of such indebtedness prior to its stated maturity (an “**Acceleration Event**”);

and, in each case, the principal amount of any such indebtedness, together with the principal amount of any other such indebtedness under which there has been a Principal Payment Default or an Acceleration Event, aggregates \$75 million or more.

ARTICLE VI

MISCELLANEOUS

Section 6.01 Trust Indenture Act Controls. This Supplemental Indenture shall incorporate and be governed by the provisions of the Trust Indenture Act that are required to be part of and to govern indentures qualified under the Trust Indenture Act.

Section 6.02 Governing Law. The laws of the State of New York shall govern this Supplemental Indenture and the Notes.

Section 6.03 Consent to Jurisdiction. A Foreign Successor Issuer will irrevocably submit to the non-exclusive jurisdiction of any New York state court or any U.S. federal court sitting in the Borough of Manhattan, The City of New York, in respect of any legal action or proceeding arising out of or in relation to the indenture or the Securities, and will agree that all claims in respect of such legal action or proceeding may be heard and determined in such New York state or U.S. federal court and will waive, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of any such action or proceeding in any such court.

Section 6.04 Successors. All agreements of the Company in this Supplemental Indenture and the Notes will bind their respective successors. All agreements of the Trustee in this Supplemental Indenture will bind its successors.

Section 6.05 Severability. In case any provision in this Supplemental Indenture or in the Notes will be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

Section 6.06 Counterpart Originals. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy will be an original, but all of them together represent the same agreement. The exchange of copies of this Supplemental Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Supplemental Indenture as to the parties hereto and may be used in lieu of the original Supplemental Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or PDF shall be deemed to be their original signatures for all purposes.

Section 6.07 Table of Contents, Headings, Etc. The Table of Contents and Headings of the Articles and Sections of this Supplemental Indenture have been inserted for convenience of reference only, are not to be considered a part of this Supplemental Indenture and will in no way modify or restrict any of the terms or provisions hereof.

Section 6.08 Validity or Sufficiency of Supplemental Indenture. The Trustee is not responsible for the validity or sufficiency of this Supplemental Indenture, or for the recitals contained herein.

Section 6.09 Waiver of Jury Trial. EACH OF THE COMPANY AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS SUPPLEMENTAL INDENTURE, THE NOTES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

[Signatures on following page]

SIGNATURES

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed, all as of the date first written above.

COACH, INC., as the Company

By: /s/ Kevin Wills

Name: Kevin Wills

Title: Chief Financial Officer

[Signature Page to Third Supplemental Indenture]

U.S. Bank National Association, as the Trustee

By: /s/ Beverly A. Freeney

Name: Beverly A. Freeney

Title: Vice President

[Signature Page to Third Supplemental Indenture]

FORM OF FACE OF NOTE

[GLOBAL SECURITY LEGEND]

THIS SECURITY IS A REGISTERED GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF THE DEPOSITARY OR A NOMINEE OF THE DEPOSITARY, WHICH MAY BE TREATED BY THE COMPANY, THE TRUSTEE AND ANY AGENT THEREOF AS OWNER AND HOLDER OF THIS SECURITY FOR ALL PURPOSES.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY (“DTC”) TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY, OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY, OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY.

Coach, Inc.

CUSIP No. 189754 AC8

ISIN No.

US189754AC88

\$[●]

No. [001]

Interest. COACH, INC., a Maryland corporation, (herein called the “**Company**”), for value received, hereby promises to pay to CEDE & CO., or registered assigns, the principal sum of [●] United States dollars (U.S.\$[●]), as revised by the Schedule of Increases or Decreases attached hereto, on July 15, 2027 and to pay interest thereon from June 20, 2017 or from the most recent interest payment date to which interest has been paid or duly provided for, semi-annually in arrears on January 15 and July 15 in each year, commencing January 15, 2018, at the rate of 4.125% per annum, subject to the interest rate adjustment provisions in Section 2.02 of the Indenture (as defined on the reverse hereof), until the principal hereof is paid or made available for payment. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Method of Payment. The interest so payable, and punctually paid or duly provided for, on any interest payment date will, as provided in the Indenture, be paid to the Person in whose name this Note (or one or more predecessor Notes) is registered at the close of business on the relevant record date for such interest, which shall be January 1 or July 1, as the case may be, next preceding such interest payment date.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Authentication. Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Dated: June 20, 2017

COACH, INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

[Signature Page to 2027 Note]

TRUSTEE’S CERTIFICATE OF AUTHENTICATION

This is one of the Notes of the series designated therein referred to in the within-mentioned Indenture.

Date of authentication:

U.S. Bank National Association, as Trustee

By:

Authorized Signatory

[Signature Page to 2027 Note]

Indenture. This Note is one of a duly authorized issue of securities of the Company (herein called the “Notes”), issued and to be issued in one or more series under an Indenture, dated as of March 2, 2015, as supplemented by a Third Supplemental Indenture dated as of June 20, 2017 (as so supplemented, herein called the “Indenture”), between the Company and U.S. Bank National Association, as Trustee (herein called the “Trustee”, which term includes any successor trustee under the Indenture), to which Indenture reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Notes and of the terms upon which the Notes are, and are to be, authenticated and delivered. This Note is one of the series designated on the face hereof, initially limited in aggregate principal amount to \$600,000,000.

Optional Redemption. Prior to April 15, 2027 (three months prior to the scheduled maturity date), the Company may redeem the Notes at its option, in whole or in part, at any time or from time to time, at a redemption price equal to the greater of (1) 100% of the principal amount of the Notes to be redeemed or (2) as determined by a Quotation Agent, the sum of the present values of the remaining scheduled payments of principal and interest thereon that would have been payable in respect of such Notes calculated as if the maturity date of such Notes was April 15, 2027 (the date that is three months prior to the scheduled maturity date) (not including any portion of such payments of interest accrued to the date of redemption), discounted to the redemption date on a semi-annual basis at the Adjusted Treasury Rate plus, in the case of each of (1) and (2), accrued and unpaid interest to the redemption date.

On and after April 15, 2027 (three months prior to the scheduled maturity date), the Company may redeem the Notes at its option, in whole or in part, at any time, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest to the redemption date.

The redemption prices will be calculated assuming a 360-day year consisting of twelve 30-day months. If the date of redemption is on or after an interest record date and on or before the related interest payment date, the accrued and unpaid interest, if any, will be paid to the Person in whose name the Note is registered at the close of business on such interest record date, and no additional interest is payable to Holders whose Notes will be subject to redemption by the Company. Unless the Company Defaults in payment of the redemption price, on and after the date of redemption, interest shall cease to accrue on the Notes or the portions thereof called for redemption.

For purposes of determining the optional redemption price, the following definitions are applicable:

“*Business Day*” means any day other than a Saturday, a Sunday or a day on which banking institutions in New York City are authorized or required by law, regulation or executive order to close.

“*Comparable Treasury Issue*” means the United States Treasury security or securities selected by a Quotation Agent as having an actual or interpolated maturity comparable to the remaining term of the Notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, with a maturity of April 15, 2027 (three months prior to the scheduled maturity date of the Notes).

“*Comparable Treasury Price*” means, with respect to any redemption date for the Notes, (1) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or (2) if the Quotation Agent obtains fewer than four such Reference Treasury Dealer Quotations, the average of all quotations obtained.

“*Quotation Agent*” means the Reference Treasury Dealer appointed by the Company.

“*Reference Treasury Dealer*” means (1) each of Merrill Lynch, Pierce, Fenner & Smith Incorporated and J.P. Morgan Securities LLC (or any of their respective affiliates which are Primary Treasury Dealers), and their respective successors; provided, however, that if any of the foregoing shall cease to be a primary U.S. Government securities dealer in the United States of America (a “Primary Treasury Dealer”), the Company shall substitute therefor another Primary Treasury Dealer, and (2) any other Primary Treasury Dealer selected by the Company.

“*Reference Treasury Dealer Quotations*” means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Company, of the bid and asked prices for the Comparable Treasury Issue (expressed as a percentage of its principal amount) quoted in writing to the Quotation Agent by such Reference Treasury Dealer as of 5:00 p.m., New York City time, on the third Business Day preceding such redemption date.

Notice of any redemption will be mailed by first-class mail, or by electronic transmission in the case of Notes held in book-entry form, at least 30 days but not more than 60 days before the date of redemption to each Holder of the Notes to be redeemed. If less than all the Notes are to be redeemed, the Notes to be redeemed shall be selected by the Trustee on a pro rata basis or by lot and in accordance with the procedures of DTC.

Except as set forth above, the Notes will not be redeemable by the Company prior to maturity and will not be entitled to the benefit of any sinking fund.

Defaults and Remedies. If an Event of Default with respect to Notes of this series shall occur and be continuing, the principal of the Notes of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

Amendment, Modification and Waiver. The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Notes of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in aggregate principal amount of the Notes of each series at the time outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of a majority in aggregate principal amount of the Notes of each affected series at the time outstanding, on behalf of the Holders of all Notes of such affected series, to waive compliance by the Company with certain provisions of the Indenture and certain past Defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Note.

Restrictive Covenants. The Indenture contains customary limitations that restrict the Company's ability to merge, consolidate or sell substantially all of its or their assets, place liens on its or their property or assets and engage in sale/leaseback transactions. Upon a Change of Control Triggering Event, a Holder of Notes will have the right, subject to certain terms and conditions specified in the Indenture, to cause the Company to repurchase all or any part of the Notes of such Holder at a purchase price equal to 101% of the principal amount of the Notes to be repurchased plus accrued and unpaid interest, if any, to the date of repurchase.

Denominations, Transfer and Exchange. The Notes of this series are issuable only in registered form without coupons in denominations of \$2,000 and in integral multiples of \$1,000 in excess thereof. As provided in the Indenture and subject to certain limitations therein set forth, Notes of this series are exchangeable for a like aggregate principal amount of Notes of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note is registerable in the Security Register, upon surrender of this Note for registration of transfer at the Registrar accompanied by a written request for transfer in form satisfactory to the Company and the Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Notes of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Persons Deemed Owners. Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the owner hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

Miscellaneous. The Indenture and this Note shall be governed by and construed in accordance with the laws of the State of New York.

All terms used in this Note and not defined herein shall have the meanings assigned to them in the Indenture.

SCHEDULE OF INCREASES OR DECREASES

The following increases or decreases in this Note have been made:

Date of Exchange	Amount of increase in Principal Amount of this Note	Amount of decrease in Principal Amount of this Note	Principal Amount of this Note following each decrease or increase	Signature of authorized signatory of Trustee

FORM OPTION OF HOLDER TO ELECT REPURCHASE

If you want to elect to have this Note purchased by the Company pursuant to Section 4.03 (Change of Control) of the Supplemental Indenture, check the box:

☐

If you want to elect to have only part of this Note purchased by the Company pursuant to Section 4.03 of the Supplemental Indenture, state the amount:

\$

Date: _____ Your Signature: _____

(Sign exactly as your name appears on the other side of the Note)

Signature Guarantee: _____

Signature must be guaranteed by a participant in a recognized signature guaranty medallion program or other signature guarantor acceptable to the Trustee.



750 E. PRATT STREET SUITE 900 BALTIMORE, MD 21202
T 410.244.7400 F 410.244.7742 www.Venable.com

June 20, 2017

Coach, Inc.
10 Hudson Yards
New York, NY 10001

Re: Registration Statement on Form S-3 (Registration No. 333-200642)

Ladies and Gentlemen:

We have served as Maryland counsel to Coach, Inc., a Maryland corporation (the "Company"), in connection with certain matters of Maryland law arising out of the sale and issuance by the Company of (a) up to \$400,000,000 in aggregate principal amount of the Company's 3.000% Senior Notes due 2022 (the "2022 Notes"), and (b) up to \$600,000,000 in aggregate principal amount of the Company's 4.125% Senior Notes due 2027 (the "2027 Notes" and, together with the 2022 Notes, collectively, the "Notes"), covered by the above-referenced Registration Statement, and all amendments thereto (collectively, the "Registration Statement"), filed by the Company with the United States Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "1933 Act").

In connection with our representation of the Company, and as a basis for the opinion hereinafter set forth, we have examined originals, or copies certified or otherwise identified to our satisfaction, of the following documents (hereinafter collectively referred to as the "Documents"):

1. The Registration Statement;
 2. The Prospectus, dated December 1, 2014, as supplemented by a Prospectus Supplement, dated June 6, 2017 (the "Prospectus Supplement"), filed with the Commission pursuant to Rule 424(b) of the General Rules and Regulations promulgated under the 1933 Act;
 3. The charter of the Company (the "Charter"), certified by the State Department of Assessments and Taxation of Maryland (the "SDAT");
 4. The Bylaws of the Company, certified as of the date hereof by an officer of the Company;
 5. A certificate of the SDAT as to the good standing of the Company, dated as of a recent date;
 6. Resolutions adopted by the Board of Directors of the Company, and by a duly authorized committee thereof (the "Resolutions"), relating to, among other matters, (a) the
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sale and issuance of the Notes and (b) the Indenture (as defined herein), certified as of the date hereof by an officer of the Company;

7. The Indenture, dated as of March 2, 2015, as supplemented by the second supplemental indenture and third supplemental indenture thereto, each dated as of the date hereof (collectively, the “Indenture”), by and between the Company and U.S. Bank National Association, as trustee;

8. A certificate executed by an officer of the Company, dated as of the date hereof; and

9. Such other documents and matters as we have deemed necessary or appropriate to express the opinion set forth below, subject to the assumptions, limitations and qualifications stated herein.

In expressing the opinion set forth below, we have assumed the following:

1. Each individual executing any of the Documents, whether on behalf of such individual or another person, is legally competent to do so.

2. Each individual executing any of the Documents on behalf of a party (other than the Company) is duly authorized to do so.

3. Each of the parties (other than the Company) executing any of the Documents has duly and validly executed and delivered each of the Documents to which such party is a signatory, and such party’s obligations set forth therein are legal, valid and binding and are enforceable in accordance with all stated terms.

4. All Documents submitted to us as originals are authentic. The form and content of all Documents submitted to us as unexecuted drafts do not differ in any respect relevant to this opinion from the form and content of such Documents as executed and delivered. All Documents submitted to us as certified or photostatic copies conform to the original documents. All signatures on all Documents are genuine. All public records reviewed or relied upon by us or on our behalf are true and complete. All representations, warranties, statements and information contained in the Documents are true and complete. There has been no oral or written modification of or amendment to any of the Documents, and there has been no waiver of any provision of any of the Documents, by action or omission of the parties or otherwise.

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Based upon the foregoing, and subject to the assumptions, limitations and qualifications stated herein, it is our opinion that:

1. The Company is a corporation duly incorporated and validly existing under the laws of the State of Maryland and is in good standing with the SDAT.
2. The execution, delivery and performance of the Indenture has been duly authorized by all necessary corporate action of the Company.
3. The Notes have been duly authorized for issuance by all necessary corporate action of the Company and, when issued and delivered in accordance with the Resolutions and the Indenture, the Notes will be validly issued.

The foregoing opinion is limited to the laws of the State of Maryland and we do not express any opinion herein concerning any other law. We express no opinion as to the applicability or effect of federal or state securities laws, including the securities laws of the State of Maryland, or as to federal or state laws regarding fraudulent transfers. We note that the Indenture is governed by the laws of the State of New York. To the extent that any matter as to which our opinion is expressed herein would be governed by the laws of any jurisdiction other than the State of Maryland, we do not express any opinion on such matter. The opinion expressed herein is subject to the effect of any judicial decision which may permit the introduction of parol evidence to modify the terms or the interpretation of agreements.

The opinion expressed herein is limited to the matters specifically set forth herein and no other opinion shall be inferred beyond the matters expressly stated. We assume no obligation to supplement this opinion if any applicable law changes after the date hereof or if we become aware of any fact that might change the opinion expressed herein after the date hereof.

This opinion is being furnished to you for submission to the Commission as an exhibit to the Company's Current Report on Form 8-K relating to the Notes (the "Current Report"), which is incorporated by reference in the Registration Statement. We hereby consent to the filing of this opinion as an exhibit to the Current Report and the said incorporation by reference and to the use of the name of our firm therein. In giving this consent, we do not admit that we are within the category of persons whose consent is required by Section 7 of the 1933 Act.

Very truly yours,

/s/ Venable LLP

June 20, 2017

Coach, Inc.
10 Hudson Yards
New York, New York 10001

Ladies and Gentlemen:

We are acting as special counsel to Coach, Inc., a Maryland corporation (the “Company”), in connection with the Registration Statement on Form S-3 (File No. 333-200642) (the “Registration Statement”), under the Securities Act of 1933, as amended (the “Securities Act”), with respect to the issuance of \$400,000,000 aggregate principal amount of 3.000% Senior Notes due 2022 (the “2022 Debt Securities”) and \$600,000,000 aggregate principal amount of 4.125% Senior Notes due 2027 (the “2027 Debt Securities” and, together with the 2022 Debt Securities, the “Debt Securities”) of the Company. With your permission, all assumptions and statements of reliance herein have been made without any independent investigation or verification on our part, and we express no opinion with respect to the subject matter or accuracy of such assumptions or items relied upon.

The Debt Securities have been issued pursuant to an indenture, dated as of March 2, 2015 (the “Base Indenture”), as supplemented by the Second Supplemental Indenture, dated as of June 20, 2017, with respect to the 2022 Debt Securities (the “Second Supplemental Indenture”) and the Third Supplemental Indenture, dated as of June 20, 2017, with respect to the 2027 Debt Securities (together with the Base Indenture and the Second Supplemental Indenture, the “Indenture”), between the Company and U.S. Bank National Association, as trustee (the “Trustee”).

For purposes of this opinion, the “Underwriting Agreement” is the Underwriting Agreement related to the Debt Securities, dated June 6, 2017, between the Company and the several underwriters party thereto (collectively, the “Underwriters”).

In connection with this opinion, we have (i) investigated such questions of law, (ii) examined originals or certified, conformed, facsimile, electronic or reproduction copies of such agreements, instruments, documents and records of the Company, such certificates of public officials and such other documents, and (iii) received such information from officers and representatives of the Company and others, in each case as we have deemed necessary or appropriate for the purposes of this opinion. We have examined, among other documents, the following:

- (a) the Underwriting Agreement;
- (b) the Indenture; and
- (c) the Debt Securities.

The documents referred to in items (a) through (c) above, inclusive, are referred to herein collectively as the “Documents.”

In all such examinations, we have assumed the legal capacity of all natural persons, the genuineness of all signatures, the authenticity of original and certified documents and the conformity to original or certified documents of all copies submitted to us as certified, conformed, facsimile, electronic or reproduction copies. As to various questions of fact relevant to the opinion expressed herein, we have relied upon, and assume the accuracy of, the statements, representations and warranties contained in the Documents, certificates and oral or written statements and other information of or from officers or other appropriate representatives of the Company and others.

To the extent it may be relevant to the opinion expressed below, we have assumed that (i) all of the parties to the Documents are validly existing and in good standing under the laws of their respective jurisdictions of organization; (ii) all of the parties to the Documents have the power and authority to (a) execute and deliver the Documents, (b) perform their obligations thereunder and (c) consummate the transactions contemplated thereby; (iii) each of the Documents has been duly authorized, executed and delivered by all of the parties thereto; (iv) the execution of the Documents does not violate the charter, by-laws or any other organization document of any such parties or the laws of the jurisdiction of formation of any such parties; (v) each of the Documents constitutes a valid and binding obligation of all the parties thereto (other than as expressly addressed in the opinion below as to the Company), enforceable against such parties in accordance with their terms; (vi) the Debt Securities have been duly authenticated and delivered by the Trustee against payment therefor in accordance with the Documents; and (vii) all of the parties to the Documents will comply with all of their obligations under the Indenture and all laws applicable thereto.

Based upon the foregoing, and subject to the limitations, qualifications and assumptions set forth herein, we are of the opinion that the Debt Securities constitute valid and binding obligations of the Company.

A. The opinion set forth above is subject to the following qualifications:

(i) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws (or related judicial doctrines) now or hereafter in effect affecting creditors' rights and remedies generally;

(ii) general principles of equity (including, without limitation, standards of materiality, good faith, fair dealing and reasonableness, equitable defenses and limits as to the availability of equitable remedies), whether such principles are considered in a proceeding in equity or at law; and

(iii) the application of any applicable fraudulent conveyance, fraudulent transfer, fraudulent obligation, or preferential transfer law or any law governing the distribution of assets of any person now or hereafter in effect affecting creditors' rights and remedies generally.

B. We express no opinion as to the validity, binding effect or enforceability of any provision of the Debt Securities or the Indenture:

(i) relating to indemnification, contribution or exculpation;

(ii) relating to (a) forum selection or submission to jurisdiction (including, without limitation, any waiver of any objection to venue in any court or of any objection that a court is an inconvenient forum) to the extent that the validity, binding effect or enforceability of any such provision is to be determined by any court other than a court of the State of New York, (b) choice of governing law to the extent that the validity, binding effect or enforceability of any such provision is to be determined by any court other than a court of the State of New York or a federal district court sitting in the State of New York, in each case, applying the choice of law principles of the State of New York, (c) service of process or (d) any waiver of right to trial by jury;

(iii) specifying that provisions thereof may be waived only in writing, to the extent that an oral agreement or an implied agreement by trade practice or course of conduct has been created that modifies any provision of such agreement;

(iv) containing any purported waiver, release, variation, disclaimer, consent or other agreement of similar effect (all of the foregoing, collectively, a “Waiver”) by the Company under any provision of the Documents to the extent limited by provisions of applicable law (including judicial decisions), or to the extent that such a Waiver applies to a right, claim, duty, defense or ground for discharge otherwise existing or occurring as a matter of law (including judicial decisions);

(v) purporting to give any person or entity the power to accelerate obligations without any notice to the obligor;

(vi) which may be construed to be in the nature of a penalty;

(vii) specifying that any person may exercise set-off or similar rights other than in accordance with applicable law;

(viii) purporting to create a trust, power of attorney or other fiduciary relationships;

(ix) relating to payment of late charges, interest (or discount or equivalent amounts), premium, “make-whole” payments, collection costs or fees at a rate or in an amount, after or upon the maturity or acceleration of the liabilities evidenced or secured thereby or after or during the continuance of any default or other circumstance, or upon prepayment, that a court would determine in the circumstances to be unreasonable, a penalty or a forfeiture; and

(x) requiring that any unearned portion of the Debt Securities issued at a discount be paid upon acceleration or otherwise earlier than the stated final maturity.

The opinion expressed above is subject to the effect of, and we express no opinion herein as to, the application of state or foreign securities or Blue Sky laws or any rules or regulations thereunder.

The opinion expressed herein is limited to the laws of the State of New York as currently in effect, and no opinion is expressed with respect to any other laws or any effect that such other laws may have on the opinion expressed herein. The opinion expressed herein is limited to the matters stated herein, and no opinion is implied or may be inferred beyond the matters expressly stated herein. This letter is given only as of the time of its delivery, and we undertake no responsibility to update or supplement this letter after its delivery.

We hereby consent to the filing of this opinion as an exhibit to the Form 8-K filed on the date hereof, and to the references to this firm under the caption “Legal Matters” in the base prospectus that is included in the Registration Statement and in the prospectus supplement that is included in the Registration Statement. In giving this consent, we do not hereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Very truly yours,

/s/ Fried, Frank, Harris, Shriver & Jacobson LLP

FRIED, FRANK, HARRIS, SHRIVER & JACOBSON LLP

FOR IMMEDIATE RELEASE

Coach, Inc. Announces Closing of \$1 Billion Senior Unsecured Notes Offering

New York – June 20, 2017 – Coach, Inc. (NYSE: COH) (SEHK: 6388), a leading New York design house of modern luxury accessories and lifestyle brands, today announced the closing of its underwritten public offering of \$1 billion aggregate principal amount of senior unsecured notes, consisting of \$400 million aggregate principal amount of 3.000% senior unsecured notes due 2022 (the “2022 Notes”) and \$600 million aggregate principal amount of 4.125% senior unsecured notes due 2027 (the “2027 Notes,” and together with the 2022 Notes, the “Notes”). Interest on the notes is payable semi-annually on January 15 and July 15 of each year, beginning on January 15, 2018.

The Notes were offered pursuant to a shelf registration statement on Form S-3 (File No. 333-200642), which became immediately effective upon its filing with the Securities and Exchange Commission (the “SEC”) on December 1, 2014. A preliminary prospectus supplement dated June 6, 2017 relating to the Notes was filed with the SEC on June 6, 2017, and a final prospectus supplement dated June 6, 2017 was filed with the SEC on June 7, 2017.

As previously announced on May 8, 2017, Coach entered into an agreement to acquire Kate Spade & Company (NYSE: KATE). Coach intends to use the proceeds from this offering, together with cash on hand and cash on hand at Kate Spade and term loans, to fund the purchase price for the acquisition and pay related fees and expenses.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities nor will there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction. The offering of securities may be made only by means of a prospectus supplement and accompanying prospectus. Copies of the prospectus and related supplement may be obtained by contacting any of those joint book-running managers whose contact information is listed at the bottom of this announcement.



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About Coach

Coach, Inc. is a leading New York design house of modern luxury accessories and lifestyle brands. The Coach brand was established in New York City in 1941, and has a rich heritage of pairing exceptional leathers and materials with innovative design. Coach is sold worldwide through Coach stores, select department stores and specialty stores, and through Coach’s website. In 2015, Coach acquired Stuart Weitzman, a global leader in designer footwear, sold in more than 70 countries and through its website. Coach, Inc.’s common stock is traded on the New York Stock Exchange under the symbol COH and Coach’s Hong Kong Depositary Receipts are traded on The Stock Exchange of Hong Kong Limited under the symbol 6388.

Neither the Hong Kong Depositary Receipts nor the Hong Kong Depositary Shares evidenced thereby have been or will be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold in the United States or to, or for the account of, a U.S. Person (within the meaning of Regulation S under the Securities Act), absent registration or an applicable exemption from the registration requirements. Hedging transactions involving these securities may not be conducted unless in compliance with the Securities Act.

This press release contains forward-looking statements based on management’s current expectations. In this context, forward-looking statements often address expected future business and financial performance and financial condition, and often contain words such as “expect,” “anticipate,” “intend,” “plan,” “believe,” “seek,” “see,” “will,” “would,” “target,” similar expressions, and variations or negatives of these words. Forward-looking statements by their nature address matters that are, to different degrees, uncertain, such as statements about the consummation of the proposed transaction and the anticipated benefits thereof. Such statements involve risks, uncertainties and assumptions. If such risks or uncertainties materialize or such assumptions prove incorrect, the results of Coach, Inc. and its consolidated subsidiaries could differ materially from those expressed or implied by such forward-looking statements and assumptions. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including any statements regarding the expected benefits and costs of the tender offer, the merger and the other transactions contemplated by the merger agreement by and between Kate Spade & Company, Coach, Inc. and Chelsea Merger Sub Inc.; the expected timing of the completion of the tender offer and the merger; the ability of Coach, Inc. (and its subsidiary) and Kate Spade & Company to complete the tender offer and the merger considering the various conditions to the tender offer and the merger, some of which are outside the parties’ control, including those conditions related to regulatory approvals; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. Risks, uncertainties and assumptions include the possibility that expected benefits may not materialize as expected; that the tender offer and the merger may not be timely completed, if at all; that, prior to the completion of the transaction, Kate Spade & Company’s business may not perform as expected due to transaction-related uncertainty or other factors; that the parties are unable to successfully implement integration strategies; and other risks that are described in Coach, Inc.’s latest Annual Report on Form 10-K and its other filings with the SEC. Coach, Inc. and Kate Spade & Company assume no obligation and do not intend to update these forward-looking statements.

BOOK-RUNNING MANAGERS:

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Incorporated

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