

# J.CREW

July 17, 2012

Mr. Hitoshi Abe  
Mirrai PVT. Ltd.

Dear Mr. Abe,

As a company, J.Crew is committed to social responsibility, including the responsible sourcing of our products. We have a strict Code of Vendor Conduct that we expect all vendors and partners to adhere to. In situations where vendors do not meet our requirements, we aim to partner with them to improve working conditions.

Unfortunately, you have confirmed in action and writing that Mirrai Pvt. Ltd. is unwilling to make the necessary improvement and meet our expectations. As a result, we have been left with no choice but to end our relationship with Mirrai Pvt. Ltd. We have instructed Sterling not to place any additional purchase orders at Mirrai once the current purchase orders are completed. Given the seasonal nature of our business with Mirrai, production will begin to taper out in September and end no later than December 2012.

It is our intent to make every reasonable effort to exit Mirrai in a responsible and ethical manner that minimizes the disruption to workers. We expect that Mirrai will make appropriate and timely payment of any wages / payments that are due to workers. If the factory is to close, we expect that Mirrai will work with the BOI and labor department and follow all legal requirements including calculation and payment of required severance. We will continue to partner with Verite to conduct ongoing monitoring of the factory during the next few months, which will include verification that workers have received monies owed to them. We have copied the BOI, FTZ Union and other stakeholders on this letter.

We are truly saddened that our long-term relationship with Mirrai Pvt. Ltd will end in this way. The workers at Mirrai have provided exceptional products to J.Crew and our customers for many years, and we regret that factory management would not partner with us to find acceptable resolution to this situation.

Sincerely,



Scott Hyatt  
Chief Sourcing Officer



Jennifer O'Connor  
General Counsel



Margot Sfeir  
Senior Manager, Social Responsibility