

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 105542 / May 22, 2026

ADMINISTRATIVE PROCEEDING
File No. 3-22643

In the Matter of

FOOT LOCKER, INC.,

Respondent.

ORDER INSTITUTING CEASE-AND-DESIST PROCEEDINGS PURSUANT TO SECTION 21C OF THE SECURITIES EXCHANGE ACT OF 1934, MAKING FINDINGS, AND IMPOSING A CEASE-AND-DESIST ORDER

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 21C of the Securities Exchange Act of 1934 (“Exchange Act”) against Foot Locker, Inc. (“Foot Locker” or “Respondent”).

II.

In anticipation of the institution of these proceedings, Foot Locker has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting the findings herein, except as to the Commission’s jurisdiction over it and the subject matter of these proceedings, which are admitted, Respondent consents to the entry of this Order Instituting Cease-and-Desist Proceedings Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing a Cease-and-Desist Order (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds¹ that:

¹ The findings herein are made pursuant to Foot Locker’s Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

Summary

1. This matter concerns violations of the Exchange Act’s whistleblower protection rule by Foot Locker. From at least at least July 2020 to June 2024 (the “Relevant Period”), approximately 148 departing Foot Locker employees, who were senior executives, directors, and employees in finance, legal, supply chain, and operations, signed separation agreements in order to receive severance payments. The agreements contained a provision that purported to waive employees’ rights to receive whistleblower awards from the Commission (the “Award Waiver Provision”). Foot Locker phased out the Award Waiver Provision in its separation agreements between March and June 2024, and since that time has not required departing employees to waive such rights.

Respondent

2. Foot Locker is a New York corporation headquartered in New York, NY. Until September 2025, Foot Locker’s common stock was registered with the Commission pursuant to Section 12(b) of the Exchange Act and traded on the New York Stock Exchange under the ticker symbol “FL.” In September 2025, Dick’s Sporting Goods, Inc. (“Dick’s Sporting Goods”) (NYSE:DKS) acquired Foot Locker, and Foot Locker became a wholly owned subsidiary of Dick’s Sporting Goods. On September 18, 2025, Foot Locker filed Form 15 with the Commission to terminate its securities registration.

Facts

A. Statutory and Regulatory Framework Protecting Whistleblowers

3. In the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank”), which became effective on July 21, 2010, Congress amended the Exchange Act by adding Section 21F, “Whistleblower Incentives and Protection.” Congress sought “to encourage whistleblowers to report possible violations of the securities laws by providing financial incentives, prohibiting employment-related retaliation, and providing various confidentiality guarantees.” *See Implementation of the Whistleblower Provisions of Section 21F of the Securities Exchange Act of 1934*, Release No. 34-64545, at 197 (Aug. 12, 2011) (the “Adopting Release”).

4. To fulfill this congressional purpose, the Commission adopted Rule 21F-17, which provides in relevant part:

- (a) No person may take any action to impede an individual from communicating directly with the Commission staff about a possible securities law violation, including enforcing, or threatening to enforce, a confidentiality agreement . . . with respect to such communications.

Rule 21F-17 became effective on August 12, 2011.

B. Foot Locker's Separation Agreements

5. As a regular part of its business, Foot Locker entered into separation agreements with departing employees. A separation agreement is a contract between an employer and a departing employee documenting the rights and responsibilities of both parties incidental to the termination of the employment relationship.

6. During the Relevant Period, approximately 148 departing Foot Locker employees, who were senior executives, directors, and employees in finance, legal, supply chain, and operations, signed separation agreements that contained a provision purporting to waive employees' rights to receive whistleblower awards from the Commission. Foot Locker used several different forms of its separation agreement or templates for various reductions in force, layoffs, and individual terminations and resignations. While the templates varied, each agreement included the Award Waiver Provision as follows:

This Agreement and General Release does not prevent you from filing a charge or participating in an investigation or proceeding conducted by a government agency, including the Securities & Exchange Commission, the Equal Employment Opportunity Commission, the Department of Justice, or comparable state or local agency. However, by signing this Agreement and General Release, you understand and agree that you are waiving the right to receive any award of monetary or other benefits or any other legal or equitable relief whatsoever resulting from any such charge or proceeding by you, anyone else on your behalf, or otherwise, unless this Agreement and General Release is invalidated. You agree to waive such personal relief even if it is sought on your behalf by an agency, governmental authority or a person claiming to represent you and/or member of a class.

7. Although the Commission is unaware of any instances in which Foot Locker took action to enforce the Award Waiver Provision or in which affected individuals declined to report to, or otherwise speak with, the Commission staff about potential violations of the securities laws, the Award Waiver Provision nonetheless raised impediments to participation in the Commission's whistleblower program by requiring those individuals to forgo possible whistleblower awards in exchange for severance payments from Foot Locker.

8. Through the conduct described above, Foot Locker violated Exchange Act Rule 21F-17(a), which prohibits any person from taking any action to impede an individual from communicating directly with the Commission staff about a possible securities law violation.

9. Foot Locker began phasing out the Award Waiver Provision in its separation agreements in March 2024, prior to being contacted by Commission staff concerning this issue. However, Foot Locker failed to update all its form separation agreements and, as a result, certain of its separation agreements contained the Award Waiver Provision until June 2024.

10. In determining to accept the Offer, the Commission considered steps undertaken by Foot Locker promptly after being approached by the Commission staff to comply with its

obligations under Rule 21F-17, as well as its responsiveness to and cooperation afforded the Commission staff in its investigation.

IV.

In view of the foregoing, the Commission deems it appropriate to impose the sanctions agreed to in Foot Locker's Offer.

Accordingly, it is hereby ORDERED that:

A. Pursuant to Section 21C of the Exchange Act, Respondent Foot Locker cease and desist from committing or causing any violations and any future violations of Rule 21F-17(a) under the Exchange Act.

B. Foot Locker shall, within thirty (30) days of the entry of this Order, pay a civil money penalty in the amount of \$148,000 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Exchange Act Section 21F(g)(3). If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. § 3717.

Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Foot Locker, Inc. as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Sheldon L. Pollock, Associate Director, New York Regional Office, Securities and Exchange Commission, 100 Pearl Street, Suite 20-100, New York, NY 10004.

D. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve

the deterrent effect of the civil penalty, Foot Locker agrees that in any Related Investor Action, it shall not argue that it is entitled to, nor shall it benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Foot Locker's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Foot Locker agrees that it shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Foot Locker by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

By the Commission.

Vanessa A. Countryman
Secretary