

## **OFFICE DEPOT INC.**

### **Related Person Transactions Policy**

The purpose of this Related Person Transactions Policy (the "Policy") of the Governance Committee of Office Depot, Inc. (the "Company") is to set forth policies and procedures governing the Governance Committee's review and approval or ratification of transactions between the Company, on the one hand, and an executive officer or director or an immediate family member, on the other hand.

#### **Application of this Policy**

This Policy applies to all related person transactions. A "related person transaction" is any transaction:

- In which the Company was or is to be a participant;
- In which the amount exceeds \$120,000;
- In which any related person had, or will have a direct or indirect material interest;
- Including any contribution of \$120,000 or more to a charitable organization in which a related person is a trustee, director, executive officer or has a similar relationship.
- A "related person" is:
  - Any person who, since the beginning of the last fiscal year of the Company, is or was an executive officer or director of the Company or an immediate family member of such person; or
  - Any security holder who is known by the Company to own of record or beneficially more than five percent of any class of the Company's voting securities at the time of the transaction (each, a "5% holder") or an immediate family member of such person.

"Immediate family member" means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law of such executive officer or director, and any person (other than a tenant or employee) sharing the household of such executive officer or director.

For purposes of this Policy, related person transactions with the Company shall be defined as including transactions in which any subsidiary of the Company participates.

## **Statement of Policy**

No related person transaction shall be approved or ratified if such transaction is contrary to the best interests of the Company. Unless different terms are specifically approved or ratified by the Governance Committee, any approved or ratified transaction must be on terms that are no less favorable to the Company than would be obtained in a similar transaction with an unaffiliated third party under the same or similar circumstances. All related person transactions or series of similar transactions must be presented to the Governance Committee for review and pre-approval or ratification pursuant to the procedures set forth below.

## **Review and Approval Procedures**

Each related person shall be responsible for notifying the General Counsel of any potential related person transaction in which such person or any member of his or her immediate family may be directly or indirectly involved as soon as he or she becomes aware of such a transaction. Except in circumstances where such transaction is expected to qualify as an Ordinary Course Transaction (as defined below), such notification should be made prior to the time that the transaction is entered into and such notice shall provide the General Counsel and the Governance Committee a reasonable opportunity, under the circumstances, for the required review of such transaction to be conducted before execution.

Unless the Governance Committee otherwise determines after having been notified, any proposed transaction directly between the Company and any executive officer or director, and anyone known to be a member of the immediately family of any such person should be reviewed and approved prior to the time that such transaction is entered into.

While the General Counsel should be notified of any related party transaction that is expected to qualify as an Ordinary Course Transaction, Ordinary Course Transactions shall not be a related person transaction and do not require Governance Committee approval under this Policy. "Ordinary Course Transaction" means a transaction that occurs between the Company or any of its subsidiaries and any entity (i) for which any related person serves as an executive officer, partner, principal, member or in any similar executive or governing capacity, or (ii) in which such related person has an economic interest that does not afford such related person control over such entity, and such transaction occurs in the ordinary course of business on terms and conditions that are no less favorable to the Company or, if applicable, a subsidiary than would otherwise apply to a similar transaction with an unrelated party. All immaterial relationships and transactions identified in the Instructions to Item 404(a) of Regulation S-K are incorporated into this policy, and accordingly, all such immaterial relationships or transactions are not related person transactions and do not require approval under this Policy. See [Annex A](#) which restates the Instructions to Item 404(a).

The General Counsel of the Company shall be responsible for making the initial determination as to whether any transaction appears to be within the scope required to be disclosed pursuant to Item 404(a) of Regulation S-K or whether such transaction is, in fact, an Ordinary Course Transaction. The General Counsel shall take all reasonable steps to ensure that all related person transactions or any series of similar transactions required to be disclosed pursuant to Item 404(a) of Regulation S-K are presented to the Governance Committee for pre-approval or ratification, if required under this Policy, at the Committee's next regularly scheduled meeting, or by consent in lieu of a meeting if deemed appropriate.

If a potential related person transaction involves the General Counsel, the Chief Financial Officer shall assume the responsibilities of the General Counsel described above.

**Disclosure; Annual Review, Assessment and Affirmation**

The Governance Committee shall review and assess the adequacy of this Policy annually and adopt any changes it deems necessary. The General Counsel shall distribute this Policy to each executive officer and director and each natural person known to the Company to be a 5% holder of the Company. Annually, each executive officer and director of the Company shall acknowledge their familiarity and compliance with this Policy.

**Relationship with Conflicts of Interest Policy**

This Policy shall in no way be deemed to supersede or otherwise modify or contradict the Board's existing policy on director conflicts of interest which is included in the Company's Corporate Governance Guidelines.