

Coldwater Creek profit sharing

Saving for the Future

Coldwater Creek Inc. provides two options to employees to save for the future, a traditional pre-tax and a Roth 401(k) savings plan, both of which are administered by Wells Fargo.

Eligibility and Enrollment

You must be 21 years or older to participate in the plan. You must have worked 90 days from your hire date with at least 250 hours of service in this period. If you miss this initial enrollment period, then you will be eligible after working 1000 hours during any subsequent 12 month period that begins on the anniversary of your employment date. Plan entry dates are the first day of each quarter (January 1, April 1, July 1, and October 1).

You will receive an enrollment packet directly from Wells Fargo approximately three weeks prior to your plan entry date.

How much can I contribute to the plan?

Once you become eligible, you may make a 2009 salary deferral contribution from 1 to 100% of your compensation (not including bonuses) up to an annual maximum deferral for 2009 of \$16,500 (as adjusted each calendar year by the IRS). The maximum deferral applies to both the traditional and Roth 401(k) combined.

If you are age 50 or older by the end of the calendar year, you may qualify to make additional pre-tax, "catch-up" deferral contributions up to \$5,500 each year (as adjusted each calendar year by the IRS).

For your convenience, when you first become eligible to participate in the plan, you will be automatically enrolled in the traditional pre-tax 401(k) plan at a salary deferral contribution rate of 3%. You will be given 30 days' notice of this automatic enrollment and you may change the deferral rate at any time by contacting Wells Fargo. You are encouraged to consider if a 3% deferral rate will be enough to help you reach your retirement goals.

When you are automatically enrolled, your contributions will be invested in one of the WF Adv Dow Jones Target Date Funds based on your anticipated retirement date. You may contact Wells Fargo at any time to change this election or to move your money to other investment options that might better meet your needs. Based on recent changes in the federal tax laws, your contributions could be invested in lifestyle funds.

How can I make changes to my salary deferrals and investment elections?

You may increase, decrease or elect not to defer in the Plan, sign up for "catch-up" contributions or change your investment elections by simply calling the Wells Fargo Benefits Helpline at 800.258.2715 or by going online to <http://retirementplan.wellsfargo.com>. When using either option you will be required to login with your social security number as your username and your six digit date of birth (mmddyy) as your password. Changes will become effective in the next payroll period.

Does Coldwater Creek match my salary deferrals?

Currently, Coldwater Creek does not match employee contributions.

Can I roll over money into the Coldwater Creek plan?

You may roll over contributions you have made to other qualified plans any time after becoming an employee of Coldwater Creek. Contact Wells Fargo for a rollover election package.

When do I become vested in the company matching contributions?

You are 100% vested in the money you contribute to the plan and the safe harbor matching contribution Coldwater Creek made prior, to 2009 and any earning on those dollars.

If you had matching contributions made to your account prior to January 1, 2006, that “match” will be vested according to the following schedule:

Completed years of service	less than 1 year	1 year	2 years	3 years	4 years	5 or more years
Vested	0%	20%	40%	60%	80%	100%

May I borrow or withdraw money from my account?

Although a 401(k) plan is meant for saving for the future, there are some options available to make withdrawals from your vested balance.

You may borrow up to \$50,000 (reduced by balance of loans) or 50% of your vested balance, whichever is less. The minimum loan amount is \$1,000. You may have a maximum of two outstanding loans at any one time. Loans are repaid through payroll deduction. You should thoroughly review all your options before taking a loan from the 401(k) as retirement plan loans may involve significant tax implications and missed investment opportunities.

The plan does have provisions for in-service withdrawals in certain situations. Refer to the 401(k) Summary Plan Description for more information.

How is the money in my 401(k) plan invested?

Coldwater Creek provides a variety of investment options, each with a different fund type, investment strategy and level of risk. It's up to you to decide how to invest your contributions. You are always responsible for selecting and monitoring your investments and should review your portfolio regularly to be sure your investment choices continue to be right for your retirement goals.

We encourage you to read more about the investment options and to use the tools and resources available to help you make your decision. For more investment information, contact Wells Fargo.

The above are only a few features of your 401(k) plan. For more information, please refer to the 401(k) Summary Plan document.