

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): November 02, 2023

DESTINATION XL GROUP, INC.

(Exact name of Registrant as Specified in Its Charter)

Delaware  
(State or Other Jurisdiction  
of Incorporation)

01-34219  
(Commission File Number)

04-2623104  
(IRS Employer  
Identification No.)

555 Turnpike Street  
Canton, Massachusetts  
(Address of Principal Executive Offices)

02021  
(Zip Code)

Registrant's Telephone Number, Including Area Code: 781 828-9300

(Former Name or Former Address, if Changed Since Last Report)

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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	DXLG	The Nasdaq Stock Market LLC

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 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

**Compensatory Arrangements of Certain Officers**

On November 2, 2023, the board of directors of Destination XL Group, Inc. (the "**Company**") approved the Destination XL Group, Inc. Sixth Amended and Restated Annual Incentive Plan (the "**AIP**"), in which the Company's executives (including its Named Executive Officers) and certain other members of management are eligible to participate. The AIP was amended to, among other things, add the option of a "Structured Retirement," as defined in the Company's Fourth Amended and Restated Long-Term Incentive Plan ("**LTIP**"). Structured Retirement was previously added to the Company's LTIP to provide an opportunity for greater vesting upon retirement where the participant assists the Company in ensuring the succession of the participant's position with the Company prior to the participant's retirement. In order to be eligible to terminate in a Structured Retirement, the participant must terminate employment after meeting the age and service requirements set forth in the LTIP, the Committee must confirm through proper corporate action that the participant has met all of the succession planning objectives set by the Committee for the participant, the participant must continue to work until the date required by the Committee (which may not be more than 60 days after the Committee confirms that the objectives have been met), and the participant must execute a release of claims in favor of the Company. The final determination as to whether a Structured Retirement has been met is in the sole discretion of the Compensation Committee. The AIP was also amended to clarify certain definitions and descriptions under Section II, Eligibility and Section IV, Payment Calculations. The participation percentages for our Named Executive Officers in the AIP remain unchanged.

This summary of the AIP does not purport to be complete and is subject to and qualified in its entirety by reference to the text of the AIP, included as Exhibit 10.1 to this filing, which is incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

<b><u>Exhibit No.</u></b>	<b><u>Description</u></b>
10.1	<a href="#"><u>Sixth Amended and Restated Annual Incentive Plan.</u></a>
104	<u>Cover Page Interactive Data File – The cover page interactive data file does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document.</u>

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**SIGNATURES**

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 thereunto duly authorized.

Destination XL Group, Inc.

Date: November 7, 2023

By: /s/ Robert S. Molloy  
General Counsel and Secretary

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**SIXTH AMENDED AND RESTATED**  
**DESTINATION XL GROUP, INC.**  
**ANNUAL INCENTIVE PLAN**

**I. SUMMARY AND OBJECTIVES**

Destination XL Group, Inc. (“Company”) has developed this Sixth Amended and Restated Annual Incentive Plan (the “Incentive Plan”) to provide opportunities for eligible associates of the Company and its subsidiaries to earn meaningful rewards for excellent annual performance. The Incentive Plan aims to align the interests of the Incentive Plan Participants (as defined in paragraph II A) with those of our shareholders. Bonus awards are cash payments based on a Participant’s Target Award (as defined in paragraph IV) and actual performance results measured against pre-established performance criteria (“Bonus Awards”). Bonus Awards are intended to provide a reward to eligible Participants and supplement the base salary program. A fiscal year is referred to as a “Plan Year”. Bonus Awards made hereunder are being made pursuant to, and shall be subject to the terms and conditions specified in, the Company’s 2016 Incentive Compensation Plan as amended and restated, and any subsequent shareholder-approved incentive plan (the “2016 Compensation Plan”).

**II. ELIGIBILITY**

**A. GENERAL ELIGIBILITY REQUIREMENTS**

Each Company employee whose role is classified by the Company as a Job Level 15 or higher (“Eligible Job Level”) during a Plan Year will be eligible to participate in the Incentive Plan for such Plan Year (a “Participant”). Notwithstanding the foregoing, an employee newly hired or promoted during a Plan Year into an Eligible Job Level must commence work or be promoted, as applicable, effective prior to the first day of the Company’s fourth fiscal quarter of such Plan Year to be a Participant in such Plan Year. Except as required by this Incentive Plan or applicable law or unless specifically determined otherwise by the Compensation Committee, a Participant whose employment terminates prior to payment of Bonus Awards for a Plan Year will not be eligible to earn a Bonus Award under the Incentive Plan for that Plan Year.

**B. TRANSFERS TO OTHER BUSINESS UNITS**

In the event a Participant transfers business units during a Plan Year where the business units have different Bonus Award criteria, the Compensation Committee will determine the Participant’s Bonus Award in its sole discretion based upon the criteria in each business unit.

**C. CHANGES IN JOB LEVEL**

The Bonus Award for a Participant who changes his or her job level (either to another Eligible Job Level or to a lower job level) with different Target Award levels or no Target Award level during a Plan Year, through a promotion, transfer, or demotion, will be determined based on the number of days the Participant held at each Eligible Job Level during the Plan Year.

**D. TERMINATION**

Subject to paragraph II G below, to be eligible to earn a Bonus Award, a Participant must be actively employed through the time the Bonus Award is paid, unless otherwise required by applicable law, or specifically determined otherwise by the Compensation Committee.

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**E. COMPLIANCE WITH APPLICABLE REGULATIONS**

In order to be eligible to earn a Bonus Award under this Incentive Plan, a Participant must comply with all applicable state and federal regulations and Company policies.

**F. LEAVES OF ABSENCE**

A Participant who is employed by the Company during a Plan Year at any time prior to the first day of the fourth quarter of such Plan Year, and who is on a Company-approved leave of absence for any reason during the Plan Year, shall be able to earn a Bonus Award in respect of such Plan Year on the same basis as if the Participant had not been on such leave based on the Participant's Actual Base Earnings, as defined in paragraph IV, during the Plan Year.

**G. RETIREMENT, STRUCTURED RETIREMENT, DEATH OR DISABILITY**

In the event that during any Plan Year, after the Plan Year's Target Awards have been established by the Compensation Committee, the Company terminates a Participant's employment due to the Participant's Disability (as defined in the 2016 Compensation Plan) or death or a Participant terminates due to Retirement (or due to a Structured Retirement, if applicable), the Company shall pay the Participant a Bonus Award in accordance with the Incentive Plan based on the Participant's (i) Actual Base Earnings for the Plan Year in which the termination occurs and (ii) the level of achievement of the applicable performance criteria through the last day of the full fiscal month preceding Participant's termination measured against the performance criteria set for the Plan Year. For the avoidance of doubt, if such termination occurs prior to the establishment of the Plan Year's Target Awards by the Compensation Committee, then no payment shall be made to the terminated Participant for such Plan Year. Any amount payable under this paragraph II G shall be paid as soon as reasonably practicable following the Participant's termination of employment, but in any event no later sixty (60) days following the Participant's termination. Additionally, a Participant who has been terminated for any other reason who is entitled to a Bonus Award pursuant to paragraph II A will be paid a Bonus Award in accordance with this paragraph as though the termination was due to Disability, death, Retirement or Structured Retirement. For purposes of this Incentive Plan, a "Retirement" is a termination of a Participant's employment, other than by reason of the Participant's death or Disability and other than by the Company for justifiable cause (as determined by the Company in its sole discretion) after the Participant has attained age 65 and completed at least 5 years of employment with the Company and its subsidiaries and affiliates (as determined by the Company). For purposes of this Incentive Plan, a "Structured Retirement" has the meaning provided in the Company's then current Long-Term Incentive Plan.

**III. THE INCENTIVE PLAN**

Within 90 days after the beginning of each Plan Year, the Compensation Committee will establish specific performance criteria that must be met in order for the Bonus Awards to be payable. Such criteria may be based on Company, business unit and/or individual Participant performance. At the time that the performance criteria is set, the Compensation Committee may determine that special matters shall be considered or excluded, and except as otherwise specified by the Compensation Committee at the time the goals are set, the Compensation Committee shall exclude the impact of: (i) restructurings, discontinued operations, extraordinary items, and other unusual or non-recurring charges, (ii) an event either not directly related to the operations of the Company or not within the reasonable control of the Company's management, (iii) a change in accounting standards required by generally accepted accounting principles, or (iv) any other item or event specified by the Compensation Committee at the time the goals are set. The performance criteria may be based on one or more of the following measures which include but are not limited

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to: EBITDA, adjusted EBITDA, sales, earnings per share, return on net assets, return on equity, operating margin dollars, operating margin percent, gross margin dollars, gross margin percent, liquidity metrics, and/or customer counts and/or service levels and/or a combination of the above or similar measures relating to the business or individual. With respect to customer service, customer service target levels may be based on scores on blind test (“mystery”) shopping, customer comment card statistics, customer relations statistics (e.g., number of customer complaints), delivery response levels, and/or other customer service metrics.

For each Plan Year, the Bonus Award will be based upon the level of satisfaction of the performance criteria selected by the Compensation Committee for that Plan Year. A specified percentage of the Target Award will be paid, dependent upon the performance as measured against the Company, business unit and/or individual performance criteria. The Compensation Committee may establish a threshold goal (which if not achieved will result in no Bonus Awards being payable), target and maximum goals for each Participant. The performance criteria and targets used may vary from one Participant to another in the sole discretion of the Compensation Committee. Bonus Awards are limited to 150% (or such higher percentage as determined by the Compensation Committee) of a Participant’s Target Award (as defined below). Bonus Awards are subject to adjustment as provided under the 2016 Compensation Plan.

#### **IV. PAYMENT CALCULATIONS**

At the beginning of each Plan Year, the Compensation Committee shall establish a target bonus award (a “Target Award”) for each Participant. A Participant’s Target Award shall be expressed as a percentage of the Participant’s Actual Base Earnings. “Actual Base Earnings” is the base salary earned by a Participant during the applicable Plan Year (unreduced for any deductions made to the Company’s 401(k) plan or cafeteria plan), but only during the period in which the Participant was eligible to participate in the Incentive Plan. A Participant’s Target Award is to be based upon the Participant’s Eligible Job Level and responsibilities and may vary for different officers and/or business units.

At the end of the Plan Year, the Compensation Committee shall determine the amount, if any, to be paid to each Participant as a Bonus Award for such Plan Year in accordance with the Incentive Plan. The Compensation Committee shall then authorize the Company to pay such amount on the date specified by Compensation Committee in its sole discretion in accordance with the Incentive Plan. Bonus Awards will not be considered to be earned and/or payable until the date they are paid.

All Bonus Award payments, if any, will be paid after the end of the applicable Plan Year, but not more than 2.5 months following the end of such Plan Year.

#### **V. PLAN ADMINISTRATION**

##### **A. ADMINISTRATION**

The Incentive Plan will be administered by the Compensation Committee. The Compensation Committee will have broad authority for determining Target Awards and selecting performance criteria, as described above; for adopting rules and regulations relating to the Incentive Plan; and for making decisions and interpretations regarding the provisions of the Incentive Plan, the satisfaction of performance criteria, any appropriate adjustments to Bonus Awards and the payment of Bonus Awards under the Incentive Plan.

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**B. EMPLOYMENT AT WILL**

This Incentive Plan does not create an express or implied contract of employment between Company and a Participant. Both Company and the Participants retain the right to terminate the employment relationship at any time and for any reason.

**C. BONUS PROVISIONS (AMENDMENTS AND TERMINATION)**

Unless otherwise required by applicable law, Bonus Awards are not earned or vested or payable until actual payments are made and the Company reserves the right at any time prior to actual payment of Bonus Awards to amend, terminate and/or discontinue the Incentive Plan in whole or in part whenever the Board of Directors or the Compensation Committee of the Company determines that it is necessary or appropriate.

The Incentive Plan may be amended or terminated by either the Board of Directors or the Compensation Committee, provided that no amendment or termination of the Incentive Plan after the end of a Plan Year may adversely affect the rights of Participants with respect to their Bonus Awards for that Plan Year.

**D. RIGHTS ARE NON-ASSIGNABLE**

Neither the Participant nor any beneficiary nor any other person shall have any right to assign the right to receive payments hereunder, in whole or in part, which payments are non-assignable and non-transferable, whether voluntarily or involuntarily.

**E. WITHHOLDING AND SECTION 409A**

All required deductions will be withheld from the Bonus Awards prior to distribution. This includes federal, state or local taxes. The provisions of Section 8(e) of the 2016 Compensation Plan shall apply to any Bonus Award that is or may potentially be subject to the requirements of Section 409A of the Internal Revenue Code.

**F. EMPLOYMENT AGREEMENTS**

If a Participant has an employment agreement which references an annual incentive plan bonus, this Incentive Plan describes how such bonus will be determined and paid, provided that in the event the Chief Executive Officer of the Company is party to an employment agreement with the Company, any provisions of such employment agreement relating to this Incentive Plan shall govern to the extent inconsistent with this Incentive Plan. Except as otherwise provided above, to the extent there is any conflict between the language of an employment agreement and this Plan, the language in the Incentive Plan and the 2016 Compensation Plan shall govern.

**G. EFFECTIVE DATE**

The effective date of this Sixth Amended and Restated Annual Incentive Plan shall be November 2, 2023 and it shall apply to Bonus Awards payable with respect to Plan Years commencing with Fiscal 2024.

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