UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended January 28, 2017
(Fiscal 2016)

Commission File Number 01-34219

DESTINATION XL GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware	**04-2623104**
(State or other jurisdiction of incorporation or organization)	**(IRS Employer Identification No.)**
555 Turnpike Street, Canton, MA	**02021**
(Address of principal executive offices)	**(Zip Code)**

(781) 828-9300
(Registrant's telephone number, including area code)

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

Title of each class	Name of each exchange on which registered
Common Stock, $0.01 par value	**The NASDAQ Stock Market LLC**

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

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K(§229.405 of this chapter) is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

As of July 30, 2016, the aggregate market value of the Common Stock held by non-affiliates of the registrant was approximately $121.6 million, based on the last reported sale price on that date. Shares of Common Stock held by each executive officer and director and by each person who owns 10% or more of the outstanding Common Stock have been excluded on the basis that such persons may be deemed to be affiliates. This determination of affiliate status is not necessarily determinative for other purposes.

The registrant had 49,988,655 shares of Common Stock, $0.01 par value, outstanding as of March 17, 2017.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Proxy Statement for the 2017 Annual Meeting of Stockholders are incorporated by reference into Part III.

DESTINATION XL GROUP, INC.

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Year Ended January 28, 2017

PART I.

Certain statements contained in this Annual Report on Form 10-K (this "Annual Report") constitute "forward-looking statements," including forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. In some cases, forward-looking statements can be identified by the use of forward-looking terminology such as "may," "will," "estimate," "intend," "plan," "continue," "believe," "expect" or "anticipate" or the negatives thereof, variations thereon or similar terminology. The forward-looking statements contained in this Annual Report are generally located under the headings "Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," but may be found in other locations as well, and include statements regarding cash flows, gross profit margins, store counts, capital expenditures, sales and earnings expectations for fiscal 2017 and beyond. These forward-looking statements generally relate to plans and objectives for future operations and are based upon management's reasonable estimates of future results or trends. The forward-looking statements in this Annual Report should not be regarded as a representation by us or any other person that the objectives or plans of the Company will be achieved. Numerous factors could cause our actual results to differ materially from such forward-looking statements, including, without limitation, risks relating to the execution of our corporate strategy and ability to grow our market share and those risks and uncertainties, set forth below under Item 1A, *Risk Factors*. Readers are encouraged to review these risks and uncertainties carefully.

These forward-looking statements speak only as of the date of the document in which they are made. We disclaim any obligation or undertaking to provide any updates or revisions to any forward-looking statement to reflect any change in its expectations or any change in events, conditions or circumstances in which the forward-looking statement is based.

Item 1. *Business*

Destination XL Group, Inc., together with our subsidiaries (the "Company"), is the largest specialty retailer of big & tall men's apparel with retail and direct operations in the United States and London, England. We operate under the trade names of Destination XL®, DXL®, DXL outlets, Casual Male XL®, Casual Male XL outlets, Rochester Clothing, ShoesXL® and LivingXL®. We operate 192 DXL retail stores, 13 DXL outlet stores, 97 Casual Male XL retail stores, 36 Casual Male XL outlet stores and 5 Rochester Clothing stores. Our direct business includes our DestinationXL.com and bigandtall.com e-commerce sites which support our stores, brands and product extensions. Unless the context indicates otherwise, all references to "we," "our," "ours," "us" and "the Company" refer to Destination XL Group, Inc. and our consolidated subsidiaries. We refer to our fiscal years ended January 28, 2017, January 30, 2016 and January 31, 2015 as "fiscal 2016", "fiscal 2015" and "fiscal 2014," respectively.

OUR INDUSTRY

We believe that the men's big & tall apparel market, which includes pants with a waist size of 42" and greater, as well as tops sized 1XL and greater, generates approximately $3.5 billion to $4.0 billion in sales annually and represents approximately 11% of the overall men's apparel business. Growth in this segment has historically been driven by rapidly changing market demographics. We estimate that our market share in fiscal 2016 was approximately 12%. We believe that we can increase our market share by catering to the broader target market, attracting customers from various income, age and lifestyle segments and offering the widest selection of sizes and styles that fit well. An opportunity also exists for market share growth from the lower-size range of our market, that is, men in the 38"-46" waist size. These sizes are usually at the high end of the size range for most retailers and, as a result, the selection is usually limited at such retailers.

HISTORY

Our Company was incorporated in the State of Delaware in 1976 under the name Designs, Inc. Until fiscal 1995, we operated exclusively in Levi Strauss & Co. branded apparel mall and outlet stores. In May 2002, we acquired the Casual Male business from Casual Male Corp. at a bankruptcy court-ordered auction. At the time of the acquisition, Casual Male was the largest specialty retailer of men's clothing in the big & tall market in the United States. As a result of the acquisition, on August 8, 2002, we changed our name to "Casual Male Retail Group, Inc."

Through fiscal 2010, we primarily operated Casual Male XL retail stores, Casual Male XL outlet stores and Rochester Clothing stores, along with the associated websites and catalogs. We catered to all customers through these three store formats, from our value-oriented customer (Casual Male XL outlets) to our luxury-oriented customer (Rochester Clothing stores). During that year, we tested a new store concept, Destination XL ("DXL"). The DXL store concept merged all of our existing brands under one roof, offering our customers a superior shopping environment with an extensive assortment of product and an increased presence of name brands, without having to shop multiple stores. In addition to offering our customers a wide assortment, we also wanted to provide them with an outstanding and unique shopping experience. We are focused on providing outstanding customer service through our DXL stores, with everything from larger fitting rooms to professional, trained associates providing both personal attention and on-site tailoring. With the initial success of this store format, we then made a similar change to our e-commerce business in fiscal 2011 when we

launched our DestinationXL.com website which, like our DXL store, merged all of our previous websites into one consolidated e-commerce site providing our customers the ability to cross-shop our brands easily.

As part of our new direction, in December 2012, we changed our NASDAQ stock ticker symbol to “DXLG” followed by a change in February 2013 of our corporate name to “Destination XL Group, Inc.”

BUSINESS STRATEGY

In fiscal 2012, we began the transition from our Casual Male XL retail and Rochester Clothing stores to our DXL store format. Initially, we envisioned that this transition would take three years. Based on the performance of the initial DXL stores, we accelerated the pace in fiscal 2013, closing over 100 Casual Male XL and Rochester Clothing stores and opening 51 DXL stores. This accelerated pace created unexpected hurdles for us in converting our existing customer base to the new DXL stores, which negatively impacted our sales. As a result, in fiscal 2014, we opted to revise our strategy to slow the pace of our transition to take advantage of our existing Casual Male XL stores to help transition our customer base. We also introduced a smaller DXL store format, which has allowed us to penetrate smaller markets that we originally thought were too small for a DXL store, and a DXL outlet store format. In fiscal 2015, we completed a market opportunity study of our existing store portfolio, including the smaller DXL store format and outlet store format, and believe that there is opportunity for additional growth beyond what was initially identified when we began the rollout in fiscal 2012.

During fiscal 2016, we opened our 200th store and, at fiscal year end, we had 192 DXL stores and 13 DXL outlet stores, with a DXL presence in every major metropolitan market in the continental United States.

With the bulk of the Casual Male XL to DXL store transition behind us, in addition to our efforts to maintain the strong in-store experience which our customers enjoy, we are now focusing our efforts on improving traffic to our stores and growing our e-commerce business with emphasis on increasing brand awareness and our customer base. Based on a market study we commissioned in 2016, 6 out of 10 potential customers do not know who we are. We also experienced a slight decrease in our brand awareness in fiscal 2016 and a decrease in store traffic in the second half of fiscal 2016, which may have resulted in part from our decision not to conduct a Fall/holiday media marketing campaign. As a result, in fiscal 2017, we will be revitalizing our marketing program, through a combination of media and digital strategies, including efforts to improve communications with our existing customers through personalization and more targeted mailings. We expect to increase our marketing spend in fiscal 2017 to help create and drive traffic to our stores and e-commerce sites.

While we believe market opportunity exists to support a strategy of opening 30-40 DXL stores per year, given the current weakness in the retail environment, we are taking a more measured approach to store growth in fiscal 2017. In some markets, where a Casual Male XL store performs well, we may look to extend its lease on a short-term basis instead of replacing it with a DXL store at expiration, allowing us time to secure the right location for a DXL store. As such, we currently expect to open 19 DXL retail stores and 1 DXL outlet store in fiscal 2017. We currently anticipate that beyond fiscal 2017, we will continue to open stores at a slower pace for the foreseeable future.

International Growth

In addition to our Rochester Clothing store located in London, England, we also have one franchised DXL store in the Middle East at the Symphony Mall in Kuwait City, Kuwait, which was opened in fiscal 2014 pursuant to a franchise agreement with The Standard Arabian Business & Enterprises Company (SABECO).

Based on our experience to date, we believe that the international big & tall market is currently underserved and, based on the success of our DXL concept in the U.S. and the positive customer response for our Kuwait City franchised store, we see an opportunity for growth internationally in the future.

In the spring of fiscal 2017, we are opening two DXL stores in Toronto, Canada. These will be the first DXL brand stores operated by the Company outside of the United States.

OUR BUSINESS

We operate as an omni-channel retailer. Through our multiple brands, which include both branded apparel and private-label, we offer a broad range of merchandise at varying price points, catering from the value-oriented customer to the luxury-oriented customer. Our objective is to appeal to all of our customers by providing a good, better, best array of product assortments in all primary lifestyles with multiple and convenient ways to shop.

Our DXL stores cater to all income demographics and offer our customers merchandise in all lifestyles from casual to business, young to mature, in all price ranges and in all large sizes from XL and up. Our Casual Male XL stores primarily carry moderately priced branded and private label casual sportswear and dresswear, while our Rochester Clothing stores carry fine quality, designer and branded menswear. We also operate Casual Male XL outlets and DXL outlets for our value-oriented consumer. In addition to our stores, we operate our Destination XL e-commerce site which is similar to our DXL store concept and offers a brand range of merchandise at each price point, including a complete offering of shoes.

Another critical part of our business operation is managing the number of sizes offered to our customers and optimizing our in-stock position throughout each season. Our best-selling pant has 57 size combinations as compared to an average retailer who may only have 15 different size combinations. We maintain a consolidated inventory across all channels which enables us to manage our in-stock position of all sizes effectively, ultimately improving customer service. Moreover, our planning and allocation methodologies, with respect to store assortment planning, help to optimize each location's market potential without excessive inventory levels.

MERCHANDISE

A vital component of our business strategy is to offer our customers a broad assortment of apparel that is appropriate to our diverse customer base. Regardless of our customers' age, socioeconomic status, or lifestyle preference, we are able to assemble a wardrobe to fit our customers' apparel needs. In addition, we offer such assortments in private-label product, balanced with an array of brand name labels. With over 5,000 styles available, we carry tops in sizes up to 8XL and 6XLT, bottoms with waist sizes 38" to 66", and shoes in sizes 10W to 18. In addition, we added to our product assortment a smaller fit XL and XLT to appeal to our target "end-of-rack" customer.

Our stores are merchandised to showcase entire outfits by lifestyle, including traditional, active, denim, dress wear and contemporary. This format allows us to merchandise key items and seasonal goods in prominent displays and makes coordinating outfits easier for the customer while encouraging multi-item purchases. This lifestyle layout also allows us to manage store space more effectively in each market to target local demographics. The key item strategy is also fully integrated by lifestyle, allowing us to focus on merchandise presentation and offer our customers a compelling value proposition.

Merchandise assortments in our DXL stores are organized not only by lifestyle, but within each lifestyle, the assortments are shown in a "good", "better", "best" and "luxury" visual presentation, again to benefit our customers' ease of shopping. With the "best" merchandise assortments featured most prominently in the DXL store, our customers are able to visualize current fashion trends and easily select their wardrobes within their desired price points in a convenient manner.

We carry several well-known national brands of merchandise as well as a number of our own private-label lines within our "good", "better", "best" and "luxury" price points. The penetration of branded apparel in our DXL stores can range from 15% to 80%, depending on several factors, but on average, our DXL stores carry approximately 47% branded merchandise.

Higher-End Luxury Fashion Apparel -"Best" and "Luxury" Merchandise

Within this higher-end price range, we carry a broad selection of quality apparel from well-known branded manufacturers such as Bogosse®, Brooks Brothers®, Gran Sasso, John Laing®, Remy, Psycho Bunny®, Derek Rose, Brioni®, Coppley, Eton®, Hickey Freeman®, Jack Victor®, Lucky, Michael Kors®, Pantherella®, Paul & Shark, JOE'S® Jeans, Robert Graham®, Robert Talbot, St. Hillaire, Ted Baker®, Tulliani, True Religion®, Turnbull & Asser® and David Donahue.

Moderate-Priced Apparel -"Better" Merchandise

We offer our customer an extensive selection of quality sportswear and dress clothing at moderate prices carrying such well-known brands such as: Junk Food®, Rainforest, Brooks Brothers®, O'Neill®, Retro Brand, Cutter & Buck®, Levis®, Adidas® Golf, Columbia, Berne®, Carhartt®, Callaway®, CK Jeans®, CK Sport®, Jockey®, Lacoste®, Majestic, Polo Ralph Lauren®, Tommy Bahama®, Tommy Hilfiger®, Tallia® and Trafalger®.

In addition, we carry several private-label lines:

- *Twenty Eight Degrees*™ is targeted as a contemporary/modern line offering sportswear and loungewear.
- *Society of One* is a jeanswear brand catering to the needs of the fashion denim customer.
- *Rochester* is a line that targets traditional luxury styles. We also offer a complete selection of sportcoats, dress shirts and neckwear under our *Rochester Black Label* private label.

Value-Priced Apparel -"Good" Merchandise

For our value-oriented customers, we carry Geoffrey Beene®, Cubavera, Nautica® and Nautica Jeans®, Dockers, Lee, Perry Ellis, Wrangler, Reebok and PX Clothing. In addition we carry several private label lines:

- *Harbor Bay*® was our first proprietary brand and it is a traditional line which continues to represent a significant portion of our business, specifically in terms of our core basic merchandise.
- *Gold Series*™ is our core performance offering of tailored-related separates, blazers, dress slacks, dress shirts and neckwear that blends comfort features such as stretch, stain resistance and wrinkle-free fabrications with basic wardrobe essentials.
- *Synrgy*™ targets the customer looking for a contemporary/modern look.
- *Oak Hill*® is a premier line catering to those customers looking for slightly more style and quality than our *Harbor Bay* line but still in a traditional lifestyle.
- *True Nation*® is a denim-inspired line consisting of vintage-screen t-shirts and wovens and is geared towards our younger customers.
- *Island Passport*® is an island-inspired line of camp shirts, printed woven shirts and relaxed island-inspired pants.

RETAIL CHANNEL

Destination XL stores ("DXL")

Our DXL store concept brings all of our brands together in one format. Within this format, we can cater to our very diverse customer group, with merchandise representing all price points, from our luxury brands to value-oriented brands, and all lifestyles, from business to denim. The size of our current DXL stores, which contain almost triple the product assortments of a Casual Male XL store, currently averages 8,000 square feet, but is expected to decrease closer to 7,500 square feet as we open future DXL stores. As discussed above, in fiscal 2014, we began opening smaller (5,000-6,500 square feet) DXL stores. Because the size of these stores is smaller, they carry a smaller product offering than our other DXL stores but are representative of the "good, better, best" merchandise variety. The locations of our DXL stores are also an essential aspect of our roll-out. We seek locations where our stores are highly visible, preferably adjacent to regional malls or other high-traffic shopping areas.

With our larger DXL store format, we are able to provide our customers a spacious store with up to three times the product offering of a Casual Male XL store. The merchandise in our DXL stores is organized by lifestyle: active, traditional, modern and denim with a representation of all of our brands and price points, utilizing a "good, better, best" pricing structure. Depending on the customers in each respective market, we can adjust the appropriate mix of merchandise, with varying selections from each of our price points, to cater to each demographic market. This larger store format also provides us the footprint necessary to carry a complete offering of dress wear, including tailored and "made-to-measure" custom clothing, as well as a selection of shoes in extended sizes and a broad assortment of accessories such as belts, ties, and socks.

During fiscal 2016, we opened 26 DXL retail stores and 4 DXL outlet stores, bringing our store count at January 28, 2017 to 192 DXL retail stores and 13 DXL outlet stores. For fiscal 2016, the average sales per square foot for our DXL retail stores increased to $180 as compared to $177 for fiscal 2015 and $165 for fiscal 2014. Once a DXL store matures, which we believe is five years, we expect sales will be approximately $200-220 per square foot. For fiscal 2016, we had 49 DXL retail stores that had sales greater than $200 per square foot. For fiscal 2017, we plan to open 19 DXL retail stores and 1 DXL outlet store resulting in approximately 225 DXL retail and outlet stores operating at the end of fiscal 2017.

Casual Male XL retail stores

At January 28, 2017, we operated 97 Casual Male XL full-price retail stores, located primarily in strip centers, power centers or stand-alone locations. The majority of the merchandise carried in our Casual Male XL stores is moderate-priced basic or fashion-neutral items, such as jeans, casual slacks, t-shirts, polo shirts, dress shirts and suit separates. These stores also carry a full complement of our "better" private label collections. The average Casual Male XL retail store is approximately 3,500 square feet.

DXL outlet /Casual Male XL outlet stores

At January 28, 2017, we operated 36 Casual Male XL and 13 DXL outlet stores designed to offer a wide range of casual clothing for the big & tall customer at prices that are generally 20-25% lower than our moderate-priced merchandise. Much of the merchandise in our outlet stores is offered with the purchasing interests of the value-oriented customer in mind. In addition to private-label and branded merchandise at our "good" price tier, our outlets also carry clearance product obtained from DXL, Casual Male XL and Rochester Clothing stores, offering the outlet customer the ability to purchase branded and fashion product for a reduced price. As we

open our DXL stores, we expect the mix of branded product flowing into the outlets to increase to approximately 30% as we move inventory out of our DXL stores to keep it current while enhancing the branded presence in our outlets.

The average Casual Male XL outlet store is approximately 3,100 square feet and the average DXL outlet is approximately 5,000 square feet.

Rochester Clothing stores

At January 28, 2017, we operated 5 Rochester Clothing stores, located in major cities in the United States and one store in London, England. The Rochester Clothing stores have a wide selection of our "best" merchandise which consists primarily of high-end merchandise from well-recognized brands. In addition, the stores also carry a few private-label lines especially designed for our high-end customer. The average Rochester Clothing store is approximately 10,000 square feet. Although some of our Rochester Clothing stores will close over the next few fiscal years as we open DXL stores in the same geographical market, we currently expect that 3 of our high-traffic Rochester Clothing stores will remain open.

DIRECT CHANNEL

Our direct business, which consists primarily of our e-commerce business, is a vital part of our growing omni-channel business approach, allowing us to service our customers whether it be in-person at a store, over the telephone, or online via a computer, smartphone or tablet. Our direct business bridges that gap for us by encouraging and expecting our store associates to use our e-commerce sites to help fulfill our customers' clothing needs. If a wider selection of a lifestyle, color or size of an item is not available in our store, then our store associates can order the item for our customer through our direct channel and have it shipped to the store or directly to the customer. Our customers also have the ability to order online and pick-up in store on the same day.

With the ability to showcase all store inventories online, we are seeing an increase in the number of transactions that are initiated online but are ultimately completed in store. Until fiscal 2014, our direct customer was limited to inventory available in our centralized distribution center but we can now fulfill from the store an item that is out-of-stock in our warehouse. This capability has not only resulted in incremental sales, but it has also helped us reduce clearance merchandise at the store level and improve long-term margins.

Destination XL® E-Commerce Site

In fiscal 2013, we combined all of our then-existing web addresses: www.casualmalexl.com, www.rochesterclothing.com, www.btdirect.com, www.livingxl.com and www.shoesxl.com and redirected our users to our new comprehensive Destination XL website. Similar to our DXL store concept, our www.destinationxl.com website allows our customers to shop across all of our brands and product extensions with ease and brings all of our customers to one website. Our customers were previously classified as a "Rochester" customer or a "Casual Male" customer. Now, our customers are all "DXL" customers, which no longer limits a customer's ability to access our full product assortment.

From the Destination XL homepage, customers can search across all of our brands and, similar to our stores, shop merchandise from value-oriented to luxury price points. In addition, a customer can tailor their search using our "size profile." Our Destination XL website also offers a complete line of men's footwear in extended sizes, offering our customers a full range of footwear in hard-to-find sizes. Although our DXL stores all have a selection of footwear available, we are able to offer a full assortment of sizes and styles through our website. The assortment is a reflection of our apparel, with a broad assortment from moderate to luxury and from casual to formal. We currently have a selection of more than 600 styles of shoes, ranging in sizes from 10W to 18M and widths up to 6E. We carry a number of designer brands including Cole Haan®, Allen Edmonds®, Timberland®, Calvin Klein®, Lacoste®, Donald J. Pliner and Bruno Magli®.

In addition to our Destination XL website, our customers can also access our LivingXL website directly from our homepage. LivingXL is an online-only store that specializes in the selling of select high-quality products which help larger people maintain a more comfortable lifestyle. The types of products sold on our website benefit both men and women and include chairs, outdoor accessories, travel accessories, bed and bath and fitness equipment.

In recent years, we have seen a significant increase in the number of visitors to our websites from a mobile device. Our mobile optimized website, m.destinationxl.com, helps our customers browse products, checkout, access our loyalty program information, research inventory in a local store, and find a local store location. For our international customers, upon entering our full site, these visitors are identified based on where they reside globally and are able to shop in their local currency. In addition, checkout is customized based on their location, with local payment methods and a guaranteed cost including shipping and taxes. In fiscal 2016, we launched an effort to ensure that our websites are accessible to the visually impaired. We also launched t.destinationxl.com, an

optimized site for tablet visitors to provide an improved shopping experience for all our DXL online visitors, regardless of the device they are using.

BigandTall.com

Our www.bigandtall.com website is separate from our Destination XL site and caters to a value-oriented customer, exclusively offering an assortment of promotional and clearance merchandise.

MERCHANDISE PLANNING AND ALLOCATION

Our merchandise planning and allocation area is critical to the effective management of our inventory, store assortments, product sizes and overall gross margin profitability. The merchandise planning and allocation team has an array of planning and replenishment tools available to assist in maintaining an appropriate level of inventory, in-stock positions at the store and for the direct channel, and pre-season planning for product assortments for each store and the direct channel. Additionally, in-season reporting identifies opportunities and challenges in inventory performance. Over the past several years, we have made investments in implementing best practice tools and processes for our merchandise planning and allocation.

Our core basic merchandise makes up over 40% of our “better” assortment and over 20% of our “best” assortment. Our planning and allocation team estimates quantity and demand several months in advance to optimize gross margin and minimize end-of-season merchandise for all seasonal merchandise. We have implemented an omni-channel approach towards our assortment planning methodology that customizes each store’s assortment to accentuate lifestyle preferences for each store.

Our merchandising data warehouse provides the merchandising team with standardized reporting for monitoring assortment performance by product category and by store, identifying in-stock positions by size and generally monitoring overall inventory levels relative to selling. At season end, we analyze the overall performance of product categories, overall assortments and specific styles by store to focus on the opportunities and challenges for the next season’s planning cycle.

During each season, we utilize a markdown optimization tool to monitor the selling performance of our fashion assortments and compare against the planned selling curves. When actual selling performance significantly drops below planned selling curves, we make in-season pricing adjustments so that we maintain planned levels of residual fashion product at season’s end.

Utilizing a set of specific universal reporting tools, we are able to fulfill the daily, weekly and monthly roles and responsibilities of the merchandise planning and allocation team. These reporting tools provide focused and actionable views of the business to optimize the overall assortment by category and by store. We believe that by having all members of the merchandise planning and allocation team follow a standardized set of processes with the use of standardized reporting tools, our inventory performance will be optimized.

STORE OPERATIONS

We believe that our store associates are the key to creating the highest quality experience for our customer. Over the past several years, we have extensively worked to change the culture in our stores from an operationally-driven organization to a sales-driven, customer-centric organization. Our overall goal is to assist our associates in becoming less task-oriented and more focused on serving the customer. We want our associates to help our customer meet his apparel needs through building his wardrobe; not just selling our customer a single item. In order to accomplish this, we have invested in educating our associates. Our associates have been trained to be clothing experts, capable of accommodating our customer’s style and fit needs with ready-to-wear clothing. Our stores offer on-site tailoring in order to assist customers in receiving a perfect fit. Our training approach provides product knowledge as well as behavioral training. A key component to the success of this program is finding the right caliber of store associates. Our multi-unit, field management team receives extensive training on recruiting associates with the correct fit for our stores. Our new DXL store management team hires are enrolled in a training program with time spent in one of our two regional training centers.

Each new store management team member spends time in a DXL store, working with certified training managers to solidify their training before they are released to their “home” store. This allows each new store management team to apply the skills learned during training to successfully managing their respective stores.

We are able to gauge the effectiveness of our training through measuring sales productivity at each level of the field organization, including individual sales associates. We believe these educational programs, together with monitoring sales metrics to help identify opportunities for further training, will improve sales productivity and strengthen our customer’s brand loyalty.

Each DXL, Casual Male XL and Rochester Clothing store is staffed with a store manager, assistant managers and associates. The store manager is responsible for achieving certain sales and operational targets. Our DXL, Casual Male XL and Rochester Clothing stores

have an incentive-based commission plan for managers and selling staff to encourage associates to focus on our customer's wardrobing needs and sales productivity. Our field organization of stores strives to promote from within; a culture that has been building for 7 years, with approximately 90% of the field organization's multi-unit managers having managed one of our retail stores.

Our field organization is overseen by our Chief Sales Officer (Senior Vice President of Store Sales & Operations) and Regional Sales Managers, who provide management development and guidance to individual store managers. Each Regional Sales Manager is responsible for hiring and developing store managers at the stores assigned to that Regional Sales Manager's market, and for the overall operations and profitability of those stores.

MARKETING AND ADVERTISING

We believe marketing and advertising are key drivers to increase brand awareness, and thereby increase traffic to our stores. Our marketing focus is on increasing the awareness of our DXL brand so that shoppers think of us when they decide to purchase men's XL clothing or accessories. With only 4 out of every 10 men knowing who we are, we believe we have an opportunity to build our customer base and increase market share. During fiscal 2016, we saw our brand awareness drop to 34% from 38% in fiscal 2015. We believe that our $5.4 million decrease in marketing spend in fiscal 2016 may have contributed to this drop in awareness. Due to the weakness we saw in the retail market and the lack of store traffic we started to see in September 2016, we decided not to run the Fall/Holiday media campaign and instead shifted some of those funds to digital advertising. In fiscal 2017, we will be reinvesting in our marketing initiatives, increasing our marketing spend consistent with previous levels. We expect that our marketing program for fiscal 2017 will include two media campaigns; our Spring campaign, which runs up to Father's Day, and the return of a Fall/Holiday campaign. In the short-term, for Spring 2017 we will be reusing an older commercial which was the most productive of our previous campaigns in driving traffic and appears to resonate more with our existing customer.

For fiscal 2016, our active customer count decreased by 2.5%. In fiscal 2017, in addition to adding back media to aid in growing the customer count, we plan to focus more aggressively on customer retention and reactivation programs. Our DXL retail stores have experienced a 28% higher retention rate of customers than our Casual Male XL retail stores. As we open more DXL retail stores and close more Casual Male XL retail stores, we expect that our overall retention rate will continue to improve, but we will be seeking to improve the retention rates in all store formats.

In addition to growing the active customer base within DXL stores, we also see opportunity for growth with our "end-of-rack" customer who is defined as a customer with a 38 to 46 inch waist. For fiscal 2016, the "end of rack" segment contributed twice as much in revenue per customer as consumers with waist sizes above 46 inches and visited us 52% more often than consumers with waist sizes 48 inches and above.

As we close more of our Casual Male XL stores in fiscal 2017, we will continue our efforts to increase awareness of the DXL brand and convert Casual Male XL customers to our DXL stores. Our focus will continue to be on transitioning our best Casual Male XL customers first, followed by other very active, high-sales-contributing tiers of customers. For DXL stores opened in existing Casual Male XL markets, between fiscal 2010 and fiscal 2015, we have converted 51% of our Casual Male XL's customers to these DXL stores by the end of fiscal 2016. This figure is up from 45% at the start of fiscal 2016.

In fiscal 2016, we decreased our marketing costs by $5.4 million from fiscal 2015. For fiscal 2017, we will be increasing our marketing spend to approximately $25.0 million, similar with levels in fiscal 2014 and fiscal 2015, as compared to $18.2 million for fiscal 2016.

GLOBAL SOURCING

We have strong experience in sourcing internationally, particularly in Asia, where we manufacture a significant percentage of our private-label merchandise. We have established relationships with some of the leading and specialized agents and factories. Our sourcing network consists of over 50 factories in 6 countries. Currently, approximately 61% of all our product needs are sourced directly.

Our global sourcing strategy is a balanced approach considering quality, cost and lead time, depending on the requirements of the program. We believe our current sourcing structure is sufficient to meet our operating requirements and provide capacity for growth. The growth and effectiveness of our global direct sourcing program is a key component to our continued merchandise margin improvement.

In an effort to minimize foreign currency risk, all payments to our direct sourced vendors and buying agents are made in U.S. dollars through the use of letters of credit or payment on account.

DISTRIBUTION

All of our distribution operations are centralized at our headquarters located in Canton, Massachusetts. However, if merchandise is available at the store level but not available at the distribution center, our stores are capable of completing the order and shipping it directly to a customer.

We believe that having one centralized distribution facility minimizes the delivered cost of merchandise and maximizes the in-stock position of our stores. We believe that the centralized distribution system enables our stores to maximize selling space by reducing necessary levels of back-room stock carried in each store. In addition, the distribution center provides order fulfillment services for our e-commerce business.

Since 2003, we have utilized United Parcel Services ("UPS") for all of our store shipments as well as our domestic customer deliveries. By utilizing UPS, we are able to track all deliveries from the warehouse to our individual stores, including the status of in-transit shipments. In addition, we are able to provide our Direct-to-Consumer customers with Authorized Return Service and Web labels, making returns more convenient for them. Our current contract with UPS is through January 5, 2020.

In order to service our International customers, we have partnered with a global e-commerce company for payment and shipment services. Through this service, international customers view and pay for products in their local currency. Our partner then ships directly to our customer, which we believe helps avoid potential fraud and currency exchange rate risks.

Our warehousing application for our distribution center systems streamlines our distribution processes, enhances our in-transit times, and reduces our distribution costs substantially. Over the past several years, we have made improvements to our software such as automated packing for single piece orders, barcode scanning technologies and scanning technologies for our sortation systems, in order to improve productivity and to lower packing costs.

Our supply chain technology provides visibility for imports, giving our buyers accurate shipping information and allowing the distribution center to plan staffing for arriving freight, resulting in reduced costs and improved receipt efficiency. In fiscal 2017, we plan on improving the domestic routing process by converting from a paper-based to a web-based system that will also help us optimize our domestic inbound transportation costs.

In-bound calls for our direct businesses are currently handled at our Canton facility and are primarily fulfilled by our distribution center. If an order cannot be fulfilled by our distribution center, the order is completed at the store level.

MANAGEMENT INFORMATION SYSTEMS

The infrastructure of our management information systems has consistently been a priority to us. We believe that the investments we have made in this regard have improved our overall efficiency and most importantly have enabled us to manage our inventory more effectively.

Our management information systems consist of a full range of retail merchandising and financial systems which include merchandise planning and reporting, distribution center processing, inventory allocation, sales reporting, and financial processing and reporting. We believe that our current infrastructure provides us the ability and capacity to process transactions more efficiently and provides our management team with comprehensive tools with which to manage our business.

Our business is supported by a POS business application that captures daily transaction information by item, color and size. The POS system includes a multitude of features including CRM tools that enable us to track customer buying habits and provides us with the ability to target customers with specific offers and promotions.

Using a retail business intelligence solution, we are able to integrate data from several sources and provide enterprise-wide analytics reporting. Over the past few years, we have developed a custom Assortment Suite application that leverages business intelligence and predictive analytics to provide high impact insights into core merchandising tasks. In an effort to further improve our inventory management, we have created a standardized set of "best practices" for both our merchandise planning and allocation groups.

Our direct business and retail business maintain a shared inventory system and we operate a single system platform for DXL, Casual Male XL and Rochester Clothing to deliver improved efficiencies and to make our full product assortment available to all of our business formats.

We continually work to improve our web environment. Our mobile optimized site capitalizes on the growing use of mobile devices to look up store information, review product offerings, and complete purchases. In fiscal 2016, we completed the development and

implementation of a tablet optimized website to further capitalize on the continued growth of mobile e-commerce. In addition, our current website is fully integrated with a global e-commerce company to accommodate international customers by providing multi-currency pricing, payment processing, and international shipping. Functionality was also implemented to support an online custom shirt program and an in-store application to support both a custom suit and custom shirt program.

COMPETITION

Our business faces competition from a variety of sources, including department stores such as Macy's and Dillard's, mass merchandisers, other specialty stores and discount and off-price retailers, as well as other retailers that sell big & tall merchandise. While we have successfully competed on the basis of merchandise selection, comfort and fit, customer service and desirable store locations, there can be no assurances that other retailers, including e-commerce retailers, will not adopt purchasing and marketing concepts similar to ours. Discount retailers with significant buying power, such as Wal-Mart and J.C. Penney, represent a source of competition for us. The direct business has several competitors, including the King Size catalog and website.

The United States men's big & tall apparel market is highly competitive with many national and regional department stores, specialty apparel retailers, single market operators and discount stores offering a broad range of apparel products similar to ours. Besides retail competitors, we consider any casual apparel manufacturer operating in outlet malls throughout the United States to be a competitor in the casual apparel market. We believe that we are the only national operator of apparel stores focused on the men's big & tall market.

SEASONALITY

Historically, and consistent with the retail industry, we have experienced seasonal fluctuations as it relates to our operating income and net income. Traditionally, a significant portion of our operating income and net income is generated in the fourth quarter, as a result of the holiday season.

TRADEMARKS/TRADEMARK LICENSE AGREEMENTS

We own several service marks and trademarks relating to our businesses, including, among others, "Destination XL®", "DXL®", "DXL Mens Apparel®", "Big on Being Better®", "Casual Male®", "Casual Male XL®", "Rochester Clothing®", "Rochester Big & Tall®", "Harbor Bay®", "Oak Hill®", "Comfort Zone®", "Synrgy™", "Twenty-Eight Degrees™", "Society of One®" and "True Nation®". We also hold a U.S. patent for an extendable collar system, which is marketed as "Neck-Relaxer®" and a U.S. copyright for a no-iron hang tag.

EMPLOYEES

As of January 28, 2017, we employed approximately 2,625 associates. We hire additional temporary employees during the peak fall and Holiday seasons. None of our employees is represented by any collective bargaining agreement.

AVAILABLE INFORMATION

Our corporate website is www.destinationxl.com. Our investor relations site is http://investor.destinationxl.com. We make available through our website, free of charge, our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and all amendments to such reports filed or furnished pursuant to Section 13(a) of the Securities Exchange Act of 1934, as amended, as soon as reasonably practicable after we have electronically filed such material with, or furnished such materials to, the Securities and Exchange Commission. The SEC maintains an internet site that contains reports, proxy and information statements, and other information for issuers that file electronically with the SEC at http://www.sec.gov.

Item 1A. ***Risk Factors***

The following discussion identifies certain important factors that could affect our financial position, our actual results of operations and our actions and could cause our financial position, results of operations and our actions to differ materially from any forward-looking statements made by or on behalf of our Company.

The following risk factors are the important factors of which we are aware that could cause actual results, performance or achievements to differ materially from those expressed in any of our forward-looking statements. We operate in a continually changing business environment and new risk factors emerge from time to time. Other unknown or unpredictable factors also could have material adverse effects on our future results, performance or achievements. We cannot assure you that our projected results or events will be achieved or will occur.

Risks Related to Our Company and Our Industry

We may not be successful in executing our DXL strategy and growing our market share.

Through the end of fiscal 2016, we have opened over 200 DXL stores while closing several of our Casual Male XL and Rochester Clothing stores. With the transition substantially complete, we currently anticipate that we will slow the pace of our store openings. However, for us to be successful in the future and maintain growth, we must be able to continue increasing our share of the men's big & tall apparel market. Our growth and market share are dependent on our ability to successfully continue to build upon our DXL store concept, convert our existing Casual Male and Rochester customers into DXL customers and continue to attract new customers. Our inability to execute successfully the following factors could prevent us from growing our market share and DXL brand, which could have a material adverse effect on our results of operations, cash flows and financial position:

- negotiate favorable lease arrangements for new DXL stores;
- exit existing lease agreements on favorable terms;
- effectively open and close stores within established cost parameters;
- coordinate the timing of DXL store openings and Casual Male XL store closings;
- hire qualified store management and store associates;
- maintain an effective marketing program to build brand and store concept awareness as well as increase store traffic;
- predict and respond to fashion trends, while offering our customers a broad selection of merchandise in an extended selection of sizes;
- grow our DXL e-commerce business;
- maintain our existing customer base as we transition them to the DXL store format;
- attract and retain new target customers;
- continue to grow and then sustain number of transactions, units-per-transaction and share of wallet; and,
- operate at appropriate operating margins.

Our business may be adversely affected by the failure to identify suitable store locations and acceptable lease terms. In addition, some of our new stores may open in locations close enough to our existing stores to negatively impact sales at those locations.

We currently lease all of our store locations. Identifying and securing suitable store locations at acceptable lease terms is critical to our store growth. We generally have been able to negotiate acceptable lease rates and extensions, as needed. However, we cannot be certain that desirable locations at acceptable lease rates and preferred lease terms will continue to be available. Once we decide on a prospective new store or new market and find a suitable location, any delays in opening new stores could impact our financial results. In addition, if we need to pay higher occupancy costs in the future to secure ideal locations, the increased cost may adversely impact our financial performance and liquidity. Recent trends toward increased landlord consolidation could also negatively affect our ability to obtain and retain locations.

As we open additional locations in existing markets, some new stores may open in locations close enough to our existing stores to impact sales and profitability at the store level, which may also adversely affect our profitability.

Our marketing programs and success in maintaining and building our brand awareness, driving traffic and converting that traffic into an increased loyal customer base are critical to achieving market share growth within the big & tall industry.

Our ability to increase our share of the men's big & tall apparel market is largely dependent on building and maintaining favorable brand recognition for our DXL stores and e-commerce sites and effectively marketing our merchandise to all of our target customers in several diverse market segments so that they will become loyal shoppers who spend a greater portion of their wallet on our product offerings. In order to grow our brand recognition and our market share, we depend on the successful development of our brand through marketing and advertising in a variety of ways, including television and radio advertising, advertising events, direct mail marketing, e-commerce and customer prospecting. Our business is directly impacted by the success of these efforts and those of our vendors. Future advertising efforts by us, our vendors or our other licensors, may be costly and, if not successful, will impact our ability to increase our market share and increase revenues.

Our business is seasonal and is affected by general economic conditions.

Our business is seasonal. Historically, a significant portion of our operating income has been generated during our fourth quarter (November-January). If, for any reason, we miscalculate the demand for our products during our fourth quarter, our sales in this quarter could decline, resulting in higher labor costs as a percentage of sales, lower margins and excess inventory, which could cause our annual operating results to suffer. In addition, our operations may be negatively affected by local, regional or national economic conditions, such as levels of disposable consumer income, consumer debt, interest rates and consumer confidence. Due to our seasonality, the possible adverse impact from such risks is potentially greater if any such risks occur during our fourth quarter.

Our ability to operate and expand our business and to respond to changing business and economic conditions will depend on the availability of adequate capital.

The operation of our business, the rate of our expansion and our ability to respond to changing business and economic conditions depend on the availability of adequate capital, which in turn depends on cash flow generated by our business and, if necessary, the availability of equity or debt capital. We will also need sufficient cash flow to meet our obligations under our existing debt agreements.

The amount that we are able to borrow and have outstanding under our credit facility at any given time is determined using an availability formula based on eligible assets. As a result, our ability to borrow is subject to certain risks and uncertainties, such as advance rates and quality of inventory, which could reduce the funds available to us under our credit facility.

We cannot assure you that our cash flow from operations or cash available under our credit facility will be sufficient to meet our needs. If we are unable to generate sufficient cash flows from operations in the future, we may have to obtain additional financing. If we incur additional indebtedness, that indebtedness may contain significant financial and other covenants that may significantly restrict our operations. We cannot ensure that we could obtain refinancing or additional financing on favorable terms or at all.

Our business may be adversely affected by economic and political issues abroad and changes in U.S. economic policies.

Economic and civil unrest in areas of the world where we source merchandise for our global sourcing program, as well as shipping and docking issues, could adversely impact the availability and cost of such merchandise. Disruptions in the global transportation network, such as political instability, the financial instability of our suppliers, merchandise quality issues, trade restrictions, labor and port strikes, tariffs, currency exchange rates, transport capacity and costs, inflation and other factors relating to foreign trade are beyond our control. In the event of disruptions or delays in deliveries due to economic or political conditions in foreign countries, such disruptions or delays could adversely affect our results of operations unless and until alternative supply arrangements could be made. These and other issues affecting our suppliers could adversely affect our business and financial performance.

In addition, the enactment of any new legislation in the U.S. that would impact current international trade regulations, exports or imports or tax policy with respect to foreign activities, or executive action affecting international trade agreements, including the reevaluation of the trading status of certain countries and/or retaliatory duties, taxes, quotas or other trade sanctions, could increase the cost of merchandise purchased from suppliers in such countries and could adversely affect our business and financial performance.

The loss of, or disruption in, our centralized distribution center could negatively impact our business and operations.

All merchandise for our stores and e-commerce operations is received into our centralized distribution center in Canton, Massachusetts, where the inventory is then processed, sorted and shipped to our stores or directly to our customers. We depend in large part on the orderly operation of this receiving and distribution process, which depends, in turn, on adherence to shipping schedules and effective management of the distribution center. Although we believe that our receiving and distribution process is

efficient and well-positioned to support our strategic plans, events beyond our control, such as disruptions in operations due to fire or other catastrophic events, employee matters or shipping problems, could result in delays in the delivery of merchandise to our stores or directly to our customers.

With all of our management information systems centralized in our corporate headquarters, any disruption or destruction of our system infrastructure could materially affect our business. This type of disaster is mitigated by our offsite storage and disaster recovery plans, but we would still incur business interruption that may impact our business for several weeks.

Although we maintain business interruption and property insurance, we cannot be sure that our insurance will be sufficient, or that insurance proceeds will be timely paid to us, in the event our distribution center is shut down for any reason or if we incur higher costs and longer lead times in connection with a disruption from our distribution center.

If we are unable to develop and implement our omni-channel initiatives successfully, our market share and financial results could be adversely affected.

One of our strategic initiatives has been to move from being a multi-channel retailer to an omni-channel retailer. Our customer's shopping behavior continues to evolve across multiple channels and we are working to meet his needs. While we now consider ourselves an omni-channel retailer, we continue to make ongoing investments in our information technology systems to support evolving omni-channel capabilities.

Omni-channel retailing is rapidly evolving and our success depends on our ability to anticipate and implement innovations in sales and marketing technology and logistics in order to appeal to existing and potential customers who increasingly rely on multiple channels to meet their shopping needs. In addition, our competitors are also investing in omni-channel initiatives, some of which may be more successful than our initiatives.

If the investment in our omni-channel initiatives is not successful, our systems are unable to support such initiatives, or if our competitors are more successful, our financial results and our market penetration may be adversely affected.

We rely on the continued development of e-commerce and internet infrastructure development, failure of which could disrupt our business and negatively impact our sales.

We continue to have increasing levels of sales made through our e-commerce sites. Growth of our overall sales is dependent on customers continuing to expand their on-line purchases in addition to in-store to purchase our products. We cannot accurately predict the rate at which online purchases will expand.

Our success in growing our e-commerce activities will depend in part upon our development of an increasingly sophisticated e-commerce experience and infrastructure. Increasing customer sophistication requires that we provide additional website features and functionality, in order to be competitive in the marketplace and maintain market share. We will continue to iterate our website features, but we cannot predict future trends and required functionality or our adoption rate for customer preferences. In addition, we are vulnerable to additional risks and uncertainties associated with e-commerce sales, including security breaches, cyber-attacks, consumer privacy concerns, changes in state tax regimes and government regulation of internet activities. Our failure to successfully respond to these risks and uncertainties could reduce our e-commerce sales, increase our costs and diminish our growth prospects, which could negatively impact our results of operations.

If our long-lived assets become impaired, we may need to record significant non-cash impairment charges.

Periodically, we review our long-lived assets for impairment whenever economic events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Specifically, if an individual store location is unable to generate sufficient future cash flows, we may be required to record a partial or full impairment of that store's assets. In addition, significant negative industry or general economic trends, disruptions to our business and unexpected significant changes or planned changes in our use of the assets (such as store relocations or closures) may also result in impairment charges. Any such impairment charges, if significant, could adversely affect our financial position and results of operations.

We may not be successful expanding our business internationally.

Our future growth strategy includes plans to open stores internationally, most likely using a franchise and licensing model. Customer demand, as well as a lack of familiarity with our brands, may differ internationally, and as a result, we may have difficulty attracting customers and growing brand awareness. In addition, our ability to conduct business internationally may be adversely impacted by political and economic risks. Our failure to expand internationally may limit our future growth opportunities.

We also have risks related to identifying suitable franchisees. Our franchise arrangements will limit our direct control, such as the ability of these third parties to meet their projections regarding store openings and sales, as well as their compliance with applicable laws and regulations. As such, we cannot ensure our profitability or success in international markets. In addition, the failure of these third parties to operate the stores in a manner consistent with our standards may adversely affect our brands and reputation.

We are dependent on third parties for the manufacture of the merchandise we sell.

We do not own or operate any manufacturing facilities and are therefore entirely dependent on third parties for the manufacture of the merchandise we sell. Without adequate supplies of merchandise to sell to our customers in the merchandise styles and fashions demanded by our particular customer base, sales would decrease materially and our business would suffer. We are dependent on these third parties' ability to fulfill our merchandise orders and meet our delivery terms. In the event that manufacturers are unable or unwilling to ship products to us in a timely manner or continue to manufacture products for us, we would have to rely on other current manufacturing sources or identify and qualify new manufacturers. We might not be able to identify or qualify such manufacturers for existing or new products in a timely manner and such manufacturers might not allocate sufficient capacity to us in order to meet our requirements. Our inability to secure adequate and timely supplies of private label merchandise would negatively impact proper inventory levels, sales and gross margin rates, and ultimately our results of operations.

In addition, even if our current manufacturers continue to manufacture our products, they may not maintain adequate controls with respect to product specifications and quality and may not continue to produce products that are consistent with our standards. If we are forced to rely on manufacturers who produce products of inferior quality, then our brand recognition and customer satisfaction would likely suffer. These manufacturers may also increase the cost to us of the products we purchase from them.

A significant portion of our merchandise is imported directly from other countries, and U.S. domestic suppliers who source their goods from other countries supply most of our remaining merchandise. If the U.S. Government imposes significant tariffs or other restrictions on foreign imports, we may need to increase our prices which could adversely affect our revenues and merchandise margins.

Furthermore, in the event that commercial transportation is curtailed or substantially delayed, we may not be able to maintain adequate inventory levels of important merchandise on a consistent basis, which would negatively impact our sales and potentially erode the confidence of our customer base, leading to further loss of sales and an adverse impact on our results of operations.

Fluctuations in the price, availability and quality of raw materials and finished goods could increase costs.

Fluctuations in the price, availability and quality of fabrics or other raw materials used in the manufacturing of our merchandise could have a material adverse effect on our gross margin or on our ability to meet our customers' demands. The prices for fabrics depend on demand and market prices for the raw materials used to produce them. To the extent that we cannot offset these cost increases with other cost reductions or efficiencies, such higher costs will need to be passed on to our customers. Such increased costs could lead to reduced customer demand, which could have a material adverse effect on our results of operations and cash flow.

Our success depends significantly on our key personnel and our ability to attract and retain additional personnel.

Our future success is dependent on the personal efforts, performance and abilities of our key management which includes our executive officer as well as several significant members of our senior management. For example, the loss of the services of David Levin, our President and Chief Executive Officer, who is an integral part of our daily operations and is the primary decision maker in all our important operating matters, could significantly impact our business until an adequate replacement or replacements can be identified and put in place. The loss of any of our senior management may result in a loss of organizational focus, poor operating execution, an inability to identify and execute strategic initiatives, an impairment in our ability to identify new store locations, and an inability to consummate possible acquisitions.

The competition is intense for the type of highly skilled individuals with relevant industry experience that we require and we may not be able to attract and retain new employees of the caliber needed to achieve our objectives.

Our business may be negatively impacted and we may be liable if third parties misappropriate proprietary information of our customers and breach our security systems.

We may be harmed by security risks we face in connection with our electronic processing and transmission of confidential customer information. During fiscal 2016, approximately 85% of our sales were settled through credit and debit card transactions. Any security breach could expose us to risks of loss, litigation and liability and could adversely affect our operations as well as cause our shoppers to stop shopping with us as a result of their lack of confidence in the security of their personally identifiable information, which could

have a negative impact on our sales and profitability. If third parties are able to penetrate our network security or otherwise misappropriate the personal information or credit card information of our customers or if third parties gain unauthorized and improper access to such information, we could be subject to liability. These liabilities could include claims for unauthorized purchases with credit card information, impersonation or other similar fraud claims, or claims for other misuses of personal information, including unauthorized marketing purposes, and could ultimately result in litigation. Liability for misappropriation of this information could be significant.

Further, if a third party were to use this proprietary customer information in order to compete with us, it could have a material adverse impact on our business and could result in litigation.

Our business is highly competitive, and competitive factors may reduce our revenues and profit margins.

The United States men's big & tall apparel market is highly competitive with many national and regional department stores, mass merchandisers, specialty apparel retailers and discount stores offering a broad range of apparel products similar to the products that we sell. Besides retail competitors, we consider any manufacturer of big & tall merchandise operating in outlet malls throughout the United States to be a competitor. It is also possible that another competitor, either a mass merchant or a men's specialty store or specialty apparel catalog, could gain market share in men's big & tall apparel due to more favorable pricing, locations, brand and fashion assortment and size availability. Many of our competitors and potential competitors may have substantially greater financial, manufacturing and marketing resources than we do.

The presence in the marketplace of various fashion trends and the limited availability of shelf space also can affect competition. We may not be able to compete successfully with our competitors in the future and could lose brand recognition and market share. A significant loss of market share would adversely affect our revenues and results of operations.

In addition, we maintain exclusivity arrangements with several of the brands that we carry. If we were to lose any of these exclusivity arrangements or brands altogether, our revenues may be adversely affected.

We may be unable to predict fashion trends and customer preferences successfully.

Customer tastes and fashion trends are volatile and tend to change rapidly. Our success depends in large part upon our ability to predict effectively and respond to changing fashion tastes and consumer demands and to translate market trends to appropriate saleable product offerings. If we are unable to predict or respond to changing styles or trends successfully and misjudge the market for products or any new product lines, our sales will be impacted and we may be faced with a substantial amount of unsold inventory or missed opportunities. In response, we may be forced to rely on additional markdowns or promotional sales to dispose of excess, slow-moving inventory, which would decrease our revenues and margins. In addition, the failure to satisfy consumer demand, specifically in our DXL stores and websites, could have serious longer-term consequences, such as an adverse impact on our brand value and the loss of market share to our competitors.

The loss of any of our key trademarks or licenses could adversely affect demand for our products.

We own and use a number of trademarks and operate under several trademark license agreements. We believe that certain of these trademarks have significant value and are instrumental in our ability to create and sustain demand for and to market our products. We cannot be certain that these trademarks and licensing agreements will remain in effect and enforceable or that any license agreements, upon expiration, can be renewed on acceptable terms or at all. In addition, any future disputes concerning these trademarks and licenses may cause us to incur significant litigation costs or force us to suspend use of the disputed trademarks.

Acts of terrorism or a catastrophic event could negatively impact our operating results and financial condition.

Unforeseen events, including war, terrorism and other international conflicts, public health issues, and natural disasters such as earthquakes, hurricanes or other adverse weather and climate conditions, whether occurring in the U.S. or abroad, could disrupt our operations, or the operations of our vendors and other suppliers, or result in political or economic instability.

The continued threat of terrorism and heightened security measures in response to an act of terrorism may disrupt commerce and undermine consumer confidence which could negatively impact our sales by causing consumer spending to decline. Furthermore, an act of terrorism or war, or the threat thereof, could negatively impact our business by interfering with our ability to obtain merchandise from vendors or substitute suppliers at similar costs in a timely manner.

Our business depends on our ability to meet our labor needs.

Our success depends in part upon our ability to attract, motivate and retain a sufficient number of qualified employees, including store managers and sales associates, who understand and appreciate our product offerings and are able to represent our products to our customers adequately. Qualified individuals of the requisite caliber and number needed to fill these positions may be in short supply in some areas, and the turnover rate in the retail industry is high. If we are unable to hire and retain sales associates capable of consistently providing a high level of customer service, our business could be materially adversely affected. Although none of our employees is currently covered by collective bargaining agreements, our employees may elect to be represented by labor unions in the future, which could increase our labor costs. Additionally, competition for qualified employees could require us to pay higher wages to attract a sufficient number of adequate employees. An inability to recruit and retain a sufficient number of qualified individuals in the future may delay the planned openings of new stores or outlets. Any such delays, any material increases in employee turnover rates at existing stores or outlets or any increases in labor costs could have a material adverse effect on our business, financial condition or operating results.

Failure to comply with laws, rules and regulations could negatively affect our business operations and financial performance.

Our business is subject to federal, state, local and international laws, rules and regulations, such as state and local wage and hour laws, the U.S. Foreign Corrupt Practices Act, the Employee Retirement Income Security Act ("ERISA"), securities laws, import and export laws (including customs regulations), privacy and information security regulations, unclaimed property laws, the Affordable Care Act and many others. The effect of some of these laws and regulations may be to increase the cost of doing business and may have a material impact on our earnings. In addition, the complexity of the regulatory environment in which we operate and the related cost of compliance are both increasing due to legal and regulatory requirements and increased enforcement. In addition, as a result of operating in the U.K., we must comply with that country's laws and regulations, which may differ substantially from, and may conflict with, corresponding U.S. laws and regulations. We may also be subject to investigations or audits by governmental authorities and regulatory agencies, which can occur in the ordinary course of business or which can result from increased scrutiny from a particular agency towards an industry, country or practice. If we fail to comply with laws, rules and regulations or the manner in which they are interpreted or applied, we may be subject to government enforcement action, class action litigation or other litigation, damage to our reputation, civil and criminal liability, damages, fines and penalties, and increased cost of regulatory compliance, any of which could adversely affect our results of operations and financial performance.

The new administration may make substantial changes to fiscal, tax and international trade policies that may adversely affect our business, financial condition and results of operations.

The new administration has called for substantial change to various fiscal, tax and international trade policies. We cannot predict the impact, if any, of these changes to our business, financial condition and results of operations. However, it is possible that these changes could adversely affect our business. It is likely that some policies adopted by the new administration will benefit us and others will negatively affect us. Until we know what changes are enacted, we will not know whether in total we benefit from, or are negatively affected by, the changes.

Risks Related to Our Corporate Structure and Stock

Our stock price has been and may continue to be extremely volatile due to many factors.

The market price of our common stock has fluctuated in the past and may increase or decrease rapidly in the future depending on news announcements and changes in general market conditions. The following factors, among others, may cause significant fluctuations in our stock price:

- overall changes in the economy and general market volatility;
- news announcements regarding our quarterly or annual results of operations;
- quarterly comparable sales;
- acquisitions;
- competitive developments;
- litigation affecting us; or
- market views as to the prospects of the retail industry generally.

Rights of our stockholders may be negatively affected if we issue any of the shares of preferred stock which our Board of Directors has authorized for issuance.

We have available for issuance up to 1,000,000 shares of preferred stock, par value $0.01 per share. Our Board of Directors is authorized to issue any or all of these shares of preferred stock, in one or more series, without any further action on the part of stockholders. The rights of our stockholders may be negatively affected if we issue a series of preferred stock in the future that has preference over our common stock with respect to the payment of dividends or distribution upon our liquidation, dissolution or winding up.

In addition, the issuance of preferred stock by our Board of Directors pursuant to our certificate of incorporation, as amended, could have the effect of making it more difficult for a third party to acquire, or of discouraging a third party from acquiring, a majority of the outstanding voting stock of our Company.

State laws and our certificate of incorporation, as amended, may inhibit potential acquisition bids that could be beneficial to our stockholders.

We are subject to certain provisions of Delaware law, which could also delay or make more difficult a merger, tender offer or proxy contest involving us. In particular, Section 203 of the Delaware General Corporation Law prohibits a Delaware corporation from engaging in certain business combinations with any interested stockholder for a period of three years unless specific conditions are met. In addition, certain provisions of Delaware law could have the effect of delaying, deferring or preventing a change in control of us, including, without limitation, discouraging a proxy contest or making more difficult the acquisition of a substantial block of our common stock. The provisions could also limit the price that investors might be willing to pay in the future for shares of our common stock.

In addition, our certificate of incorporation, as amended, contains provisions that restrict any person or entity from attempting to transfer our stock, without prior permission from the Board of Directors, to the extent that such transfer would (i) create or result in an individual or entity becoming a five-percent shareholder of our stock, or (ii) increase the stock ownership percentage of any existing five-percent shareholder. These provisions provide that any transfer that violates such provisions shall be null and void and would require the purported transferee to, upon demand by us, transfer the shares that exceed the five percent limit to an agent designated by us for the purpose of conducting a sale of such excess shares. These provisions would make the acquisition of our Company more expensive to the acquirer and could significantly delay, discourage, or prevent third parties from acquiring our Company without the approval of our Board of Directors.

Item 1B. ***Unresolved Staff Comments***

None.

Item 2. ***Properties***

Our corporate offices and retail distribution center are located at 555 Turnpike Street in Canton, Massachusetts. The property consists of a 755,992 gross square foot building located on approximately 27.3 acres. We owned the property until January 30, 2006, at which time we entered into a sale-leaseback transaction with Spirit Finance Corporation, a third-party real estate investment trust ("Spirit"), whereby we entered into a twenty-year lease agreement with a wholly-owned subsidiary of Spirit for an initial annual rent payment of $4.6 million, with periodic increases every fifth anniversary of the lease. In fiscal 2006, we realized a gain of approximately $29.3 million on the sale of this property, which was deferred and is being amortized over the initial 20 years of the related lease agreement. Accordingly, our current annual rent expense of $5.2 million is offset by $1.5 million related to the amortization of this deferred gain.

As of January 28, 2017, we operated 192 Destination XL retail stores, 13 Destination XL outlet stores, 97 Casual Male XL retail stores, 36 Casual Male XL outlet stores and 5 Rochester Clothing stores. All of these stores are leased by us directly from owners of several different types of centers, including life-style centers, shopping centers, free standing buildings, outlet centers and downtown locations. The store leases are generally 5 to 10 years in length and contain renewal options extending their terms by between 5 and 10 years. Following this discussion is a listing by state of all store locations open at January 28, 2017.

Sites for store expansion are selected on the basis of several factors, including the demographic profile of the area in which the site is located, the types of stores and other retailers in the area, the location of the store within the center and the attractiveness of the store layout. We also utilize financial models to project the profitability of each location using assumptions such as the center's sales per square foot averages, estimated occupancy costs and return on investment requirements.

See also "Management's Discussion and Analysis of Financial Condition and Results of Operation—Liquidity and Capital Resources—Capital Expenditures."

Store count by state at January 28, 2017

United States	DXL retail DXL outlets *	Casual Male XL and Rochester Clothing stores
Alabama	1	2
Arizona	4	1
Arkansas	—	2
California *	23	15
Colorado	3	2
Connecticut	4	2
Delaware *	2	—
District of Columbia	—	1
Florida *	10	11
Georgia	3	4
Idaho	1	—
Illinois	11	7
Indiana	5	4
Iowa	2	2
Kansas	3	—
Kentucky	2	1
Louisiana	3	1
Maine *	1	1
Maryland	5	5
Massachusetts	5	3
Michigan *	12	3
Minnesota	2	2
Mississippi	—	2
Missouri	3	6
Montana	1	—
Nebraska	2	—
Nevada	3	—
New Hampshire *	3	—
New Jersey	7	8
New Mexico	1	—
New York *	13	10
North Carolina	3	4
North Dakota	—	1
Ohio	8	3
Oklahoma	2	—
Oregon	2	1
Pennsylvania	8	14
Rhode Island	1	—
South Carolina *	4	—
South Dakota	—	1
Tennessee *	6	1
Texas	20	10
Utah	2	—
Vermont	1	—
Virginia *	5	3
Washington *	4	1
West Virginia	—	1
Wisconsin	4	2
International		
London, England	—	1

Item 3. ***Legal Proceedings***

From time to time, we are subject to various legal proceedings and claims that arise in the ordinary course of business. Management believes that the resolution of these matters will not have a material adverse impact on our future results of operations or financial position.

Item 4. ***Mine Safety Disclosure***

Not applicable.

PART II.

Item 5. ***Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities***

Market Information

Our common stock is listed for trading on the NASDAQ Global Select Market under the symbol "DXLG".

The following table sets forth, for the periods indicated, the high and low per share sales prices for the common stock, as reported on Nasdaq.

	High	Low
Fiscal Year Ended January 28, 2017		
First Quarter	$ 5.88	$ 3.95
Second Quarter	5.54	4.05
Third Quarter	5.57	3.95
Fourth Quarter	5.00	3.15
Fiscal Year Ended January 30, 2016		
First Quarter	$ 5.30	$ 4.28
Second Quarter	5.41	4.32
Third Quarter	6.70	4.23
Fourth Quarter	6.16	4.10

Holders

As of March 15, 2017, based upon data provided by the transfer agent for our common stock, there were approximately 89 holders of record of our common stock. The number of holders does not include individuals or entities who beneficially own shares but whose shares are held of record by a broker or clearing agent, but does include each such broker or clearing agency as one record holder.

Dividends

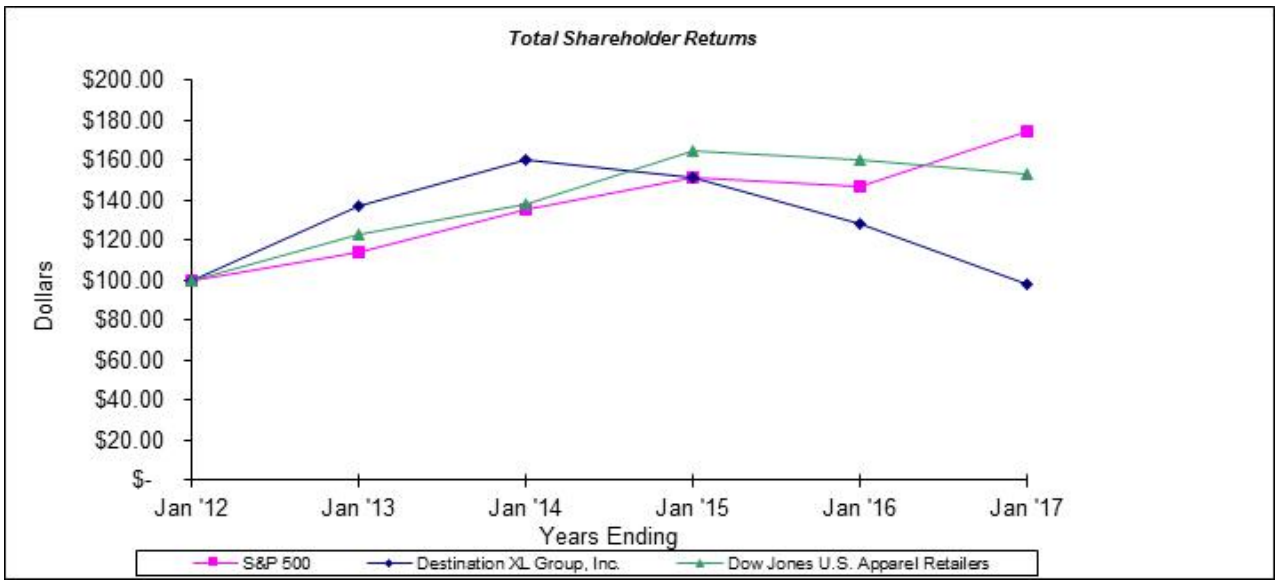
We have not paid and do not anticipate paying cash dividends on our common stock. In addition, financial covenants in our loan agreement may restrict dividend payments. For a description of these financial covenants see Note C to the Notes to the Consolidated Financial Statements.

Issuer Purchases of Equity Securities

None.

Stock Performance Graph

The following Performance Graph compares our cumulative stockholder return with a broad market index (Standard & Poor's 500) and one published industry index (Dow Jones U.S. Apparel Retailers) for each of the most recent five years ended January 31. The cumulative stockholder return for shares of our common stock ("DXLG") and each of the indices is calculated assuming that $100 was invested on January 31, 2012. We paid no cash dividends during the periods shown. The performance of the indices is shown on a total return (dividends reinvested) basis. The graph lines merely connect January 31 of each year and do not reflect fluctuations between those dates. In addition, we have included a chart of the annual percentage return of our common stock, the S&P 500 and the Dow Jones U.S. Apparel Retailers.



Annual Return Percentage

	Year ended				
Company/Index	Jan 13	Jan 14	Jan 15	Jan 16	Jan 17
DXLG	37.3%	17.0%	(5.6%)	(15.4%)	(23.3%)
S&P 500	13.8%	19.0%	11.9%	(2.7%)	18.3%
Dow Jones U.S. Apparel Retailers	23.4%	12.1%	19.3%	(2.9%)	(4.5%)

Indexed Returns

	Base Period					
	Jan 12	Jan 13	Jan 14	Jan 15	Jan 16	Jan 17
Company/Index						
DXLG	$ 100	$ 137.31	$ 160.60	$ 151.64	$ 128.36	$ 98.51
S&P 500	$ 100	$ 113.81	$ 135.42	$ 151.56	$ 147.40	$ 174.32
Dow Jones U.S. Apparel Retailers	$ 100	$ 123.42	$ 138.38	$ 165.08	$ 160.36	$ 153.12

The performance graph above shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section. This graph will not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Item 6. ***Selected Financial Data***

The following tables set forth selected consolidated financial data of our Company as of and for each of the years in the five-year period ended January 28, 2017 and should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our accompanying Consolidated Financial Statements and Notes thereto.

We derived the selected financial data presented below for the periods or dates indicated from our consolidated financial statements. Our consolidated financial statements as of and for the years ended January 28, 2017, January 30, 2016, January 31, 2015 and February 1, 2014 were audited by KPMG LLP, an independent registered public accounting firm. Our consolidated financial statements as of and for the year ended February 2, 2013 were audited by Ernst & Young LLP, an independent registered public accounting firm. Our consolidated financial statements as of and for the years ended January 28, 2017, January 30, 2016 and January 31, 2015 are included in this Annual Report.

For a discussion of certain factors that materially affect the comparability of the selected consolidated financial data or cause the data reflected herein not to be indicative of our future results of operations or financial condition, see Item 1A, “Risk Factors” and Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

	Fiscal Years Ended (1)(2)				
	January 28, 2017 (Fiscal 2016)	January 30, 2016 (Fiscal 2015)	January 31, 2015 (Fiscal 2014)	February 1, 2014 (Fiscal 2013)	February 2, 2013 (Fiscal 2012)
	(In millions, except per share and operating data)				
INCOME STATEMENT DATA:					
Sales	$ 450.3	$ 442.2	$ 414.0	$ 386.5	$ 397.6
Gross profit, net of occupancy costs	204.9	203.8	190.0	176.4	183.7
Selling, general and administrative expenses	173.3	180.6	174.8	169.1	154.4
Depreciation and amortization	30.6 (4)	28.4	24.0 (4)	20.8 (4)	15.5
Operating income (loss)	**1.0**	**(5.1)**	**(8.8)**	**(13.5)**	**13.8**
Provision for income taxes	0.2	0.3	0.2	45.7 (5)	5.2
Income (loss) from continuing operations	$ (2.3)	$ (8.4)	$ (11.2)	$ (60.3)	$ 8.0
Income (loss) from discontinued operations	—	—	(1.1)	0.5	(1.9)
Net income (loss)	**$ (2.3)**	**$ (8.4)**	**$ (12.3)**	**$ (59.8)**	**$ 6.1**
Income (loss) from continuing operations per share - diluted	$ (0.05)	$ (0.17)	$ (0.23)	$ (1.24)	$ 0.17
Net income (loss) per share - diluted	**$ (0.05)**	**$ (0.17)**	**$ (0.25)**	**$ (1.23)**	**$ 0.13**
BALANCE SHEET DATA:					
Working capital(6)	$ 23.3	$ 28.1	$ 42.8	$ 50.6	$ 82.5
Inventories	117.4	125.0	115.2	105.6	104.2
Property and equipment, net	124.3	125.0	120.3	102.9	65.9
Total assets(6)	269.3	274.3	259.9	236.7	245.9
Long term debt, net of current portion(6)	12.1	19.0	26.2	12.0	—
Stockholders' equity	88.5	88.4	92.4	105.0	161.2
OTHER DATA:					
Cash flow provided by operating activities	$ 35.0	$ 18.4	$ 13.8	$ 24.9	$ 29.9
less: capital expenditures, infrastructure projects	(9.6)	(13.3)	(10.5)	(10.0)	(6.8)
Free cash flow before DXL capital expenditures(3) (Non-GAAP measure)	**$ 25.4**	**$ 5.1**	**$ 3.3**	**$ 14.9**	**$ 23.1**
less: capital expenditures for DXL stores	(19.6)	(20.1)	(30.4)	(44.1)	(25.6)
Free cash flow (Non-GAAP measure)(3)	**$ 5.8**	**$ (15.0)**	**$ (27.1)**	**$ (29.2)**	**$ (2.5)**
OPERATING DATA:					
Comparable sales percentage	0.6%	4.8%	6.4%	3.0%	1.5%
Gross profit margins	45.5%	46.1%	45.9%	45.6%	46.2%
EBITDA from continuing operations (Non-GAAP measure) (3)	**$ 31.6**	**$ 23.3**	**$ 15.2**	**$ 7.3**	**$ 29.3**
EBITDA margin from continuing operations (Non-GAAP measure) (3)	7.0%	5.3%	3.7%	1.9%	7.4%
Operating margin	0.2%	(1.2%)	(2.1%)	(3.5%)	3.5%
Net sales per square foot (7)	$ 182	$ 183	$ 179	$ 174	$ 179
Number of stores open at fiscal year end	343	345	353	359	412

(1) Our fiscal year is a 52- or 53- week period ending on the Saturday closest to January 31. Except for fiscal 2012 which was a 53-week period, all fiscal years were 52-weeks. Certain columns may not foot due to rounding.

(2) During the fourth quarter of fiscal 2014, we discontinued our direct business with Sears Canada and, during the second quarter of fiscal 2012, we discontinued our European web business. Accordingly, certain prior year amounts in the Income Statement Data were reclassified to discontinued operations to conform to the current year presentation.

(3) "EBITDA from continuing operations," "EBITDA margin from continuing operations," "Free cash flow before DXL capital expenditures" and "Free cash flow" are non-GAAP measures. See "Non-GAAP Reconciliations" in Item 7. "Management's Discussion and Analysis" for information on these non-GAAP measures and reconciliations to comparable GAAP measures, with the exception of EBITDA margin from continuing operations, which is calculated by taking EBITDA from continuing operations and dividing it by Sales.

(4) Includes impairment charges of $0.4 million, $0.3 million and $1.5 million for fiscal 2016, fiscal 2014 and fiscal 2013, respectively, for the write-down of property and equipment. The impairment charges relate to stores where the carrying value exceeds fair value. See Note A to the Notes to the Consolidated Financial Statements.

(5) In the fourth quarter of fiscal 2013, we recorded a non-cash charge of $51.3 million to establish a full valuation allowance against our deferred tax assets. See Note D to the Notes to the Consolidated Financial Statements.

(6) In fiscal 2015, we elected early adoption of ASU 2015-03, "Interest-Imputation of Interest (Subtopic 835-30), Simplifying the Presentation of Debt Issuance Costs." The guidance simplifies the presentation of debt issuance costs to be presented as a deduction from the corresponding liability. Accordingly, selected balance sheet data for fiscal 2014 and fiscal 2013 have been adjusted to conform to the current presentation. Total unamortized debt issuance costs of $0.2 million were not reclassified for fiscal 2012, because there was no outstanding balance under our Credit Facility at February 2, 2013.

(7) "Sales per square foot" is calculated based on the built-out square footage of a store, as opposed to selling square footage.

Item 7. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

FORWARD LOOKING STATEMENTS

As noted above, this Annual Report, including, without limitation, this Item 7, contains "forward-looking statements," including forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Actual results or developments could differ materially from those projected in such statements as a result of numerous factors, including, without limitation those risks and uncertainties set forth in Item 1A, *Risk Factors,* which you are encouraged to read. The following discussion and analysis of our financial condition and results of operations should be read in light of those risks and uncertainties and in conjunction with our accompanying Consolidated Financial Statements and Notes thereto.

Certain figures discussed below may not add due to rounding.

Segment Reporting

We report our operations as one reportable segment, Big & Tall Men's Apparel. We consider our retail and direct businesses, especially in our growing omni-channel environment, to be similar in terms of economic characteristics, production processes and operations, and have therefore aggregated them into a single reporting segment.

Comparable Sales Definition

Total comparable sales include our retail stores that have been open for at least 13 months and our direct business. Stores that have been remodeled or re-located during the period are also included in our determination of comparable sales. Stores that have been expanded by more than 25% are considered non-comparable for the first 13 months. If a store becomes a clearance center, it is also removed from the calculation of comparable sales. The method of calculating comparable sales varies across the retail industry and, as a result, our calculation of comparable sales is not necessarily comparable to similarly titled measures reported by other retailers.

Our customer's shopping experience continues to evolve across multiple channels and we are continually changing to meet his needs. Since fiscal 2014 the majority of our retail stores have the capability of fulfilling online orders if merchandise is not available in the warehouse. As a result, we continue to see more transactions that begin online but are ultimately completed at the store level. Similarly, if a customer visits a store and the item is out of stock, the associate can order the item through our websites. A customer also has the ability to order online and pick-up in store. Because this omni-channel approach to retailing is changing the boundaries of where a sale originates and where a sale is ultimately settled, we do not report comparable sales separately for our retail and direct businesses. We have continued to provide specific information on our DXL comparable store sales in connection with our ongoing roll-out. With over 200 DXL stores at the end of fiscal 2016, we are nearing the end of our rollout and for fiscal 2017 we will transition to one comparable sales figure for the Company and will no longer provide specific information on our DXL comparable store sales.

Non-GAAP Measures

We monitor certain non-GAAP financial measures on a regular basis in order to track the progress of our business. These measures include adjusted net loss, adjusted net loss per diluted share, free cash flow before DXL capital expenditures, free cash flow, EBITDA, EBITDA from continuing operations and EBITDA margin from continuing operations. We believe these measures provide helpful information with respect to the Company's operating performance and that the inclusion of these non-GAAP measures is important to assist investors in comparing our performance in fiscal 2016 to fiscal 2015 and fiscal 2014. We also provide certain forward-looking information with respect to certain of these non-GAAP financial measures. However, these measures may not be comparable to similar measures used by other companies and should not be considered superior to or as a substitute for net loss, loss from continuing operations, net loss per diluted share or cash flows from operating activities in accordance with GAAP. See "Non-GAAP Reconciliations" below for additional information on these non-GAAP financial measures and reconciliations to comparable GAAP measures.

EXECUTIVE OVERVIEW

We are pleased with our continued improvement in fiscal 2016, despite overall weakness of the retail environment. Our net loss for fiscal 2016 was $(2.3) million, or $(0.05) per diluted share, compared with a net loss of $(8.4) million, or $(0.17) per diluted share in fiscal 2015. Sales growth in fiscal 2016 was 1.8% and EBITDA increased 35.8% to $31.6 million as compared to $23.3 million at fiscal 2015. Due to the intensive capital requirements associated with our DXL transition strategy, depreciation costs have increased over the past 3 years. As a result, we believe EBITDA is a key performance indicator as to how well our strategy is working.

Our DXL concept has been the principal driver of our sales growth and improvement in profitability. For fiscal 2016, our 166 comparable DXL retail stores had a sales increase of 2.4%, which we believe demonstrates that our store associates are able to increase the quality of sale using our proven selling model, despite the lack of store traffic we experienced in the latter half of fiscal 2016. Regionally, sales for our DXL stores located in the central part of the country, which accounted for approximately 40% of our DXL sales during fiscal 2016, trailed sales from our DXL stores located in coastal states by approximately 600 basis points. We believe that this disparity is due in part to the uncertainty in the U.S. economic and political climate that impacted the retail industry, especially in the second half of fiscal 2016, and contributed to slower than expected top-line growth for us. Sales per square foot for our DXL retail stores increased to $180 in fiscal 2016 from $177 in fiscal 2015 and $165 in fiscal 2014. Of the 192 DXL retail stores open at the end of fiscal 2016, 49 had sales per square foot in excess of $200. Overall, we are converting traffic with number of transactions up 1.9%, dollars per transactions up 0.5% and units per transactions up 2.0% over fiscal 2015.

Over the past several years, we have relied on our Spring and Fall television and radio campaigns to build brand awareness and drive traffic. For the Spring 2016 campaign we made the decision to air our 2015 commercial rather than invest in a new creative campaign. We found that the Spring 2016 television campaign did not drive a meaningful improvement in traffic or customer awareness. As a result, we decided to eliminate our Fall television advertising campaign and instead redirect some of those funds into digital advertising. There were several factors involved in our decision to eliminate the Fall campaign: (i) we believed that the regional difference in sales that we started to see in September was an indicator that there may be a larger macro-economic issue, (ii) we believed that the Spring campaign did not provide the increase in store traffic that we were expecting, and (iii) there was uncertainty surrounding the impact the political environment was having on our customer base. Subsequently, customer feedback on our commercial also indicated that we were not connecting on the key points necessary to drive traffic. While this decision likely had a negative impact on our top-line growth, we believed that given the current economic and political environment, eliminating the Fall television campaign and instead redirecting a portion of the marketing funds into digital advertising offered a better return on investment this fiscal year. However, we also saw an unexpected drop in customer awareness for the first time since we began opening DXL stores and believe that this was due to the lack of media advertising. With only 4 out of 10 customers knowing who we are, brand awareness and new customer acquisition is key to our success in driving sales growth and building market share, so we will be reinvesting in our marketing programs in fiscal 2017 and expect to spend approximately $25.0 million in fiscal 2017 to help create store traffic and grow brand awareness.

A significant contributor to our DXL sales growth has been our “end-of-rack” customer. We define “end-of-rack” customer as any customer with a waist size 46 inches or less. For fiscal 2016, our end-of-rack customer represented 45.0% of our sales in bottoms, compared with 44.0% for fiscal 2015. Consistent with our overall results, we saw this growth slow during the latter half of fiscal 2016, which we believe is partially attributable to our decision not to run the Fall campaign.

From a liquidity perspective, during fiscal 2016 we achieved our objective of funding the build out of our DXL stores from free cash flow. We also started to pay down our debt levels for the first time since we started our DXL rollout four years ago. Cash flow from operations improved by $16.6 million. This improvement, with a $4.2 million decrease in capital expenditures, resulted in a $20.8 million improvement in free cash flow.

The improvement in cash flow from operations is largely due to the positive results from our inventory optimization project that we implemented in fiscal 2016. We made several improvements to streamline operations at our distribution center, including tighter controls over the number of merchandise weeks of supply and improvements in inventory receipt flow and procurement. This project contributed to inventory levels decreasing by $7.6 million at January 28, 2017 compared to January 30, 2016, which resulted in significant improvement in working capital, thus improving free cash flow. As reflected in our “Fiscal 2017 Outlook” below, we expect these changes to result in a more optimized inventory structure that will continue to improve our working capital position through fiscal 2017. We do not believe these changes have or will jeopardize sales from out-of-stock positions in either our stores or in our direct business.

Our capital expenditures decreased slightly in fiscal 2016 due to fewer store openings, at a lower average square footage, than fiscal 2015. During fiscal 2016, we opened 26 DXL retail stores and 4 DXL outlet stores. In addition, we closed 28 Casual Male XL retail stores and 4 Casual Male XL outlet stores.

Fiscal 2017 Outlook

In light of the difficult retail environment we experienced in the latter half of fiscal 2016, we are taking a watchful approach to fiscal 2017. Our primary objective in fiscal 2017 is to grow our customer base through a revitalized marketing program and to maintain a strong liquidity position by continuing to improve cash flow. We will be reinvesting in our marketing initiatives to help drive brand awareness, store traffic and our digital presence by increasing our marketing plan for fiscal 2017 by approximately $6.8 million to $25.0 million. We will continue to work on our inventory optimization project which was started in fiscal 2016 and, on an annual

basis, our DXL store growth will be funded from operations. As a result, we expect to open 19 DXL retail stores and 1 DXL outlet store in fiscal 2017, while closing 16 Casual Male XL retail stores and 3 Casual Male XL outlet stores.

For fiscal 2017, our outlook, based on a 53-week year, is as follows:

- Sales are expected to range from $470.0 million to $480.0 million, with a total company comparable sales increase of approximately 1.0% to 4.0%.
- Gross margin rate of approximately 46.0%, an increase of 50 basis points from fiscal 2016.
- Net loss, on a GAAP basis, of $(5.7) to $(11.7) million, or $(0.11) to $(0.23) per diluted share.
- EBITDA of $24.0 to $30.0 million, a decrease from fiscal 2016 as a result of increased marketing costs.
- Adjusted net loss of $(0.06) to $(0.14) per diluted share. Because we expect to continue providing a full valuation allowance against our deferred tax assets, we do not expect to recognize any income tax benefit in fiscal 2017. This non-GAAP net loss was calculated, assuming a normal tax benefit of approximately 40%, by taking the 2017 forecasted earnings of a net loss of $(0.11) to $(0.23) per diluted share and multiplying each by 40% to calculate an estimated income tax benefit of $(0.05)-$(0.09) per diluted share, resulting in an adjusted net loss of $(0.06) to $(0.14) per diluted share.
- Capital expenditures of approximately $22.0 million, $13.7 million of which will be for new DXL stores and $8.3 million of which will be for infrastructure projects, partially offset by approximately $5.0 million in tenant allowances. We expect to fund our capital expenditures primarily from our operating cash flow.
- At the end of fiscal 2017, we expect cash flow from operating activities of $37.0 million to $42.0 million (including tenant allowances), resulting in positive free cash flow, before DXL capital expenditures, of approximately $28.7 million to $33.7 million. Free cash flow will be approximately $15.0 to $20.0 million.

As discussed more fully below under "*Liquidity and Capital Resources*," subsequent to the end of fiscal 2016, our Board of Directors approved a stock repurchase plan, pursuant to which we can purchase up to $12.0 million of our outstanding common stock during fiscal 2017.

Summary of Financial Results

(in millions, except for per share data)	Fiscal 2016	Fiscal 2015	Fiscal 2014
Operating income (loss) (GAAP)	$ 1.0	$ (5.1)	$ (8.8)
Add back: Depreciation and amortization expense	30.6	28.4	24.0
EBITDA from continuing operations	$ 31.6	$ 23.3	$ 15.2
EBITDA	$ 31.6	$ 23.3	$ 14.1
Diluted loss per share:			
On a GAAP basis:			
Net loss from continuing operations	$ (0.05)	$ (0.17)	$ (0.23)
Loss from discontinued operations	$ —	$ —	$ (0.02)
Net loss	$ (0.05)	$ (0.17)	$ (0.25)
On a Non-GAAP basis:			
Adjusted net loss from continuing operations (non-GAAP basis)	$ (0.03)	$ (0.10)	$ (0.13)
Loss from discontinued operations	$ —	$ —	$ (0.02)
Adjusted net loss (Non-GAAP basis)	$ (0.03)	$ (0.10)	$ (0.16)

RESULTS OF OPERATIONS

Our fiscal year is a 52- or 53-week period ending on the Saturday closest to January 31. Fiscal 2016, fiscal 2015 and fiscal 2014 were all 52-week periods.

SALES

(in millions)	Fiscal year 2016	2015
Sales from prior year	$ 442.2	$ 414.0
Less prior year sales for stores that have closed	(25.4)	(34.6)
	$ 416.8	$ 379.4
Increase in comparable sales	2.5	18.0
Non-comparable sales, primarily DXL stores open less than 13 months	30.5	44.2
Other, net	0.5	0.6
Sales	$ 450.3	$ 442.2

Sales for fiscal 2016 increased 1.8% to $450.3 million as compared to $442.2 million in fiscal 2015. The increase in sales was partly due to sales from DXL stores opened less than 13 months of $30.5 million, offset partially by lost sales of $25.4 million from closed and converted stores. In addition, comparable sales increased $2.5 million, or 0.6%, compared to fiscal 2015.

Included in the comparable sales increase of $2.5 million, are the comparable sales from our 166 DXL retail stores, which increased 2.4%, or $5.4 million in fiscal 2016 as compared to fiscal 2015. As we discussed above, store traffic was down across the retail industry in the latter half of fiscal 2016, which we believe was due in part to the macroeconomic and political issues the country is currently facing. Regionally, our stores in Coastal states performed better than our stores in Central states, whose comparable sales were, on average, 600 basis points less than our stores in Coastal states. We did, however, see positive performance from our non-comparable DXL stores which performed well against plan and our 'return on investment' hurdles, which is a good indicator that our store openings continue to perform well.

In addition to the overall weakness in the retail industry, we also believe that our decision to eliminate our Fall marketing campaign, had a negative impact on sales and on building our customer base in fiscal 2016.

Sales for fiscal 2015 increased 6.8% to $442.2 million as compared to $414.0 million in fiscal 2014. The increase of $28.2 million in sales was primarily due to a comparable sales increase of 4.8%, or $18.0 million. Increase in our non-comparable sales, primarily from our DXL stores that have been opened less than 13 months, of $44.2 million and other revenue of $0.6 million were partially offset by a reduction of $34.6 million in lost sales from closed and converted stores. Comparable sales from our 137 DXL retail stores increased 9.7%, or $16.0 million in fiscal 2015, against a 13.7% comparable sales increase in fiscal 2014. The total number of transactions for these comparable stores increased 6.2% and dollars per transactions increased 3.3% over fiscal 2014.

GROSS MARGIN

Gross margin rate for fiscal 2016 was 45.5% as compared to 46.1% in fiscal 2015 and 45.9% in fiscal 2014.

The gross margin decrease of 60 basis points for fiscal 2016 as compared to fiscal 2015 was driven by a decrease of 40 basis points in merchandise margin and a 20 basis point increase in occupancy costs as a percentage of sales. The decrease in our merchandise margin of 40 basis points was mainly due to higher markdown activity associated with increased promotional activities. The increase in occupancy costs was due to occupancy expense increasing at a greater rate than sales.

Included in the gross margin for fiscal 2014 was a $2.5 million payment we received to exit our San Francisco store prior to the end of its lease term. This payment favorably benefited the gross margin for fiscal 2014 by 60 basis points. Excluding the impact of that lease termination, occupancy costs for fiscal 2015 improved 40 basis points over fiscal 2014, primarily due to the growing sales base as well as the decrease in the average size of our DXL stores. Merchandise margins for fiscal 2015 increased 40 basis points as a result of strong initial margins, a lower markdown rate and less promotional activities.

Occupancy costs also included DXL transition costs related to preopening rent and landlord terminations of $1.1 million in fiscal 2016, $1.8 million in fiscal 2015 and $2.8 million in fiscal 2014.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

SG&A expenses as a percentage of sales for fiscal 2016, 2015 and 2014 were 38.5%, 40.8% and 42.2%, respectively.

SG&A expenses for fiscal 2016 decreased $7.3 million, or 4.0%, to $173.3 million as compared to $180.6 million in fiscal 2015. This decrease was primarily due to a decrease in advertising expense of approximately $5.4 million as well as a reduction in incentive accruals, including stock compensation, of approximately $5.4 million. These decreases were partially offset by increases in store payroll of $1.1 million, associated with the higher sales base, healthcare costs of approximately $1.4 million and other corporate and supporting costs of $1.0 million.

SG&A expenses for fiscal 2015 increased $5.8 million, or 3.3%, to $180.6 million as compared to $174.8 million in fiscal 2014. The increase in SG&A expenses of $5.8 million was due to increased store payroll and other supporting store costs of approximately $5.9 million, associated with the higher sales base, an increase in incentive accruals of $1.4 million, associated with the Company's long-term incentive plans, and other corporate and supporting costs of $0.9 million. These increases were partially offset by a reduction in marketing expenses of $2.4 million.

SG&A expenses included approximately $3.1 million, $3.8 million and $4.0 million of DXL transition costs for increased payroll-related costs, such as pre-opening payroll, training and store operations for fiscal 2016, fiscal 2015 and fiscal 2014, respectively.

DEPRECIATION AND AMORTIZATION

Depreciation and amortization expense was $30.6 million for fiscal 2016 as compared to $28.4 million for fiscal 2015 and $24.0 million for fiscal 2014. The year-over-year increases in depreciation and amortization expense for both fiscal 2016 and fiscal 2015 are primarily related to the opening of 30 DXL retail and outlet stores in fiscal 2016 and 35 stores in fiscal 2015. Included in depreciation and amortization is the amortization of our "Casual Male" trademark of $0.3 million, $0.5 million and $1.0 million for fiscal 2016, 2015 and 2014, respectively.

INTEREST EXPENSE, NET

Net interest expense for fiscal 2016 was $3.1 million as compared to $3.1 million for fiscal 2015 and $2.1 million for fiscal 2014. Our interest costs in fiscal 2016 were flat to fiscal 2015, primarily due to our inventory initiatives undertaken to improve liquidity, EBITDA growth and lower capital expenditures. The increase from fiscal 2014 to fiscal 2015 was due to increased borrowings under our credit facility to finance our DXL store openings.

We have funded a portion of our store growth with equipment financings of $26.4 million, a $15.0 million term loan and borrowings under our credit facility. At January 28, 2017, our total debt, net of unamortized debt issuance costs, has decreased $5.0 million from January 30, 2016. See "Liquidity and Capital Resources" below for more discussion regarding our credit facility, equipment financings and term loan as well as our future liquidity needs.

INCOME TAXES

Pursuant to accounting rules, realization of our deferred tax assets, which relate principally to federal net operating loss carryforwards expiring from 2022 through 2036, is dependent on generating sufficient taxable income in the near term.

At the end of fiscal 2013, we entered a three-year cumulative loss and based on all positive and negative evidence at February 1, 2014, we established a full valuation allowance against our net deferred tax assets. While we expect to return to profitability, generate taxable income and ultimately emerge from a three-year cumulative loss, based on our results for fiscal 2016 and our earnings guidance for fiscal 2017, we believe that a full valuation allowance remains appropriate at this time.

Our tax provision for fiscal 2016, fiscal 2015 and fiscal 2014 is primarily attributable current state margin tax and foreign income tax.

DISCONTINUED OPERATIONS

During fiscal 2014, we exited our direct business with Sears Canada. The loss from discontinued operations for fiscal 2014 included a charge of approximately $0.8 million related primarily to inventory reserves and sales allowances as a result of our decision to exit the business. See Note J to the Notes to the Consolidated Financial Statements for additional disclosure regarding discontinued operations.

NET LOSS

The net loss for fiscal 2016 was $(2.3) million, or $(0.05) per diluted share, as compared to $(8.4) million, or $(0.17) per diluted share, in fiscal 2015 and a net loss of $(12.3) million, or $(0.25) per diluted share, in fiscal 2014.

(Certain amounts in the following table do not foot due to rounding)

(in millions)	Fiscal 2016	Fiscal 2015	Fiscal 2014
Operating income (loss)	$ 1.0	$ (5.1)	$ (8.8)
Interest expense, net	(3.1)	(3.1)	(2.1)
Loss from continuing operations, before taxes	$ (2.1)	$ (8.1)	$ (10.9)
Less: Provision for income taxes (1)	0.2	0.3	0.2
Loss from continuing operations	$ (2.3)	$ (8.4)	$ (11.2)
Income (loss) from discontinued operations	$ —	$ —	$ (1.1)
Net loss	$ (2.3)	$ (8.4)	$ (12.3)
Net loss per diluted share	$ (0.05)	$ (0.17)	$ (0.25)

(1) Because of the full valuation allowance established in fiscal 2013 against our deferred tax assets, no income tax benefit has been recognized. See Note D of Notes to the Consolidated Financial Statements for complete disclosure.

SEASONALITY

A comparison of sales in each quarter of the past three fiscal years is presented below. The amounts shown are not necessarily indicative of actual trends, because such amounts also reflect the addition of new stores and the remodeling and closing of other stores during these periods. Consistent with the retail apparel industry, our business is seasonal. Generally, the majority of our operating income is generated in the fourth quarter as a result of the impact of the holiday selling season. A comparison of quarterly sales, gross profit, and net income per share for the past two fiscal years is presented in Note L of the Notes to the Consolidated Financial Statements.

(in millions, except percentages)	Fiscal 2016		Fiscal 2015		Fiscal 2014	
First quarter	$ 107.9	24.0%	$ 104.4	23.6%	$ 96.7	23.3%
Second quarter	117.9	26.2%	114.2	25.8%	104.2	25.2%
Third quarter	101.9	22.6%	99.6	22.5%	93.6	22.6%
Fourth quarter	122.6	27.2%	124.0	28.1%	119.5	28.9%
	$ 450.3	100.0%	$ 442.2	100.0%	$ 414.0	100.0%

EFFECTS OF INFLATION

Although our operations are influenced by general economic trends, we do not believe that inflation has had a material effect on the results of our operations in the last three fiscal years.

LIQUIDITY AND CAPITAL RESOURCES

Our primary sources of liquidity are cash generated from operations and availability under our credit facility with Bank of America, N.A., which was most recently amended in October 2014 (“Credit Facility”). Our current cash needs are primarily for working capital (essentially inventory requirements), capital expenditures, growth initiatives, and, as discussed further below, our stock repurchase program which was announced in March 2017. With over 200 DXL stores now open, improved free cash flow and excess liquidity under our Credit Facility, we believe that the repurchase of our stock is a good investment and will enhance shareholder value.

Our capital expenditures for fiscal 2017 are expected to be approximately $22.0 million, primarily related to the planned opening of approximately 20 new DXL retail and outlet stores and information technology projects. However, we expect to receive approximately $5.0 million in tenant allowances to offset these capital expenditures.

We expect to fund our store growth and stock repurchase program in fiscal 2017 primarily through cash flow from operations, with periodic borrowings from our Credit Facility.

The following table sets forth financial data regarding our liquidity position at the end of the past three fiscal years:

(in millions, except ratios)	Fiscal 2016	Fiscal 2015	Fiscal 2014
Cash provided by operations	$ 35.0	$ 18.4	$ 13.8
Total debt, net of unamortized debt issuance costs	$ 63.1	$ 68.1	$ 52.3
Unused excess availability under Credit Facility	$ 57.1	$ 66.0	$ 77.9
Working capital	$ 23.3	$ 28.1	$ 42.8
Current ratio	1.2:1	1.2:1	1.5:1

For fiscal 2016, cash flow from operating activities improved by $16.6 million as a result of inventory initiatives implemented in fiscal 2016 to improve timing of receipts and reduce weeks of supply on hand. This improvement, along with a decrease in capital expenditures of $4.2 million as a result of less store openings in fiscal 2016 and an overall decrease in the average square footage of a new DXL store as compared to fiscal 2015, resulted in an improvement in free cash flow of $20.8 million to $5.8 million from $(15.0) million for fiscal 2015.

The following is a summary of our total debt outstanding at January 28, 2017, with the associated unamortized debt issuance costs:

(in thousands)	Gross Debt Outstanding	Less Debt Issuance Costs	Net Debt Outstanding
Credit facility	$ 44,436	$ (339)	$ 44,097
Equipment financing notes	6,589	(41)	6,548
Term loan, due 2019	12,750	(296)	12,454
Total debt	$ 63,775	$ (676)	$ 63,099

Credit Facility

Our Credit Facility with Bank of America, N.A. provides for a maximum committed borrowing of $125.0 million, which, pursuant to an accordion feature, may be increased to $175.0 million upon our request and the agreement of the lender(s) participating in the increase. The Credit Facility includes a sublimit of $20.0 million for commercial and standby letters of credit and a sublimit of up to $15.0 million for swingline loans. The maturity date of the Credit Facility is October 29, 2019. Our Credit Facility is described in more detail in Note C to the Notes to the Consolidated Financial Statements.

Borrowings made pursuant to the Credit Facility bear interest at a rate equal to the base rate (determined as the highest of (a) Bank of America N.A.'s prime rate, (b) the Federal Funds rate plus 0.50% and (c) the annual ICE-LIBOR ("LIBOR") rate for the respective interest period) plus a varying percentage, based on our borrowing base, of 0.50%-0.75% for prime-based borrowings and 1.50%-1.75% for LIBOR-based borrowings.

We had outstanding borrowings of $44.4 million under the Credit Facility at January 28, 2017. Outstanding standby letters of credit were $2.9 million and outstanding documentary letters of credit were $0.5 million. The average monthly borrowing outstanding under the Credit Facility during fiscal 2016 was approximately $52.1 million, resulting in an average unused excess availability of approximately $57.8 million. Unused excess availability at January 28, 2017 was $57.1 million. Our obligations under the Credit Facility are secured by a lien on substantially all of our assets, excluding (i) a first priority lien held by the lenders of the Term Loan Facility described below on certain equipment of the Company and (ii) intellectual property.

Equipment Financing Loans

We have entered into twelve Equipment Security Notes (the "Notes"), whereby we borrowed an aggregate of $26.4 million. The Notes, which were issued between September 2013 and June 2014, were issued pursuant to a Master Loan and Security Agreement with Banc of America Leasing & Capital, LLC, dated July 20, 2007 and most recently amended September 30, 2013. The Notes are secured by a security interest in all of our rights, title and interest in and to certain equipment. The Notes are for 48 months and accrue interest at fixed rates ranging from 3.07% to 3.50%. Principal and interest, in arrears, are payable monthly. We are no longer subject to any prepayment penalties. The Notes are secured by a security interest in all of the Company's rights, title and interest in and to certain equipment.

Term Loan, Due 2019

We have a $15.0 million senior secured term loan facility with Wells Fargo Bank, National Association as administrative and collateral agent (the "Term Loan Facility"). The Term Loan Facility bears interest at a rate per annum equal to the greater of (a) 1.00% and (b) the one month LIBOR rate, plus 6.50%. Interest payments are payable on the first business day of each calendar month, and

increase by 2% following the occurrence and during the continuance of an "event of default," as defined in the Term Loan Facility. The Term Loan Facility, which matures October 29, 2019, provides for quarterly principal payments on the first business day of each calendar quarter, which commenced the first business day of January 2015, in an aggregate principal amount equal to $250,000, subject to adjustment, with the balance payable on the termination date.

The Term Loan Facility includes usual and customary mandatory prepayment provisions for transactions of this type that are triggered by the occurrence of certain events. In addition, the amounts advanced under the Term Loan Facility can be optionally prepaid in whole or part. Prepayments are subject to an early termination fee in the amount of 1% of the amount prepaid prior to October 29, 2017. There is no prepayment penalty after October 29, 2017.

The Term Loan Facility is secured by a first priority lien on certain of our equipment, and a second priority lien on substantially all of our remaining assets, excluding intellectual property.

Stock Repurchase Program

Subsequent to the end of fiscal 2016, our Board of Directors approved a stock repurchase plan. Under the stock repurchase plan, we may purchase up to $12.0 million of our common stock through open market and privately negotiated transactions during fiscal 2017. The timing and the amount of any repurchases of common stock will be determined based on the Company's evaluation of market conditions and other factors. The stock repurchase program is expected to commence in the first quarter of fiscal 2017 and will expire on February 3, 2018, but may be suspended, terminated or modified at any time for any reason. We expect to finance the repurchases from operating funds and/or periodic borrowings on our Credit Facility. Any repurchased common stock will be held as treasury stock.

INVENTORY

At January 28, 2017, total inventories decreased to $117.4 million from $125.0 million at January 30, 2016. The reason for the $7.6 million decrease in inventory is directly attributable to inventory initiatives implemented in fiscal 2016 to improve timing of receipts and reduce weeks of supply on hand. As a result of these initiatives, the average inventory per total built-out square footage of stores at January 28, 2017 decreased 9.5% to $55.60 per square foot as compared to $61.46 per square foot at January 30, 2016. At January 28, 2017, our clearance inventory represented 7.9% of our total inventory, as compared to 8.1% at January 30, 2016.

OFF-BALANCE SHEET ARRANGEMENTS

We have no off-balance sheet arrangements as defined by 303(a)(4) of Regulation S-K.

CONTRACTUAL OBLIGATIONS

The following table summarizes our contractual obligations at January 28, 2017, and the effect such obligations are expected to have on our liquidity and cash flows in future periods (Certain amounts in the following table do not foot due to rounding):

	Payments due by period				
Contractual Obligations	Total	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years
			(in millions)		
Operating leases (1)	$ 362.3	$ 58.8	$ 98.0	$ 84.5	$ 121.0
Long-term debt obligations (2)	19.3	7.1	12.3	—	—
Interest on long-term debt obligations (3)	2.6	1.1	1.5	—	—
Non-merchandise purchase obligations (4)	0.1	0.1	—	—	—
Merchandise purchase obligations (5)	33.0	10.5	22.5	—	—
Total Commitments (6)	$ 417.4	$ 77.7	$ 134.3	$ 84.5	$ 121.0

(1) Includes amounts due on our lease agreement for our corporate headquarters and distribution center and operating leases for all of our current store locations and certain equipment and auto leases.
(2) At January 28, 2017, we had $44.4 million outstanding under our credit facility, which is excluded from the above table.
(3) Interest on long-term obligations is estimated using the current effective rate for each of the Equipment Financing Loans and Term Loan over the remaining term of the respective debt, taking into account scheduled repayments.
(4) Non-merchandise Purchase Obligations includes amounts due pursuant to a procurement arrangement for capital purchases.

(5) Merchandise Purchase Obligations include amounts for which we are contractually committed to meet certain minimum purchases. These commitments are contingent on the supplier meeting its obligations under the contract. Excluded from Merchandise Purchase Obligations in the table above are our outstanding obligations pursuant to open purchase orders. At January 28, 2017, we had approximately $69.2 million in open purchase orders. We estimate that approximately 95% of these purchase orders may be considered non-cancelable.

(6) At January 28, 2017, we had an unfunded Pension Obligation of $4.7 million and obligations under our Supplemental Employee Retirement Plan of $0.7 million, which are not included in the table because of uncertainty over whether or when further contributions will be required.

CAPITAL EXPENDITURES

The following table sets forth the open stores and related square footage at January 28, 2017 and January 30, 2016 respectively:

	At January 28, 2017		At January 30, 2016	
Store Concept	Number of Stores	Square Footage	Number of Stores	Square Footage
(square footage in thousands)				
DXL Retail	192	1,542	166	1,369
DXL Outlet	13	66	9	45
Casual Male XL Retail	97	340	125	443
Casual Male XL Outlet	36	113	40	126
Rochester Clothing	5	51	5	51
Total Stores	343	2,112	345	2,034

Below is a summary of store openings and closings from January 30, 2016 to January 28, 2017:

Number of Stores:	DXL Retail	DXL Outlet	Casual Male XL Retail	Casual Male XL Outlet	Rochester Clothing	Total Stores
At January 30, 2016	166	9	125	40	5	345
New stores(1)		2				2
Replaced stores(2)	26	2	(24)	(2)		2
Closed retail stores(3)			(4)	(2)		(6)
At January 28, 2017	192	13	97	36	5	343

(1) Represents stores opened in new markets.

(2) Represents the total number of DXL stores opened in existing markets with the corresponding total number of Casual Male XL stores and/or Rochester Clothing stores closed in such markets in connection with those DXL store openings. Also includes two DXL outlet stores that replaced Casual Male XL outlets during fiscal 2016.

(3) Represents closed stores for which there were no corresponding openings of a DXL store in the same market.

Our capital expenditures for fiscal 2016 were $29.2 million, as compared to $33.4 million in fiscal 2015 and $40.9 million in fiscal 2014. Approximately $19.6 million related to the opening of 26 DXL stores, 4 DXL outlets and some costs for DXL stores that are currently under construction that will open in fiscal 2017. In addition, we spent approximately $5.5 million in management information projects, which included continued enhancements for our e-commerce sites and upgrades to our merchandise planning systems, with the remaining $4.1 million for general capital projects in our distribution center and corporate offices.

For fiscal 2017, our capital expenditures are expected to be approximately $22.0 million and we expect to receive approximately $5.0 million in tenant allowances to offset these expenditures. Our budget includes approximately $13.7 million, excluding any allowance, related to the opening of 19 DXL retail stores and 1 DXL outlet stores, and approximately $8.3 million for continued information technology projects and general overhead projects. In addition, we expect to close approximately 16 Casual Male XL stores and 3 Casual Male XL outlet stores, the majority of which are in connection with the opening of the DXL retail and outlet stores in the same geographic market.

Non-GAAP Reconciliations

We monitor certain non-GAAP financial measures on a regular basis in order to track the progress of our business, including the measures below. We believe these measures provide helpful information with respect to the Company's operating performance to shareholders, investors and analysts, and that the inclusion of these non-GAAP measures is important to assist investors in comparing our performance in fiscal 2016 to fiscal 2015 and fiscal 2014, on a comparable basis. However, these measures may not be

comparable to similar measures used by other companies and should not be considered superior to or as a substitute for operating net loss, loss from continuing operations, net loss per diluted share or cash flows from operating activities in accordance with GAAP.

Adjusted Loss From Continuing Operations and Adjusted Net Loss Per Diluted Share

Adjusted loss from continuing operations and adjusted net loss reflect an adjustment assuming a normal tax rate of 40%. We have fully reserved against our deferred tax assets and, therefore, net loss is not reflective of earnings assuming a "normal" tax position. Adjusted net loss provides investors with a useful indication of the financial performance of the business, on a comparative basis, assuming a normalized tax rate of 40%.

The following table is a reconciliation of loss from continuing operations and net loss (both on a GAAP basis) to adjusted loss from continuing operations and adjusted net loss (both on a non-GAAP basis). (Certain amounts do not foot due to rounding):

	Fiscal 2016		Fiscal 2015		Fiscal 2014	
(in millions, except per share data)	$	Per diluted share	$	Per diluted share	$	Per diluted share
Loss from continuing operations, on a GAAP basis	$ (2.3)	$ (0.05)	$ (8.4)	$ (0.17)	$ (11.2)	$ (0.23)
Add back:						
Actual income tax provision	0.2	—	0.3	—	0.2	—
Income tax benefit, assuming normal tax rate of 40%	0.8	0.02	3.3	0.07	$ 4.4	0.09
Adjusted loss from continuing operations, non-GAAP basis	$ (1.3)	$ (0.03)	$ (4.9)	$ (0.10)	$ (6.6)	$ (0.13)
Loss from discontinued operations, GAAP basis	—	—	—	—	(1.1)	(0.02)
Adjusted net loss, non-GAAP basis	$ (1.3)	$ (0.03)	$ (4.9)	$ (0.10)	$ (7.7)	$ (0.16)
Weighted average number of common shares outstanding on a diluted basis		49.5		49.1		48.7

Free Cash Flow

We believe free cash flow before DXL capital expenditures is another important metric because it demonstrates our ability to strengthen liquidity while also contributing to the funding of our DXL store growth. Fiscal 2016 was a turning point for us with respect to liquidity, as our capital expenditures for DXL stores were funded by cash flow from operations resulting in a decrease in total debt outstanding by the end of fiscal 2016. While we expect to use funds from our revolver, by year-end we expect all DXL store growth in fiscal 2017 will have been funded by our operations, which will enable us to reduce our debt levels.

We calculate free cash flow as cash flow provided by operating activities less capital expenditures. We calculate free cash flow before DXL capital expenditures as cash flow provided by operating activities less capital expenditures other than DXL capital expenditures. Free cash flow excludes the mandatory and discretionary repayment of debt.

The following table provides a reconciliation of free cash flow and free cash flow before DXL capital expenditures:

(in millions)	Fiscal 2016	Fiscal 2015	Projected Fiscal 2017
Cash flow from operating activities (GAAP) (1)	$ 35.0	$ 18.4	$37.0-$42.0
Capital expenditures, infrastructure projects	(9.6)	(13.3)	(8.3)
Free Cash Flow before DXL capital expenditures (non-GAAP)	$ 25.4	$ 5.1	$28.7-$33.7
Capital expenditures for DXL stores	(19.6)	(20.1)	(13.7)
Free Cash Flow (non-GAAP)	$ 5.8	$ (15.0)	$15.0-$20.0

(1) Cash flow from operating activities includes lease incentives received against our capital expenditures. Projected cash flow from operating activities for fiscal 2017 includes an estimated $5.0 million in lease incentives.

EBITDA and EBITDA from Continuing Operations

EBITDA and EBITDA from continuing operations are presented because we believe that these measures are useful to investors in evaluating our performance. With the significant capital investment associated with the DXL transformation and, therefore, increasing levels of depreciation and interest, management uses EBITDA as a key metric to measure profitability and economic productivity.

EBITDA is calculated as earnings before interest, taxes, depreciation and amortization. EBITDA from continuing operations is calculated as EBITDA before discontinued operations.

The following table is a reconciliation of net loss on a GAAP basis to EBITDA and EBITDA from continuing operations, on a non-GAAP basis, for each fiscal year. (Certain amounts in the following table do not foot due to rounding):

(in millions)	Fiscal 2016	Fiscal 2015	Fiscal 2014	Projected Fiscal 2017
Net loss, on a GAAP basis	$ (2.3)	$ (8.4)	$ (12.3)	$(5.7)-$(11.7)
Add back:				
Provision for income taxes	0.2	0.3	0.2	0.2
Interest Expense	3.1	3.1	2.1	3.0
Depreciation and amortization	30.6	28.4	24.0	32.5
EBITDA	$ 31.6	$ 23.3	$ 14.1	$24.0-$30.0
Loss from discontinued operations	—	—	(1.1)	—
EBITDA from continuing operations	$ 31.6	$ 23.3	$ 15.2	$24.0-$30.0

CRITICAL ACCOUNTING POLICIES; USE OF ESTIMATES

Our financial statements are based on the application of significant accounting policies, many of which require our management to make significant estimates and assumptions (see Note A to the Notes to the Consolidated Financial Statements). We believe that the following items involve some of the more critical judgments in the application of accounting policies that currently affect our financial condition and results of operations.

Stock-Based Compensation

We measure compensation cost for all stock-based awards at fair value on date of grant and recognize compensation over the service period for awards expected to vest.

The fair value of our stock options is determined using the Black-Scholes valuation model, which requires the input of subjective assumptions. These assumptions include estimating the length of time employees will retain their vested stock options before exercising them (the “expected term”), the estimated volatility of our common stock price over the expected term and the number of options that will ultimately not complete their vesting requirements (“forfeitures”). Changes in these subjective assumptions can materially affect the estimate of fair value of stock-based compensation and, consequently, the related amount recognized as an expense on the Consolidated Statements of Operations. As required under the accounting rules, we review our valuation assumptions at each grant date and, as a result, we are likely to change our valuation assumptions used to value employee stock-based awards granted in future periods. The values derived from using the Black-Scholes model are recognized as expense over the service period, net of estimated forfeitures. Actual results, and future changes in estimates, may differ substantially from these current estimates. For performance-based awards, no compensation expense is recognized until the performance targets are deemed probable. For fiscal 2016, 2015 and 2014, we recognized total stock-based compensation expense of $1.3 million, $2.2 million and $3.0 million, respectively.

Long-Term Incentive Plans

During fiscal 2016, we had three active Long-Term Incentive Plans (“LTIP”s): 2013-2016 LTIP, 2016 Long-Term Incentive Wrap-Around Plan (“2016 Wrap”) and the 2016-2017 LTIP. See Note F to the Consolidated Financial Statements for a complete discussion of our LTIPs.

All time-based awards granted pursuant to our LTIPs are amortized, net of estimated forfeitures, over each LTIP’s respective vesting periods.

The 2013-2016 LTIP included performance-based equity awards. Based on the Company's performance over the performance periods and the improbability of achieving performance targets, no stock-based compensation expense had been recognized. At January 28, 2017, the performance targets under our 2013-2016 LTIP were not achieved, and accordingly, subsequent to year-end on March 15, 2017, as a result of the Compensation Committee's review of the audited consolidated financial statements, all outstanding performance-based awards were forfeited.

Our 2016 Wrap and 2016-2017 LTIP both contain a dollar-denominated performance-based component. Equity awards will only be granted if such performance targets are achieved. Accordingly, each quarter the Company reviews its expected achievement against such performance targets to assess whether an accrual is necessary. All accruals will be recorded as a liability. If performance targets are achieved and equity awards are granted, the related cost of those awards will be reclassed from the accrual to stock-based compensation.

For fiscal 2016, the Company has accrued as a liability approximately $1.9 million based on partial achievement of the performance targets under the 2016 Wrap. Subsequent to year-end, on March 15, 2017, the Company's Compensation Committee of the Board of Directors reviewed the results for fiscal 2016 and approved for awards totaling $2.3 million to be granted on March 20, 2017. All awards are subject to further vesting through the end of the second quarter of fiscal 2017.

With respect to the performance-based component of the 2016-2017 LTIP, which approximates $1.9 million at target, RSUs will be granted at the end of the performance period if the performance targets are achieved. Through the end of fiscal 2016, we accrued, as a liability, approximately $0.3 million in expense related to the potential payout of performance awards under the 2016-2017 LTIP.

Inventory

We value inventory at the lower of cost or market, using a weighted-average cost method. We review our inventory to identify slow-moving and broken assortments. We use markdowns to clear merchandise and will record inventory reserves if the estimated future selling price is less than cost. In addition, an inventory shrink estimate is made each period that reduces the value of inventory for lost or stolen merchandise. We perform physical inventories throughout the year and adjust the shrink reserves accordingly.

Impairment of Long-Lived Assets

We review our long-lived assets for impairment when indicators of impairment are present and the undiscounted cash flow estimated to be generated by those assets is less than the assets' carrying amount. We evaluate our long-lived assets for impairment at a store level for all our retail locations. If actual market conditions are less favorable than management's projections, future write-offs may be necessary.

For fiscal 2016 and fiscal 2014, we recorded impairment charges of $0.4 million and $0.3 million, respectively, to write-down property and equipment. The impairments related to stores with carrying values which exceeded fair value. There was no material impairment charge for long-lived assets in fiscal 2015.

Intangibles

In accordance with ASC Topic 350, *Intangibles Goodwill and Other*, we evaluate our intangible assets with indefinite lives at least annually for impairment by analyzing the estimated fair value.

In the fourth quarter of fiscal 2016, we performed our annual testing of our "Rochester" trademark for potential impairment. Utilizing an income approach with appropriate royalty rates applied, we concluded that the "Rochester" trademark, with a carrying value of $1.5 million, was not impaired.

Based on the expected closure of our Casual Male XL retail stores, at January 28, 2012, our "Casual Male" trademark was reclassified as a definite-lived asset. The trademark is being amortized, on an accelerated basis, through fiscal 2018, its estimated useful life. At January 28, 2017, the carrying value of the "Casual Male" trademark was $0.6 million.

Deferred Taxes

In accordance with ASC Topic 740, *Income Taxes*, on a quarterly basis, we evaluate the realizability of our deferred tax assets and, if needed, establish a valuation allowance against those assets if it is determined that it is more likely than not that the deferred tax assets will not be realized.

In the fourth quarter of fiscal 2013, we entered into a three-year cumulative loss position and based on forecasts at that time, we expected the cumulative three-year loss to increase as of the end of fiscal 2014. Management determined that this represented significant negative evidence at February 1, 2014 and a full valuation allowance was established against our net deferred tax assets. While we have projected that the Company will return to profitability, generate taxable income and ultimately emerge from a three-year cumulative loss, based on actual results for fiscal 2016 and our forecast for fiscal 2017, we believe that a full allowance remains appropriate at this time.

RECENT ACCOUNTING PRONOUNCEMENTS

We have reviewed accounting pronouncements and interpretations thereof that have effective dates during the periods reported and in future periods. We believe that the following impending standards may have an impact on our future filings. The applicability of any standard will be evaluated by us and is still subject to our review.

In May 2014, the FASB issued ASU 2014-09, "*Revenue from Contracts with Customers*," which supersedes the revenue recognition requirements in ASC 605, "*Revenue Recognition*," as well as various other sections of the ASC, such as, but not limited to, ASC 340-20, "*Other Assets and Deferred Costs - Capitalized Advertising Costs*". The core principle of ASU 2014-09 is that an entity should recognize revenue in a way that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASU 2014-09 will be effective for fiscal years, and interim periods within those years, beginning after December 15, 2017, and is to be applied either retrospectively to each prior reporting period presented or with the cumulative effect recognized at the date of initial adoption as an adjustment to the opening balance of retained earnings (or other appropriate components of equity or net assets on the balance sheet). Early adoption is permitted after December 15, 2016. We expect to adopt ASU 2014-09 in the first quarter of fiscal 2018 and will not adopt early. We have not yet selected a transition method or completed our assessment of the effect that ASU No. 2014-09 will have on our Consolidated Financial Statements.

In July 2015, the FASB issued ASU 2015-11, "*Inventory (Topic 330): Simplifying the Measurement of Inventory*," which applies to inventory that is measured using first-in, first-out ("FIFO") or average cost. Under the updated guidance, an entity should measure inventory that is within scope at the lower of cost and net realizable value, which is the estimated selling price in the ordinary course of business, less reasonably predictable costs of completion, disposal and transportation. This ASU is effective for annual and interim periods beginning after December 15, 2016, and should be applied prospectively with early adoption permitted at the beginning of an interim or annual reporting period. We do not expect the adoption of this pronouncement to have a material impact on our Consolidated Financial Statements.

In February 2016, the FASB issued ASU 2016-02, "*Leases (Topic 842)*," which will require an entity to recognize lease assets and lease liabilities on its balance sheet and will increase disclosure requirements on its leasing arrangements. The ASU is effective for annual periods beginning after December 15, 2018, and interim periods therein. Early adoption is permitted. In the financial statements in which the ASU is first applied, leases shall be measured and recognized at the beginning of the earliest comparative period presented with an adjustment to equity. While we are still evaluating and quantifying the impact this pronouncement will have on our Consolidated Financial Statements, we expect the adoption of this pronouncement will have a material impact on our Consolidated Financial Statements.

In March 2016, the FASB issued ASU 2016-04, "*Liabilities—Extinguishments of Liabilities: Recognition of Breakage for Certain Prepaid Stored-Value Products*," which amends exempting gift cards and other prepaid stored-value products from the guidance on extinguishing financial liabilities. Rather, they will be subject to breakage accounting consistent with the new revenue guidance in Topic 606. However, the exemption only applies to breakage liabilities that are not subject to unclaimed property laws or that are attached to segregated bank accounts (e.g., consumer debit cards). The ASU is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. Early adoption is permitted. We do not expect the adoption of this pronouncement to have a material impact on our Consolidated Financial Statements.

In March 2016, the FASB issued ASU 2016-09, "*Compensation - Stock Compensation (Topic 718) - Improvements to Employee Share-Based Payment Accounting*," which simplifies several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards, and classification on the statement of cash flows. The standard is

effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. We do not expect the adoption of this pronouncement to have a material impact on our Consolidated Financial Statements.

In August 2016, the FASB issued ASU 2016-15, "*Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments*," which reduces the existing diversity in practice in how certain cash receipts and cash payments are presented and classified in the statement of cash flows under Topic 230. The ASU is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. We do not expect the adoption of this pronouncement to have a material impact on our Consolidated Financial Statements.

In October 2016, the FASB issued ASU 2016-16, "*Income Taxes(Topic 740): Intra-Entity Transfer of Assets Other Than Inventory*," which reduces the existing diversity in practice in how income tax consequences of an intra-entity transfer of an asset other than inventory should be recognized. The amendments in ASU 2016-16 require an entity to recognize such income tax consequences when the intra-entity transfer occurs rather than waiting until such time as the asset has been sold to an outside party. The ASU is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. We do not expect the adoption of this pronouncement to have a material impact on our Consolidated Financial Statements.

Item 7A. ***Quantitative and Qualitative Disclosures About Market Risk***

In the normal course of business, our financial position and results of operations are routinely subject to a variety of risks, including market risk associated with interest rate movements on borrowings and foreign currency fluctuations. We regularly assess these risks and have established policies and business practices to protect against the adverse effects of these and other potential exposures.

Interest Rates

We utilize cash from our Credit Facility to fund our working capital needs. Our Credit Facility is not used for trading or speculative purposes. In addition, we have available letters of credit as sources of financing for our working capital requirements. Borrowings under the Credit Facility, which expires October 29, 2019, bear interest at variable rates based on Bank of America's prime rate or LIBOR. At January 28, 2017, we had outstanding borrowings of approximately $44.4 million, of which approximately $36.0 million were in LIBOR-based contracts with an interest rate of approximately 2.22%. The remainder were prime-based borrowings, with a rate of 4.25%. We also have a term loan, with an outstanding balance of $12.8 million at January 28, 2017, which bears interest at a variable rate based on one-month LIBOR rates plus 6.5%.

Based upon a sensitivity analysis as of January 28, 2017, assuming average outstanding borrowings during fiscal 2016 of $52.1 million under our Credit Facility and an average outstanding balance under our term loan of $13.3 million, a 50 basis point increase in interest rates would have increased interest expense by approximately $0.3 million on an annualized basis.

Foreign Currency

Our Rochester Clothing store located in London, England conducts business in British pounds. If the value of the British pound against the U.S. dollar weakens, the revenues and earnings of this store will be reduced when they are translated or re-measured to U.S. dollars. Also, the value of these assets to U.S. dollars may decline. As of January 28, 2017 sales from our London Rochester Clothing store were immaterial to consolidated sales. As such, we believe that movement in foreign currency exchange rates will not have a material adverse effect on our financial position or results of operations.

Item 8. ***Financial Statements and Supplementary Data***

DESTINATION XL GROUP, INC.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholders
Destination XL Group, Inc.

We have audited the accompanying consolidated balance sheets of Destination XL Group, Inc. and subsidiaries (the Company) as of January 28, 2017 and January 30, 2016 and the related consolidated statements of operations, comprehensive income (loss), changes in stockholders' equity, and cash flows for each of the years in the three-year period ended January 28, 2017. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Destination XL Group, Inc. and subsidiaries as of January 28, 2017 and January 30, 2016, and the results of their operations and their cash flows for each of the years in the three-year period ended January 28, 2017, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Destination XL Group, Inc.'s internal control over financial reporting as of January 28, 2017, based on criteria established in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated March 20, 2017 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

/s/ KPMG LLP

Boston, Massachusetts
March 20, 2017

DESTINATION XL GROUP, INC.
CONSOLIDATED BALANCE SHEETS
January 28, 2017 and January 30, 2016
(In thousands, except share data)

	January 28, 2017 (Fiscal 2016)	January 30, 2016 (Fiscal 2015)
ASSETS		
Current assets:		
Cash and cash equivalents	$ 5,572	$ 5,170
Accounts receivable	7,114	4,721
Inventories	117,446	125,014
Prepaid expenses and other current assets	8,817	8,254
Total current assets	138,949	143,159
Property and equipment, net of accumulated depreciation and amortization	124,347	124,962
Other assets:		
Intangible assets	2,228	2,669
Other assets	3,804	3,557
Total assets	$ 269,328	$ 274,347
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt	$ 6,941	$ 7,155
Current portion of deferred gain on sale-leaseback	1,465	1,465
Accounts payable	31,258	30,684
Accrued expenses and other current liabilities	31,938	33,778
Borrowings under credit facility	44,097	41,984
Total current liabilities	115,699	115,066
Long-term liabilities:		
Long-term debt, net of current portion	12,061	19,003
Deferred rent and lease incentives	35,421	30,934
Deferred gain on sale-leaseback, net of current portion	11,723	13,189
Deferred tax liability	222	196
Other long-term liabilities	5,682	7,555
Total long-term liabilities	65,109	70,877
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $0.01 par value, 1,000,000 shares authorized, none issued	—	—
Common stock, $0.01 par value, 100,000,000 shares authorized, 61,637,164 and 61,692,285 shares issued at January 28, 2017 and January 30, 2016, respectively	616	617
Additional paid-in capital	304,466	302,727
Treasury stock at cost, 10,877,439 shares at January 28, 2017 and January 30, 2016	(87,977)	(87,977)
Accumulated deficit	(122,567)	(120,311)
Accumulated other comprehensive loss	(6,018)	(6,652)
Total stockholders' equity	88,520	88,404
Total liabilities and stockholders' equity	$ 269,328	$ 274,347

The accompanying notes are an integral part of the consolidated financial statements.

DESTINATION XL GROUP, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
For the fiscal years ended January 28, 2017, January 30, 2016 and January 31, 2015
(In thousands, except per share data)

	January 28, 2017 (Fiscal 2016)	January 30, 2016 (Fiscal 2015)	January 31, 2015 (Fiscal 2014)
Sales	$ 450,283	$ 442,221	$ 414,020
Cost of goods sold including occupancy costs	245,402	238,382	224,006
Gross profit	204,881	203,839	190,014
Expenses:			
Selling, general and administrative	173,283	180,570	174,814
Depreciation and amortization	30,621	28,359	24,002
Total expenses	203,904	208,929	198,816
Operating income (loss)	977	(5,090)	(8,802)
Interest expense, net	(3,067)	(3,058)	(2,132)
Loss from continuing operations before provision for income taxes	(2,090)	(8,148)	(10,934)
Provision for income taxes	166	260	243
Loss from continuing operations	(2,256)	(8,408)	(11,177)
Loss from discontinued operations, net of taxes	—	—	(1,118)
Net loss	$ (2,256)	$ (8,408)	$ (12,295)
Net loss per share - basic and diluted:			
Loss from continuing operations	$ (0.05)	$ (0.17)	$ (0.23)
Loss from discontinued operations	$ 0.00	$ 0.00	$ (0.02)
Net loss per share - basic and diluted	$ (0.05)	$ (0.17)	$ (0.25)
Weighted-average number of common shares outstanding:			
Basic	49,544	49,089	48,740
Diluted	49,544	49,089	48,740

The accompanying notes are an integral part of the consolidated financial statements.

DESTINATION XL GROUP, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
For the fiscal years ended January 28, 2017, January 30, 2016 and January 31, 2015
(In thousands)

	January 28, 2017 (Fiscal 2016)	January 30, 2016 (Fiscal 2015)	January 31, 2015 (Fiscal 2014)
Net loss	$ (2,256)	$ (8,408)	$ (12,295)
Other comprehensive income (loss) before taxes:			
Foreign currency translation	(242)	(96)	(430)
Pension plan	876	1,682	(3,248)
Other comprehensive income (loss) before taxes	634	1,586	(3,678)
Tax provision related to items of other comprehensive income (loss)	—	—	—
Other comprehensive income (loss), net of tax	634	1,586	(3,678)
Comprehensive loss	$ (1,622)	$ (6,822)	$ (15,973)

The accompanying notes are an integral part of the consolidated financial statements.

DESTINATION XL GROUP, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
For the fiscal years ended January 28, 2017, January 30, 2016 and January 31, 2015
(In thousands)

	Common Stock Shares	Amounts	Additional Paid-in Capital	Treasury Stock Shares	Amounts	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total
Balance at February 1, 2014	61,473	$ 615	$ 296,501	(10,877)	$ (87,977)	$ (99,608)	$ (4,560)	$ 104,971
Stock compensation expense			2,996					2,996
Exercises under option program	27	—	123					123
Issuances of restricted stock, net of cancellations	20	—	—					—
Board of Directors compensation	41	1	272					273
Accumulated other comprehensive income (loss):								
Unrecognized loss associated with Pension Plan							(3,248)	(3,248)
Foreign currency							(430)	(430)
Net loss						(12,295)		(12,295)
Balance at January 31, 2015	61,561	$ 616	$ 299,892	(10,877)	$ (87,977)	$ (111,903)	$ (8,238)	$ 92,390
Stock compensation expense			2,195					2,195
Exercises under option program	22	—	101					101
Issuances of restricted stock, net of cancellations	25	—	—					—
Board of Directors compensation	84	1	539					540
Accumulated other comprehensive income (loss):								
Unrecognized gain associated with Pension Plan							1,682	1,682
Foreign currency							(96)	(96)
Net loss						(8,408)		(8,408)
Balance at January 30, 2016	61,692	$ 617	$ 302,727	(10,877)	$ (87,977)	$ (120,311)	$ (6,652)	$ 88,404
Stock compensation expense			1,256					1,256
Cancellations of restricted stock, net of issuances	(123)	(1)	1					—
Board of Directors compensation	68	—	482					482
Accumulated other comprehensive income (loss):								
Unrecognized gain associated with Pension Plan							876	876
Foreign currency							(242)	(242)
Net loss						(2,256)		(2,256)
Balance at January 28, 2017	61,637	$ 616	$ 304,466	(10,877)	$ (87,977)	$ (122,567)	$ (6,018)	$ 88,520

The accompanying notes are an integral part of the consolidated financial statements.

DESTINATION XL GROUP, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the fiscal years ended January 28, 2017, January 30, 2016 and January 31, 2015
(In thousands)

	January 28, 2017 (Fiscal 2016)	January 30, 2016 (Fiscal 2015)	January 31, 2015 (Fiscal 2014)
Cash flows from operating activities:			
Net loss	$ (2,256)	$ (8,408)	$ (12,295)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Amortization of deferred gain on sale-leaseback	(1,466)	(1,465)	(1,466)
Amortization of deferred debt issuance costs	276	279	192
Depreciation and amortization	30,621	28,359	24,002
Deferred taxes, net of valuation allowance	26	105	91
Stock compensation expense	1,256	2,195	2,996
Issuance of common stock to Board of Directors	482	540	273
Changes in operating assets and liabilities:			
Accounts receivable	(2,393)	(1,102)	4,728
Inventories	7,568	(9,794)	(9,664)
Prepaid expenses and other current assets	(563)	659	(1,196)
Other assets	(247)	350	(667)
Accounts payable	574	705	(2,966)
Deferred rent and lease incentives	4,487	2,084	6,015
Accrued expenses and other liabilities	(3,405)	3,883	3,762
Net cash provided by operating activities	34,960	18,390	13,805
Cash flows from investing activities:			
Additions to property and equipment, net	(29,239)	(33,447)	(40,927)
Net cash used for investing activities	(29,239)	(33,447)	(40,927)
Cash flows from financing activities:			
Net borrowings under credit facility	1,993	23,044	10,373
Proceeds from the issuance of long-term debt	—	—	23,912
Principal payments on long-term debt	(7,312)	(7,489)	(6,478)
Costs associated with debt issuances	—	(15)	(766)
Proceeds from the exercise of stock options	—	101	123
Net cash provided by (used for) financing activities	(5,319)	15,641	27,164
Net increase in cash and cash equivalents	402	584	42
Cash and cash equivalents:			
Beginning of period	5,170	4,586	4,544
End of period	$ 5,572	$ 5,170	$ 4,586

The accompanying notes are an integral part of the consolidated financial statements.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

Destination XL Group, Inc. (collectively with its subsidiaries referred to as the "Company") is the largest specialty retailer in the United States of big & tall men's apparel. The Company operates under the trade names of Destination XL® (DXL®), DXL Outlets®, Casual Male XL®, Casual Male XL Outlets, Rochester Clothing, ShoesXL® and LivingXL®. At January 28, 2017, the Company operated 192 DXL stores, 97 Casual Male XL, 36 Casual Male XL outlets, 13 DXL outlets and 5 Rochester Clothing stores located throughout the United States, including one store in London, England. The Company also operates a direct business, which includes brand mailers and an aggregated e-commerce site to support its brands and product extensions.

Basis of Presentation

The consolidated financial statements include the accounts of the Company and its subsidiaries. All significant intercompany accounts, transactions and profits are eliminated.

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from estimates.

Subsequent Events

All appropriate subsequent event disclosures, if any, have been made in these Notes to the Consolidated Financial Statements.

Segment Reporting

The Company reports its operations as one reportable segment, Big & Tall Men's Apparel, which consists of two principal operating segments: its retail business and its direct business. The Company considers its operating segments to be similar in terms of economic characteristics, production processes and operations, and have therefore aggregated them into a single reporting segment, consistent with its omni-channel business approach. The direct operating segment includes the operating results and assets for LivingXL and ShoesXL.

Fiscal Year

The Company's fiscal year is a 52-week or 53-week period ending on the Saturday closest to January 31. Fiscal years 2016, 2015 and 2014, which were 52-week periods, ended on January 28, 2017, January 30, 2016 and January 31, 2015, respectively.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash in banks and short-term investments, which have a maturity of ninety days or less when acquired. Included in cash equivalents are credit card and debit card receivables from banks, which generally settle within two to four business days.

Accounts Receivable

Accounts receivable primarily includes amounts due for tenant allowances and rebates from certain vendors. For fiscal 2016, fiscal 2015 and fiscal 2014, the Company has not incurred any losses on its accounts receivable.

Fair Value of Financial Instruments

ASC Topic 825, *Financial Instruments*, requires disclosure of the fair value of certain financial instruments. The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable, accrued expenses and short-term borrowings approximate fair value because of the short maturity of these instruments.

ASC Topic 820, *Fair Value Measurements and Disclosures*, defines fair value, establishes a framework for measuring fair value and enhances disclosures about fair value measurements.

The valuation techniques utilized are based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect internal market assumptions. These two types of inputs create the following fair value hierarchy:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the related asset or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of assets or liabilities.

The Company utilizes observable market inputs (quoted market prices) when measuring fair value whenever possible.

The fair value of long-term debt at January 28, 2017 approximates the carrying amount based upon terms available to the Company for borrowings with similar arrangements and remaining maturities. See Note C, “Debt Obligations”, for more discussion.

The fair value of indefinite-lived assets, which consists of the Company’s “Rochester” trademark, is measured on a non-recurring basis in connection with the Company’s annual impairment test. The fair value of the trademark is determined using the relief from royalty method based on unobservable inputs and are classified within Level 3 of the valuation hierarchy. See *Intangibles* below.

Retail stores that have indicators of impairment and fail the recoverability test (based on undiscounted cash flows) are measured for impairment by comparing the fair value of the assets against their carrying value. Fair value of the assets is estimated using a projected discounted cash flow analysis and is classified within Level 3 of the valuation hierarchy. See *Impairment of Long-Lived Assets* below.

Inventories

All inventories are valued at the lower of cost or market, using a weighted-average cost method.

Property and Equipment

Property and equipment are stated at cost. Major additions and improvements are capitalized while repairs and maintenance are charged to expense as incurred. Upon retirement or other disposition, the cost and related depreciation of the assets are removed from the accounts and the resulting gain or loss, if any, is reflected in income. Depreciation is computed on the straight-line method over the assets’ estimated useful lives as follows:

Furniture and fixtures	Five to ten years
Equipment	Five to ten years
Leasehold improvements	Lesser of useful lives or related lease term
Hardware and software	Three to seven years

Intangibles

ASC Topic 805, “*Business Combinations*”, requires that all business combinations be accounted for under the purchase method. The statement further requires separate recognition of intangible assets that meet one of two criteria set forth in the statement. Under ASC Topic 350, “*Intangibles Goodwill and Other”*, goodwill and intangible assets with indefinite lives are tested at least annually for impairment. At each reporting period, management analyzes current events and circumstances to determine whether the indefinite life classification for its “Rochester” trademark continues to be valid. If circumstances warrant a change to a finite life, the carrying value of the intangible asset would then be amortized prospectively over the estimated remaining useful life. The Company’s “Casual Male” trademark is considered a finite-lived asset. Other intangible assets with defined lives are amortized over their useful lives.

At least annually, as of the Company’s December month-end, the Company evaluates its “Rochester” trademark. The Company performs an impairment analysis and records an impairment charge for any intangible assets with a carrying value in excess of its fair value.

In the fourth quarter of fiscal 2016, the “Rochester” trademark was tested for potential impairment, utilizing the relief from royalty method to determine the estimated fair value. The Company concluded that the “Rochester” trademark, with a carrying value of $1.5 million at January 28, 2017, was not impaired. Although some of the Rochester locations are closing as part of the DXL expansion, the Rochester Clothing stores that will remain open as well as the Rochester brands that are sold in our DXL stores and website are currently expected to generate more than sufficient cash flows to support the carrying value of $1.5 million for the “Rochester” trademark.

During the fiscal 2011 annual evaluation of intangibles, the Company determined that its “Casual Male” trademark could no longer be considered an indefinite-lived asset. As the Company opens DXL stores, it is closing the majority of its Casual Male XL stores in those respective markets. The carrying value of the trademark is being amortized on an accelerated basis against projected cash flows through fiscal 2018, its estimated remaining useful life.

Below is a table showing the changes in the carrying value of the Company’s intangible assets from January 30, 2016 to January 28, 2017:

(in thousands)	January 30, 2016	Additions	Impairment	Amortization	January 28, 2017
"Rochester" trademark	$ 1,500	$ —	$ —	$ —	$ 1,500
"Casual Male" trademark	940	—	—	(341)	599
Other intangibles (1)	229	—	—	(100)	129
Total intangible assets	$ 2,669	$ —	$ —	$ (441)	$ 2,228

(1) Other intangibles consist of customer lists, which have a finite life of 16 years based on its estimated economic useful life. At January 28, 2017, customer lists have a remaining life of 1.3 years.

The gross carrying amount and accumulated amortization of the customer lists and “Casual Male” trademark, subject to amortization, were $7.7 million and $7.0 million, respectively, at January 28, 2017 and $7.7 million and $6.5 million, respectively, at January 30, 2016. Amortization expense for fiscal 2016, 2015 and 2014 was $0.4 million, $0.6 million and $1.1 million, respectively.

Expected amortization expense for the Company’s “Casual Male” trademark and customer lists, for the next five fiscal years is as follows:

FISCAL YEAR	(in thousands)
2017	$ 407
2018	$ 321
2019	—
2020	—
2021	—

Pre-opening Costs

The Company expenses all pre-opening costs for its stores as incurred.

Advertising Costs

The Company expenses in-store advertising costs as incurred. Television advertising costs are expensed in the period in which the advertising is first aired. Direct response advertising costs, if any, are deferred and amortized over the period of expected direct marketing revenues, which is less than one year. There were no deferred direct response costs at January 28, 2017 and January 30, 2016. Advertising expense, which is included in selling, general and administrative expenses, was $18.2 million, $23.6 million and $26.0 million for fiscal 2016, 2015 and 2014, respectively.

Revenue Recognition

Revenue from the Company’s retail store operations is recorded upon purchase of merchandise by customers, net of an allowance for sales returns. Revenue from the Company’s e-commerce operations is recognized at the time a customer order is delivered, net of an allowance for sales returns. Revenue is recognized by the operating segment that fulfills a customer’s order. Sales tax collected from customers is excluded from revenue and is included as part of accrued expenses on the Company’s Consolidated Balance Sheets.

Accumulated Other Comprehensive Income (Loss) – ("AOCI")

Other comprehensive income (loss) includes amounts related to foreign currency and pension plans and is reported in the Consolidated Statements of Comprehensive Income (Loss). Other comprehensive income and reclassifications from AOCI for fiscal 2016, fiscal 2015 and fiscal 2014 are as follows:

(in thousands)	Fiscal 2016			Fiscal 2015			Fiscal 2014		
	Pension Plans	Foreign Currency	Total	Pension Plans	Foreign Currency	Total	Pension Plans	Foreign Currency	Total
Balance at beginning of fiscal year	$ (6,113)	$ (539)	$ (6,652)	$ (7,795)	$ (443)	$ (8,238)	$ (4,547)	$ (13)	$ (4,560)
Other comprehensive income (loss) before reclassifications, net of taxes	171	(242)	(71)	1,035	(96)	939	(3,506)	(184)	(3,690)
Amounts reclassified from accumulated other comprehensive income (loss), net of taxes (1)	705	—	705	647	—	647	258	(246)	12
Other comprehensive income (loss) for the period	876	(242)	634	1,682	(96)	1,586	(3,248)	(430)	(3,678)
Balance at end of fiscal year	$ (5,237)	$ (781)	$ (6,018)	$ (6,113)	$ (539)	$ (6,652)	$ (7,795)	$ (443)	$ (8,238)

(1) Includes the amortization of the unrecognized (gain)/loss on pension plans which was charged to Selling, General and Administrative expense on the Consolidated Statements of Operations for all periods presented. The amortization of the unrecognized loss, before tax, was $705,000, $647,000 and $258,000 for fiscal 2016, fiscal 2015 and fiscal 2014, respectively. There was no corresponding tax benefit. Fiscal 2014 includes the recognition of $246,000 related to the substantial liquidation of the Company's direct business with Sears Canada. The $246,000, with no corresponding tax provision, was recognized in Discontinued Operations on the Consolidated Statement of Operations for fiscal 2014.

Foreign Currency Translation

At January 28, 2017, the Company has one Rochester Clothing store located in London, England. Assets and liabilities for this store are translated into U.S. dollars at the exchange rates in effect at each balance sheet date. Stockholders' equity is translated at applicable historical exchange rates. Income, expense and cash flow items are translated at average exchange rates during the period. Resulting translation adjustments are reported as a separate component of stockholders' equity.

Shipping and Handling Costs

Shipping and handling costs are included in cost of sales for all periods presented. Amounts related to shipping and handling that are billed to customers are recorded in net sales, and the related costs are recorded in Cost of Goods Sold, Including Occupancy Costs, in the Consolidated Statements of Operations.

Income Taxes

Deferred income taxes are provided to recognize the effect of temporary differences between tax and financial statement reporting. Such taxes are provided for using enacted tax rates expected to be in place when such temporary differences are realized. A valuation allowance is recorded to reduce deferred tax assets if it is determined that it is more likely than not that the full deferred tax asset would not be realized. If it is subsequently determined that a deferred tax asset will more likely than not be realized, a credit to earnings is recorded to reduce the allowance.

ASC Topic 740, *Income Taxes* ("ASC 740") clarifies a company's accounting for uncertain income tax positions that are recognized in its financial statements and also provides guidance on a company's de-recognition of uncertain positions, financial statement classification, accounting for interest and penalties, accounting for interim periods, and disclosure requirements. In accordance with ASC 740, the Company will recognize the benefit from a tax position only if it is more likely than not that the position would be sustained upon audit based solely on the technical merits of the tax position. The Company's policy is to recognize accrued interest and penalties related to unrecognized tax benefits as income tax expense in its Consolidated Statement of Operations. The Company has not accrued or paid interest or penalties which were material to its results of operations for fiscal 2016, fiscal 2015 and fiscal 2014.

The Company is subject to U.S. federal income tax as well as income tax of multiple state and foreign jurisdictions. The Company has concluded all U.S. federal income tax matters for years through fiscal 2001, with remaining fiscal years subject to income tax examination by federal tax authorities.

Net Loss Per Share

Basic earnings per share are computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the respective period. Diluted earnings per share is determined by giving effect to unvested shares of restricted stock and the exercise of stock options using the treasury stock method. The following table provides a reconciliation of the number of shares outstanding for basic and diluted earnings per share:

	FISCAL YEARS ENDED		
	January 28, 2017	January 30, 2016	January 31, 2015
(in thousands)			
Common stock outstanding:			
Basic weighted average common shares outstanding	49,544	49,089	48,740
Common stock equivalents – stock options, restricted stock and restricted stock units (RSUs) (1)	—	—	—
Diluted weighted average common shares outstanding	49,544	49,089	48,740

(1) Common stock equivalents, in thousands, of 439 shares, 583 shares and 498 shares for January 28, 2017, January 30, 2016 and January 31, 2015, respectively, were excluded due to the net loss.

The following potential common stock equivalents were excluded from the computation of diluted earnings per share in each year because the exercise price of such options was greater than the average market price per share of common stock for the respective periods or because the unearned compensation associated with either stock options, RSUs, restricted or deferred stock had an anti-dilutive effect.

	FISCAL YEARS ENDED		
	January 28, 2017	January 30, 2016	January 31, 2015
(in thousands, except exercise prices)			
Stock options (time-vested)	1,162	1,244	1,545
RSUs (time-vested)	370	—	—
Restricted and Deferred stock	8	22	—
Range of exercise prices of such options	$4.49-$7.52	$4.96-$7.52	$4.96-$7.52

Excluded from the Company's computation of basic and diluted earnings per share for fiscal 2016 are 847,998 shares of unvested performance-based restricted stock and 1,059,941 performance-based stock options. The respective performance targets for these unvested shares of performance-based restricted stock and stock options were not met in fiscal 2016. Therefore, subsequent to year-end, upon completion of the audited financial statements, all of these performance-based awards were cancelled.

In addition, 8,334 shares of unvested time-based restricted shares and 64,876 shares of deferred stock are excluded from the computation of basic earnings per share until such shares vest.

Although the shares of time-based and performance-based restricted stock are not considered outstanding or common stock equivalents for earnings per share purposes until certain vesting and performance thresholds are achieved, all 856,332 shares of restricted stock are considered issued and outstanding at January 28, 2017. Each share of restricted stock has all of the rights of a holder of the Company's common stock, including, but not limited to, the right to vote and the right to receive dividends, which rights are forfeited if the restricted stock is forfeited. Outstanding shares of deferred stock of 64,876 shares are not considered issued and outstanding until the vesting date of the deferral period.

Stock-based Compensation

ASC Topic 718, *Compensation – Stock Compensation*, requires measurement of compensation cost for all stock awards at fair value on date of grant and recognition of compensation over the service period for awards expected to vest. The fair value of stock options is

determined using the Black-Scholes valuation model and requires the input of subjective assumptions. These assumptions include estimating the length of time employees will retain their vested stock options before exercising them (the "expected term"), the estimated volatility of the Company's common stock price over the expected term and the number of options that will ultimately not complete their vesting requirements ("forfeitures"). As required under the accounting rules, the Company reviews its valuation assumptions at each grant date and, as a result, is likely to change its valuation assumptions used to value employee stock-based awards granted in future periods. The values derived from using the Black-Scholes model are recognized as expense over the vesting period, net of estimated forfeitures. The estimation of stock awards that will ultimately vest requires judgment. Actual results, and future changes in estimates, may differ from the Company's current estimates.

The Company recognized total stock-based compensation expense, with no tax effect, of $1.3 million, $2.2 million and $3.0 million for fiscal 2016, fiscal 2015 and fiscal 2014, respectively.

The total stock-based compensation cost related to time-vested awards not yet recognized as of January 28, 2017 is approximately $1.2 million which will be expensed over a weighted average remaining life of approximately 20 months.

The total grant-date fair value of options vested was $2.9 million, $1.0 million and $1.2 million for fiscal 2016, 2015 and 2014, respectively.

The cumulative compensation cost of stock-based awards is treated as a temporary difference for stock-based awards that are deductible for tax purposes. If a deduction reported on a tax return exceeds the cumulative compensation cost for those awards, any resulting realized tax benefit that exceeds the previously recognized deferred tax asset for those awards (the excess tax benefit) is recognized as additional paid-in capital. If the amount deductible is less than the cumulative compensation cost recognized for financial reporting purposes, the write-off of a deferred tax asset related to that deficiency, net of the related valuation allowance, if any, is first offset to the extent of any remaining additional paid-in capital from excess tax benefits from previous awards with the remainder recognized through income tax expense.

Valuation Assumptions for Stock Options

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted-average assumptions used for grants in fiscal 2016, 2015 and 2014:

Fiscal years ended:	January 28, 2017	January 30, 2016	January 31, 2015
Expected volatility	39.3%-42.7%	37.0%-39.0%	46.0%
Risk-free interest rate	0.78%-1.23%	0.75%-1.25%	0.79%-0.95%
Expected life (in years)	2.0	1.8-4.0	2.6-3.5
Dividend rate	—	—	—
Weighted average fair value of options granted	$1.02	$1.44	$1.71

Expected volatilities are based on historical volatilities of the Company's common stock; the expected life represents the weighted average period of time that options granted are expected to be outstanding giving consideration to vesting schedules and historical exercise patterns; and the risk-free rate is based on the U.S. Treasury yield curve in effect at the time of grant for periods corresponding with the expected life of the option.

Impairment of Long-Lived Assets

The Company reviews its long-lived assets for events or changes in circumstances that might indicate the carrying amount of the assets may not be recoverable. The Company assesses the recoverability of the assets by determining whether the carrying value of such assets over their respective remaining lives can be recovered through projected undiscounted future cash flows. The amount of impairment, if any, is measured based on projected discounted future cash flows using a discount rate reflecting the Company's average cost of funds.

For fiscal 2016 and fiscal 2014, the Company recorded impairment charges of $0.4 million and $0.3 million, respectively, for the write-down of property and equipment. Impairment charges related to stores where the carrying value exceeded fair value. The fair value of these assets, based on Level 3 inputs, was determined using estimated discounted cash flows. The impairment charges were included in Depreciation and Amortization on the Consolidated Statement of Operations for fiscal 2014 and fiscal 2016. There was no material impairment of assets in fiscal 2015.

Unredeemed Gift Cards, Gift Certificates, and Credit Vouchers

Upon issuance of a gift card, gift certificate, or credit voucher, a liability is established for its cash value. The liability is relieved and net sales are recorded upon redemption by the customer. Based on our historical redemption patterns, we can reasonably estimate the amount of gift cards, gift certificates, and credit vouchers for which redemption is remote, which is referred to as "breakage." Breakage is recognized over two years in proportion to historical redemption trends and is recorded as net sales in the Consolidated Statements of Operations. The gift card liability, net of breakage, was $2.4 million at both January 28, 2017 and January 30, 2016.

Recent Accounting Pronouncements

The Company has reviewed accounting pronouncements and interpretations thereof that have effective dates during the periods reported and in future periods. The Company believes that the following impending standards may have an impact on its future filings. The applicability of any standard will be evaluated by the Company and is still subject to review by the Company.

In May 2014, the FASB issued ASU 2014-09, "*Revenue from Contracts with Customers*," which supersedes the revenue recognition requirements in ASC 605, "*Revenue Recognition*," as well as various other sections of the ASC, such as, but not limited to, ASC 340-20, "*Other Assets and Deferred Costs - Capitalized Advertising Costs*". The core principle of ASU 2014-09 is that an entity should recognize revenue in a way that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASU 2014-09 will be effective for fiscal years, and interim periods within those years, beginning after December 15, 2017, and is to be applied either retrospectively to each prior reporting period presented or with the cumulative effect recognized at the date of initial adoption as an adjustment to the opening balance of retained earnings (or other appropriate components of equity or net assets on the balance sheet). Early adoption is permitted after December 15, 2016. The Company expects to adopt ASU 2014-09 in the first quarter of fiscal 2018 and will not adopt early. The Company has not yet selected a transition method or completed its assessment of the effect that ASU 2014-09 will have on its Consolidated Financial Statements.

In July 2015, the FASB issued ASU 2015-11, "*Inventory (Topic 330): Simplifying the Measurement of Inventory,*" which applies to inventory that is measured using first-in, first-out ("FIFO") or average cost. Under the updated guidance, an entity should measure inventory that is within scope at the lower of cost and net realizable value, which is the estimated selling price in the ordinary course of business, less reasonably predictable costs of completion, disposal and transportation. This ASU is effective for annual and interim periods beginning after December 15, 2016, and should be applied prospectively with early adoption permitted at the beginning of an interim or annual reporting period. The Company does not expect the adoption of this pronouncement to have a material impact on its Consolidated Financial Statements.

In February 2016, the FASB issued ASU 2016-02, "*Leases (Topic 842)*," which will require an entity to recognize lease assets and lease liabilities on its balance sheet and will increase disclosure requirements on its leasing arrangements. The ASU is effective for annual periods beginning after December 15, 2018, and interim periods therein. Early adoption is permitted. In the financial statements in which the ASU is first applied, leases shall be measured and recognized at the beginning of the earliest comparative period presented with an adjustment to equity. While the Company is still evaluating the impact this pronouncement will have on its Consolidated Financial Statements, the Company expects the adoption of this pronouncement will have a material impact on its Consolidated Financial Statements.

In March 2016, the FASB issued ASU 2016-04, "*Liabilities—Extinguishments of Liabilities: Recognition of Breakage for Certain Prepaid Stored-Value Products,*" which amends exempting gift cards and other prepaid stored-value products from the guidance on extinguishing financial liabilities. Rather, they will be subject to breakage accounting consistent with the new revenue guidance in Topic 606. However, the exemption only applies to breakage liabilities that are not subject to unclaimed property laws or that are attached to segregated bank accounts (e.g., consumer debit cards). The ASU is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. Early adoption is permitted. The Company does not expect the adoption of this pronouncement to have a material impact on its Consolidated Financial Statements.

In March 2016, the FASB issued ASU 2016-09, "*Compensation - Stock Compensation (Topic 718) - Improvements to Employee Share-Based Payment Accounting,"* which simplifies several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards, and classification on the statement of cash flows. The standard is effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. The Company does not expect that the adoption of this pronouncement will have a material impact on its Consolidated Financial Statements.

In August 2016, the FASB issued ASU 2016-15, "*Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments*," which reduces the existing diversity in practice in how certain cash receipts and cash payments are presented and classified in the statement of cash flows under Topic 230. The ASU is effective for fiscal years beginning after December 15, 2017,

and interim periods within those fiscal years. The Company does not expect the adoption of this pronouncement to have a material impact on its Consolidated Financial Statements.

In October 2016, the FASB issued ASU 2016-16, "*Income Taxes (Topic 740): Intra-Entity Transfer of Assets Other Than Inventory*," which reduces the existing diversity in practice in how income tax consequences of an intra-entity transfer of an asset other than inventory should be recognized. The amendments in ASU 2016-16 require an entity to recognize such income tax consequences when the intra-entity transfer occurs rather than waiting until such time as the asset has been sold to an outside party. The ASU is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. The Company does not expect the adoption of this pronouncement to have a material impact on its Consolidated Financial Statements.

No other new accounting pronouncements, issued or effective during fiscal 2016, have had or are expected to have a significant impact on the Company's Consolidated Financial Statements.

B. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at the dates indicated:

(in thousands)	January 28, 2017	January 30, 2016
Furniture and fixtures	$ 72,440	$ 67,683
Equipment	20,453	18,495
Leasehold improvements	107,470	94,767
Hardware and software	76,923	70,393
Construction in progress	9,892	10,516
	287,178	261,854
Less: accumulated depreciation	162,831	136,892
Total property and equipment	$ 124,347	$ 124,962

Depreciation expense related to continuing operations for fiscal 2016, 2015 and 2014 was $30.2 million, $27.7 million and $22.9 million, respectively.

C. DEBT OBLIGATIONS

Credit Agreement with Bank of America, N.A.

On October 30, 2014, the Company amended its credit facility with Bank of America, N.A., effective October 29, 2014, by executing the Second Amendment to the Sixth Amended and Restated Loan and Security Agreement (as amended, the "Credit Facility").

The Credit Facility provides for $125 million in committed borrowings. The Credit Facility includes, pursuant to an accordion feature, the ability to increase the Credit Facility by an additional $50 million upon the request of the Company and the agreement of the lender(s) participating in the increase. The Credit Facility includes a sublimit of $20 million for commercial and standby letters of credit and a sublimit of up to $15 million for swingline loans. The Company's ability to borrow under the Credit Facility is determined using an availability formula based on eligible assets. The maturity date of the Credit Facility is October 29, 2019. The Company's obligations under the Credit Facility are secured by a lien on substantially all of its assets, excluding (i) a first priority lien held by the lenders of the Term Loan Facility, as described below, on certain equipment of the Company and (ii) intellectual property.

At January 28, 2017, the Company had outstanding borrowings under the Credit Facility of $44.4 million, before unamortized debt issuance costs of $0.3 million. Outstanding standby letters of credit were $2.9 million and documentary letters of credit were $0.5 million. Unused excess availability at January 28, 2017 was $57.1 million. Average monthly borrowings outstanding under the Credit Facility during fiscal 2016 were $52.1 million, resulting in an average unused excess availability of approximately $57.8 million. The Company's ability to borrow under the Credit Facility is determined using an availability formula based on eligible assets, with increased advance rates based on seasonality. Pursuant to the terms of the Credit Facility, if the Company's excess availability under the Credit Facility fails to be equal to or greater than the greater of (i) 10% of the Loan Cap (defined in the Credit Facility as the lesser of the revolving credit commitments at such time or the borrowing base at the relevant measurement time) and (ii) $7.5 million, the Company will be required to maintain a minimum consolidated fixed charge coverage ratio of 1.0:1.0 in order to pursue certain transactions, including but not limited to, stock repurchases, payment of dividends and business acquisitions.

Borrowings made pursuant to the Credit Facility will bear interest at a rate equal to the base rate (determined as the highest of (a) Bank of America N.A.'s prime rate, (b) the Federal Funds rate plus 0.50% or (c) the annual ICE-LIBOR rate ("LIBOR") for the

respective interest period) plus a varying percentage, based on the Company's borrowing base, of 0.50%-0.75% for prime-based borrowings and 1.50%-1.75% for LIBOR-based borrowings. The Company is also subject to an unused line fee of 0.25%. At January 28, 2017, the Company's prime-based interest rate was 4.25%.

At January 28, 2017, the Company had approximately $36.0 million of its outstanding borrowings in a LIBOR-based contract with an interest rate of approximately 2.22%. The LIBOR-based contract expired January 31, 2017. When a LIBOR-based borrowing expires, the borrowings revert back to prime-based borrowings unless the Company enters into a new LIBOR-based borrowing arrangement.

The fair value of the amount outstanding under the Credit Facility at January 28, 2017 approximated the carrying value.

Long-Term Debt

Components of long-term debt are as follows:

(in thousands)	January 28, 2017	January 30, 2016
Equipment financing notes	$ 6,589	$ 12,901
Term loan, due 2019	12,750	13,750
Less: unamortized debt issuance costs	(337)	(493)
Total long-term debt	19,002	26,158
Less: current portion of long-term debt	6,941	7,155
Long-term debt, net of current portion	$ 12,061	$ 19,003

Equipment Financing Loans

Pursuant to a Master Loan and Security Agreement with Banc of America Leasing & Capital, LLC, dated July 20, 2007 and amended September 30, 2013 (the "Master Agreement"), the Company has entered into twelve equipment security notes (in aggregate, the "Notes"). The Company borrowed an aggregate of $26.4 million between September 2013 and June 2014. The Notes are for a term of 48 months and accrue interest at fixed rates ranging from 3.07% and 3.50%. Principal and interest are paid monthly, in arrears.

The Notes are secured by a security interest in all of the Company's rights, title and interest in and to certain equipment. The Company was subject to prepayment penalties through the second anniversary of each of the Notes. The Company is no longer subject to any prepayment penalties. The Master Agreement includes default provisions that are customary for financings of this type and are similar and no more restrictive than the Company's existing Credit Facility.

Term Loan

On October 30, 2014, the Company entered into a term loan agreement with respect to a new $15 million senior secured term loan facility with Wells Fargo Bank, National Association as administrative and collateral agent (the "Term Loan Facility"). The effective date of the Term Loan Facility was October 29, 2014 (the "Effective Date"). The proceeds from the Term Loan Facility were used to repay borrowings under the Credit Facility.

The Term Loan Facility bears interest at a rate per annum equal to the greater of (a) 1.00% and (b) the one month LIBOR rate, plus 6.50%. Interest payments are payable on the first business day of each calendar month, and increase by 2% following the occurrence and during the continuance of an "event of default," as defined in the Term Loan Facility. The Term Loan Facility provides for quarterly principal payments on the first business day of each calendar quarter, which commenced the first business day of January 2015, in an aggregate principal amount equal to $250,000, subject to adjustment, with the balance payable on the termination date.

The Term Loan Facility includes usual and customary mandatory prepayment provisions for transactions of this type that are triggered by the occurrence of certain events. In addition, the amounts advanced under the Term Loan Facility can be optionally prepaid in whole or part. All prepayments are subject to an early termination fee in the amount of 1% of the amount prepaid prior to October 29, 2017. There is no prepayment penalty after October 29, 2017.

The Term Loan Facility matures on October 29, 2019. It is secured by a first priority lien on certain equipment of the Company, and a second priority lien on substantially all of the remaining assets of the Company, excluding intellectual property.

Long-term debt maturities

Annual maturities of long-term debt for the next five fiscal years are as follows:

	(in thousands)
Fiscal 2017	$ 7,088
Fiscal 2018	1,501
Fiscal 2019	10,750
Fiscal 2020	—
Fiscal 2021	—

The Company paid interest and fees totaling $2.8 million, $2.8 million and $2.7 million for fiscal 2016, 2015 and 2014, respectively.

D. INCOME TAXES

The Company accounts for income taxes in accordance with ASC Topic 740, *Income Taxes*. Under ASC Topic 740, deferred tax assets and liabilities are recognized based on temporary differences between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect in the years in which the differences are expected to reverse. The accounting regulation requires current recognition of net deferred tax assets to the extent it is more likely than not such net assets will be realized. To the extent that the Company believes its net deferred tax assets will not be realized, a valuation allowance must be recorded against those assets.

Since the fourth quarter of fiscal 2013, the Company has maintained a valuation allowance against its deferred tax assets. While the Company has projected it will return to profitability, generate taxable income and ultimately emerge from a three-year cumulative loss, based on operating results for fiscal 2016 and the Company's forecast for fiscal 2017, the Company believes that a full allowance remains appropriate at this time. Realization of the Company's deferred tax assets, which relate principally to federal net operating loss carryforwards, which expire from 2022 through 2036, is dependent on generating sufficient taxable income in the near term.

As of January 28, 2017, the Company had net operating loss carryforwards of $141.2 million for federal income tax purposes and $84.3 million for state income tax purposes that are available to offset future taxable income through fiscal year 2036. The Company has alternative minimum tax credit carryforwards of $2.3 million, which are available to further reduce income taxes over an indefinite period. Additionally, the Company has $0.1 million and $2.2 million of net operating loss carryforwards related to the Company's operations in the Hong Kong and Canada, respectively, though both are expected to expire largely unutilized.

The utilization of net operating loss carryforwards and the realization of tax benefits in future years depends predominantly upon having taxable income. Under the provisions of the Internal Revenue Code, certain substantial changes in the Company's ownership may result in a limitation on the amount of net operating loss carryforwards and tax credit carryforwards which may be used in future years.

Included in the net operating loss carryforwards for both federal and state income tax is approximately $13.3 million relating to stock compensation deductions, the tax benefit from which, if realized, will be credited to additional paid-in capital.

The components of the net deferred tax assets as of January 28, 2017 and January 30, 2016 are as follows (in thousands):

	January 28, 2017	January 30, 2016
Deferred tax assets:		
Net operating loss carryforward	$ 50,399	$ 50,199
Gain on sale-leaseback	5,170	5,744
Accrued Expenses and other	4,340	5,667
Lease accruals	4,358	4,732
Goodwill and intangibles	1,513	3,694
Unrecognized loss on pension and pension expense	3,311	3,379
Capital loss carryforward	3,021	3,021
Inventory reserves	2,659	2,561
Alternative minimum tax credit carryforward	2,292	2,292
Foreign tax credit carryforward	901	963
Federal wage tax credit carryforward	707	521
Unrecognized loss on foreign exchange	328	234
State tax credits	124	102
Excess of tax over book depreciation/amortization	(15,192)	(19,977)
Subtotal	$ 63,931	$ 63,132
Valuation allowance (1)	(63,931)	(63,132)
Net deferred tax assets	$ —	$ —
Deferred tax liabilities:		
Goodwill and intangibles	$ (222)	$ (196)
Deferred tax liabilities	$ (222)	$ (196)

(1) For fiscal 2016, the Company had total deferred tax assets of $79.1 million, total deferred tax liabilities of $15.4 million and a valuation allowance of $63.9 million.

The provision for income taxes from continuing operations consists of the following:

	FISCAL YEARS ENDED		
	January 28, 2017	January 30, 2016	January 31, 2015
(in thousands)			
Current:			
Federal and state	$ 91	$ 104	$ 97
Foreign	49	51	55
	140	155	152
Deferred:			
Federal and state	23	94	91
Foreign	3	11	—
	26	105	91
Total provision (2)	$ 166	$ 260	$ 243

(2) There was no provision (benefit) recognized on the loss from discontinued operations for fiscal 2014.

The following is a reconciliation between the statutory and effective income tax rates in dollars for the provision for income tax from continuing operations:

	FISCAL YEARS ENDED		
	January 28, 2017	January 30, 2016	January 31, 2015
(in thousands)			
Federal income tax at the statutory rate	$ (732)	$ (2,852)	$ (3,827)
State income and other taxes, net of federal tax benefit	(1)	(177)	(72)
Permanent items	225	137	141
Change in uncertain tax provisions	—	—	—
Charge for valuation allowance	775	3,200	4,034
Other, net	(101)	(48)	(33)
Provision for income tax from continuing operations	$ 166	$ 260	$ 243

As discussed in Note A, the Company's financial statements reflect the expected future tax consequences of uncertain tax positions that the Company has taken or expects to take on a tax return, based solely on the technical merits of the tax position. The liability for unrecognized tax benefits at January 28, 2017 and January 30, 2016 was approximately $3.1 million, and is associated with a prior tax position related to exiting the Company's direct business in Europe during fiscal 2013. The amount of unrecognized tax benefits has been presented as a reduction in the reported amounts of our federal and state net operating losses ("NOL") carryforwards. No penalties or interest have been accrued on this liability because the carryforwards have not yet been utilized. The reversal of this liability would result in a tax benefit being recognized in the period in which the Company determines the liability is no longer necessary.

The Company made tax payments of $0.1 million, $0.1 million and $0.1 million for fiscal 2016, 2015 and 2014, respectively.

E. COMMITMENTS AND CONTINGENCIES

At January 28, 2017, the Company was obligated under operating leases covering store and office space, automobiles and certain equipment for future minimum rentals, merchandise purchase obligations and a non-merchandise purchase agreement as follows:

FISCAL YEAR	Total *(in millions)*
Fiscal 2017	$ 69.4
Fiscal 2018	62.9
Fiscal 2019	57.6
Fiscal 2020	43.2
Fiscal 2021	41.3
Thereafter	121.0
	$ 395.4

In addition to future minimum rental payments, many of the store leases include provisions for common area maintenance, mall charges, escalation clauses and additional rents based on a percentage of store sales above designated levels. The store leases are generally 5 to 10 years in length and contain renewal options extending their terms by 5 to 10 years.

Amounts charged to operations for all occupancy costs, automobile and leased equipment expense were $63.9 million, $62.0 million and $56.8 million for fiscal 2016, fiscal 2015 and fiscal 2014, respectively.

In fiscal 2006, as part of a sale-leaseback transaction with a subsidiary of Spirit Finance Corp. ("Spirit"), the Company entered into a twenty-year lease agreement (the "Lease Agreement") for its corporate headquarters and distribution center whereby the Company agreed to lease the property it sold to Spirit back for an annual rent of $4.6 million. The Company realized a gain of approximately $29.3 million on the sale of this property, which has been deferred and is being amortized over the initial 20 years of the related lease agreement. At the end of the initial term, the Company will have the opportunity to extend the Lease Agreement for six additional successive periods of five years. In addition, on February 1, 2011, the fifth anniversary of the Lease Agreement and for every fifth anniversary thereafter, the base rent will be subject to a rent increase not to exceed the lesser of 7% or a percentage based on changes in the Consumer Price Index. The Company's current annual rent of $5.2 million will be offset each lease year by $1.5 million related to the amortization of this deferred gain. This lease commitment, excluding the impact of the gain, is included in the above table of expected future minimum rentals obligations.

Included in the table above, is a merchandise purchase obligation for which the Company is contractually committed to meet minimum purchases of $10.5 million in fiscal 2017, $11.0 million in fiscal 2018 and $11.5 million in fiscal 2019.

F. LONG-TERM INCENTIVE PLANS

The following is a summary of the Company's long-term incentive plans. All equity awards granted under these long-term incentive plans were issued from the Company's 2006 Incentive Compensation Plan until July 31, 2016 when the 2006 Incentive Compensation Plan expired. As of August 4, 2016, all grants of equity awards are issued under the Company's stockholder-approved 2016 Incentive Compensation Plan. See Note G, "Stock Compensation Plans."

2013-2016 Long-Term Incentive Plan

The 2013-2016 Long-Term Incentive Plan (the "2013-2016 LTIP") was approved in the second quarter of fiscal 2013. Pursuant to the terms of the 2013-2016 LTIP, on the date of grant, each participant was granted an unearned and unvested award equal in value to four times his/her annual salary multiplied by the applicable long-term incentive program percentage, which is 100% for the Company's Chief Executive Officer, 70% for its senior executives and 50% for other participants in the plan, which the Company refers to as the "Projected Benefit Amount." Each participant was granted 50% of the Projected Benefit Amount in shares of restricted stock, 25% in stock options and the remaining 25% in cash.

Of the total Projected Benefit Amount, 50% is subject to time-based vesting and 50% is subject to performance-based vesting. The time-vested portion of the award (half of the shares of restricted stock, options and cash) vests in three installments with 20% of the time-vested portion having vested at the end of fiscal 2014, 40% having vested at the end of fiscal 2015 and the remaining 40% vesting at the end of fiscal 2016.

In order for the participants to receive 100% vesting of the performance-based awards, the Company must achieve revenue of at least $600 million and have an operating margin of not less than 8.0% in fiscal 2016. If the Company did not meet the performance target at the end of fiscal 2016, but the Company was able to achieve revenue equal to or greater than $510 million at the end of fiscal 2016 and the operating margin was not less than 8.0%, then the participants could have received a pro-rata portion of the performance-based award based on minimum sales of $510 million (50% payout) and $600 million (100% payout). Because the Company did not achieve minimum sales of at least $510 million or operating income of at least 8.0%, all unvested performance-based awards were forfeited, subsequent to year-end. Because the performance targets were not considered probable during the term of the 2013-2016 LTIP, no compensation expense was recognized through the end of fiscal 2016. See Note G, "Stock Compensation Plans" for a summary of the equity awards.

The Company incurred total compensation expense (cash and equity) of approximately $9.4 million related to the time-vested awards. The cost was expensed over forty-four months through January 28, 2017, based on the respective vesting dates, of which $1.1 million was incurred in fiscal 2016.

2016 Long-Term Incentive Wrap-Around Plan

On November 7, 2014, the Company's Compensation Committee of the Company's Board of Directors approved the 2016 Long-Term Incentive Wrap-Around Plan (the "2016 Wrap"). The 2016 Wrap was a supplemental performance-based incentive plan that was only effective if there was no vesting of the performance-based awards under the 2013-2016 LTIP and, as a result, all performance-based awards under the 2013-2016 LTIP were forfeited. Under the 2016 Wrap, if the target level performance metrics for fiscal 2016 were met, participants were eligible to receive a payout equal to 80% of the dollar value of the performance-based compensation they were eligible to receive under the 2013-2016 LTIP. If the target level performance metrics for fiscal 2016 under the 2016 Wrap were exceeded, the greatest payout that participants were eligible to receive was 100% of the dollar value of the performance-based compensation they were eligible to receive under the 2013-2016 LTIP.

The performance target under the 2016 Wrap consisted of two metrics, Sales and EBITDA, with threshold (50%), target (80%) and maximum (100%) payout levels. Each metric was weighted as 50% of the total performance target. However, in order for there to be any payout under either metric, EBITDA for fiscal 2016 must be equal to or greater than the minimum threshold.

The 2016 Wrap provided for an opportunity to receive additional shares of restricted stock if the performance targets were achieved and the Company's closing stock price was $6.75 or higher on the day earnings for fiscal 2016 are publicly released. If the Company's stock price was $6.75, the 50% payout in restricted shares would be increased by 20% and if the stock price was $7.25 or higher, the 50% payout in restricted shares would be increased by 30%, with a pro-rata payout between $6.75 and $7.25.

Based on the operating results for fiscal 2016, the Company achieved 50.6% of its EBITDA target. The minimum threshold for the Sales target was not achieved. Accordingly, subsequent to year-end, the Compensation Committee of the Board of Directors approved awards totaling $2.3 million, with a grant date of March 20, 2017. On that date, the Company will grant shares of restricted stock, with a fair value of approximately $1.0 million and cash awards totaling approximately $1.3 million. All awards will vest on the last day of the second quarter of fiscal 2017. At January 28, 2017, $1.9 million of the $2.3 million payout was accrued. Based on the Company's closing stock price of $3.30 at January 28, 2017, the Company does not expect that there will be any additional grant of shares for achieving a stock price greater than $6.75 per share at the close of business on the day the Company's earnings are publicly released.

2016-2017 Long-Term Incentive Plan

With the 2013-2016 LTIP and 2016 Wrap expiring at the end of fiscal 2016, on March 15, 2016, the Compensation Committee approved the Destination XL Group, Inc. Long-Term Incentive Plan (the "New LTIP").

Under the terms of the New LTIP, each year the Compensation Committee will establish performance targets which will cover a two-year performance period (each a "Performance Period"), thereby creating overlapping Performance Periods. Each participant in the plan will be entitled to receive an award based on that participant's "Target Cash Value" which is defined as the participant's annual base salary (on the participant's effective date) multiplied by his or her long-term incentive program percentage, which is 100% for the Company's Chief Executive Officer, 70% for its senior executives and 25% for other participants in the plan. Because of the overlapping two-year Performance Periods, the Target Cash Value for any award is based on one year of annual salary, as opposed to two years to avoid doubling an award payout in any given fiscal year.

For each participant, 50% of the Target Cash Value is subject to time-based vesting and 50% is subject to performance-based vesting. The time-vested portion of the award will vest in two installments with 50% of the time-vested portion vesting on April 1 following the fiscal year end which marks the end of the applicable Performance Period and 50% vesting on April 1 the succeeding year. The performance-based vesting is subject to the achievement of the performance target(s) for the applicable Performance Period. Any performance award granted will vest on August 31 following the end of the applicable Performance Period.

The Compensation Committee established two performance targets for the 2016-2017 Performance Period under the new LTIP (the "2016-2017 LTIP"), each weighted 50%. The first target is EBITDA for fiscal 2017, defined as earnings before interest, taxes, depreciation and amortization, and the second target is "DXL Comparable Store Marginal Cash-Over-Cash Return", defined as the aggregate of each comparable DXL store's four-wall cash flow for fiscal 2017 divided by the aggregate capital investment, net of any tenant allowance, for each comparable DXL store.

All awards granted under the 2016-2017 LTIP were in restricted stock units (RSUs). Assuming that the Company achieves the performance target at target levels and all time-vested awards vest, the compensation expense associated with the 2016-2017 LTIP is estimated to be approximately $3.8 million. Approximately half of the compensation expense, or $1.9 million, relates to the time-vested RSUs, which is being expensed over thirty-six months, based on the respective vesting dates. With respect to the performance-based component, RSUs will be granted at the end of the performance period if the performance targets are achieved. Through the end of fiscal 2016, the Company has accrued approximately $0.3 million in compensation expense related to the potential payout of performance awards under the 2016-2017 LTIP.

G. STOCK COMPENSATION PLANS

Through the end of the second quarter of fiscal 2016, the Company's 2006 Incentive Compensation Plan (as amended and restated effective as of August 1, 2013, the "2006 Plan") was the only stockholder approved plan. The 2006 Plan expired on July 31, 2016. At the Company's 2016 Annual Meeting of Stockholders held August 4, 2016, the Company's stockholders approved the adoption of the 2016 Incentive Compensation Plan (the "2016 Plan").

2016 Plan

The share reserve under the 2016 Plan is 5,200,000 shares of our common stock. A grant of a stock option award or stock appreciation right reduces the outstanding reserve on a one-for-one basis. A grant of a full-value award, including, but not limited to, restricted stock, restricted stock units and deferred stock, reduces the outstanding reserve by a fixed ratio of 1.9 shares for every share granted.

In addition to the initial share reserve of 5,200,000 shares, the 525,538 shares that remained available under our 2006 Plan were added and became available for issuance under the 2016 Plan on August 4, 2016. In accordance with the terms of the 2016 Plan, any shares outstanding under the 2006 Plan at August 4, 2016 that subsequently terminate, expire or are canceled for any reason without having been exercised or paid are added back and become available for issuance under the 2016 Plan, with options and stock appreciation

rights being added back on a one-for-one basis and full-value awards being added back on a 1 to1.9 basis. Accordingly, an additional 588,796 shares were added to share availability under the 2016 Plan during fiscal 2016. At January 28, 2017, the Company had 6,233,824 shares available under the 2016 Plan.

The 2016 Plan is administered by the Compensation Committee. The Compensation Committee is authorized to make all determinations with respect to amounts and conditions covering awards. Options are not granted at a price less than fair value on the date of the grant. Except with respect to 5% of the shares available for awards under the 2016 Plan, no award will become exercisable or otherwise forfeitable unless such award has been outstanding for a minimum period of one year from its date of grant.

The following tables summarize the stock option activity and share activity for the Company's 2006 Plan and 2016 Plan, on a combined basis, during fiscal 2016:

Stock Option Activity

The following table summarizes stock option activity under the plans for fiscal 2016:

	Number of Shares	Weighted-average exercise price per option	Weighted-average remaining contractual term	Aggregate intrinsic value
Stock Options				
Outstanding options at beginning of year	2,728,621	$ 5.00		
Options granted	9,004	$ 4.44		
Options canceled	(213,079)	$ 5.24		
Options exercised	—	—		
Outstanding options at end of year	2,524,546	$ 4.98	5.9 years	$ 11,286
Options exercisable at end of year	1,464,605	$ 4.91	5.6 years	$ 11,286
Vested and expected to vest at end of year	1,464,605	$ 4.91	5.6 years	$ 11,286

There were no exercises of options during fiscal 2016 and the intrinsic value of options exercised during fiscal 2015 was immaterial.

Non-Vested Share Activity

The following table summarizes activity for non-vested shares under the plans for fiscal 2016:

	Restricted shares	Restricted Stock Units (1)	Deferred shares (2)	Fully-vested shares (3)	Total number of shares	Weighted-average grant-date fair value (4)
Shares						
Outstanding non-vested shares at beginning of year	1,320,143	—	31,587	—	1,351,730	$ 5.09
Shares granted	4,168	440,125	33,289	53,725	531,307	$ 5.06
Shares vested/issued	(339,539)	(919)	—	(53,725)	(394,183)	$ 5.05
Shares canceled	(128,440)	(69,378)	—	—	(197,818)	$ 5.13
Outstanding non-vested shares at end of year	856,332	369,828	64,876	—	1,291,036	$ 5.09
Vested and expected to vest at end of year	8,334	314,354	64,876	—	387,564	

(1) RSUs were granted in connection with the time-vested portion of the 2016-2017 LTIP. The RSUs will vest in two tranches with the first 50% vesting on April 1, 2018 and the remaining vesting 50% on April 1, 2019.

(2) During fiscal 2016, the Company granted 33,289 shares of deferred stock, with a fair value of approximately $158,188, to certain directors as compensation in lieu of cash, in accordance with their irrevocable elections. The shares of deferred stock vest three years from the date of grant or at separation of service, based on the irrevocable election of each director.

(3) During fiscal 2016, the Company granted 53,725 shares of stock, with a fair value of approximately $255,561 to certain directors as compensation in lieu of cash, in accordance with their irrevocable elections. Since fiscal 2015, directors are required to elect 50% of their quarterly retainer in equity. All shares paid to directors to satisfy this election were issued from the Company's 2006 Plan through July 31, 2016 and from its 2016 Plan since August 4, 2016. Any shares in excess of the

minimum required election are issued from the Second Amended and Restated Non-Employee Director Stock Purchase Plan (as amended).

(4) The fair value of a restricted share, deferred share and fully-vested share is equal to the Company's closing stock price on the date of grant.

Total unrecognized stock compensation of $1.2 million at January 28, 2017 is expected to be recognized over a weighted-average period of 20 months.

Non-Employee Director Compensation Plan

In January 2010, the Company established a Non-Employee Director Stock Purchase Plan to provide a convenient method for its non-employee directors to acquire shares of the Company's common stock at fair market value by voluntarily electing to receive shares of common stock in lieu of cash for service as a director. The substance of this plan is now encompassed within the Company's Second Amended and Restated Non-Employee Director Compensation Plan, most recently amended subsequent to year end.

Beginning in fiscal 2015, the non-employee directors are required to take 50% of their annual retainer, which is paid quarterly, in equity. Any shares of stock, deferred stock or stock options issued to a director as part of this 50% requirement are issued from our equity incentive plans. Only discretionary elections of equity will be issued from the Non-Employee Director Compensation Plan.

The following shares of common stock, with the respective fair value, were issued to its non-employee directors as compensation for fiscal 2016, fiscal 2015 and fiscal 2014:

	Number of shares of common stock issued	Fair value of common stock issued
Fiscal 2016	14,509	$ 68,456
Fiscal 2015	24,947	$ 127,734
Fiscal 2014	40,910	$ 213,749

H. RELATED PARTIES

Seymour Holtzman and Jewelcor Management, Inc.

Seymour Holtzman, the Executive Chairman of the Company's Board of Directors (the "Board"), is the chairman, chief executive officer and president and, together with his wife, indirectly, the majority shareholder of Jewelcor Management, Inc. ("JMI"). Mr. Holtzman, who was initially appointed Chairman of the Board in April 2000, is the beneficial holder of approximately 8.8% of the outstanding common stock of the Company at January 28, 2017.

From October 1999 through August 7, 2014, the Company had an ongoing consulting agreement with JMI to provide the Company with services as may be agreed upon, from time to time, between JMI and the Company (the "Consulting Agreement"). In connection with the execution of the Employment and Chairman Compensation Agreement discussed below, on August 7, 2014, the Company terminated the Consulting Agreement. Prior to the execution of the Employment and Chairman Compensation Agreement and through August 7, 2014, Mr. Holtzman was primarily compensated by the Company for his services pursuant to this Consulting Agreement. Under the terms of the Consulting Agreement at the time of its termination, Mr. Holtzman was entitled to receive annual consulting compensation of $372,750 and a salary of $24,000.

On August 7, 2014, the Company entered into an Employment and Chairman Compensation Agreement with Mr. Holtzman. Pursuant to the terms of the agreement, Mr. Holtzman serves as both an employee of the Company, reporting to the Board, and, in his capacity as Chairman of the Board, as Executive Chairman, with the duties of the Chairman of the Board as set forth in the Company's Fourth Amended and Restated By-Laws. The initial term of the agreement was for two years. Commencing August 7, 2015, on each anniversary date, the agreement automatically extends for an additional one-year term. Accordingly, the current expiration date of the agreement is August 7, 2018. As compensation for the employment services, Mr. Holtzman receives an annual base salary of $24,000 and, as compensation for his services as Executive Chairman, Mr. Holtzman receives annual compensation of $372,750.

John E. Kyees

John Kyees, a director of the Company since 2010, served as the Company's interim Chief Financial Officer from February 2, 2014 through May 31, 2014. Pursuant to an employment agreement, Mr. Kyees received compensation at a rate of $3,000 per day plus benefits and reimbursement for all business and travel expenses. Mr. Kyees was also eligible to participate in the Company's annual

incentive program for the period in which he served as interim Chief Financial Officer. For fiscal 2014, Mr. Kyees earned total compensation from the Company of $389,920 for services he provided as interim Chief Financial Officer.

I. EMPLOYEE BENEFIT PLANS

The Company accounts for its employee benefit plans in accordance with ASC Topic 715 *Compensation – Retirement Benefits*. ASC Topic 715 requires an employer to: (a) recognize in its statement of financial position an asset for a plan's over-funded status or a liability for a plan's under-funded status; (b) measure a plan's assets and its obligations that determine its funded status as of the end of the employer's fiscal year (with limited exceptions); and (c) recognize changes in the funded status of a defined benefit postretirement plan in the year in which the changes occur.

These amounts will be subsequently recognized as net periodic pension cost pursuant to the Company's historical accounting policy for amortizing such amounts. Further, actuarial gains and losses that arise in subsequent periods and are not recognized as net periodic pension cost in the same periods will be recognized as a component of accumulated other comprehensive income (loss). The amortization of the unrecognized loss included in accumulated other comprehensive income (loss) and expected to be recognized in net periodic pension cost in fiscal 2017 is approximately $788,000.

Noncontributory Pension Plan

In connection with the Casual Male acquisition, the Company assumed the assets and liabilities of the Casual Male Noncontributory Pension Plan "Casual Male Corp. Retirement Plan", which was previously known as the J. Baker, Inc. Qualified Plan (the "Pension Plan"). Casual Male Corp. froze all future benefits under this plan on May 1, 1997.

The following table sets forth the Pension Plan's funded status at January 28, 2017 and January 30, 2016:

	January 28, 2017	January 30, 2016
	in thousands	
Change in benefit obligation:		
Balance at beginning of period	$ 16,845	$ 18,927
Benefits and expenses paid	(733)	(668)
Interest costs	686	634
Settlements	(346)	(21)
Actuarial (gain) loss	4	(2,027)
Balance at end of year	$ 16,456	$ 16,845
Change in fair value of plan assets		
Balance at beginning of period	$ 11,969	$ 12,945
Actual return on plan assets	844	(433)
Employer contributions	—	146
Settlements	(346)	(21)
Benefits and expenses paid	(733)	(668)
Balance at end of period	$ 11,734	$ 11,969
Reconciliation of Funded Status		
Projected benefit obligation	$ 16,456	$ 16,845
Fair value of plan assets	11,734	11,969
Unfunded Status	$ (4,722)	$ (4,876)
Balance Sheet Classification		
Other long-term liabilities	$ 4,722	$ 4,876

Total plan expense and other amounts recognized in accumulated other comprehensive loss for the years ended January 28, 2017, January 30, 2016 and January 31, 2015 include the following components:

	January 28, 2017	January 30, 2016	January 31, 2015
Net pension cost:		*(in thousands)*	
Interest cost on projected benefit obligation	$ 686	$ 634	$ 669
Expected return on plan assets	(927)	(1,013)	(1,002)
Amortization of unrecognized loss	946	1,026	591
Net pension cost	$ 705	$ 647	$ 258
Other changes recognized in other comprehensive loss, before taxes:			
Unrecognized losses at the beginning of the year	$ 8,139	$ 9,746	$ 6,614
Net periodic pension cost	(705)	(647)	(258)
Employer contribution	—	146	468
Change in plan assets and benefit obligations	(154)	(1,106)	2,922
Unrecognized losses at the end of year	$ 7,280	$ 8,139	$ 9,746

The Company’s contribution for fiscal 2017 is estimated to be approximately $586,000.

Assumptions used to determine the benefit obligations as of January 28, 2017 and January 30, 2016 include a discount rate of 4.00% for fiscal 2016 and 4.16% for fiscal 2015. Assumptions used to determine the net periodic benefit cost for the years ended January 28, 2017, January 30, 2016 and January 31, 2015 included a discount rate of 4.00% for fiscal 2016, 4.16% for fiscal 2015 and 3.42% for fiscal 2014.

The expected long-term rate of return for plan assets was assumed to be 8.00% for both fiscal 2016 and fiscal 2015. The expected long-term rate of return assumption was developed considering historical and future expectations for returns for each asset class.

Estimated Future Benefit Payments

The estimated future benefits for the next ten fiscal years are as follows:

FISCAL YEAR	Total *(in thousands)*
2017	$ 804
2018	836
2019	867
2020	945
2021	977
2022-2026	5,145
	$ 9,574

Plan Assets

The fair values of the Company's noncontributory defined benefit retirement plan assets at the end of fiscal 2016 and fiscal 2015, by asset category, were as follows:

	Fair Value Measurement							
	January 28, 2017				January 30, 2016			
(in thousands)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Asset category:								
Common Stock :								
U.S.	$ 2,645	$ —	$ —	$ 2,645	$ 6,537	$ —	$ —	$ 6,537
Foreign	210	—	—	210	—	—	—	—
Mutual Funds:								
U.S. Equity	2,153	—	—	2,153	407	—	—	407
International Equity	2,039	—	—	2,039	1,596	—	—	1,596
Bond	4,418	—	—	4,418	2,914	—	—	2,914
Real Estate Investment Trust	6	—	—	6	—	—	—	—
Cash	263	—	—	263	515	—	—	515
Total	$ 11,734	$ —	$ —	$ 11,734	$ 11,969	$ —	$ —	$ 11,969

The Company's target asset allocation for fiscal 2017 and its asset allocation at January 28, 2017 and January 30, 2016 were as follows, by asset category:

	Target Allocation Fiscal 2017	Percentage of plan assets at January 28, 2017	Percentage of plan assets at January 30, 2016
Asset category:			
Equity securities	60.0%	60.1%	71.4%
Debt securities	38.0%	37.7%	24.3%
Cash	2.0%	2.2%	4.3%
Total	100.0%	100.0%	100.0%

The target policy is set to maximize returns with consideration to the long-term nature of the obligations and maintaining a lower level of overall volatility through the allocation of fixed income. The asset allocation is reviewed throughout the year for adherence to the target policy and is rebalanced periodically towards the target weights.

Supplemental Executive Retirement Plan

In connection with the Casual Male acquisition, the Company also assumed the liability of the Casual Male Supplemental Retirement Plan (the "SERP").

The following table sets forth the SERP's funded status at January 28, 2017 and January 30, 2016:

	January 28, 2017	January 30, 2016
	in thousands	
Change in benefit obligation:		
Balance at beginning of period	$ 670	$ 745
Benefits and expenses paid	(30)	(30)
Interest costs	27	25
Actuarial (gain) loss	(15)	(70)
Balance at end of year	$ 652	$ 670
Change in fair value of plan assets		
Balance at beginning of period	$ —	$ —
Employer contributions	30	30
Benefits and expenses paid	(30)	(30)
Balance at end of period	$ —	$ —
Projected benefit obligation	$ 652	$ 670
Reconciliation of Funded Status		
Projected benefit obligation	$ 652	$ 670
Fair value of plan assets	—	—
Unfunded Status	$ (652)	$ (670)
Balance Sheet Classification		
Other long-term liabilities	$ 652	$ 670

Other changes recognized in other comprehensive loss, before taxes (*in thousands*):

Other changes recognized in other comprehensive loss, before taxes:	January 28, 2017	January 30, 2016	January 31, 2015
	in thousands		
Unrecognized losses at the beginning of the year	$ 178	$ 256	$ 142
Net periodic pension cost	(33)	(34)	(31)
Employer contribution	30	30	30
Change in benefit obligations	(18)	(74)	115
Unrecognized losses at the end of year	$ 157	$ 178	$ 256

Assumptions used to determine the benefit obligations as of January 28, 2017 and January 30, 2016 included a discount rate of 4.00% for fiscal 2016 and 4.16% for fiscal 2015. Assumptions used to determine the net periodic benefit cost for the years ended January 28, 2017, January 30, 2016 and January 31, 2015 included a discount rate of 4.00% for fiscal 2016, 4.16% for fiscal 2015 and 3.42% for fiscal 2014.

Defined Contribution Plan

The Company has one defined contribution plan, the Destination XL Group, Inc. 401(k) Savings Plan (the "401(k) Plan"). Under the 401(k) Plan, the Company offers a qualified automatic contribution arrangement ("QACA") with the Company matching 100% of the first 1% of deferred compensation and 50% of the next 5% (with a maximum contribution of 3.5% of eligible compensation). As of January 1, 2015, employees who are 21 years of age or older are eligible to make deferrals after 6 months of employment and are eligible to receive a Company match after one year of employment and 1,000 hours.

The Company recognized $2.2 million, $2.0 million and $1.6 million of expense under this plan in fiscal 2016, fiscal 2015 and fiscal 2014, respectively.

J. DISCONTINUED OPERATIONS

Sears Canada

In the second quarter of fiscal 2014, the Company notified Sears Canada of its intent to exit the business and began the process of an orderly wind-down. The Company ceased taking new orders and completed the run-off of operations through a final settlement with Sears during the fourth quarter of fiscal 2014. The loss for fiscal 2014 includes a charge, recorded in the second quarter of fiscal 2014, of approximately $0.8 million related primarily to inventory reserves and sales allowances as a result of our decision to exit the business. The following are the results of operations for fiscal 2014. There were no results of operations for this discontinued business in fiscal 2015 and fiscal 2016.

For the fiscal year ended:	January 31, 2015
	(in thousands)
Sales	$ (450)
Gross margin	(998)
Selling, general and administrative expenses	(120)
Depreciation and amortization	—
Provision (benefit) from income taxes	—
Loss from discontinued operations	$ (1,118)

K. SUBSEQUENT EVENT

On March 17, 2017, the Company's Board of Directors approved a stock repurchase program. Under the stock repurchase program, the Company may repurchase up to $12.0 million of its common stock through open market and privately negotiated transactions during fiscal 2017.

The timing and the amount of any repurchases of common stock will be determined based on the Company's evaluation of market conditions and other factors. The stock repurchase program is expected to commence in the first quarter of fiscal 2017 and will expire on February 3, 2018, but may be suspended, terminated or modified at any time for any reason. The Company expects to finance the repurchases from operating funds and/or periodic borrowings on its Credit Facility. Any shares of repurchased common stock will be held as treasury stock.

L. SELECTED QUARTERLY DATA (UNAUDITED)

(Certain columns may not foot due to rounding.)

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FULL YEAR
	(In Thousands, Except Per Share Data)				
FISCAL YEAR 2016					
Sales	$ 107,891	$ 117,875	$ 101,871	$ 122,646	$ 450,283
Gross profit	49,766	54,843	45,238	55,034	204,881
Operating income (loss)	1,055	1,017	(3,639)	2,544	977
Income (loss) before taxes	271	234	(4,418)	1,823	(2,090)
Income tax provision	57	35	34	40	166
Net income (loss)	$ 214	$ 199	$ (4,452)	$ 1,783	$ (2,256)
Earnings (loss) per share – basic and diluted	$ 0.00	$ 0.00	$ (0.09)	$ 0.04	$ (0.05)
FISCAL YEAR 2015					
Sales	$ 104,405	$ 114,147	$ 99,625	$ 124,044	$ 442,221
Gross profit	48,239	53,883	44,864	56,853	203,839
Operating income (loss)	248	(166)	(4,626)	(546)	(5,090)
Loss before taxes	(513)	(912)	(5,409)	(1,314)	(8,148)
Income tax provision	61	67	63	69	260
Net loss	$ (574)	$ (979)	$ (5,472)	$ (1,383)	$ (8,408)
Earnings (loss) per share – basic and diluted	$ (0.01)	$ (0.02)	$ (0.11)	$ (0.03)	$ (0.17)

The Company’s fiscal quarters are based on a retail cycle of 13 weeks. Historically, and consistent with the retail industry, the Company has experienced seasonal fluctuations as it relates to its operating income and net income. Traditionally, a significant portion of the Company’s operating income and net income is generated in the fourth quarter, as a result of the holiday selling season.

Item 9. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure***

None.

Item 9A. ***Controls and Procedures***

Management's Conclusions Regarding the Effectiveness of Disclosure Controls and Procedures

As required by Rule 13a-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), our management, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of January 28, 2017. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of January 28, 2017, our disclosure controls and procedures were effective.

Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) under the Exchange Act. Our internal control over financial reporting is a process designed under the supervision of our Chief Executive Officer and Chief Financial Officer to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Our internal control over financial reporting includes those policies and procedures that:

(i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets;

(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and

(iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the financial statements.

There are inherent limitations in the effectiveness of any internal control, including the possibility of human error and the circumvention or overriding of controls. Accordingly, even effective internal controls can provide only reasonable assurances with respect to financial statement preparation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the design and effectiveness of our internal control over financial reporting as of January 28, 2017. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control- Integrated Framework (2013).

Based on management's assessment and the above mentioned criteria, management determined that we maintained effective internal control over financial reporting as of January 28, 2017.

KPMG, LLP, our independent registered public accounting firm, has issued an audit report on our internal control over financial reporting as of January 28, 2017, which appears below.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholders
of Destination XL Group, Inc.

We have audited Destination XL Group, Inc.'s (the Company) internal control over financial reporting as of January 28, 2017, based on criteria established in *Internal Control—Integrated Framework (2013*) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Destination XL Group, Inc.'s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying *Management's Annual Report on Internal Control Over Financial Reporting.* Our responsibility is to express an opinion on the company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Destination XL Group, Inc. maintained, in all material respects, effective internal control over financial reporting as of January 28, 2017, based on the criteria established in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Destination XL Group, Inc. and subsidiaries as of January 28, 2017 and January 30, 2016, and the related consolidated statements of operations, comprehensive income (loss), changes in stockholders' equity, and cash flows for each of the years in the three-year period ended January 28, 2017, and our report dated March 20, 2017 expressed an unqualified opinion on those consolidated financial statements.

/s/ KPMG LLP

Boston, Massachusetts
March 20, 2017

Changes in Internal Control Over Financial Reporting

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the fiscal quarter ended January 28, 2017 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. ***Other Information.***

None.

PART III.

Pursuant to Paragraph G(3) of the General Instructions to Form 10-K, the information required by Part III (Items 10, 11, 12, 13 and 14) is being incorporated by reference herein from our definitive proxy statement (or an amendment to this Annual Report on Form 10-K) to be filed with the Securities and Exchange Commission within 120 days of the end of the fiscal year ended January 28, 2017 in connection with our 2017 Annual Meeting of Stockholders.

Item 10. ***Directors, Executive Officers and Corporate Governance***

Information with respect to this item is incorporated by reference from our definitive proxy statement (or amendment to this Annual Report on Form 10-K) to be filed with the SEC within 120 days of the end of the fiscal year ended January 28, 2017.

Item 11. ***Executive Compensation***

Information with respect to this item is incorporated by reference from our definitive proxy statement (or amendment to this Annual Report on Form 10-K) to be filed with the SEC within 120 days of the end of the fiscal year ended January 28, 2017.

Item 12. ***Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters***

Information with respect to this item is incorporated by reference from our definitive proxy statement (or amendment to this Annual Report on Form 10-K) to be filed with the SEC within 120 days of the end of the fiscal year ended January 28, 2017.

Item 13. ***Certain Relationships and Related Transactions, and Director Independence***

Information with respect to this item is incorporated by reference from our definitive proxy statement (or amendment to this Annual Report on Form 10-K) to be filed with the SEC within 120 days of the end of the fiscal year ended January 28, 2017.

Item 14. ***Principal Accounting Fees and Services***

Information with respect to this item is incorporated by reference from our definitive proxy statement (or amendment to this Annual Report on Form 10-K) to be filed with the SEC within 120 days of the end of the fiscal year ended January 28, 2017.

PART IV.

Item 15. ***Exhibits, Financial Statement Schedules***

15(a)(1) Financial Statements

The list of consolidated financial statements and notes required by this Item 15(a)(1) is set forth in the "Index to Consolidated Financial Statements" on page 42 of this Annual Report.

15(a)(2) Financial Statement Schedules

All schedules have been omitted because the required information is not applicable or is not present in amounts sufficient to require submission of the schedules, or because the information required is included in the financial statements or notes thereto.

15(a)(3) Exhibits

The list of exhibits required by this Item 15(a)(3) is set forth in the "Index to Exhibits" beginning on page 75 of this Annual Report.

Item 16. ***Form 10-K Summary***

Omitted at registrant's option.

Index to Exhibits

Exhibits		
3.1	Restated Certificate of Incorporation of the Company (conformed copy incorporating all amendments through February 25, 2013).	*
3.2	Fourth Amended and Restated By-Laws (included as Exhibit 3.1 to the Company's Current Report on Form 8-K filed on June 18, 2015, and incorporated herein by reference).	
10.1	Company's 2006 Incentive Compensation Plan, as amended (included as Exhibit 10.3 to the Company's Annual Report on Form 10-K filed March 17, 2014, and incorporated herein by reference).	†
10.2	Company's 2016 Incentive Compensation Plan, as amended (included as Exhibit 10.1 to the Company's Current Report on Form 8-K filed on August 8, 2016, and incorporated herein by reference).	†
10.3	Form of Non-Qualified Option Agreement for Associates.	*†
10.4	Form of Non-Qualified Option Agreement for Associates (pursuant to the Company's Long-Term Incentive Plan).	*†
10.5	Form of Restricted Stock Agreement for Associates.	*†
10.6	Form of Restricted Stock Agreement for Associates (pursuant to the Company's Long-Term Incentive Plan).	*†
10.7	Form of Restricted Stock Unit Agreement for Associates.	*†
10.8	Form of Restricted Stock Unit Agreement for Associates (pursuant to the Company's Long-Term Incentive Plan).	*†
10.9	Form of Restricted Stock Unit Agreement for Non-Employee Directors.	*†
10.10	Company's Second Amended and Restated Non-Employee Director Compensation Plan (included as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on August 27, 2015, and incorporated herein by reference).	†
10.11	First Amendment to the Company's Second Amended and Restated Non-Employee Director Compensation Plan (included as Exhibit 10.6 to the Company's Annual Report on Form 10-K filed on March 18, 2016, and incorporated herein by reference).	†
10.12	Second Amendment to the Company's Second Amended and Restated Non-Employee Director Compensation Plan (included as Exhibit 10.7 to the Company's Annual Report on Form 10-K filed on March 18, 2016, and incorporated herein by reference).	†
10.13	Third Amendment to the Company's Second Amended and Restated Non-Employee Director Compensation Plan.	*
10.14	Sixth Amended and Restated Loan and Security Agreement dated November 10, 2010, by and among Bank of America, N.A., as Administrative Agent and Collateral Agent, the Revolving Credit Lenders identified therein, the Company, as Borrowers' Representative, and the Company and CMRG Apparel, LLC, as Borrowers (included as Exhibit 10.1 to the Company's Current Report on Form 8-K/A filed on January 7, 2011, and incorporated herein by reference).	
10.15	First Amendment to Sixth Amended and Restated Loan and Security Agreement, First Amendment to Amended and Restated Guaranty, First Amendment to Amended and Restated Security Agreement and Termination Agreement dated June 26, 2013, by and among Bank of America, N.A., as Administrative Agent and Collateral Agent, the Revolving Credit Lenders identified therein, the Company, as Borrowers' Representative, and the Company and CMRG Apparel, LLC, as Borrowers (included as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on August 23, 2013, and incorporated herein by reference).	
10.16	Second Amendment to Sixth Amended and Restated Loan and Security Agreement dated October 30, 2014, by and among Bank of America, N.A., as Administrative Agent and Collateral Agent, the Revolving Credit Lenders identified therein, the Company, as Borrowers' Representative, and the Company and CMRG Apparel, LLC, as Borrowers (included as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on November 21, 2014, and incorporated herein by reference).	**
10.17	Master Loan and Security Agreement dated July 20, 2007 between the Company and Banc of America Leasing & Capital, LLC (included as Exhibit 10.1 to the Company's Current Report on Form 8-K filed on July 23, 2007, and incorporated herein by reference).	

Exhibits

10.18 Amendment Number 1 to Master Loan and Security Agreement dated September 30, 2013 between the Company and Banc of America Leasing & Capital, LLC. (included as Exhibit 10.2 to the Company's Current Report on Form 8-K filed on October 3, 2013, and incorporated herein by reference).

10.19 Equipment Security Note Number 17608-70003 to the Master Loan and Security Agreement, as amended, dated October 1, 2013 between the Company and Banc of America Leasing & Capital, LLC. (included as Exhibit 10.3 to the Company's Current Report on Form 8-K filed on October 3, 2013, and incorporated herein by reference).

10.20 Equipment Security Note Number 17608-70004 to the Master Loan and Security Agreement, as amended, dated September 30, 2013 between the Company and Banc of America Leasing & Capital, LLC. (included as Exhibit 10.4 to the Company's Current Report on Form 8-K filed on October 3, 2013, and incorporated herein by reference).

10.21 Equipment Security Note Number 17608-70005 to the Master Loan and Security Agreement, as amended, dated September 30, 2013 between the Company and Banc of America Leasing & Capital, LLC. (included as Exhibit 10.5 to the Company's Current Report on Form 8-K filed on October 3, 2013, and incorporated herein by reference).

10.22 Equipment Security Note Number 17608-70006 to the Master Loan and Security Agreement, as amended, dated September 30, 2013 between the Company and Banc of America Leasing & Capital, LLC. (included as Exhibit 10.6 to the Company's Current Report on Form 8-K filed on October 3, 2013, and incorporated herein by reference).

10.23 Equipment Security Note Number 17608-70007 to the Master Loan and Security Agreement, as amended, dated December 23, 2013 between the Company and Banc of America Leasing & Capital, LLC. (included as Exhibit 10.1 to the Company's Current Report on Form 8-K filed on January 8, 2014, and incorporated herein by reference).

10.24 Equipment Security Note Number 17608-70008 to the Master Loan and Security Agreement, as amended, dated December 23, 2013 between the Company and Banc of America Leasing & Capital, LLC. (included as Exhibit 10.2 to the Company's Current Report on Form 8-K filed on January 8, 2014, and incorporated herein by reference).

10.25 Equipment Security Note Number 17608-70009 to the Master Loan and Security Agreement, as amended, dated December 23, 2013 between the Company and Banc of America Leasing & Capital, LLC. (included as Exhibit 10.3 to the Company's Current Report on Form 8-K filed on January 8, 2014, and incorporated herein by reference).

10.26 Equipment Security Note Number 17608-70010 to the Master Loan and Security Agreement, as amended, dated March 28, 2014 between the Company and Banc of America Leasing & Capital LLC (included as Exhibit 10.1 to the Company's Current Report on Form 8-K filed on April 1, 2014, and incorporated herein by reference).

10.27 Equipment Security Note Number 17608-70011 to the Master Loan and Security Agreement, as amended, dated March 28, 2014 between the Company and Banc of America Leasing & Capital LLC (included as Exhibit 10.2 to the Company's Current Report on Form 8-K filed on April 1, 2014, and incorporated herein by reference).

10.28 Equipment Security Note Number 17608-70012 to the Master Loan and Security Agreement, as amended, dated March 28, 2014 between the Company and Banc of America Leasing & Capital LLC (included as Exhibit 10.3 to the Company's Current Report on Form 8-K filed on April 1, 2014, and incorporated herein by reference).

10.29 Equipment Security Note Number 17608-70013 to the Master Loan and Security Agreement, as amended, dated June 23, 2014 between the Company and Banc of America Leasing & Capital LLC (included as Exhibit 10.1 to the Company's Current Report on Form 8-K filed on June 26, 2014, and incorporated herein by reference).

10.30 Equipment Security Note Number 17608-70014 to the Master Loan and Security Agreement, as amended, dated June 23, 2014 between the Company and Banc of America Leasing & Capital LLC (included as Exhibit 10.2 to the Company's Current Report on Form 8-K filed on June 26, 2014, and incorporated herein by reference).

10.31 Term Loan and Security Agreement, dated October 29, 2014, by and among Wells Fargo Bank, National Association, as Administrative Agent and Collateral Agent, the Company, as Borrowers' Representative, and the company and CMRG Apparel, LLC, as Borrowers (included as Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on November 21, 2014, and incorporated herein by reference). **

10.32 Employment and Chairman Compensation Agreement, dated August 7, 2014, between the Company and Seymour Holtzman (included as Exhibit 10.1 to the Company's Current Report on Form 8-K filed on August 12, 2014, and incorporated herein by reference). †

Exhibits

10.33	Revised and Restated Employment Agreement dated as of November 5, 2009 between the Company and David A. Levin (included as Exhibit 10.1 to the Company's Current Report on Form 8-K filed on November 19, 2009, and incorporated herein by reference).	†
10.34	Amended and Restated Employment Agreement between the Company and Peter H. Stratton, Jr. dated as of May 29, 2014 (included as Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 29, 2014, and incorporated herein by reference).	†
10.35	Employment Agreement between the Company and Robert S. Molloy dated as of January 7, 2010 (included as Exhibit 10.2 to the Company's Current Report on Form 8-K filed on January 11, 2010, and incorporated herein by reference).	†
10.36	Employment Agreement between the Company and Francis C. Chane dated as of January 8, 2010 (included as Exhibit 10.34 to the Company's Annual Report on Form 10-K filed on March 19, 2010, and incorporated herein by reference).	†
10.37	Employment Agreement between the Company and Kenneth M. Ederle dated as of September 2, 2015 (included as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on November 20, 2015, and incorporated herein by reference).	†
10.38	Employment Agreement between the Company and Peter E. Schmitz dated as of January 1, 2013 (included as Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed on November 22, 2013, and incorporated herein by reference).	†
10.39	Employment Agreement between the Company and Walter E. Sprague dated as of January 8, 2010 (included as Exhibit 10.40 to the Company's Annual Report on Form 10-K filed on March 19, 2010, and incorporated herein by reference).	†
10.40	Employment Agreement between the Company and Brian Reaves dated as of November 10, 2014 (included as Exhibit 10.38 to the Company's Annual Report on Form 10-K filed on March 25, 2015, and incorporated herein by reference).	†
10.41	Employment Agreement between the Company and Angela Chan (formerly Chew) dated as of February 1, 2015 (included as Exhibit 10.40 to the Company's Annual Report on Form 10-K filed on March 25, 2015, and incorporated herein by reference).	†
10.42	Employment Agreement between the Company and John F. Cooney dated as of May 17, 2015 (included as Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on August 27, 2015, and incorporated herein by reference).	†
10.43	Employment Agreement between the Company and Mary Luttrell effective as of January 18, 2017.	*†
10.44	Employment Agreement between the Company and Sahal S. Laher effective as of January 30, 2017 .	*†
10.45	2013-2016 Destination XL Group, Inc. Long-Term Incentive Plan (included as Exhibit 10.1 to the Company's Current Report on Form 8-K filed June 3, 2013, and incorporated herein by reference).	†
10.46	2016 Destination XL Group, Inc. Long-Term Incentive Wrap-Around Plan (included as Exhibit 10.1 to the Company's Current Report on Form 8-K filed November 13, 2014, and incorporated herein by reference).	†
10.47	Form of Non-Qualified Stock Option Agreement pursuant to the Company's 2013-2016 Long-Term Incentive Plan (included as Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on August 23, 2013, and incorporated herein by reference).	†
10.48	Form of Restricted Stock Agreement pursuant to the Company's 2013-2016 Long-Term Incentive Plan (included as Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed on August 23, 2013, and incorporated herein by reference).	†
10.49	Company's Third Amended and Restated Annual Incentive Plan.	*†
10.50	Company's Amended and Restated Long-Term Incentive Plan.	*†

Exhibits

10.51	Registration Rights Agreement dated November 18, 2003 by and between the Company and Thomas Weisel Partners LLC (included as Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q filed on December 9, 2003, and incorporated herein by reference).	
10.52	Contribution Agreement dated January 30, 2006 by and among the Company, Spirit SPE Canton, LLC and Spirit Finance Acquisitions, LLC (included as Exhibit 10.1 to the Company's Current Report on Form 8-K filed on February 3, 2006, and incorporated herein by reference).	
10.53	Membership Interest Purchase Agreement dated January 30, 2006 by and between the Company and Spirit Finance Acquisitions, LLC (included as Exhibit 10.2 to the Company's Current Report on Form 8-K filed on February 3, 2006, and incorporated herein by reference).	
10.54	Lease Agreement dated February 1, 2006 by and between the Company and Spirit SPE Canton, LLC (included as Exhibit 10.3 to the Company's Current Report on Form 8-K filed on February 3, 2006, and incorporated herein by reference).	
10.55	Buying Agency Agreement effective November 16, 2005 by and between Designs Apparel, Inc. and Li & Fung (included as Exhibit 10.47 to the Company's Annual Report on Form 10-K filed March 31, 2006, and incorporated herein by reference).	
21.1	Subsidiaries of the Registrant.	*
23.1	Consent of Independent Registered Public Accounting Firm.	*
31.1	Certification of Chief Executive Officer of the Company pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.	*
31.2	Certification of Chief Financial Officer of the Company pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.	*
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	*
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	*
101	The following materials from the Company's Annual Report on Form 10-K for the year ended January 28, 2017, formatted in XBRL (eXtensible Business Reporting Language): (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Operations, (iii) Consolidated Statements of Changes in Stockholders' Equity, (iv) Consolidated Statements of Comprehensive Income, (v) Consolidated Statements of Cash Flows, and (vi) Notes to Consolidated Financial Statements.	*

* Filed herewith.
** Portions of this Exhibit have been omitted pursuant to a grant of confidential treatment.
† Denotes management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

March 20, 2017

By: /s/ DAVID A. LEVIN
David A. Levin
President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant in the capacities and on the dates indicated.

Signatures	Title	Date
/s/ DAVID A. LEVIN **David A. Levin**	President and Chief Executive Officer (Principal Executive Officer) and Director	March 20, 2017
/s/ PETER H. STRATTON, JR. **Peter H. Stratton, Jr.**	Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)	March 20, 2017
/s/ JOHN F. COONEY **John F. Cooney**	Vice President of Finance, Chief Accounting Officer and Corporate Controller (Principal Accounting Officer)	March 20, 2017
/s/ SEYMOUR HOLTZMAN **Seymour Holtzman**	Chairman of the Board of Directors	March 20, 2017
/s/ ALAN S. BERNIKOW **Alan S. Bernikow**	Director	March 20, 2017
/s/ JESSE H. CHOPER **Jesse H. Choper**	Director	March 20, 2017
/s/ JOHN E. KYEES **John E. Kyees**	Director	March 20, 2017
/s/ WILLEM MESDAG **Willem Mesdag**	Director	March 20, 2017
/s/ WARD K. MOONEY **Ward K. Mooney**	Director	March 20, 2017
/s/ GEORGE T. PORTER, JR. **George T. Porter, Jr.**	Director	March 20, 2017
/s/ MITCHELL S. PRESSER **Mitchell S. Presser**	Director	March 20, 2017
/s/ IVY ROSS **Ivy Ross**	Director	March 20, 2017

RESTATED
CERTIFICATE OF INCORPORATION

OF

DESIGNS, INC.

(*Conformed copy incorporating all amendments through February 25, 2013*)

FIRST: The name of this corporation is Destination XL Group, Inc.

SECOND: The address of the registered office of the Corporation in the State of Delaware is 1209 Orange Street, Wilmington, County of New Castle, and the name of its registered agent at such address is The Corporation Trust Company.

THIRD: The nature of the business or purposes to be conducted or promoted is as follows:

To engage in retail or wholesale distribution, marketing and sale of clothing, apparel and related goods and products; to purchase or lease and maintain real property for the purpose of operating retail stores or outlets, warehouses, corporate headquarters or other related facilities; to develop, market and distribute financial, merchandising and data processing systems (including, without limitation, computer software programs) for inventory and cost control, sales reporting, financial accounting and other financial and managerial control purposes; and to engage in any businesses related to or arising from the foregoing.

To conduct or engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

FOURTH: Shares, Reclassification, and Transfer Restrictions

4.1. *Authorized Shares*.

Upon the effectiveness of the filing of the Certificate of Amendment to the Corporation's Restated Certificate of Incorporation, as amended, first containing this provision with the Secretary of State of the State of Delaware (the "**Effective Time**"), the total authorized stock of the Corporation shall consist of three classes: (i) 100,000,000 shares of existing Common Stock having a par value of $0.01 per share ("**Old Common Stock**"); (ii) 100,000,000 shares of Common Stock having a par value of $0.01 per share ("**Common Stock**"); and (iii) 1,000,000 shares of Preferred Stock having a par value of $0.01 per share ("**Preferred Stock**"). Immediately following the Effectiveness of the Reclassification (as defined below), the total authorized stock of the Corporation shall consist of two classes: (i) 100,000,000 shares of Common Stock; and (ii) 1,000,000 shares of Preferred Stock.

4.2. *Reclassification*.

Immediately following the Effective Time, each share of Old Common Stock issued and outstanding at the Effective Time shall be reclassified as and converted into and shall become one share of Common Stock ("**Common Stock**," pursuant to the "**Reclassification**").

The Reclassification of the shares of Old Common Stock into shares of Common Stock shall be deemed to occur immediately following the Effective Time (the "**Effectiveness of the Reclassification**"), regardless of when any certificate previously representing such shares of Old Common Stock (if such shares are held in certificated form) are physically surrendered to the Corporation in exchange for certificates representing shares of such Common Stock. Each certificate outstanding immediately prior to the Effectiveness of the Reclassification representing shares of Old Common Stock shall, until surrendered to the Corporation in exchange for a certificate representing such new number of shares of Common Stock, automatically represent from and after the Effectiveness of the Reclassification the reclassified number of shares of Common Stock.

4.3. *Transfer Restrictions*.

Section 4.3.1. Certain Definitions.

As used in this Section 4.3:

"**Acquire**" or "**Acquisition**" and similar terms means the acquisition of record, legal, beneficial or any other ownership of Corporation Securities by any means, including, without limitation, (a) the exercise of any rights under any option, warrant, convertible security, pledge or other security interest or similar right to acquire shares, or (b) the entering into of any swap, hedge or other arrangement that results in the acquisition of any of the economic consequences of ownership of Corporation Securities, but shall not include the acquisition of any such rights unless, as a result, the acquirer would be considered an owner.

"**Business Day**" means any day, other than a Saturday, Sunday or day on which banks located in Boston, Massachusetts, are authorized or required by law to close.

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Corporation Securities**" means (a) shares of Common Stock, (b) shares of Preferred Stock of any class or series of Preferred Stock, (c) warrants, rights or options (including within the meaning of Treasury Regulation Section 1.382-2T(h)(4)(v)) to purchase stock of the Corporation, and (d) any other interests that would be treated as "stock" of the Corporation pursuant to Treasury Regulation Section 1.382-2T(f)(18).

"**Effective Date**" means the date of filing of the Certificate of Amendment to the Corporation's Restated Certificate of Incorporation, as amended, first containing this provision.

"**Entity**" means an entity within the meaning of Treasury Regulation Section 1.382-3(a)(1).

"**Five Percent Shareholder**" means a Person or group of Persons that is identified as a "5-percent shareholder" of the Corporation Securities pursuant to Treasury Regulation Section 1.382-2T(g)(1), but excluding any "direct public group" with respect to the Corporation, as that term is defined in Treasury Regulation Section 1.382-2T(j)(2)(ii). For the purposes of determining the existence and identity of, and the amount of Corporation Securities owned by, any Five Percent Shareholder, the Corporation is entitled to rely conclusively on (a) the existence

and absence of filings of Schedules 13D or 13G under the Securities Exchange Act of 1934, as amended (or any similar schedules) as of any date, and (b) its actual knowledge of the ownership of the Corporation Securities.

"**Percentage Stock Ownership**" and similar terms means percentage stock ownership as determined in accordance with Treasury Regulation Section 1.382-2T(g), (h), (j) and (k).

"**Person**" means an individual, corporation, estate, trust, association, limited liability company, partnership, joint venture or similar organization, and also includes a syndicate or group as those terms are used for the purposes of Section 13(dX3) of the Securities Exchange Act of 1934, as amended.

"**Prohibited Transfer**" means any purported Transfer of Corporation Securities to the extent that such a Transfer is prohibited and/or void under this Article FOURTH.

"**Restriction Release Date**" means such date, after the Effective Date, that the Board of Directors determines in good faith that it is in the best interests of the Corporation and its stockholders for the transfer restrictions set forth in this Article FOURTH to terminate.

"**Restricted Holder**" means a Person or group of Persons that (a) is a Five Percent Shareholder and Acquires or proposes to Acquire Corporation Securities, or (b) is proposing to Acquire Corporation Securities, and following such proposed Acquisition of Corporation Securities, would be a Five Percent Shareholder.

"**Tax Benefits**" means the net operating loss carryovers, capital loss carryovers, general business credit carryovers, alternative minimum tax credit carryovers and foreign tax credit carryovers, as well as any "net unrealized built-in loss" within the meaning of Section 382 of the Code, of the Corporation or any direct or indirect subsidiary thereof.

"**Transfer**" means any direct or indirect Acquisition, sale, transfer, assignment, conveyance, pledge or other disposition of Corporation Securities in any manner whatsoever, whether voluntary or involuntary, by operation of law or otherwise, or any attempt to do any of the foregoing. A Transfer shall also include the creation or grant of an option (including within the meaning of Treasury Regulation Section 1.382-2T(h)(4)(v)). A Transfer shall not include an issuance or grant of Corporation Securities by the Corporation.

"**Treasury Regulation**" means a Treasury Regulation promulgated under the Code.

Section 4.3.2. Transfer Restrictions.

(a) From and after the Effective Date and prior to the Restriction Release Date, no Transfer shall be permitted, and any such purported Transfer shall be void *ab initio*, to the extent that after giving effect to such purported Transfer (or any series of Transfers of which such Transfer is a part), either (i) any Person or group of Persons shall become a Five Percent Shareholder or (ii) the Percentage Stock Ownership interest in the Corporation of any Five Percent Shareholder shall be increased. The prior sentence is not intended to prevent the Corporation Securities from being DTC-eligible and shall not preclude the settlement of any transactions in the Corporation Securities entered into through the facilities of a national

securities exchange or any national securities quotation system, provided, that if the settlement of the transaction would result in a Prohibited Transfer, such Transfer shall nonetheless be a Prohibited Transfer.

(b) The restrictions contained in this Article FOURTH are for the purposes of reducing the risk that any "ownership change" of the Corporation Securities (as defined in the Code) may limit the Corporation's ability to utilize its Tax Benefits. In connection therewith, and to provide for effective policing of these provisions, a Restricted Holder who proposes to Acquire Corporation Securities shall, prior to the date of the proposed Acquisition, request in writing (a "**Request**") that the Board of Directors of the Corporation (or a committee thereof that has been appointed by the Board of Directors) review the proposed Acquisition and authorize or not authorize the proposed Acquisition in accordance with this Section 4.3.2(b) of Article FOURTH. A Request shall be mailed or delivered to the Secretary of the Corporation at the Corporation's principal place of business, or telecopied to the Corporation's telecopier number at its principal place of business. Such Request shall be deemed to have been received by the Corporation when actually received by the Corporation. A Request shall include (i) the name, address and telephone number of the Restricted Holder; (ii) a description of the Restricted Holder's existing direct or indirect ownership of Corporation Securities; (iii) a description of the Corporation Securities that the Restricted Holder proposes to Acquire; (iv) the date on which the proposed Acquisition is expected to take place (or, if the Acquisition is proposed to be made by a Five Percent Shareholder in a transaction on a national securities exchange or any national securities quotation system, a statement to that effect); (v) the name of the proposed transferor of the Corporation Securities that the Restricted Holder proposes to Acquire (or, if the Acquisition is proposed to be made by a Five Percent Shareholder in a transaction on a national securities exchange or any national securities quotation system, a statement to that effect); and (vi) a request that the Board of Directors (or a committee thereof that has been appointed by the Board of Directors) authorize, if appropriate, the Acquisition pursuant to this Section 4.3.2(b) of Article FOURTH. The Board of Directors may authorize an Acquisition by a Restricted Holder, if it determines, in its sole discretion, that, after taking into account the preservation of the Tax Benefits, such Acquisition would be in the best interests of the Corporation and its stockholders. Any determination by the Board of Directors not to authorize a proposed Acquisition by a Restricted Holder shall cause such proposed Acquisition to be deemed a Prohibited Transfer. The Board of Directors may, in its sole discretion, impose any conditions that it deems reasonable and appropriate in connection with authorizing any such Acquisition by a Restricted Holder. In addition, the Board of Directors may, in its sole discretion, require such representations from the Restricted Holder or such opinions of counsel to be rendered by counsel selected by the Board of Directors, in each case as to such matters as the Board of Directors may determine. Any Restricted Holder who makes a Request to the Board of Directors shall reimburse the Corporation, on demand, for all costs and expenses incurred by the Corporation with respect to any proposed Acquisition of Corporation Securities, including, without limitation, the Corporation's costs and expenses incurred in determining whether to authorize the proposed Acquisition, which costs may include, but are not limited to, any expenses of counsel and/or tax advisors engaged by the Board of Directors to advise the Board of Directors or deliver an opinion thereto.

Section 4.3.3. Treatment of Excess Securities.

(a) No employee or agent of the Corporation shall record any Prohibited Transfer, and the purported transferee of a Prohibited Transfer (the "**Purported Transferee**") shall not be recognized as a stockholder of the Corporation for any purpose whatsoever in respect of the Corporation Securities which are the subject of the Prohibited Transfer (the "**Excess Securities**"). The Purported Transferee shall not be entitled with respect to such Excess Securities to any rights of stockholders of the Corporation, including, without limitation, the right to vote such Excess Securities and to receive dividends or distributions, whether liquidating or otherwise, in respect thereof. Once the Excess Securities have been acquired in a Transfer that is not a Prohibited Transfer, such Corporation Securities shall cease to be Excess Securities.

(b) If the Board of Directors determines that a Prohibited Transfer has been recorded by an agent or employee of the Corporation notwithstanding the prohibition in Section 4.3.3(a) of this Article FOURTH, such recording and the Prohibited Transfer shall be void *ab initio* and have no legal effect and, upon written demand by the Corporation, the Purported Transferee shall transfer or cause to be transferred any certificate or other evidence of ownership of the Excess Securities within the Purported Transferee's possession or control, together with any dividends or other distributions that were received by the Purported Transferee from the Corporation with respect to the Excess Securities (the "**Prohibited Distributions**"), to an agent designated by the Board of Directors (the "**Agent**"). In the event of an attempted Prohibited Transfer involving the purchase or Acquisition of Corporation Securities in violation of this Article FOURTH by a Restricted Holder, the Agent shall thereupon sell to a buyer or buyers, which may include the Corporation or the purported transferor, the Excess Securities transferred to it in one or more arm's-length transactions (including over a national securities exchange or national securities quotation system on which the Corporation Securities may be traded); provided, however, that the Agent, in its sole discretion, shall effect such sale or sales in an orderly fashion and shall not be required to effect any such sale within any specific time frame if, in the Agent's discretion, such sale or sales would disrupt the market for the Corporation Securities, would adversely affect the value of the Corporation Securities or would be in violation of applicable securities laws. If the Purported Transferee has resold the Excess Securities before receiving the Corporation's demand to surrender the Excess Securities to the Agent, the Purported Transferee shall be deemed to have sold the Excess Securities for the Agent, and shall be required to transfer to the Agent any Prohibited Distributions and proceeds of such sale, except to the extent that the Corporation grants written permission to the Purported Transferee to retain a portion of such sales proceeds not exceeding the amount that the Purported Transferee would have received from the Agent pursuant to Section 4.3.3(c) of this Article FOURTH if the Agent, rather than the Purported Transferee, had resold the Excess Securities.

(c) The Agent shall apply any proceeds of a sale by it of Excess Securities and, if the Purported Transferee had previously resold the Excess Securities, any amounts received by it from a Purported Transferee, as follows: (i) first, to reimburse itself to the extent necessary to cover its costs and expenses incurred in accordance with its duties hereunder; (ii) second, to reimburse the Purported Transferee for the amounts paid by the Purported Transferee for the Excess Securities (or in the case of any Prohibited Transfer by gift, devise or inheritance or any other Prohibited Transfer without consideration, the fair market value, calculated on the basis of the closing market price for the Corporation Securities on the day before the Prohibited

Transfer); and (iii) third, the remainder, if any, to the original transferor, or, if the original transferor cannot be readily identified, to an entity designated by the Corporation's Board of Directors that is described in Section 501(c) of the Code, contributions to which must be eligible for deduction under each of Sections 170(b)(1)(A), 2055 and 2522 of the Code. The recourse of any Purported Transferee with respect of any Prohibited Transfer shall be limited to the amount payable to the Purported Transferee pursuant to clause (ii) of this Section 4.3.3(c) of this Article FOURTH. Except as may be required by law, in no event shall the proceeds of any sale of Excess Securities pursuant to this Article FOURTH inure to the benefit of the Corporation or the Agent, except to the extent used to cover expenses incurred by the Agent in performing its duties hereunder.

(d) If the Purported Transferee fails to surrender the Excess Securities or the proceeds of a sale thereof to the Agent within thirty (30) days from the date on which the Corporation makes a demand pursuant to Section 4.3.3(b) of this Article FOURTH, then the Corporation may take such actions as it deems necessary to enforce the provisions hereof, including the institution of legal proceedings to compel such surrender.

(e) If any Person shall knowingly violate, or knowingly cause any other Person under control of such Person (a "**Controlled Person**") to violate this Article FOURTH, then that Person and any Controlled Person shall be jointly and severally liable for, and shall pay to the Corporation, such amount as will, after taking account of all taxes imposed with respect to the receipt or accrual of such amount and all costs incurred by the Corporation as a result of such violation, put the Corporation in the same financial position as it would have been in had such violation not occurred.

Section 4.3.4. Legends; Compliance.

(a) All certificates reflecting Corporation Securities on or after the Effective Date shall, until the Restriction Release Date, bear a conspicuous legend in substantially the following form:

> THE TRANSFER OF SECURITIES REPRESENTED HEREBY IS SUBJECT TO RESTRICTION PURSUANT TO ARTICLE FOURTH OF THE RESTATED CERTIFICATE OF INCORPORATION OF CASUAL MALE RETAIL GROUP, INC., AS AMENDED AND IN EFFECT FROM TIME TO TIME, A COPY OF WHICH MAY BE OBTAINED FROM THE CORPORATION UPON REQUEST.

(b) The Corporation shall have the power to make appropriate notations upon its stock transfer records and to instruct any transfer agent, registrar, securities intermediary or depository with respect to the requirements of this Article FOURTH for any uncertificated Corporation Securities or Corporation Securities held in an indirect holding system.

(c) Nothing contained in this Article FOURTH shall limit the authority of the Board of Directors of the Corporation to take such other action to the extent permitted by law as it deems necessary or advisable to preserve the Corporation's Tax Benefits. The Board of Directors of the Corporation shall have the power to determine all matters necessary for

determining compliance with this Article FOURTH, including, without limitation, determining (i) the identification of Five Percent Shareholders and Restricted Holders; (ii) whether a Transfer or proposed Transfer is a Prohibited Transfer; (iii) the Percentage Stock Ownership in the Corporation of any Five Percent Shareholders and Restricted Holders; (iv) whether an instrument constitutes a Corporation Security; (v) the amount (or fair market value) due to a Purported Transferee; (vi) the interpretation of the provisions of this Article FOURTH; and (vii) any other matters which the Board of Directors deems relevant. In the case of an ambiguity in the application of any of the provisions of this Article FOURTH, including any definition used herein, the Board of Directors shall have the power to determine the application of such provisions with respect to any situation based on its reasonable belief, understanding or knowledge of the circumstances. In the event that this Article FOURTH requires an action by the Board of Directors but fails to provide specific guidance with respect to such action, the Board of Directors shall have the power to determine the action to be taken so long as such action is not contrary to the provisions of this Article FOURTH. All such actions, calculations, interpretations and determinations that are done or made by the Board of Directors in good faith shall be final, conclusive and binding on the Corporation, the Agent, and all other parties to a Transfer; provided, however, that the Board of Directors may delegate all or any portion of its duties and powers under this Article FOURTH to a committee of the Board of Directors as it deems advisable or necessary.

(d) Nothing contained in this Article FOURTH shall be construed to give any Person other than the Corporation or the Agent any legal or equitable right, remedy or claim under this Article FOURTH. This Article FOURTH shall be for the sole and exclusive benefit of the Corporation and the Agent.

(e) If any provision of this Article FOURTH or the application of any such provision to any Person or under any circumstance shall be held invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision of this Article FOURTH.

4.4. *Voting Power, Preferences, and Other Rights of Capital Stock.* The voting power, preferences and relative participating, optional or other special rights and the qualifications, limitations or restrictions of the Common Stock and Preferred Stock are as follows;

Section 4.4.1. Common Stock. The holders of the Common Stock shall be entitled to one vote for each share of Common Stock registered in the name of such holder. The holders of the Common Stock shall be entitled to such dividends as may from time to time be declared by the Board of Directors, but only when and as declared by the Board of Directors, out of any funds legally available for declaration of dividends, and subject to any provisions of this Certificate of Incorporation, as amended from time to time, or of resolutions of the Board of Directors adopted pursuant to authority herein contained, requiring that dividends be declared, paid or set aside upon the outstanding shares of Preferred Stock of any series or upon the outstanding shares of any other class of capital stock ranking senior to the Common Stock as to dividends or that the Corporation fulfill any obligations it may have with respect to the redemption of any outstanding Preferred Stock as a condition to the declaration and/or payment of any dividend on the Common Stock; but no such provisions shall restrict the declaration of payment of any dividend or distribution on the Common Stock payable solely in shares of

Common Stock. In the event of the liquidation, dissolution or winding up of the affairs of the Corporation, the holders of the Common Stock shall be entitled to share pro rata in the net assets available for distribution to holders of Common Stock after satisfaction of the prior claims of the holders of shares of Preferred Stock of any series and shares of any other class of capital stock ranking senior to the Common Stock as to assets, in accordance with the provisions of this Certificate of Incorporation, as amended from time to time, or of resolutions of the Board of Directors adopted pursuant to authority herein contained.

Preferred Stock. The Board of Directors is authorized, subject to limitations prescribed by law, to provide for the issuance of the shares of Preferred Stock in series, and by filing a certificate pursuant to the applicable law of the State of Delaware, to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers, preferences and rights of the shares of each such series and the qualifications, limitations or restrictions thereof.

The authority of the Board of Directors with respect to each series shall include, but not be limited to, determination of the following:

(a) The number of shares constituting that series and the distinctive designation of that series;

(b) The dividend rate on the shares of that series, whether dividends shall be cumulative, and, if so, from which date or dates, and the relative rights of priority, if any, of payment of dividends on shares of that series;

(c) Whether that series shall have voting rights, in addition to the voting rights provided by law, and, if so, the terms of such voting rights;

(d) Whether that series shall have conversion privileges, and, if so, the terms and conditions of such conversion, including provision for adjustment of the conversion rate in such events as the Board of Directors shall determine;

(e) Whether or not the shares of that series shall be redeemable, and, if so, the terms and conditions of such redemption, including the date or dates upon or after which they shall be redeemable, and the amount per share payable in case of redemption, which amount may vary under different conditions and at different redemption dates;

(f) Whether that series shall have a sinking fund for the redemption or purchase of shares of that series, and, if so, the terms and amount of such sinking fund;

(g) The rights of the shares of that series in the event of voluntary or involuntary liquidation, dissolution of winding up of the Corporation, and the relative rights of priority, if any, of payment of shares of that series; and

(h) Any other relative powers, rights, preferences and limitations of that series.

FIFTH: In furtherance of and not in limitation of powers conferred by statute, it is further provided that:

(a) Subject to the limitations and exceptions, if any, contained in the by-laws of the Corporation, the by-laws may be adopted, amended or repealed by the Board of Directors of the Corporation.

(b) Elections of directors need not be by written ballot.

(c) Subject to any applicable requirements of law, the books of the Corporation may be kept outside the State of Delaware at such location as may be designated by the Board of Directors or in the by-laws of the Corporation.

SIXTH: The Corporation is to have perpetual existence.

SEVENTH: Whenever a compromise or arrangement is proposed between this Corporation and its creditors or any class of them and/or between this Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this Corporation or of any creditor or stockholder thereof, or on the application of any receiver or receivers appointed for this Corporation under the provisions of Section 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for this Corporation under the provisions of Section 279 of Title 8 of the Delaware Code, order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this Corporation as a consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders of this Corporation, as the case may be, and also on this Corporation.

EIGHTH: The Corporation shall indemnify each person who at any time is, or shall have been, a director or officer of the Corporation, and is threatened to be or is made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is, or was, a director or officer of the Corporation, or served at the request of the Corporation as a director, officer, employee, trustee, or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement incurred in connection with any such action, suit or proceeding to the maximum extent permitted by the General Corporation Law of the State of Delaware. The foregoing right of indemnification shall in no way be exclusive of any other rights of indemnification to which any such director or officer may be entitled, under any by-law, agreement, vote of directors or stockholders or otherwise.

NINTH: No director of the Corporation shall be personally liable to the Corporation or to any of its stockholders for monetary damages arising out of such director's breach of fiduciary duty as a director of the Corporation, except to the extent that the elimination or limitation of liability is not permitted by the General Corporation Law of the State of Delaware. No amendment or repeal of this Article NINTH shall deprive a director of the benefits hereof with respect to any act or omission occurring prior to such amendment or repeal.

TENTH: The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and this Certificate of Incorporation and all rights conferred upon stockholders herein are granted subject to this reservation.

II. Immediately upon the effective filing of the Restated Certificate of Incorporation, (a) each one (1) share of Class A Common Stock of the corporation then issued and outstanding and each one (1) share of the Class B Common Stock of the corporation then issued and outstanding shall be reclassified and changed into four thousand (4,000) fully-paid and non-assessable shares of Common Stock, par value $0.01 per share and (b) the capital account of the Corporation shall be increased by transferring to such account such surplus and/or additional paid-in capital as may be required to cause the capital account to equal the aggregate par value of the shares of Common Stock outstanding immediately after such reclassification and change.

IN WITNESS WHEREOF, said Designs, Inc. has caused this certificate to be signed by Stanley I. Berger, its President and attested by Robert M. Wolf, its Secretary this 16th day of April, 1987.

DESIGNS, INC.

By: /s/ Stanley I. Berger
Its President

ATTEST:

By: /s/ Robert M. Wolf, Secretary

Exhibit 3.1

CERTIFICATE OF DESIGNATIONS, PREFERENCES AND RIGHTS OF A SERIES OF PREFERRED STOCK

OF

DESIGNS, INC.

DESIGNS, INC., a corporation organized and existing under the General Corporation Law of the State of Delaware,

DOES HEREBY CERTIFY:

That, pursuant to authority conferred upon the Board of Directors by the Restated Certificate of Incorporation (as amended) of said corporation, and pursuant to the provisions of Section 151 of Title 8 of the Delaware Code of 1953, said Board of Directors, at a meeting duly held on May 1, 1995, adopted a resolution providing for the designations, preferences and relative, participating, optional or other rights, and the qualifications, limitations or restrictions thereof, of a Series of Preferred Stock, which resolution is as follows:

See attached pages 2A-7A

VOTE OF DIRECTORS ESTABLISHING
SERIES A JUNIOR PARTICIPATING CUMULATIVE
PREFERRED STOCK

of

DESIGNS, INC.

Pursuant to Section 151 of the General Corporation Law of the State of Delaware:

VOTED, that pursuant to authority conferred upon and vested in the Board of Directors by the Restated Certificate of Incorporation, as amended as of the date hereof (the "Certificate of Incorporation"), of Designs, Inc. (the "Corporation"), the Board of Directors hereby establishes and designates a series of Preferred Stock of the Corporation, and hereby fixes and determines the relative rights and preferences of the shares of such series, in addition to those set forth in the Certificate of Incorporation, as follows:

Section 1. Designation and Amount. The shares of such series shall be designated as "Series A Junior Participating Cumulative Preferred Stock" (the "Series A Preferred Stock"), and the number of shares initially constituting such series shall be 300,000; provided, however, that if more than a total of 300,000 shares of Series A Preferred Stock shall be issuable upon the exercise of Rights (the "Rights") issued pursuant to the Shareholder Rights Agreement dated as of May 1, 1995, between the Corporation and The First National Bank of Boston, as Rights Agent (the "Rights Agreement"), the Board of Directors of the Corporation, pursuant to Section 151(g) of the General Corporation Law of the State of Delaware, shall direct by resolution or resolutions that a certificate be properly executed, acknowledged, filed and recorded, in accordance with the provisions of Section 103 thereof, providing for the total number of shares of Series A Preferred Stock authorized to be issued to be increased (to the extent that the Certificate of Incorporation then permits) to the largest number of whole shares (rounded up to the nearest whole number) issuable upon exercise of such Rights.

Section 2. Dividends and Distributions.

(A) (i) Subject to the rights of the holders of any shares of any series of preferred stock (or any similar stock) ranking prior and superior to the Series A Preferred Stock with respect to dividends, the holders of shares of Series A Preferred Stock, in preference to the holders of shares of common stock and of any other junior stock, shall be entitled to receive, when, as and if declared by the Board of Directors out of funds legally available for the purpose, quarterly dividends payable in cash on the first day of March, June, September and December in each year (each such date being referred to herein as a "Quarterly Dividend Payment Date"), commencing on the first Quarterly Dividend Payment Date after the first issuance of a share or fraction of a share of Series A Preferred Stock, in an amount per share (rounded to the nearest cent) equal to the greater of (a) $1.00 or (b) subject to the provisions for adjustment hereinafter set forth, 1000 times the aggregate per share amount of all cash dividends, and 1000 times the aggregate per share amount (payable in kind) of all non-cash dividends or other distributions other than a dividend payable in shares of common stock or a subdivision of the outstanding shares of common stock (by reclassification or otherwise), declared on the common stock since

the immediately preceding Quarterly Dividend Payment Date, or, with respect to the first Quarterly Dividend Payment Date, since the first issuance of any share or fraction of a share of Series A Preferred Stock. The multiple of cash and non-cash dividends declared on the common stock to which holders of the Series A Preferred Stock are entitled, which shall be 1000 initially but which shall be adjusted from time to time as hereinafter provided, is hereinafter referred to as the 'Dividend Multiple." In the event the Corporation shall at any time after May 1, 1995 (the "Rights Declaration Date") (i) declare or pay any dividend on common stock payable in shares of common stock, or (ii) effect a subdivision or combination or consolidation of the outstanding shares of common stock (by reclassification or otherwise than by payment of a dividend in shares of common stock) into a greater or lesser number of shares of common stock, then in each such case the Dividend Multiple thereafter applicable to the determination of the amount of dividends which holders of shares of Series A Preferred Stock shall be entitled to receive shall be the Dividend Multiple applicable immediately prior to such event multiplied by a fraction, the numerator of which is the number of shares of common stock outstanding immediately after such event and the denominator of which is the number of shares of common stock that were outstanding immediately prior to such event.

(ii) Notwithstanding anything else contained in this paragraph (A), the Corporation shall, out of funds legally available for that purpose, declare a dividend or distribution on the Series A Preferred Stock as provided in this paragraph (A) immediately after it declares a dividend or distribution on the common stock (other than a dividend payable in shares of common stock); provided that, in the event no dividend or distribution shall have been declared on the common stock during the period between any Quarterly Dividend Payment Date and the next subsequent Quarterly Dividend Payment Date, a dividend of $1.00 per share on the Series A Preferred Stock shall nevertheless be payable on such subsequent Quarterly Dividend Payment Date.

(B) Dividends shall begin to accrue and be cumulative on outstanding shares of Series A Preferred Stock from the Quarterly Dividend Payment Date next preceding the date of issue of such shares of Series A Preferred Stock, unless the date of issue of such shares is prior to the record date for the first Quarterly Dividend Payment Date, in which case dividends on such shares shall begin to accrue from the date of issue of such shares, or unless the date of issue is a Quarterly Dividend Payment Date or is a date after the record date for the determination of holders of shares of Series A Preferred Stock entitled to receive a quarterly dividend and before such Quarterly Dividend Payment Date, in either of which events such dividends shall begin to accrue and be cumulative from such Quarterly Dividend Payment Date. Accrued but unpaid dividends shall not bear interest. Dividends paid on the shares of Series A Preferred Stock in an amount less than the total amount of such dividends at the time accrued and payable on such shares shall be allocated pro rata on a share-by-share basis among all such shares at the time outstanding. The Board of Directors may fix in accordance with applicable law a record date for the determination of holders of shares of Series A Preferred Stock entitled to receive payment of a dividend or distribution declared thereon, which record date shall be not more than such number of days prior to the date fixed for the payment thereof as may be allowed by applicable law.

Section 3. Voting Rights. In addition to any other voting rights required by law, the holders of shares of Series A Preferred Stock shall have the following voting rights:

(A) Subject to the provision for adjustment hereinafter set forth, each share of Series A Preferred Stock shall entitle the holder thereof to 1000 votes on all matters submitted to a vote of the stockholders of the Corporation. The number of votes which a holder of a share of Series A Preferred Stock is entitled to cast, which shall initially be 1000 but which may be adjusted from time to time as hereinafter provided, is hereinafter referred to as the "Vote Multiple." In the event the Corporation shall at any time after the Rights Declaration Date (i) declare or pay any dividend on common stock payable in shares of common stock, or (ii) effect a subdivision or combination or consolidation of the outstanding shares of common stock (by reclassification or otherwise than by payment of a dividend in shares of common stock) into a greater or lesser number of shares of common stock, then in each such case the Vote Multiple thereafter applicable to the determination of the number of votes per share to which holders of shares of Series A Preferred Stock shall be entitled shall be the Vote Multiple immediately prior to such event multiplied by a fraction, the numerator of which is the number of shares of common stock outstanding immediately after such event and the denominator of which is the number of shares of common stock that were outstanding immediately prior to such event.

(B) Except as otherwise provided herein or by law, the holders of shares of Series A Preferred Stock and the holders of shares of common stock and the holders of shares of any other capital stock of this Corporation having general voting rights, shall vote together as one class on all matters submitted to a vote of stockholders of the Corporation.

(C) Except as otherwise required by applicable law or as set forth herein, holders of Series A Preferred Stock shall have no special voting rights and their consent shall not be required (except to the extent they are entitled to vote with holders of common stock as set forth herein) for taking any corporate action.

Section 4. Certain Restrictions.

(A) Whenever dividends or distributions payable on the Series A Preferred Stock as provided in Section 2 are in arrears, thereafter and until all accrued and unpaid dividends and distributions, whether or not declared, on shares of Series A Preferred Stock outstanding shall have been paid in full, the Corporation shall not:

(i) declare or pay dividends on, make any other distributions on, or redeem or purchase or otherwise acquire for consideration any shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Preferred Stock;

(ii) declare or pay dividends on or make any other distributions on any shares of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Preferred Stock, except dividends paid ratably on the Series A Preferred Stock and all such parity

stock on which dividends are payable or in arrears in proportion to the total amounts to which the holders of all such shares are then entitled;

(iii) except as permitted in subsection 4(A)(iv) below, redeem, purchase or otherwise acquire for consideration shares of any stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Preferred Stock, provided that the Corporation may at any time redeem, purchase or otherwise acquire shares of any such parity stock in exchange for shares of any stock of the Corporation ranking junior (either as to dividends or upon dissolution, liquidation or winding up) to the Series A Preferred Stock; or

(iv) purchase or otherwise acquire for consideration any shares of Series A Preferred Stock, or any shares of any stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Preferred Stock, except in accordance with a purchase offer made in writing or by publication (as determined by the Board of Directors) to all holders of such shares upon such terms as the Board of Directors, after consideration of the respective animal dividend rates and other relative rights and preferences of the respective series and classes, shall determine in good faith will result in fair and equitable treatment among the respective series or classes.

(B) The Corporation shall not permit any subsidiary of the Corporation to purchase or otherwise acquire for consideration any shares of stock of the Corporation unless the Corporation could, under subsection (A) of this Section 4, purchase or otherwise acquire such shares at such time and in such manner.

Section 5. Reacquired Shares. Any shares of Series A Preferred Stock purchased or otherwise acquired by the Corporation in any manner whatsoever shall be retired and cancelled promptly after the acquisition thereof. All such shares shall upon their cancellation become authorized but unissued shares of preferred stock and may be reissued as part of a new series of preferred stock to be created by resolution or resolutions of the Board of Directors, subject to the conditions and restrictions on issuance set forth herein.

Section 6. Liquidation, Dissolution or Winding Up. Upon any liquidation (voluntary or otherwise), dissolution or winding up of the Corporation, no distribution shall be made (x) to the holders of shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Preferred Stock unless, prior thereto, the holders of shares of Series A Preferred Stock shall have received an amount equal to accrued and unpaid dividends and distributions thereon, whether or not declared, to the date of such payment, plus an amount equal to the greater of (1) $1000.00 per share or (2) an aggregate amount per share, subject to the provision for adjustment hereinafter set forth, equal to 1000 times the aggregate amount to be distributed per share to holders of common stock, or (y) to the holders of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Preferred Stock, except distributions made ratably on the Series A Preferred Stock and all other such parity stock in proportion to the total amounts to which the holders of all such

shares are entitled upon such liquidation, dissolution or winding up. In the event the Corporation shall at any time after the Rights Declaration Date (i) declare or pay any dividend on common stock payable in shares of common stock, or (ii) effect a subdivision or combination or consolidation of the outstanding shares of common stock (by reclassification or otherwise than by payment of a dividend in shares of common stock) into a greater or lesser number of shares of common stock, then in each such case the aggregate amount per share to which holders of shares of Series A Preferred Stock were entitled immediately prior to such event under clause (x) of the preceding sentence shall be adjusted by multiplying such amount by a fraction, the numerator of which is the number of shares of common stock outstanding immediately after such event and the denominator of which is the number of shares of common stock that were outstanding immediately prior to such event.

Neither the consolidation of nor merging of the Corporation with or into any other corporation or corporations, nor the sale or other transfer of all or substantially all of the assets of the Corporation, shall be deemed to be a liquidation, dissolution or winding up of the Corporation within the meaning of this Section 6.

Section 7. Consolidation, Merger, etc. In case the Corporation shall enter into any consolidation, merger, combination or other transaction in which the shares of common stock are exchanged for or changed into other stock or securities, cash and/or any other property, then in any such case the shares of Series A Preferred Stock shall at the same time be similarly exchanged or changed in an amount per share (subject to the provision for adjustment hereinafter set forth) equal to 1000 times the aggregate amount of stock, securities, cash and/or any other property (payable in kind), as the case may be, into which or for which each share of common stock is changed or exchanged, plus accrued and unpaid dividends, if any, payable with respect to the Series A Preferred Stock. In the event the Corporation shall at any time after the Rights Declaration Date (i) declare or pay any dividend on common stock payable in shares of common stock, or (ii) effect a subdivision or combination or consolidation of the outstanding shares of common stock (by reclassification or otherwise than by payment of a dividend in shares of common stock) into a greater or lesser number of shares of common stock, then in each such case the amount set forth in the preceding sentence with respect to the exchange or change of shares of Series A Preferred Stock shall be adjusted by multiplying such amount by a fraction, the numerator of which is the number of shares of common stock outstanding immediately after such event and the denominator of which is the number of shares of common stock that were outstanding immediately prior to such event.

Section 8. Redemption. The shares of Series A Preferred Stock shall not be redeemable.

Section 9. Ranking. Unless otherwise provided in the Certificate of Incorporation or a Certificate of Vote of Directors Establishing a Class of Stock relating to a subsequently-designated series of preferred stock of the Corporation, the Series A Preferred Stock shall rank junior to any other series of the Corporation's preferred stock subsequently issued, as to the payment of dividends and the distribution of assets on liquidation, dissolution or winding up and shall rank senior to the common stock.

Section 10. Amendment. The Certificate of Incorporation and this Certificate of Vote of Directors shall not be amended in any manner which would materially alter or change the powers, preferences or special rights of the Series A Preferred Stock so as to affect them adversely without the affirmative vote of the holders of two-thirds or more of the outstanding shares of Series A Preferred Stock, voting separately as a class.

Section 11. Fractional Shares. Series A Preferred Stock may be issued in whole shares or in any fraction of a share that is one one-thousandth (1/1000th) of a share or any integral multiple of such fraction, which shall entitle the holder, in proportion to such holder's fractional shares, to exercise voting rights, receive dividends, participate in distributions and to have the benefit of all other rights of holders of Series A Preferred Stock. In lieu of fractional shams, the Corporation may elect to make a cash payment as provided in the Rights Agreement for fractions of a share other than one one-thousandth (1/1000th) of a share or any integral multiple thereof.

I, Joel H. Reichman, President and Chief Executive Officer of the Corporation, do make this certificate, hereby declaring and certifying that this is my act and deed on behalf of the Corporation this 1st day of May, 1995.

/s/ Joel H. Reichman

By: Joel H. Reichman
Title: President and Chief Executive Officer

FORM OF CERTIFICATE OF DESIGNATION, PREFERENCES AND RIGHTS
OF
SERIES A JUNIOR PARTICIPATING PREFERRED STOCK
OF
CASUAL MALE RETAIL GROUP, INC.

Pursuant to Section 151 of the General Corporation Law of the State of Delaware

We, the undersigned officers of Casual Male Retail Group, Inc., a Delaware corporation (the "Company"), pursuant to the provisions of Sections 103 and 151 of the General Corporation Law of the State of Delaware, do hereby state and certify that pursuant to the authority vested in the Board of Directors of the Company by the Restated Certificate of Incorporation of the Company, as amended, the Board of Directors on December 8, 2008, duly adopted the following resolution creating a series of 50,000 shares of Preferred Stock designated as Series A Junior Participating Preferred Stock:

RESOLVED, that pursuant to the authority vested in the Board of Directors of this Corporation in accordance with the provisions of its Restated Certificate of Incorporation, as amended, a series of Preferred Stock of the Corporation be and it hereby is created, and that the designation and amount thereof and the voting powers, preferences and relative, participating, optional and other special rights of the shares of such series, and the qualifications, limitations or restrictions thereof are as follows:

1. *Designation and Amount*. The shares of such series shall be designated as "Series A Junior Participating Preferred Stock" and the number of shares constituting such series shall be 50,000.

2. *Dividends and Distributions*. (A) Subject to the prior and superior rights of the holders of any shares of any series of preferred stock ranking prior and superior to the Series A Junior Participating Preferred Stock with respect to dividends, the holders of shares of Series A Junior Participating Preferred Stock, in preference to the shares of Common Stock, par value $0.01 per share, of the Company (the "*Common Stock*"), and any other stock of the Company junior to the Series A Junior Participating Preferred Stock with respect to dividends, shall be entitled to receive, when, as and if declared by the Board of Directors out of funds legally available for the purpose, quarterly dividends payable in cash on March 15, June 15, September 15 and December 15 in each year (each such date being referred to herein as a "*Quarterly Dividend Payment Date*"), commencing on the first Quarterly Dividend Payment Date after the first issuance of a share or fraction of a share of Series A Junior Participating Preferred Stock, in an amount per share (rounded to the nearest cent) equal to the greater of (a) $0.10 or (b) subject to the provision for adjustment hereinafter set forth, 1,000 times the aggregate per share amount of all cash dividends, and 1,000 times the aggregate per share amount (payable in kind) of all non-cash dividends or other distributions other than a dividend payable in shares of Common Stock or a subdivision of the outstanding shares of Common Stock (by reclassification or otherwise), declared on the Common Stock since the immediately preceding Quarterly Dividend Payment Date, or, with respect to the first Quarterly Dividend Payment Date, since the first issuance of any share or fraction of a share of Series A Junior Participating Preferred Stock. If the Company shall at any time after December 8, 2008 (the

"*Rights Declaration Date*") (i) declare or pay any dividend on Common Stock payable in shares of Common Stock, (ii) subdivide the outstanding Common Stock into a larger number of shares, or (iii) combine the outstanding Common Stock into a smaller number of shares, then in each such case the amount to which holders of shares of Series A Junior Participating Preferred Stock were entitled immediately prior to such event under clause (b) of the preceding sentence shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(B) The Company shall declare a dividend or distribution on the Series A Junior Participating Preferred Stock as provided in Section 2(A) above immediately after it declares a dividend or distribution on the Common Stock (other than a dividend payable in shares of Common Stock); *provided* that, if no dividend or distribution shall have been declared on the Common Stock during the period between any Quarterly Dividend Payment Date and the next subsequent Quarterly Dividend Payment Date, a dividend of $0.10 per share on the Series A Junior Participating Preferred Stock shall nevertheless be payable on such subsequent Quarterly Dividend Payment Date.

(C) Dividends shall begin to accrue and be cumulative on outstanding shares of Series A Junior Participating Preferred Stock from the Quarterly Dividend Payment Date next preceding the date of issue of such shares of Series A Junior Participating Preferred Stock, unless the date of issue of such shares is prior to the record date for the first Quarterly Dividend Payment Date, in which case dividends on such shares shall begin to accrue from the date of issue of such shares, or unless the date of issue is a Quarterly Dividend Payment Date or is a date after the record date for the determination of holders of shares of Series A Junior Participating Preferred Stock entitled to receive a quarterly dividend and before such Quarterly Dividend Payment Date, in either of which events such dividends shall begin to accrue and be cumulative from such Quarterly Dividend Payment Date. Accrued but unpaid dividends shall not bear interest. Dividends paid on the shares of Series A Junior Participating Preferred Stock in an amount less than the total amount of such dividends at the time accrued and payable on such shares shall be allocated pro rata on a share-by-share basis among all such shares at the time outstanding. The Board of Directors may fix a record date for the determination of holders of shares of Series A Junior Participating Preferred Stock entitled to receive payment of a dividend or distribution declared thereon, which record date shall be no more than 60 days prior to the date fixed for the payment thereof.

3. *Voting Rights*. In addition to any other voting rights required by law, the holders of shares of Series A Junior Participating Preferred Stock shall have only the following voting rights:

(A) Subject to the provision for adjustment hereinafter set forth, each share of Series A Junior Participating Preferred Stock shall entitle the holder thereof to 1,000 votes on all matters submitted to a vote of the shareholders of the Company, and each fractional share of Series A Junior Participating Preferred Stock shall entitle the holder thereof to a pro rata fractional vote. If the Company shall at any time after the Rights Declaration Date *(i) declare* any dividend on Common Stock payable in shares of Common Stock, (ii) subdivide the

outstanding Common Stock into a larger number of shares or (iii) combine the outstanding Common Stock into a smaller number of shares, then in each such case the number of votes per share to which holders of shares of Series A Junior Participating Preferred Stock were entitled immediately prior to such event shall be adjusted by multiplying such number by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(B) Except as otherwise provided herein or by law, the holders of shares of Series A Junior Participating Preferred Stock and the holders of shares of Common Stock shall vote together as one class on all matters submitted to a vote of shareholders of the Company.

(C) Except as set forth herein, holders of Series A Junior Participating Preferred Stock shall have no special voting rights and their consent shall not be required (except to the extent they are entitled to vote with holders of Common Stock as set forth herein) for taking any corporate action.

4. *Certain Restrictions*. (A) Whenever quarterly dividends or other dividends or distributions payable on the Series A Junior Participating Preferred Stock as provided in Section 2 are in arrears, thereafter and until all accrued and unpaid dividends and distributions, whether or not declared, on shares of Series A Junior Participating Preferred Stock outstanding shall have been paid in full or set aside for payment, the Company shall not:

(i) declare or pay dividends on, make any other distributions on, or redeem or purchase or otherwise acquire for consideration any shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Junior Participating Preferred Stock;

(ii) declare or pay dividends on or make any other distributions on any shares of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Junior Participating Preferred Stock, except dividends paid ratably on the Series A Junior Participating Preferred Stock and all such parity stock on which dividends are payable or in arrears in proportion to the total amounts to which the holders of all such shares are then entitled;

(iii) redeem or purchase or otherwise acquire for consideration shares of any stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Junior Participating Preferred Stock; *provided* that the Company may at any time redeem, purchase or otherwise acquire shares of any such parity stock (a) in exchange for shares of any stock of the Company ranking junior (either as to dividends or upon dissolution, liquidation or winding up) to the Series A Junior Participating Preferred Stock or (b) held by employees of the Company or a subsidiary of the Company upon the termination of their employment with the Company or a subsidiary of the Company; or

(iv) purchase or otherwise acquire for consideration any shares of Series A Junior Participating Preferred Stock, or any shares of stock ranking on a parity

with the Series A Junior Participating Preferred Stock, except in accordance with a purchase offer made in writing or by publication (as determined by the Board of Directors) to all holders of such shares upon such terms as the Board of Directors, after consideration of the respective annual dividend rates and other relative rights and preferences of the respective Series and classes, shall determine in good faith will result in fair and equitable treatment among the respective series or classes.

(B) The Company shall not permit any subsidiary of the Company to purchase or otherwise acquire for consideration any shares of stock of the Company unless the Company could, under Section 4(A), purchase or otherwise acquire such shares at such time and in such manner.

5. *Reacquired Shares*. Any shares of Series A Junior Participating Preferred Stock purchased or otherwise acquired by the Company in any manner whatsoever shall be retired and canceled promptly after the acquisition thereof. All such shares shall, upon their cancellation, become authorized but unissued shares of Preferred Stock and may be reissued as part of a new series of Preferred Stock to be created by resolution or resolutions of the Board of Directors, subject to the conditions and restrictions on issuance set forth in the Restated Certificate of Incorporation.

6. *Liquidation, Dissolution or Winding Up*. (A) Upon any liquidation (voluntary or otherwise), dissolution or winding up of the Company, no distribution shall be made to the holders of shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Junior Participating Preferred Stock unless, prior thereto, the holders of shares of Series A Junior Participating Preferred Stock shall have received an amount equal to $1,000 per share of Series A Junior Participating Preferred Stock, plus an amount equal to accrued and unpaid dividends and distributions thereon, whether or not declared, to the date of such payment (the "*Series A Liquidation Preference*"). Following the payment of the full amount of the Series A Liquidation Preference, no additional distributions shall be made to the holders of shares of Series A Junior Participating Preferred Stock unless, prior thereto, the holders of shares of Common Stock shall have received an amount per share (the "*Common Adjustment*") equal to the quotient obtained by dividing (i) the Series A Liquidation Preference by (ii) 1,000 (as appropriately adjusted as set forth in Section 6(C) below to reflect such events as stock splits, stock dividends and recapitalizations with respect to the Common Stock) (such number in clause (ii), the "*Adjustment Number*"). Following the payment of the full amount of the Series A Liquidation Preference and the Common Adjustment in respect of all outstanding shares of Series A Junior Participating Preferred Stock and Common Stock, respectively, holders of Series A Junior Participating Preferred Stock and holders of shares of Common Stock shall receive their ratable and proportionate share of the remaining assets to be distributed in the ratio of the Adjustment Number to one with respect to such Preferred Stock and Common Stock, on a per share basis, respectively.

(B) If, however, there are not sufficient assets available to permit payment in full of the Series A Liquidation Preference and the liquidation preferences of all other series of preferred stock, if any, that rank on a parity with the Series A Junior Participating Preferred Stock, then such remaining assets shall be distributed ratably to the holders of such parity shares in proportion to their respective liquidation preferences. If, however, there are not sufficient

assets available to permit payment in full of the Common Adjustment, then such remaining assets shall be distributed ratably to the holders of Common Stock.

(C) If the Company shall at any time after the Rights Declaration Date (i) declare any dividend on Common Stock payable in shares of Common Stock, (ii) subdivide the outstanding Common Stock into a larger number of shares or (iii) combine the outstanding Common Stock into a smaller number of shares, through a reverse stock split of otherwise, then in each such case the Adjustment Number in effect immediately prior to such event shall be adjusted by multiplying such Adjustment Number by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

7. *Consolidation, Merger, etc*. If the Company shall enter into any consolidation, merger, combination or other transaction in which the shares of Common Stock are exchanged for or changed into other stock or securities, cash or any other property, then in any such case the shares of Series A Junior Participating Preferred Stock shall at the same time be similarly exchanged or changed in an amount per share (subject to the provision for adjustment hereinafter set forth) equal to 1,000 times the aggregate amount of stock, securities, cash and any other property (payable in kind), as the case may be, into which or for which each share of Common Stock is changed or exchanged. If the Company shall at any time after the Rights Declaration Date (i) declare any dividend on Common Stock payable in shares of Common Stock, (ii) subdivide the outstanding Common Stock into a larger number of shares or (iii) combine the outstanding Common Stock into a smaller number of shares, then in each such case the amount set forth in the preceding sentence with respect to the exchange or change of shares of Series A Junior Participating Preferred Stock shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

8. *No Redemption*. The shares of Series A Junior Participating Preferred Stock shall not be redeemable.

9. *Rank*. The Series A Junior Participating Preferred Stock shall rank junior with respect to payment of dividends and on liquidation to all other series of the Company's preferred stock outstanding on the date hereof and to all such other series that may be issued after the date hereof except to the extent that any such other series specifically provides that it shall rank junior to the Series A Junior Participating Preferred Stock.

10. *Amendment*. The Restated Certificate of Incorporation of the Corporation shall not be amended in any manner that would materially alter or change the powers, preferences or special rights of the Series A Junior Participating Preferred Stock so as to affect them adversely without the affirmative vote of the holders of at least a majority of the outstanding shares of Series A Junior Participating Preferred Stock, voting separately as a class.

11. *Fractional Shares*. Series A Junior Participating Preferred Stock may be issued in fractions of a share that shall entitle the holder, in proportion to such holder's fractional

shares, to exercise voting rights, to receive dividends thereon, and to participate in any distribution of assets and to have the benefit of all other rights of holders of Series A Junior Participating Preferred Stock.

IN WITNESS WHEREOF, Casual Male Retail Group, Inc. affirms the foregoing as true and has caused this Certificate to be duly executed by the authorized officers below as of this 8th day of December, 2008.

CASUAL MALE RETAIL GROUP, INC.

By: /s/ David A. Levin
Name: David A. Levin
Title: President and CEO

Attest:

/s/ Dennis R. Hernreich
Name: Dennis R. Hernreich
Title: EVP, COO, CFO, Treasurer and Secretary

CERTIFICATE OF DESIGNATIONS, PREFERENCES AND RELATIVE, PARTICIPATING, OPTIONAL AND OTHER SPECIAL RIGHTS, AND QUALIFICATIONS, LIMITATIONS AND RESTRICTIONS

OF

SERIES B CONVERTIBLE PREFERRED STOCK

OF

DESIGNS, INC.
a Delaware corporation

Designs, Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware (the "***Corporation***"), DOES HEREBY CERTIFY:

That, pursuant to the authority conferred upon the Board of Directors by the Restated Certificate of Incorporation (as amended) of the Corporation, and pursuant to the provisions of Section 151 of the General Corporation Law of the State of Delaware (the "***DGCL***"), the Board of Directors of the Corporation duly adopted a resolution providing for the designations, preferences and relative, participating, optional and other special rights of a series of preferred stock of the Corporation (the "***Preferred Stock***"), and the qualifications, limitations and restrictions thereof, which resolution is set forth in Exhibit A attached hereto and is hereby incorporated herein by this reference.

IN WITNESS WHEREOF, the Corporation has caused this Certificate to be duly executed by its Chief Financial Officer this 14th day of May, 2002.

DESIGNS, INC.

By: /s/ DENNIS R. HERNREICH
Name: Dennis R. Hernreich
Title: Chief Financial Officer

EXHIBIT A

RESOLUTION OF THE BOARD OF DIRECTORS DESIGNATING SERIES B CONVERTIBLE PREFERRED STOCK

OF

DESIGNS, INC.

RESOLVED, that pursuant to the authority conferred upon and vested in the Board of Directors by the Restated Certificate of Incorporation, as amended as of the date hereof (the "***Certificate of Incorporation***"), of Designs, Inc. (the "***Corporation***"), the Board of Directors of the Corporation (the "***Board of Directors***") hereby adopts this Certificate of Designations (the "***Certificate***") and establishes and designates a series of Preferred Stock, par value $0.01 per share, of the Corporation, designated as Series B Convertible Preferred Stock (the "***Series B Preferred***"), and hereby fixes and determines the authorized number of such shares and the designations, preferences and relative, participating, optional and other special rights of such shares, and the qualifications, limitations and restrictions thereof, in addition to those set forth in the Certificate of Incorporation, as follows:

1. DESIGNATION; ISSUE PRICE. There shall be a series of Preferred Stock of the Corporation designated as "Series B Convertible Preferred Stock" and the number of shares constituting such series shall be 200,000. The number of shares of Series B Preferred may be increased or decreased by resolution of the Board of Directors; *provided*, *however*, that no decrease shall reduce the number of shares of such series to fewer than the number of shares then issued and outstanding. The issue price for the shares of Series B Preferred shall be $425.00 per share, as may be adjusted from time to time for any combinations, consolidations, subdivisions, stock splits or the like changing the number of outstanding shares of Series B Preferred (the "***Series B Issue Price***").

2. DIVIDENDS.

(i) The holders of shares of Series B Preferred shall be entitled to participate equally with the holders of the common stock of the Corporation (the "***Common Stock***"), par value $0.01 per share, as to the payment of dividends and other distributions, whether in cash, capital stock or other property (other than a dividend or other distribution payable in securities of the Corporation or one covered by Section 5(iii)(a)), when, as and if declared by the Board of Directors, out of assets of the Corporation legally available therefor, and shall receive such dividends or distributions in an amount per share equal to the dividends or distributions payable on the number of shares of Common Stock into which one share of the Series B Preferred is then convertible. Nothing herein contained with respect to the calculation of any dividend or distribution shall be construed as, or deemed to be, a declaration of any dividend or distribution, or shall confer any right on any holder of shares of Series B Preferred (or any other holder of the Corporation's capital stock) to the payment of any dividend or distribution until such dividend or distribution shall have been specifically declared payable by the Board of Directors and until the date determined for the payment thereof shall have occurred. For purposes of this Article 2,

neither a Liquidation Event (as defined in Article 3) nor a distribution or other event covered by Article 5 hereof shall be considered a dividend or other distribution.

(ii) The holders of the Series B Preferred shall be entitled to receive on any Dividend Payment Date (as defined below) dividends (the "***Series B Dividends***") on each share of Series B Preferred, initially at the rate of 15% per annum (computed on the basis of a 360-day year of twelve 30-day months) of the Series B Issue Price for the first 150 days following the date of issuance of such share (the "***Dividend Rate***"); *provided, however*, that beginning on the 151st day following such issuance, the Dividend Rate shall automatically be increased to 20% per annum (computed on such similar basis). Such dividends shall accrue and accumulate whether or not they have been declared and whether or not there are profits, surplus or other funds of the Corporation legally available for the payment of dividends. All dividends shall be paid in cash.

(iii) Dividends on shares of Series B Preferred Stock shall accrue and be cumulative from the date of issuance of such shares and shall be payable in arrears on any of the following dates (each, a "***Dividend Payment Date***"): (1) upon and on the date of a Liquidation Event; (2) upon a redemption in accordance with Article 6 hereof on any given Redemption Date (but only to the extent required pursuant to Article 6); or (3) semi-annually on May 1 and November 1 of each year, commencing on November 1, 2002 (each, a "***Dividend Payment Date***"); *provided, however*, that no Series B Dividend shall be payable for any shares of Series B Preferred (without regard to its accrual) upon conversion in accordance with Article 5 hereof that occurs prior to any Dividend Payment Date.

(iv) For purposes of this Certificate, "***Fair Market Value***" shall mean, as to the value of securities or other property, as applicable, the fair value thereof, as of the time of payment or distribution of such securities or other property by the Corporation, as determined by the Board of Directors in the good faith exercise of its reasonable business judgment, *provided* that (1) if such securities are listed on any established stock exchange or quoted on a nationally recognized automated quotation system, their Fair Market Value shall be the average of the closing sales price for such securities as quoted on such system or as listed on such exchange (or the largest such exchange) for the 20 trading days preceding the date the value is to be determined, and (2) if such securities are regularly quoted by a recognized securities dealer but selling prices are not reported, their Fair Market Value shall be the mean between the high bid and low asked prices for such securities averaged for such 20-trading-day period preceding the date the value is to be determined.

3. LIQUIDATION PREFERENCE.

(i) In the event of (1) a liquidation, dissolution, or winding up of the Corporation, whether voluntary or involuntary, (2) the sale, conveyance or other disposition of all or substantially all of the assets of the Corporation as an entirety (other than the sale of inventory in the ordinary course of business), or (3) a merger, consolidation or other business combination (including without limitation a stock-for-stock exchange) of the Corporation with one or more other entities that results in the stockholders of the Corporation immediately prior to such event owning less than 50% of the combined voting power of all classes of capital stock of

the Corporation (or its successor) (each, a "***Liquidation Event***"), then distributions to the stockholders of the Corporation shall be made in the following manner:

(a) Each holder of Series B Preferred shall be entitled to receive, prior and in preference to any distribution or payment of any of the assets or surplus funds of the Corporation to the holders of the Common Stock or any other shares of capital stock of the Corporation with rights junior to the Series B Preferred, by reason of their ownership of such capital stock, an amount per share equal to the Redemption Price (as defined in Article 6 hereof). If, upon the occurrence of a Liquidation Event, the assets and funds available to be distributed among the holders of the Series B Preferred shall be insufficient to permit the payment to such holders of the aggregate Redemption Price for all then outstanding shares of Series B Preferred, then the entire assets and funds of the Corporation legally available for distribution to such holders shall be distributed ratably in accordance with the respective amounts which would be paid on such shares of Series B Preferred if all amounts therein were paid in full.

(b) After payment has been made to the holders of Series B Preferred, and any other Preferred Stock that may be designated and issued by the Board of Directors from time to time after the date hereof (in accordance with the terms hereof) (the "***Other Preferred Stock***"), of the full amounts to which they are entitled pursuant to Section 3(i)(a) above or any certificate of designations filed to establish the respective series and liquidation preferences of any Other Preferred Stock, the remaining assets and funds of the Corporation available for distribution to stockholders shall be distributed ratably among the holders of the outstanding shares of Common Stock.

(ii) Nothing hereinabove set forth shall affect in any way the mandatory conversion of the shares of Series B Preferred into shares of Common Stock in accordance with Article 5 of this Certificate.

4. VOTING RIGHTS.

The Series B Preferred shall not be entitled to vote on matters as to which the stockholders of the Corporation generally are entitled to vote. Notwithstanding the above, so long any shares Series B Preferred remain outstanding, the Corporation shall not, without the affirmative vote or consent of the holders of a majority of the shares of Series B Preferred outstanding at the time, given in person or by proxy, either in writing or at a meeting at which the holders of the shares of Series B Preferred shall vote separately as a class:

(i) take or omit to take any action as to any matters which would alter or change the powers, preferences or special rights of the Series B Preferred adversely; or

(ii) take or omit to take any other action where the affirmative vote or consent of the holders of Series B Preferred, voting separately as a class, is required by law.

5. CONVERSION RIGHTS. The holders of Series B Preferred shall have conversion rights as follows:

(i) ***Automatic Conversion***. Each share of Series B Preferred shall automatically be converted into shares of Common Stock at the then effective applicable

Conversion Rate (as defined below) at the close of business on the date, if any, on which the requisite approval of stockholders for the authorization and issuance of such Common Stock required by the Nasdaq Marketplace Rules is obtained by the Corporation at a meeting of stockholders or, if the Corporation elects to obtain such approval by written consent of stockholders in lieu of a meeting, the first date on which such issuance may occur in compliance with the Securities Exchange Act of 1934, as amended, and the policies of Nasdaq (the "***Stockholder Approval***") as follows:

(a) All shares of Series B Preferred to be converted pursuant to this Section 5(i) shall be convertible into such number of fully-paid and non-assessable shares of Common Stock (calculated as to each conversion to the nearest 1/1000th of a share) as is determined by multiplying (x) the number of shares of Series B Preferred to be converted, times (y) the then-applicable Conversion Rate for such shares.

(b) The conversion rate in effect from time to time for determining the number of shares of Common Stock into which each share of Series B Preferred may be converted (the "***Conversion Rate***") shall be equal to the quotient obtained by dividing (x) the Series B Issue Price by (y) the then applicable "***Conversion Price***" with respect to such shares of Series B Preferred. The initial Conversion Price for the Series B Preferred shall be $4.25. The Conversion Price shall be adjusted from time to time as provided in Section 5(iii) of this Certificate.

(ii) ***Mechanics of Conversion***. No fractional shares of Common Stock shall be issued upon conversion of any shares of Series 13 Preferred. In lieu of any fractional shares to which the holder would otherwise be entitled, the Corporation shall pay cash equal to such fraction multiplied by the Fair Market Value (as defined above) of a share of Common Stock on the date of conversion. The outstanding shares of Series B Preferred shall be converted automatically and immediately upon the Stockholder Approval without any further action by the holders of such shares and whether or not the certificates representing such shares are surrendered to the Corporation or its transfer agent; *provided, however*, that the Corporation shall not be obligated to issue certificates evidencing the shares of Common Stock issuable upon conversion pursuant to Section 5(i) unless the certificates evidencing such shares of Series B Preferred are either delivered to the Corporation or its transfer agent, or the holder notifies the Corporation or its transfer agent that such certificates have been lost, stolen or destroyed and executes an agreement reasonably satisfactory to the Corporation or its transfer agent to indemnify the Corporation from any loss incurred by it in connection with such certificates. The Corporation shall, as soon as practicable after such delivery, or such agreement and indemnification in the case of a lost certificate, issue and deliver at such office to such holder of Series B Preferred, a certificate or certificates for the number of shares of Common Stock to which such holder shall be entitled as aforesaid and a check payable to the holder in the amount of any cash amounts payable as the result of a conversion into fractional shares of Common Stock, as provided in this Section 5(ii). Such conversion shall be deemed to have been made at the close of business on the date of the Stockholder Approval, in accordance with Section 5(i), and thereafter the person or persons entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock.

(iii) ***Anti-Dilution Adjustments***.

(a) ***Adjustments for Splits, Subdivisions, Combinations or Consolidations of Common Stock***. In the event the outstanding shares of Common Stock shall be increased by stock split, subdivision or other similar transaction occurring at any time or from time to time after the Original Issue Date (as defined below) into a greater number of shares of Common Stock, the applicable Conversion Price then in effect shall, concurrently with the effectiveness of such event, be decreased in proportion to the percentage increase in the outstanding number of shares of Common Stock. In the event the outstanding shares of Common Stock shall be decreased by reverse stock split, combination, consolidation, or other similar transaction occurring at any time or from time to time after the Original Issue Date into a lesser number of shares of Common Stock, the applicable Conversion Price then in effect shall, concurrently with the effectiveness of such event, be increased in proportion to the percentage decrease in the outstanding number of shares of Common Stock. Any adjustment under this Section 5(iii)(a) shall become effective automatically at the close of business on the date the subdivision or combination becomes effective. "***Original Issue Date***" shall mean in the case of the Series B Preferred the date on which shares of Series B Preferred were first issued.

(b) ***Adjustments for Other Distributions***. In the event the Corporation at any time or from time to time after the Original Issue Date makes, or fixes a record date for the determination of holders of Common Stock entitled to receive, any distribution payable in securities of the Corporation other than shares of Common Stock and other than as otherwise adjusted in this Section 5(iii), then and in each such event provision shall be made so that the holders of Series B Preferred shall receive upon conversion thereof, in addition to the number of shares of Common Stock receivable thereupon, the amount of other securities of the Corporation which they would have received had their Series B Preferred been converted into Common Stock on the date of such event and had they thereafter, during the period from the date of such event to and including the date of conversion, retained such securities receivable by them as aforesaid during such period, subject to all other adjustments called for during such period under this Section 5(iii) with respect to the rights of the holders of Series B Preferred or with respect to such other securities by their terms.

(c) ***Adjustments for Recapitalization, Reclassification, Exchange and Substitution***. If at any time or from time to time after the Original Issue Date the Common Stock issuable upon conversion of the Series B Preferred is changed into the same or a different number of shares of any other class or classes of capital stock, whether by recapitalization, reclassification, or otherwise (other than a subdivision or combination of shares provided for in Section 5(iii)(a) above), the applicable Conversion Price then in effect shall, concurrently with the effectiveness of such recapitalization or reclassification, be proportionately adjusted such that the Series B Preferred shall be convertible into, in lieu of the number of shares of Common Stock which the holders would otherwise have been entitled to receive, a number of shares of such other class or classes of capital stock equivalent to the number of shares of Common Stock that would have been subject to receipt by the holders upon conversion of such Series B Preferred immediately before that change, all subject to further adjustment as provided for herein or with respect to such other securities by their terms.

(iv) ***No Impairment***. The Corporation will not, by amendment of its Certificate or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Corporation but will at all times in good faith assist in the carrying out of all the provisions of this Article 5 and in the taking of all such action as may be necessary or appropriate in order to protect the conversion rights of the holders of the Series B Preferred against impairment.

(v) ***Certificate as to Adjustments***. Upon the occurrence of each adjustment or readjustment of the applicable Conversion Price pursuant to this Article 5, the Corporation, at its expense, shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of Series B Preferred so affected a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. In addition, the Corporation shall, upon the written request of any holder of Series B Preferred so affected, furnish or cause to be furnished to such holder a like certificate setting forth (a) such adjustments and readjustments, (b) the applicable Conversion Price and Conversion Rate at the time then in effect, and (c) the number of shares of Common Stock and the type and amount, if any, of other property which at the time would be received upon the conversion of such shares of Series B Preferred.

(vi) ***Issue Taxes***. The Corporation shall pay any and all issue and other taxes (other than income taxes) that may be payable in respect of any issue or delivery of shares of Common Stock on conversion of shares of Series B Preferred pursuant hereto; *provided*, *however*, that the Corporation shall not be obligated to pay any transfer taxes resulting from any transfer requested by any holder in connection with any such conversion.

(vii) ***Reservation of Stock Issuable upon Conversion***. Subject to the Stockholder Approval, the Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the shares of the Series B Preferred, such number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of Series B Preferred. The Corporation shall, from time to time, subject to and in accordance with applicable law, increase the authorized shares of Common Stock if at any time the number of authorized shares of Common Stock remaining unissued shall not be sufficient to permit the conversion at such time of all then outstanding shares of Series B Preferred.

(viii) ***Status of Repurchased, Redeemed or Converted Stock***. In the event any shares of Series B Preferred are repurchased or redeemed by the Corporation or are converted pursuant to this Article 5, such repurchased, redeemed or converted shares of Series B Preferred shall be canceled and retired by the Corporation and be restored to the status of authorized but unissued shares of Preferred Stock, without designation as to class or series, and may thereafter be issued, as provided in the Certificate of Incorporation.

(ix) ***Aggregation and Limitation on Adjustments***. No adjustment of the Conversion Price shall be made unless such adjustment would require a change of at least $0.01; *provided* that any adjustments which by reason of this Section 5(ix) are not required to be made shall be carried forward and shall be made at the time of and together with the next subsequent

adjustment which, together with adjustments so carried forward, shall require a change of at least $0.01 in the Conversion Price then in effect hereunder.

6. REDEMPTION.

(i) ***Redemption of Series B Preferred***. On or after the first anniversary of the Original Issue Date, in the event the Corporation has not obtained Stockholder Approval, the Corporation, at its option, may redeem the Series B Preferred Stock in whole at any time or in part from time to time, at a price per share of Series B Preferred (the "***Redemption Price***") equal to the greater of (1) the sum of (x) the Series B Issue Price, plus (y) all dividends accrued and unpaid thereon to the date of redemption, plus (z) a premium equal to 10% of the Series B Issue Price, or (2) the product of (m) the Conversion Rate, times (n) the Fair Market Value of one share of Common Stock. The "***Redemption Date***" with respect to any share of Series B Preferred shall be the date that is 10 days after the date of written notice given under this Section b(i) by the holder of the Series B Preferred to be redeemed.

(ii) ***Redemption Notice***. Notice of such redemption, specifying the time and place of redemption, shall be sent by ordinary first class mail to each holder of the Series B Preferred at its last address as it shall appear on the stock transfer books of the Corporation (but no failure to mail such notice or any defects therein or in the mailing thereof shall affect the validity of the proceedings for such redemption).

(iii) ***Redemption Price and Priority of Payment***. If, on or before the redemption date specified in the notice (the "***Redemption Date***"), the Redemption Price for the shares of Series B Preferred called for redemption shall have been set aside by the Corporation, separate and apart from its other funds, in trust for the *pro rata* benefit of the holders of the shares called for redemption, so as to be, and continue to be, available for such holders, then, on and after the Redemption Date, notwithstanding that any certificate for shares of the Series B Preferred so called for redemption shall not have been surrendered for cancellation, the shares of Series B Preferred so called for redemption shall be deemed no longer to be outstanding, the dividends thereon shall cease to accrue, and all rights with respect to such shares of Series B so called for redemption shall forthwith at the close of business on the Redemption Date cease and terminate, except only the right of the holders thereof to receive the Redemption Price of the shares redeemed, without any interest thereon.

(iv) ***Dividends After Redemption Date***. No share of Series B Preferred is entitled to any dividends accuring after the date on which the Redemption Price of such share is fully paid. On such date of full payment, all rights of the holder of such share of Series B Preferred shall cease, and such share of Series B Preferred shall be retired and deemed not to be outstanding.

7. ***RANKING***. The shares of Series B Preferred shall rank upon liquidation and upon receipt of dividends senior and prior to the shares of Common Stock and the Corporation's Series A Junior Participating Preferred Stock, par value $0.01 per share. Any capital stock of any other class or classes or series shall be deemed to rank:

(i) senior and prior to the shares of Series B Preferred, to be "***Senior Securities***," if the holders of such capital stock shall be entitled to the receipt of dividends or amounts paid or set aside for redemption, or the receipt of amounts distributable upon a Liquidation Event, as the case may be, in preference or priority to the holders of shares of Series B Preferred;

(ii) on a parity with the shares of Series B Preferred, to be "***Parity Securities***," if the holders of such capital stock shall be entitled to the receipt of dividends or amounts paid in or set aside for redemption, or the receipt of amounts distributable upon a Liquidation Event, as the case may be, in proportion to their respective dividend rates or liquidation prices, without preference or priority, one over the other, as between the holders of such capital stock and the holders of the shares of Series B Preferred; and

(iii) junior to the shares of Series B Preferred, to be "***Junior Securities***," if the holders of Series B Preferred shall be entitled to the receipt of dividends or of amounts paid in or set aside for redemption, or to the receipt of amounts distributable upon a Liquidation Event, as the case may be, in preference or priority to the holders of the shares of such class or classes or series of capital stock.

8. ***OUTSTANDING SHARES***. For purposes of this Certificate, a share of Series B Preferred, when issued, shall be deemed outstanding except (i) from the date, or the deemed date, of conversion thereof in accordance with Article 5 hereof, (ii) from the date of registration of transfer of such share of Series B Preferred if it becomes held of record by the Corporation or any subsidiary of the Corporation and (iii) from the Redemption Date.

9. ***SEVERABILITY OF PROVISIONS***. Whenever possible, each provision of this Certificate shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Certificate is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating or otherwise adversely affecting the remaining provisions hereof. If a court of competent jurisdiction should determine that a provision of this Certificate would be valid or enforceable if a period of time were extended or shortened or a particular percentage were increased or decreased, then such court may make such changes as shall be necessary to render the provision in question effective and valid under applicable law.

DESTINATION XL GROUP, INC.
2016 INCENTIVE COMPENSATION PLAN

NON-QUALIFIED STOCK OPTION AGREEMENT

FOR

[NAME]

1. ***Grant of Option.*** DESTINATION XL GROUP, INC., a Delaware corporation (the "Company"), hereby grants, as of _____ ***("Date of Grant")***, to _____ (***the "Optionee"***) an option (the "Option") to purchase up to ____ shares of the Company's common stock, $.01 par value per share (***the "Shares"***), at an exercise price per share equal to $_____ (***the "Exercise Price"***). The Option shall be subject to the terms and conditions set forth herein. The Option was issued pursuant to the Company's 2016 Incentive Compensation Plan (the "Plan"), which is incorporated herein for all purposes. The Option is a Non-Qualified Stock Option, and not an Incentive Stock Option. The Optionee hereby acknowledges receipt of a copy of the Plan and agrees to be bound by all of the terms and conditions hereof and thereof and all applicable laws and regulations.

2. ***Definitions***. Unless otherwise provided herein, terms used herein that are defined in the Plan and not defined herein shall have the meanings attributed thereto in the Plan.

3. ***Exercise Schedule.*** Except as otherwise provided in Sections 6 or 9 of this Agreement, or in the Plan, the Option is exercisable in installments as provided below, which shall be cumulative. To the extent that the Option has become exercisable with respect to a percentage of Shares as provided below, the Option may thereafter be exercised by the Optionee, in whole or in part, at any time or from time to time prior to the expiration of the Option as provided herein. The following table indicates each date (the "Vesting Date") upon which the Optionee shall be entitled to exercise the Option with respect to the percentage of Shares granted as indicated beside the date, provided that the Continuous Service of the Optionee continues through and on the applicable Vesting Date:

Vesting Date	Percentage of Shares Becoming Available for Exercise	Cumulative Percentage Available

Except as otherwise specifically provided herein, there shall be no proportionate or partial vesting in the periods prior to each Vesting Date, and all vesting shall occur only on the appropriate Vesting Date. Upon the termination of the Optionee's Continuous Service with the Company and its Related Entities, any unvested portion of the Option shall terminate and be null

and void, except as may otherwise be determined by the Committee in writing in its sole discretion.

4. ***Method of Payment.*** Payment of the Exercise Price shall be by any of the following, or a combination thereof, at the election of the Optionee: (a) cash; (b) check; (c) the withholding of Shares that otherwise would be delivered to the Optionee as a result of the exercise of the Option, (d) pursuant to a "cashless exercise" procedure, by delivery of a properly executed exercise notice together with such other documentation, and subject to such guidelines, as the Committee shall require to effect an exercise of the Option and delivery to the Company by a licensed broker acceptable to the Company of proceeds from the sale of Shares, (e) to the extent permitted by the Committee, with Shares owned by the Optionee, or (f) such other consideration or in such other manner as may be determined by the Committee in its absolute discretion.

5. ***Method of Exercise.*** The vested portion of this Option shall be exercisable in whole or in part in accordance with the exercise schedule set forth in Section 3 hereof by written notice which shall state the election to exercise the Option, the number of Shares in respect of which the Option is being exercised, and such other representations and agreements as to the holder's investment intent with respect to such Shares as may be required by the Company pursuant to the provisions of the Plan. Such written notice shall be signed by the Optionee and shall be delivered in person or by certified mail to the Secretary of the Company. The written notice shall be accompanied by payment of the Exercise Price. This Option shall be deemed to be exercised after both (a) receipt by the Company of such written notice accompanied by the Exercise Price and (b) arrangements that are satisfactory to the Committee in its sole discretion have been made for Optionee's payment to the Company of the amount, if any, that is necessary to be withheld in accordance with applicable Federal or state withholding requirements. No Shares shall be issued pursuant to the Option unless and until such issuance and such exercise shall comply with all relevant provisions of applicable law, including the requirements of any stock exchange upon which the Shares then may be traded.

6. ***Termination of Option.***

(a) Any unexercised portion of the Option shall automatically and without notice terminate and become null and void at the time of the earliest to occur of the following:

(i) unless the Committee otherwise determines in writing in its sole discretion, three months after the date on which the Optionee's Continuous Service is terminated other than by reason of (A) by the Company or a Related Entity for Justifiable Cause, (B) a Disability of the Optionee as determined by a medical doctor satisfactory to the Committee, or (C) the death of the Optionee;

(ii) immediately upon the termination of the Optionee's Continuous Service by the Company or a Related Entity for Justifiable Cause;

(iii) twelve months after the date on which the Optionee's Continuous Service is terminated by reason of a Disability as determined by a medical doctor satisfactory to the Committee;

(iv) (A) twelve months after the date of termination of the Optionee's Continuous Service by reason of the death of the Optionee, or, if later, (B) three months after the date on which the Optionee shall die if such death shall occur during the one year period specified in Section 6(a)(iii) hereof; or

(v) the tenth anniversary of the date as of which the Option is granted.

(b) To the extent not previously exercised, (i) the Option shall terminate immediately in the event of (A) the liquidation or dissolution of the Company, or (B) any reorganization, merger, consolidation or other form of corporate transaction in which the Company does not survive or the Shares are exchanged for or converted into securities issued by another entity, or an affiliate of such successor or acquiring entity, unless the successor or acquiring entity, or an affiliate thereof, assumes the Option or substitutes an equivalent option or right pursuant to Section 11(c) of the Plan, and (ii) the Committee in its sole discretion may by written notice ("cancellation notice") cancel, effective upon the consummation of any corporate transaction described in Section 11(c) of the Plan, the Option (or portion thereof) that remains unexercised on such date. The Committee shall give written notice of any proposed transaction referred to in this Section 6(b) a reasonable period of time prior to the closing date for such transaction (which notice may be given either before or after approval of such transaction), in order that the Optionee may have a reasonable period of time prior to the closing date of such transaction within which to exercise the Option if and to the extent that it then is exercisable (including any portion of the Option that may become exercisable upon the closing date of such transaction). The Optionee may condition his exercise of the Option upon the consummation of a transaction referred to in this Section 6(b).

7. ***Transferability.*** Unless otherwise determined by the Committee, the Option granted hereby is not transferable unless and until the Shares have been delivered to the Optionee in settlement of the Option in accordance with this Agreement, otherwise than by will or under the applicable laws of descent and distribution, except that the Option may be transferred to one or more Beneficiaries or other transferees during the lifetime of the Optionee, but only if and to the extent such transfers are permitted by the Committee (subject to any terms and conditions which the Committee may impose thereon), are by gift or pursuant to a domestic relations order, are to a "Permitted Assignee" that is a permissible transferee under the Securities and Exchange Commission for registration of shares of stock on a Form S-8 Registration Statement under the Securities Act of 1933, as amended (or any successor or, at the sole discretion of the Committee, other registration statement pursuant to which Awards, Shares, rights or interests under the Plan are then registered under such Act), if applicable. A Beneficiary, transferee, executor, administrator, heir, successor and assign of the Optionee or any other person claiming any rights with respect to the Option shall be subject to all terms and conditions of the Plan and this Agreement, except as otherwise determined by the Committee, and to any additional terms and conditions deemed necessary or appropriate by the Committee. Except as otherwise permitted pursuant to the first sentence of this Section, any attempt to effect a Transfer of any Option prior to the date on which the Shares have been delivered to the Optionee in settlement of the Option shall be void ab initio. For purposes of this Agreement, "Transfer" shall mean any sale, transfer, encumbrance, gift, donation, assignment, pledge, hypothecation, or other disposition, whether similar or dissimilar to those previously enumerated, whether voluntary or involuntary, and

including, but not limited to, any disposition by operation of law, by court order, by judicial process, or by foreclosure, levy or attachment.

8. ***No Rights of Stockholders***. Neither the Optionee nor any personal representative (or Beneficiary) shall be, or shall have any of the rights and privileges of, a stockholder of the Company with respect to any Shares purchasable or issuable upon the exercise of the Option, in whole or in part, prior to the date of exercise of the Option.

9. ***Acceleration of Exercisability of Option.***

a) This Option shall become immediately fully exercisable in the event that a Change in Control of the Company occurs and within 6 months before or 18 months after the Change in Control the Optionee's Continuous Service is terminated by the Company or any Related Entity without Justifiable Cause or by the Optionee for Good Reason, or by death or Disability, in accordance with the provisions of Section 10(a) of the Plan.

b) Nothing in this Agreement shall preclude the Committee from taking action, in its sole discretion, to accelerate the vesting of any Award in connection with or following an Optionee's death, Disability, termination of Continuous Service or the consummation of a Change in Control.

10. ***No Right to Continued Employment.*** Neither the Option nor this Agreement shall confer upon the Optionee any right to continued employment or service with the Company.

11. ***Law Governing***. This Agreement shall be governed in accordance with and governed by the internal laws of the State of Delaware (without reference to the conflict of laws rules or principles thereof).

12. ***Interpretation / Provisions of Plan Control.*** This Agreement is subject to all the terms, conditions and provisions of the Plan, including, without limitation, the amendment provisions thereof, and to such rules, regulations and interpretations relating to the Plan adopted by the Committee as may be in effect from time to time. If and to the extent that this Agreement conflicts or is inconsistent with the terms, conditions and provisions of the Plan, the Plan shall control, and this Agreement shall be deemed to be modified accordingly. The Optionee accepts the Option subject to all of the terms and provisions of the Plan and this Agreement. The undersigned Optionee hereby accepts as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan and this Agreement, unless shown to have been made in an arbitrary and capricious manner.

13. ***Notices.*** Any notice under this Agreement shall be in writing and shall be deemed to have been duly given when delivered personally or when deposited in the United States mail, registered, postage prepaid, and addressed, in the case of the Company, to the Company's Secretary at 555 Turnpike Street, Canton, MA 02021, or if the Company should move its principal office, to such principal office, and, in the case of the Optionee, to the Optionee's last permanent address as shown on the Company's records, subject to the right of either party to designate some other address at any time hereafter in a notice satisfying the requirements of this Section.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the ____ day of _____, 20___.

COMPANY:

DESTINATION XL GROUP, INC., a Delaware corporation

By: _____
Name:
Title:

The Optionee acknowledges receipt of a copy of the Plan and represents that he or she has reviewed the provisions of the Plan and this Option Agreement in their entirety, is familiar with and understands their terms and provisions, and hereby accepts this Option subject to all of the terms and provisions of the Plan and the Option Agreement. The Optionee further represents that he or she has had an opportunity to obtain the advice of counsel prior to executing this Option Agreement.

Dated: _____ **OPTIONEE**:

By: _____
[ ]

DESTINATION XL GROUP, INC.
2016 INCENTIVE COMPENSATION PLAN
Pursuant to Destination XL Group, Inc.
Long-Term Incentive Plan

NON-QUALIFIED STOCK OPTION AGREEMENT

FOR

[NAME]

1. ***Grant of Option.*** **DESTINATION XL GROUP, INC**., a Delaware corporation (the "Company"), hereby grants, as of _____ ("***Date of Grant***"), to _____ (***the "Optionee***") an option (the "Option") to purchase up to ____ shares of the Company's common stock, $.01 par value per share (***the "Shares"***), at an exercise price per share equal to $_____ (***the "Exercise Price"***). The Option shall be subject to the terms and conditions set forth herein. The Option was issued pursuant to the Company's 2016 Incentive Compensation Plan (the "Plan") and the Company's Long-Term Incentive Plan (the "LTIP")(a copy of which is attached as Exhibit "A"), which are incorporated herein for all purposes. The Option is a Non-Qualified Stock Option, and not an Incentive Stock Option. The Optionee hereby acknowledges receipt of a copy of the Plan and the LTIP and agrees to be bound by all of the terms and conditions hereof and thereof and all applicable laws and regulations.

2. ***Definitions***. Unless otherwise provided herein, terms used herein that are defined in the Plan and not defined herein shall have the meanings attributed thereto in the Plan and the LTIP.

3. ***Exercise Schedule.*** Except as otherwise provided in Sections 6 or 9 of this Agreement, or in the Plan, the Option is exercisable in installments as provided below, which shall be cumulative. To the extent that the Option has become exercisable with respect to a percentage of Shares as provided below, the Option may thereafter be exercised by the Optionee, in whole or in part, at any time or from time to time prior to the expiration of the Option as provided herein. The following table indicates each date (the "Vesting Date") upon which the Optionee shall be entitled to exercise the Option with respect to the percentage of Shares granted as indicated beside the date, provided that the Continuous Service of the Optionee continues through and on the applicable Vesting Date:

Vesting Date	Percentage of Shares Becoming Available for Exercise	Cumulative Percentage Available

Except as otherwise specifically provided herein, there shall be no proportionate or partial vesting in the periods prior to each Vesting Date, and all vesting shall occur only on the appropriate Vesting Date. Upon the termination of the Optionee's Continuous Service with the

Company and its Related Entities, any unvested portion of the Option shall terminate and be null and void, except as may otherwise be determined by the Committee in writing in its sole discretion.

4. ***Method of Exercise.*** The vested portion of this Option shall be exercisable in whole or in part in accordance with the exercise schedule set forth in Section 3 hereof by written notice which shall state the election to exercise the Option, the number of Shares in respect of which the Option is being exercised, and such other representations and agreements as to the holder's investment intent with respect to such Shares as may be required by the Company pursuant to the provisions of the Plan. Such written notice shall be signed by the Optionee and shall be delivered in person or by certified mail to the Secretary of the Company. The written notice shall be accompanied by payment of the Exercise Price. This Option shall be deemed to be exercised after both (a) receipt by the Company of such written notice accompanied by the Exercise Price and (b) arrangements that are satisfactory to the Committee in its sole discretion have been made for Optionee's payment to the Company of the amount, if any, that is necessary to be withheld in accordance with applicable Federal or state withholding requirements. No Shares shall be issued pursuant to the Option unless and until such issuance and such exercise shall comply with all relevant provisions of applicable law, including the requirements of any stock exchange upon which the Shares then may be traded.

5. ***Method of Payment.*** Payment of the Exercise Price shall be by any of the following, or a combination thereof, at the election of the Optionee: (a) cash; (b) check; (c) the withholding of Shares that otherwise would be delivered to the Optionee as a result of the exercise of the Option, (d) pursuant to a "cashless exercise" procedure, by delivery of a properly executed exercise notice together with such other documentation, and subject to such guidelines, as the Committee shall require to effect an exercise of the Option and delivery to the Company by a licensed broker acceptable to the Company of proceeds from the sale of Shares, (e) to the extent permitted by the Committee, with Shares owned by the Optionee, or (f) such other consideration or in such other manner as may be determined by the Committee in its absolute discretion.

6. ***Termination of Option.***

(a) Any unexercised portion of the Option shall automatically and without notice terminate and become null and void at the time of the earliest to occur of the following:

(i) unless the Committee otherwise determines in writing in its sole discretion, three months after the date on which the Optionee's Continuous Service is terminated other than by reason of (A) by the Company or a Related Entity for Justifiable Cause, (B) a Disability of the Optionee as determined by a medical doctor satisfactory to the Committee, or (C) the death of the Optionee;

(ii) immediately upon the termination of the Optionee's Continuous Service by the Company or a Related Entity for Justifiable Cause;

(iii) twelve months after the date on which the Optionee's Continuous Service is terminated by reason of a Disability as determined by a medical doctor satisfactory to the Committee;

(iv) (A) twelve months after the date of termination of the Optionee's Continuous Service by reason of the death of the Optionee, or, if later, (B) three months after the date on which the Optionee shall die if such death shall occur during the one year period specified in Section 6(a)(iii) hereof; or

(v) the tenth anniversary of the date as of which the Option is granted.

(b) To the extent not previously exercised, (i) the Option shall terminate immediately in the event of (A) the liquidation or dissolution of the Company, or (B) any reorganization, merger, consolidation or other form of corporate transaction in which the Company does not survive or the Shares are exchanged for or converted into securities issued by another entity, or an affiliate of such successor or acquiring entity, unless the successor or acquiring entity, or an affiliate thereof, assumes the Option or substitutes an equivalent option or right pursuant to Section 11(c) of the Plan, and (ii) the Committee in its sole discretion may by written notice ("cancellation notice") cancel, effective upon the consummation of any corporate transaction described in Section 11(c) of the Plan, the Option (or portion thereof) that remains unexercised on such date. The Committee shall give written notice of any proposed transaction referred to in this Section 6(b) a reasonable period of time prior to the closing date for such transaction (which notice may be given either before or after approval of such transaction), in order that the Optionee may have a reasonable period of time prior to the closing date of such transaction within which to exercise the Option if and to the extent that it then is exercisable (including any portion of the Option that may become exercisable upon the closing date of such transaction). The Optionee may condition his exercise of the Option upon the consummation of a transaction referred to in this Section 6(b).

7. ***Transferability.*** Unless otherwise determined by the Committee, the Option granted hereby is not transferable unless and until the Shares have been delivered to the Optionee in settlement of the Option in accordance with this Agreement, otherwise than by will or under the applicable laws of descent and distribution, except that the Option may be transferred to one or more Beneficiaries or other transferees during the lifetime of the Optionee, but only if and to the extent such transfers are permitted by the Committee (subject to any terms and conditions which the Committee may impose thereon), are by gift or pursuant to a domestic relations order, are to a "Permitted Assignee" that is a permissible transferee under the Securities and Exchange Commission for registration of shares of stock on a Form S-8 Registration Statement under the Securities Act of 1933, as amended (or any successor or, at the sole discretion of the Committee, other registration statement pursuant to which Awards, Shares, rights or interests under the Plan are then registered under such Act), if applicable. A Beneficiary, transferee, executor, administrator, heir, successor and assign of the Optionee or any other person claiming any rights with respect to the Option shall be subject to all terms and conditions of the Plan and this Agreement, except as otherwise determined by the Committee, and to any additional terms and conditions deemed necessary or appropriate by the Committee. Except as otherwise permitted pursuant to the first sentence of this Section, any attempt to effect a Transfer of any Option prior to the date on which the Shares have been delivered to the Optionee in settlement of the Option shall be void ab initio. For purposes of this Agreement, "Transfer" shall mean any sale, transfer, encumbrance, gift, donation, assignment, pledge, hypothecation, or other disposition, whether similar or dissimilar to those previously enumerated, whether voluntary or involuntary, and

including, but not limited to, any disposition by operation of law, by court order, by judicial process, or by foreclosure, levy or attachment.

8. ***No Rights of Stockholders***. Neither the Optionee nor any personal representative (or Beneficiary) shall be, or shall have any of the rights and privileges of, a stockholder of the Company with respect to any Shares purchasable or issuable upon the exercise of the Option, in whole or in part, prior to the date of exercise of the Option.

9. ***Acceleration of Exercisability of Option.***

(a) ***Acceleration of Vesting Upon Termination***. In the event that the Optionee's Continuous Service is terminated either by the Company without Justifiable Cause or by the Optionee for Good Reason, any acceleration of exercisability of this Option shall be in accordance with Sections 7(a)(ii)(C) and 7(b)(ii)(C) of the LTIP. Notwithstanding the foregoing, in the event that a Change in Control of the Company occurs and within 6 months before or 18 months after the Change in Control the Optionee's Continuous Service is terminated by the Company or any Related Entity without Justifiable Cause or by the Optionee for Good Reason, the provisions of Section 10(a) of the Plan shall apply.

(b) ***Acceleration of Vesting Upon Death or Disability***. In the event that the Optionee's Continuous Service terminates by reason of the Optionee's Disability or death, any acceleration of exercisability of this Option shall be in accordance with Sections 7(a)(ii)(A) and 7(b)(ii)(A) of the LTIP. Notwithstanding the foregoing, in the event that a Change in Control of the Company occurs and within 6 months before or 18 months after the Change in Control there is a termination of the Optionee's Continuous Service because of the Optionee's death or Disability, the provisions of Section 10(a) of the Plan shall apply.

(c) ***Acceleration of Vesting Upon Retirement.*** In the event that the Optionee's Continuous Service terminates by reason of the Optionee's Retirement, any acceleration of exercisability of this Option shall be in accordance with Sections 7(a)(ii)(B) and 7(b)(ii)(B) of the LTIP.

(d) ***Acceleration of Vesting at Company Discretion***. Nothing in this Agreement shall preclude the Committee from taking action, in its sole discretion, to accelerate the vesting of any Award in connection with or following an Optionee's death, Disability, termination of Continuous Service or the consummation of a Change in Control.

10. ***No Right to Continued Employment.*** Neither the Option nor this Agreement shall confer upon the Optionee any right to continued employment or service with the Company.

11. ***Law Governing.*** This Agreement shall be governed in accordance with and governed by the internal laws of the State of Delaware (without reference to the conflict of laws rules or principles thereof).

12. ***Interpretation / Provisions of Plan Control.*** This Agreement is subject to all the terms, conditions and provisions of the Plan, including, without limitation, the amendment provisions thereof, and to such rules, regulations and interpretations relating to the Plan adopted by the Committee as may be in effect from time to time. If and to the extent that this Agreement

conflicts or is inconsistent with the terms, conditions and provisions of the Plan, the Plan shall control, and this Agreement shall be deemed to be modified accordingly. The Optionee accepts the Option subject to all of the terms and provisions of the Plan and this Agreement. The undersigned Optionee hereby accepts as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan and this Agreement, unless shown to have been made in an arbitrary and capricious manner.

13. ***Notices.*** Any notice under this Agreement shall be in writing and shall be deemed to have been duly given when delivered personally or when deposited in the United States mail, registered, postage prepaid, and addressed, in the case of the Company, to the Company's Secretary at 555 Turnpike Street, Canton, MA 02021, or if the Company should move its principal office, to such principal office, and, in the case of the Optionee, to the Optionee's last permanent address as shown on the Company's records, subject to the right of either party to designate some other address at any time hereafter in a notice satisfying the requirements of this Section.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the ____ day of _____, 20___.

COMPANY:

DESTINATION XL GROUP, INC., a Delaware corporation

By: _____
Name:
Title:

The Optionee acknowledges receipt of a copy of the Plan and represents that he or she has reviewed the provisions of the Plan and this Option Agreement in their entirety, is familiar with and understands their terms and provisions, and hereby accepts this Option subject to all of the terms and provisions of the Plan and the Option Agreement. The Optionee further represents that he or she has had an opportunity to obtain the advice of counsel prior to executing this Option Agreement.

Dated: _____ **OPTIONEE**:

By: _____
[ ]

EXHIBIT A

Copy of

DXL GROUP

Destination XL Group, Inc.

Long-Term Incentive Plan

DESTINATION XL GROUP, INC.
2016 INCENTIVE COMPENSATION PLAN

RESTRICTED STOCK AGREEMENT
FOR
[*NAME*]

1. ***Award of Restricted Stock.*** The Committee hereby grants, as of **[DATE]** (the "**Date of Grant**"), to **[*NAME*]** (the "**Recipient**"), ***[NUMBER]*** restricted shares of the Company's Common Stock, par value $0.01 per share (collectively the "**Restricted Stock**"). The Restricted Stock shall be subject to the terms, provisions and restrictions set forth in this Agreement and the Company's 2016 Incentive Compensation Plan (the "**Plan**"), which is incorporated herein for all purposes. As a condition to entering into this Agreement, and as a condition to the issuance of any Shares (or any other securities of the Company), the Recipient agrees to be bound by all of the terms and conditions herein and in the Plan. Unless otherwise provided herein, terms used herein that are defined in the Plan and not defined herein shall have the meanings attributable thereto in the Plan.

2. ***Vesting of Restricted Stock.***

(a) ***General Vesting.*** The shares of Restricted Stock shall become vested in the following amounts, at the following times and upon the following conditions, provided that the Continuous Service of the Recipient continues through and on the applicable Vesting Date:

Vesting Date	Percent of Shares Vested	Cumulative Percentage Vested During Applicable Vesting Period

Except as otherwise provided in Sections 2(b) and 2(c) hereof, there shall be no proportionate or partial vesting of shares of Restricted Stock in or during the months, days or periods prior to each Vesting Date, and all vesting of shares of Restricted Stock shall occur only on the applicable Vesting Date.

(b) ***Acceleration of Vesting Upon Termination.*** The shares of Restricted Stock subject to this Agreement shall become immediately vested in the event that a Change in Control of the Company occurs and within 6 months before or 18 months after the Change in Control the Recipient's Continuous Service is terminated by the Company or any Related Entity without Justifiable Cause or by the Recipient for Good Reason, or by death or Disability, in accordance with the provisions of Section 10(a) of the Plan.

(c) ***Acceleration of Vesting at Company Discretion.*** Nothing in this Agreement shall preclude the Committee from taking action, in its sole discretion, to accelerate the vesting

of any Award in connection with or following a Participant's death, Disability, termination of Continuous Service or the consummation of a Change in Control.

(d) ***Definitions***. For purposes of this Agreement, the following terms shall have the meanings indicated:

(i) "***Non-Vested Shares***" means any portion of the Restricted Stock subject to this Agreement that has not become vested pursuant to this Section 2.

(ii) "***Vested Shares***" means any portion of the Restricted Stock subject to this Agreement that is and has become vested pursuant to this Section 2.

3. ***Delivery of Restricted Stock.***

(a) ***Issuance of Stock Certificates and Legends.*** One or more stock certificates evidencing the Restricted Stock shall be issued in the name of the Recipient but shall be held and retained by the Records Administrator of the Company until the date (the "**Applicable Date**") on which the shares (or a portion thereof) subject to this Restricted Stock award become Vested Shares pursuant to Section 2 hereof, subject to the provisions of Section 4 hereof. All such stock certificates shall bear the following legends, along with such other legends that the Board or the Committee shall deem necessary and appropriate:

> THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO SUBSTANTIAL VESTING AND OTHER RESTRICTIONS AS SET FORTH IN THE RESTRICTED STOCK AGREEMENT BETWEEN THE ISSUER AND THE ORIGINAL HOLDER OF THE SHARES, A COPY OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE ISSUER. SUCH RESTRICTIONS ARE BINDING ON TRANSFEREES OF THESE SHARES, AND INCLUDE VESTING CONDITIONS WHICH MAY RESULT IN THE COMPLETE FORFEITURE OF THE SHARES.

(b) ***Stock Powers.*** The Recipient shall deposit with the Company stock powers or other instruments of transfer or assignment, duly endorsed in blank with signature(s) guaranteed, corresponding to each certificate representing shares of Restricted Stock until such shares become Vested Shares. If the Recipient shall fail to provide the Company with any such stock power or other instrument of transfer or assignment, the Recipient hereby irrevocably appoints the Secretary of the Company as his attorney-in-fact, with full power of appointment and substitution, to execute and deliver any such power or other instrument which may be necessary to effectuate the transfer of the Restricted Stock (or assignment of distributions thereon) on the books and records of the Company.

(c) ***Delivery of Stock Certificates.*** On or after each Applicable Date, upon written request to the Company by the Recipient, the Company shall promptly cause a new certificate or certificates to be issued for and with respect to all shares that become Vested Shares on that Applicable Date, which certificate(s) shall be delivered to the Recipient as soon as

administratively practicable after the date of receipt by the Company of the Recipient's written request. The new certificate or certificates shall continue to bear those legends and endorsements that the Company shall deem necessary or appropriate (including those relating to restrictions on transferability and/or obligations and restrictions under the Securities Laws).

(d) ***Issuance Without Certificates.*** If the Company is authorized to issue Shares without certificates, then the Company may, in the discretion of the Committee, issue Shares pursuant to this Agreement without certificates, in which case any references in this Agreement to certificates shall instead refer to whatever evidence may be issued to reflect the Recipient's ownership of the Shares subject to the terms and conditions of this Agreement.

4. ***Forfeiture of Non-Vested Shares.*** If the Recipient's Continuous Service is terminated for any reason, any Shares of Restricted Stock that are not Vested Shares, and that do not become Vested Shares pursuant to Section 2 hereof as a result of such termination, shall be forfeited immediately upon such termination of Continuous Service and revert back to the Company without any payment to the Recipient. The Committee shall have the power and authority to enforce on behalf of the Company any rights of the Company under this Agreement in the event of the Recipient's forfeiture of Non-Vested Shares pursuant to this Section 4.

5. ***Rights with Respect to Restricted Stock.***

(a) ***General.*** Except as otherwise provided in this Agreement, the Recipient shall have, with respect to all of the shares of Restricted Stock, whether Vested Shares or Non-Vested Shares, all of the rights of a holder of shares of common stock of the Company, including without limitation (i) the right to vote such Restricted Stock, (ii) the right to receive dividends, if any, as may be declared on the Restricted Stock from time to time, and (iii) the rights available to all holders of shares of common stock of the Company upon any merger, consolidation, reorganization, liquidation or dissolution, stock split-up, stock dividend or recapitalization undertaken by the Company; provided, however, that all of such rights shall be subject to the terms, provisions, conditions and restrictions set forth in this Agreement (including without limitation conditions under which all such rights shall be forfeited). Any Non-Vested Shares will not be entitled to receive subscription rights in connection with rights offerings. Any Shares issued to the Recipient as a dividend with respect to shares of Restricted Stock shall have the same status and bear the same legend as the shares of Restricted Stock and shall be held by the Company, if the shares of Restricted Stock that such dividend is attributed to is being so held, unless otherwise determined by the Committee. In addition, notwithstanding any provision to the contrary herein, any cash dividends declared with respect to shares of Restricted Stock subject to this Agreement shall be held in escrow by the Committee until such time as the shares of Restricted Stock that such cash dividends are attributed to shall become Vested Shares, and in the event that such shares of Restricted Stock are subsequently forfeited, the cash dividends attributable to such portion shall be forfeited as well.

(b) ***Adjustments to Shares.*** If at any time while this Agreement is in effect (or Shares granted hereunder shall be or remain unvested while Recipient's Continuous Service continues and has not yet terminated or ceased for any reason), there shall be any increase or decrease in the number of issued and outstanding Shares of the Company through the declaration of a stock

dividend or through any recapitalization resulting in a stock split-up, combination or exchange of such Shares, then and in that event, the Board or the Committee shall make any adjustments it deems fair and appropriate, in view of such change, in the number of shares of Restricted Stock then subject to this Agreement. If any such adjustment shall result in a fractional Share, such fraction shall be disregarded.

(c) **No Restrictions on Certain Transactions.** Notwithstanding any term or provision of this Agreement to the contrary, the existence of this Agreement, or of any outstanding Restricted Stock awarded hereunder, shall not affect in any manner the right, power or authority of the Company to make, authorize or consummate: (i) any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business; (ii) any merger, consolidation or similar transaction by or of the Company; (iii) any offer, issue or sale by the Company of any capital stock of the Company, including any equity or debt securities, or preferred or preference stock that would rank prior to or on parity with the Restricted Stock and/or that would include, have or possess other rights, benefits and/or preferences superior to those that the Restricted Stock includes, has or possesses, or any warrants, options or rights with respect to any of the foregoing; (iv) the dissolution or liquidation of the Company; (v) any sale, transfer or assignment of all or any part of the stock, assets or business of the Company; or (vi) any other corporate transaction, act or proceeding (whether of a similar character or otherwise).

6. ***Transferability.*** The shares of Restricted Stock are not transferable unless and until they become Vested Shares in accordance with this Agreement, otherwise than by will or under the applicable laws of descent and distribution, except that the Restricted Stock may be transferred to one or more Beneficiaries or other transferees during the lifetime of the Recipient, but only if and to the extent such transfers are permitted by the Committee (subject to any terms and conditions which the Committee may impose thereon), are by gift or pursuant to a domestic relations order, are to a "Permitted Assignee" that is a permissible transferee under the Securities and Exchange Commission for registration of shares of stock on a Form S-8 Registration Statement under the Securities Act of 1933, as amended (or any successor or, at the sole discretion of the Committee, other registration statement pursuant to which Awards, Shares, rights or interests under the Plan are then registered under such Act), if applicable. A Beneficiary, transferee, executor, administrator, heir, successor and assign of the Recipient or any other person claiming any rights with respect to the Restricted Stock shall be subject to all terms and conditions of the Plan and this Agreement, except as otherwise determined by the Committee, and to any additional terms and conditions deemed necessary or appropriate by the Committee. Except as otherwise permitted pursuant to the first sentence of this Section, any attempt to effect a Transfer of any shares of Restricted Stock prior to the date on which the shares have become Vested Shares shall be void *ab initio*. For purposes of this Agreement, "Transfer" shall mean any sale, transfer, encumbrance, gift, donation, assignment, pledge, hypothecation, or other disposition, whether similar or dissimilar to those previously enumerated, whether voluntary or involuntary, and including, but not limited to, any disposition by operation of law, by court order, by judicial process, or by foreclosure, levy or attachment.

7. ***Tax Matters; Section 83(b) Election.***

(a) ***Section 83(b) Election.*** If the Recipient properly elects, within thirty (30) days of the Date of Grant, to include in gross income for federal income tax purposes an amount equal to the fair market value (as of the Date of Grant) of the Restricted Stock pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended (the "**Code**"), the Recipient shall make arrangements satisfactory to the Company to pay to the Company any federal, state or local income taxes required to be withheld with respect to the Restricted Stock. If the Recipient shall fail to make such tax payments as are required, the Company shall, to the extent permitted by law, have the right to deduct from any payment of any kind (including without limitation, the withholding of any Shares that otherwise would be issued to the Recipient under this Agreement) otherwise due to the Recipient any federal, state or local taxes of any kind required by law to be withheld with respect to the Restricted Stock.

(b) ***No Section 83(b) Election.*** If the Recipient does not properly make the election described in paragraph 7(a) above, the Recipient shall, no later than the date or dates as of which the restrictions referred to in this Agreement hereof shall lapse, pay to the Company, or make arrangements satisfactory to the Committee for payment of, any federal, state or local taxes of any kind required by law to be withheld with respect to the Restricted Stock (including without limitation the vesting thereof), and the Company shall, to the extent permitted by law, have the right to deduct from any payment of any kind (including without limitation, the withholding of any Shares that otherwise would be distributed to the Recipient under this Agreement) otherwise due to Recipient any federal, state, or local taxes of any kind required by law to be withheld with respect to the Restricted Stock.

(c) ***Satisfaction of Withholding Requirements.*** The Recipient may satisfy the withholding requirements with respect to the Restricted Stock pursuant to any one or combination of the following methods: (a) cash; (b) check; (c) the withholding of Shares that otherwise would be delivered to the Recipient pursuant to this Award, (d) to the extent permitted by the Committee, with Shares owned by the Recipient, or (e) such other consideration or in such other manner as may be determined by the Committee in its absolute discretion.

(d) ***Recipient's Responsibilities for Tax Consequences.*** Tax consequences on the Recipient (including without limitation federal, state, local and foreign income tax consequences) with respect to the Restricted Stock (including without limitation the grant, vesting and/or forfeiture thereof) are the sole responsibility of the Recipient. The Recipient shall consult with his or her own personal accountant(s) and/or tax advisor(s) regarding these matters, the making of a Section 83(b) election, and the Recipient's filing, withholding and payment (or tax liability) obligations.

8. ***Amendment, Modification & Assignment; Non-Transferability.*** This Agreement may only be modified or amended in a writing signed by the parties hereto. No promises, assurances, commitments, agreements, undertakings or representations, whether oral, written, electronic or otherwise, and whether express or implied, with respect to the subject matter hereof, have been made by either party which are not set forth expressly in this Agreement. Unless otherwise consented to in writing by the Company, in its sole discretion, this Agreement (and Recipient's

rights hereunder) may not be assigned, and the obligations of Recipient hereunder may not be delegated, in whole or in part. The rights and obligations created hereunder shall be binding on the Recipient and his heirs and legal representatives and on the successors and assigns of the Company.

9. ***Complete Agreement.*** This Agreement (together with the Plan and those agreements and documents expressly referred to herein, for the purposes referred to herein) embody the complete and entire agreement and understanding between the parties with respect to the subject matter hereof, and supersede any and all prior promises, assurances, commitments, agreements, undertakings or representations, whether oral, written, electronic or otherwise, and whether express or implied, which may relate to the subject matter hereof in any way.

10. ***Miscellaneous.***

(a) ***No Right to (Continued) Employment or Service.*** This Agreement and the grant of Restricted Stock hereunder shall not confer, or be construed to confer, upon the Recipient any right to employment or service, or continued employment or service, with the Company or any Related Entity.

(b) ***No Limit on Other Compensation Arrangements.*** Nothing contained in this Agreement shall preclude the Company or any Related Entity from adopting or continuing in effect other or additional compensation plans, agreements or arrangements, and any such plans, agreements and arrangements may be either generally applicable or applicable only in specific cases or to specific persons.

(c) ***Severability.*** If any term or provision of this Agreement is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or under any applicable law, rule or regulation, then such provision shall be construed or deemed amended to conform to applicable law (or if such provision cannot be so construed or deemed amended without materially altering the purpose or intent of this Agreement and the grant of Restricted Stock hereunder, such provision shall be stricken as to such jurisdiction and the remainder of this Agreement and the award hereunder shall remain in full force and effect).

(d) ***No Trust or Fund Created.*** Neither this Agreement nor the grant of Restricted Stock hereunder shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any Related Entity and the Recipient or any other person. To the extent that the Recipient or any other person acquires a right to receive payments from the Company or any Related Entity pursuant to this Agreement, such right shall be no greater than the right of any unsecured general creditor of the Company.

(e) ***Law Governing.*** This Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of Delaware (without reference to the conflict of laws rules or principles thereof).

(f) ***Interpretation/Provisions of Plan Control.*** This Agreement is subject to all the terms, conditions and provisions of the Plan, including, without limitation, any future

amendment provisions thereof, and to such rules, regulations and interpretations relating to the Plan adopted by the Committee as may be in effect from time to time. If and to the extent that this Agreement conflicts or is inconsistent with the terms, conditions and provisions of the Plan, the Plan shall control, and this Agreement shall be deemed to be modified accordingly. The Recipient accepts this Agreement subject to all of the terms and provisions of the Plan and this Agreement. The undersigned Recipient hereby accepts as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan and this Agreement, unless shown to have been made in an arbitrary and capricious manner.

(g) ***Headings.*** Section, paragraph and other headings and captions are provided solely as a convenience to facilitate reference. Such headings and captions shall not be deemed in any way material or relevant to the construction, meaning or interpretation of this Agreement or any term or provision hereof.

(h) ***Notices.*** Any notice under this Agreement shall be in writing and shall be deemed to have been duly given when delivered personally or when deposited in the United States mail, registered, postage prepaid, and addressed, in the case of the Company, to the Company's President at 555 Turnpike Street, Canton, MA 02021, or if the Company should move its principal office, to such principal office, and, in the case of the Recipient, to the Recipient's last permanent address as shown on the Company's records, subject to the right of either party to designate some other address at any time hereafter in a notice satisfying the requirements of this Section.

(i) ***Section 409A.***

(a) It is intended that the Restricted Stock awarded pursuant to this Agreement be exempt from Section 409A of the Code ("Section 409A") because it is believed that the Agreement does not provide for a deferral of compensation and accordingly that the Agreement does not constitute a nonqualified deferred compensation plan within the meaning of Section 409A. The provisions of this Agreement shall be interpreted in a manner consistent with this intention, and the provisions of this Agreement may not be amended, adjusted, assumed or substituted for, converted or otherwise modified without the Recipient's prior written consent if and to the extent that such amendment, adjustment, assumption or substitution, conversion or modification would cause the award to violate the requirements of Section 409A.

(b) In the event that either the Company or the Recipient believes, at any time, that any benefit or right under this Agreement is subject to Section 409A, and does not comply with the requirements of Section 409A, it shall promptly advise the other and the Company and the Recipient shall negotiate reasonably and in good faith to amend the terms of such benefits and rights, if such an amendment may be made in a commercially reasonable manner, such that they comply with Section 409A with the most limited possible economic affect on the Recipient and on the Company.

(c) Notwithstanding the foregoing, the Company does not make any representation to the Recipient that the shares of Restricted Stock awarded pursuant to this Agreement are exempt from, or satisfy, the requirements of Section 409A, and the Company

shall have no liability or other obligation to indemnify or hold harmless the Recipient or any Beneficiary for any tax, additional tax, interest or penalties that the Recipient or any Beneficiary may incur in the event that any provision of this Agreement, or any amendment or modification thereof or any other action taken with respect thereto is deemed to violate any of the requirements of Section 409A.

(j) ***Non-Waiver of Breach.*** The waiver by any party hereto of the other party's prompt and complete performance, or breach or violation, of any term or provision of this Agreement shall be effected solely in a writing signed by such party, and shall not operate nor be construed as a waiver of any subsequent breach or violation, and the waiver by any party hereto to exercise any right or remedy which he or it may possess shall not operate nor be construed as the waiver of such right or remedy by such party, or as a bar to the exercise of such right or remedy by such party, upon the occurrence of any subsequent breach or violation.

(k) ***Counterparts.*** This Agreement may be executed in two or more separate counterparts, each of which shall be an original, and all of which together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have executed this Agreement as of the date first written above.

Destination XL Group, Inc.

By: _____
Name:
Title:

The Recipient acknowledges receipt of a copy of the Plan and represents that he or she has reviewed the provisions of the Plan and this Restricted Stock Agreement in their entirety, is familiar with and understands their terms and provisions, and hereby accepts this Restricted Stock subject to all of the terms and provisions of the Plan and the Restricted Stock Agreement. The Recipient further represents that he or she has had an opportunity to obtain the advice of counsel prior to executing this Restricted Stock Agreement.

RECIPIENT:

By: _____
[NAME]

DESTINATION XL GROUP, INC.
2016 INCENTIVE COMPENSATION PLAN
Pursuant to Destination XL Group, Inc.
Long-Term Incentive Plan

ASSOCIATE RESTRICTED STOCK AGREEMENT
FOR
[NAME]

1. ***Award of Restricted Stock.*** The Committee hereby grants, as of ***[DATE]*** (the "Date of Grant"), to ***[NAME]*** (the "Recipient"), ***[NUMBER]*** restricted shares of the Company's Common Stock, par value $0.01 per share (collectively the "Restricted Stock"). The Restricted Stock shall be subject to the terms, provisions and restrictions set forth in this Agreement and the Company's 2016 Incentive Compensation Plan (the "Plan") and the Company's Long-Term Incentive Plan (the "LTIP")(a copy of which is attached as Exhibit "A"), which are incorporated herein for all purposes. As a condition to entering into this Agreement, and as a condition to the issuance of any Shares (or any other securities of the Company), the Recipient agrees to be bound by all of the terms and conditions herein and in the Plan and the LTIP. Unless otherwise provided herein, terms used herein that are defined in the Plan and not defined herein shall have the meanings attributable thereto in the Plan.

2. Vesting of Restricted Stock.

(a) ***General Vesting.*** The shares of Restricted Stock shall become vested in the following amounts, at the following times and upon the following conditions, provided that the Continuous Service of the Recipient continues through and on the applicable Vesting Date:

Vesting Date	Percent of Shares Vested	Cumulative Percentage Vested During Applicable Vesting Period

Except as otherwise provided in Sections 2(b) and 2(c) hereof, there shall be no proportionate or partial vesting of shares of Restricted Stock in or during the months, days or periods prior to each Vesting Date, and all vesting of shares of Restricted Stock shall occur only on the applicable Vesting Date.

(b) ***Acceleration of Vesting Upon Termination.*** In the event that the Recipient's Continuous Service is terminated either by the Company without Justifiable Cause or by the Recipient for Good Reason, the shares of Restricted Stock subject to this Agreement shall vest in accordance with Sections 7(a)(ii)(C) and 7(b)(ii)(C) of the LTIP. Notwithstanding the foregoing,

in the event that a Change in Control of the Company occurs and within 6 months before or 18 months after the Change in Control, the Recipient's Continuous Service is terminated by the Company or any Related Entity without Justifiable Cause or by the Recipient for Good Reason, the provisions of Section 10(a) of the Plan shall apply.

(c) ***Acceleration of Vesting Upon Death or Disability.*** In the event that the Recipient's Continuous Service terminates by reason of the Recipient's Disability or death, the shares of Restricted Stock subject to this Agreement shall vest in accordance with Sections 7(a)(ii)(A) and 7(b)(ii)(A) as of the date of such Disability or death, whichever is applicable. Notwithstanding the foregoing, in the event that a Change in Control of the Company occurs and within 6 months before or 18 months after the Change in Control, there is a termination of the Recipient's Continuous Service because of the Recipient's death or Disability, the provisions of Section 10(a) of the Plan shall apply.

(d) ***Acceleration of Vesting Upon Retirement***. In the event that the Recipient's Continuous Service terminates by reason of the Participant's Retirement, the shares of Restrict Stock subject to this Agreement shall vest in accordance with Sections 7(a)(ii)(B) and 7(b)(ii)(B) of the LTIP.

(e) ***Acceleration of Vesting at Company Discretion.*** Nothing in this Agreement shall preclude the Committee from taking action, in its sole discretion, to accelerate the vesting of any Award in connection with or following a Recipient's death, Disability, termination of Continuous Service or the consummation of a Change in Control.

(f) ***Definitions.*** For purposes of this Agreement, the following terms shall have the meanings indicated:

(i) "***Non-Vested Shares***" means any portion of the Restricted Stock subject to this Agreement that has not become vested pursuant to this Section 2.

(ii) "***Vested Shares***" means any portion of the Restricted Stock subject to this Agreement that is and has become vested pursuant to this Section 2.

3. ***Delivery of Restricted Stock.***

(a) ***Issuance of Stock Certificates and Legends.*** One or more stock certificates evidencing the Restricted Stock shall be issued in the name of the Recipient but shall be held and retained by the Records Administrator of the Company until the date (the "Applicable Date") on which the shares (or a portion thereof) subject to this Restricted Stock award become Vested Shares pursuant to Section 2 hereof, subject to the provisions of Section 4 hereof. All such stock certificates shall bear the following legends, along with such other legends that the Board or the Committee shall deem necessary and appropriate:

> THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO SUBSTANTIAL VESTING AND OTHER RESTRICTIONS AS SET FORTH IN THE RESTRICTED STOCK AGREEMENT BETWEEN THE ISSUER AND THE ORIGINAL

HOLDER OF THE SHARES, A COPY OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE ISSUER. SUCH RESTRICTIONS ARE BINDING ON TRANSFEREES OF THESE SHARES, AND INCLUDE VESTING CONDITIONS WHICH MAY RESULT IN THE COMPLETE FORFEITURE OF THE SHARES.

(b) ***Stock Powers.*** The Recipient shall deposit with the Company stock powers or other instruments of transfer or assignment, duly endorsed in blank with signature(s) guaranteed, corresponding to each certificate representing shares of Restricted Stock until such shares become Vested Shares. If the Recipient shall fail to provide the Company with any such stock power or other instrument of transfer or assignment, the Recipient hereby irrevocably appoints the Secretary of the Company as his attorney-in-fact, with full power of appointment and substitution, to execute and deliver any such power or other instrument which may be necessary to effectuate the transfer of the Restricted Stock (or assignment of distributions thereon) on the books and records of the Company.

(c) ***Delivery of Stock Certificates.*** On or after each Applicable Date, upon written request to the Company by the Recipient, the Company shall promptly cause a new certificate or certificates to be issued for and with respect to all shares that become Vested Shares on that Applicable Date, which certificate(s) shall be delivered to the Recipient as soon as administratively practicable after the date of receipt by the Company of the Recipient's written request. The new certificate or certificates shall continue to bear those legends and endorsements that the Company shall deem necessary or appropriate (including those relating to restrictions on transferability and/or obligations and restrictions under the Securities Laws).

(d) ***Issuance Without Certificates.*** If the Company is authorized to issue Shares without certificates, then the Company may, in the discretion of the Committee, issue Shares pursuant to this Agreement without certificates, in which case any references in this Agreement to certificates shall instead refer to whatever evidence may be issued to reflect the Recipient's ownership of the Shares subject to the terms and conditions of this Agreement.

4. ***Forfeiture of Non-Vested Shares.*** If the Recipient's Continuous Service is terminated for any reason, any Shares of Restricted Stock that are not Vested Shares, and that do not become Vested Shares pursuant to Section 2 hereof as a result of such termination, shall be forfeited immediately upon such termination of Continuous Service and revert back to the Company without any payment to the Recipient. The Committee shall have the power and authority to enforce on behalf of the Company any rights of the Company under this Agreement in the event of the Recipient's forfeiture of Non-Vested Shares pursuant to this Section 4.

5. ***Rights with Respect to Restricted Stock.***

(a) ***General.*** Except as otherwise provided in this Agreement, the Recipient shall have, with respect to all of the shares of Restricted Stock, whether Vested Shares or Non-Vested Shares, all of the rights of a holder of shares of common stock of the Company, including without limitation (i) the right to vote such Restricted Stock, (ii) the right to receive dividends, if any, as may be declared on the Restricted Stock from time to time, and (iii) the rights available to

all holders of shares of common stock of the Company upon any merger, consolidation, reorganization, liquidation or dissolution, stock split-up, stock dividend or recapitalization undertaken by the Company; provided, however, that all of such rights shall be subject to the terms, provisions, conditions and restrictions set forth in this Agreement (including without limitation conditions under which all such rights shall be forfeited). Any Non-Vested Shares will not be entitled to receive subscription rights in connection with rights offerings. Any Shares issued to the Recipient as a dividend with respect to shares of Restricted Stock shall have the same status and bear the same legend as the shares of Restricted Stock and shall be held by the Company, if the shares of Restricted Stock that such dividend is attributed to is being so held, unless otherwise determined by the Committee. In addition, notwithstanding any provision to the contrary herein, any cash dividends declared with respect to shares of Restricted Stock subject to this Agreement shall be held in escrow by the Committee until such time as the shares of Restricted Stock that such cash dividends are attributed to shall become Vested Shares, and in the event that such shares of Restricted Stock are subsequently forfeited, the cash dividends attributable to such portion shall be forfeited as well.

(b) ***Adjustments to Shares.*** If at any time while this Agreement is in effect (or Shares granted hereunder shall be or remain unvested while Recipient's Continuous Service continues and has not yet terminated or ceased for any reason), there shall be any increase or decrease in the number of issued and outstanding Shares of the Company through the declaration of a stock dividend or through any recapitalization resulting in a stock split-up, combination or exchange of such Shares, then and in that event, the Board or the Committee shall make any adjustments it deems fair and appropriate, in view of such change, in the number of shares of Restricted Stock then subject to this Agreement. If any such adjustment shall result in a fractional Share, such fraction shall be disregarded.

(c) ***No Restrictions on Certain Transactions.*** Notwithstanding any term or provision of this Agreement to the contrary, the existence of this Agreement, or of any outstanding Restricted Stock awarded hereunder, shall not affect in any manner the right, power or authority of the Company to make, authorize or consummate: (i) any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business; (ii) any merger, consolidation or similar transaction by or of the Company; (iii) any offer, issue or sale by the Company of any capital stock of the Company, including any equity or debt securities, or preferred or preference stock that would rank prior to or on parity with the Restricted Stock and/or that would include, have or possess other rights, benefits and/or preferences superior to those that the Restricted Stock includes, has or possesses, or any warrants, options or rights with respect to any of the foregoing; (iv) the dissolution or liquidation of the Company; (v) any sale, transfer or assignment of all or any part of the stock, assets or business of the Company; or (vi) any other corporate transaction, act or proceeding (whether of a similar character or otherwise).

6. ***Transferability.*** The shares of Restricted Stock are not transferable unless and until they become Vested Shares in accordance with this Agreement, otherwise than by will or under the applicable laws of descent and distribution, except that the Restricted Stock may be transferred to one or more Beneficiaries or other transferees during the lifetime of the Recipient, but only if and to the extent such transfers are permitted by the Committee (subject to any terms and conditions which the Committee may impose thereon), are by gift or pursuant to a domestic

relations order, are to a "Permitted Assignee" that is a permissible transferee under the Securities and Exchange Commission for registration of shares of stock on a Form S-8 Registration Statement under the Securities Act of 1933, as amended (or any successor or, at the sole discretion of the Committee, other registration statement pursuant to which Awards, Shares, rights or interests under the Plan are then registered under such Act), if applicable. A Beneficiary, transferee, executor, administrator, heir, successor and assign of the Recipient or any other person claiming any rights with respect to the Restricted Stock shall be subject to all terms and conditions of the Plan and this Agreement, except as otherwise determined by the Committee, and to any additional terms and conditions deemed necessary or appropriate by the Committee. Except as otherwise permitted pursuant to the first sentence of this Section, any attempt to effect a Transfer of any shares of Restricted Stock prior to the date on which the shares have become Vested Shares shall be void ab initio. For purposes of this Agreement, "Transfer" shall mean any sale, transfer, encumbrance, gift, donation, assignment, pledge, hypothecation, or other disposition, whether similar or dissimilar to those previously enumerated, whether voluntary or involuntary, and including, but not limited to, any disposition by operation of law, by court order, by judicial process, or by foreclosure, levy or attachment.

7. ***Tax Matters; Section 83(b) Election.***

(a) ***Section 83(b) Election.*** If the Recipient properly elects, within thirty (30) days of the Date of Grant, to include in gross income for federal income tax purposes an amount equal to the fair market value (as of the Date of Grant) of the Restricted Stock pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended (the "Code"), the Recipient shall make arrangements satisfactory to the Company to pay to the Company any federal, state or local income taxes required to be withheld with respect to the Restricted Stock. If the Recipient shall fail to make such tax payments as are required, the Company shall, to the extent permitted by law, have the right to deduct from any payment of any kind (including without limitation, the withholding of any Shares that otherwise would be issued to the Recipient under this Agreement) otherwise due to the Recipient any federal, state or local taxes of any kind required by law to be withheld with respect to the Restricted Stock.

(b) ***No Section 83(b) Election.*** If the Recipient does not properly make the election described in paragraph 7(a) above, the Recipient shall, no later than the date or dates as of which the restrictions referred to in this Agreement hereof shall lapse, pay to the Company, or make arrangements satisfactory to the Committee for payment of, any federal, state or local taxes of any kind required by law to be withheld with respect to the Restricted Stock (including without limitation the vesting thereof), and the Company shall, to the extent permitted by law, have the right to deduct from any payment of any kind (including without limitation, the withholding of any Shares that otherwise would be distributed to the Recipient under this Agreement) otherwise due to Recipient any federal, state, or local taxes of any kind required by law to be withheld with respect to the Restricted Stock.

(c) ***Satisfaction of Withholding Requirements***. The Recipient may satisfy the withholding requirements with respect to the Restricted Stock pursuant to any one or combination of the following methods: (a) cash; (b) check; (c) the withholding of Shares that otherwise would be delivered to the Recipient pursuant to this Award, (d) to the extent permitted

by the Committee, with Shares owned by the Recipient, or (e) such other consideration or in such other manner as may be determined by the Committee in its absolute discretion.

(d) ***Recipient's Responsibilities for Tax Consequences***. Tax consequences on the Recipient (including without limitation federal, state, local and foreign income tax consequences) with respect to the Restricted Stock (including without limitation the grant, vesting and/or forfeiture thereof) are the sole responsibility of the Recipient. The Recipient shall consult with his or her own personal accountant(s) and/or tax advisor(s) regarding these matters, the making of a Section 83(b) election, and the Recipient's filing, withholding and payment (or tax liability) obligations.

8. ***Amendment, Modification & Assignment; Non-Transferability***. This Agreement may only be modified or amended in a writing signed by the parties hereto. No promises, assurances, commitments, agreements, undertakings or representations, whether oral, written, electronic or otherwise, and whether express or implied, with respect to the subject matter hereof, have been made by either party which are not set forth expressly in this Agreement. Unless otherwise consented to in writing by the Company, in its sole discretion, this Agreement (and Recipient's rights hereunder) may not be assigned, and the obligations of Recipient hereunder may not be delegated, in whole or in part. The rights and obligations created hereunder shall be binding on the Recipient and his heirs and legal representatives and on the successors and assigns of the Company.

9. ***Complete Agreement.*** This Agreement (together with the Plan and those agreements and documents expressly referred to herein, for the purposes referred to herein) embody the complete and entire agreement and understanding between the parties with respect to the subject matter hereof, and supersede any and all prior promises, assurances, commitments, agreements, undertakings or representations, whether oral, written, electronic or otherwise, and whether express or implied, which may relate to the subject matter hereof in any way.

10. ***Miscellaneous.***

(a) ***No Right to (Continued) Employment or Service.*** This Agreement and the grant of Restricted Stock hereunder shall not confer, or be construed to confer, upon the Recipient any right to employment or service, or continued employment or service, with the Company or any Related Entity.

(b) ***No Limit on Other Compensation Arrangements.*** Nothing contained in this Agreement shall preclude the Company or any Related Entity from adopting or continuing in effect other or additional compensation plans, agreements or arrangements, and any such plans, agreements and arrangements may be either generally applicable or applicable only in specific cases or to specific persons.

(c) ***Severability.*** If any term or provision of this Agreement is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or under any applicable law, rule or regulation, then such provision shall be construed or deemed amended to conform to applicable law (or if such provision cannot be so construed or deemed amended without materially altering the purpose or intent of this Agreement and the grant of Restricted Stock

hereunder, such provision shall be stricken as to such jurisdiction and the remainder of this Agreement and the award hereunder shall remain in full force and effect).

(d) ***No Trust or Fund Created.*** Neither this Agreement nor the grant of Restricted Stock hereunder shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any Related Entity and the Recipient or any other person. To the extent that the Recipient or any other person acquires a right to receive payments from the Company or any Related Entity pursuant to this Agreement, such right shall be no greater than the right of any unsecured general creditor of the Company.

(e) ***Law Governing.*** This Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of Delaware (without reference to the conflict of laws rules or principles thereof).

(f) ***Interpretation/ Provisions of Plan Control.*** This Agreement is subject to all the terms, conditions and provisions of the Plan, including, without limitation, any future amendment provisions thereof, and to such rules, regulations and interpretations relating to the Plan adopted by the Committee as may be in effect from time to time. If and to the extent that this Agreement conflicts or is inconsistent with the terms, conditions and provisions of the Plan, the Plan shall control, and this Agreement shall be deemed to be modified accordingly. The Participant accepts this Agreement subject to all of the terms and provisions of the Plan and this Agreement. The undersigned Participant hereby accepts as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan and this Agreement, unless shown to have been made in an arbitrary and capricious manner.

(g) ***Headings.*** Section, paragraph and other headings and captions are provided solely as a convenience to facilitate reference. Such headings and captions shall not be deemed in any way material or relevant to the construction, meaning or interpretation of this Agreement or any term or provision hereof.

(h) ***Notices.*** Any notice under this Agreement shall be in writing and shall be deemed to have been duly given when delivered personally or when deposited in the United States mail, registered, postage prepaid, and addressed, in the case of the Company, to the Company's Secretary at 555 Turnpike Street, Canton, MA 02021, or if the Company should move its principal office, to such principal office, and, in the case of the Recipient, to the Recipient's last permanent address as shown on the Company's records, subject to the right of either party to designate some other address at any time hereafter in a notice satisfying the requirements of this Section.

(i) ***Section 409A.***

i. It is intended that the Restricted Stock awarded pursuant to this Agreement be exempt from Section 409A of the Code ("Section 409A") because it is believed that the Agreement does not provide for a deferral of compensation and accordingly that the Agreement does not constitute a nonqualified deferred compensation plan within the meaning of Section 409A. The provisions of this Agreement shall be interpreted in a manner

consistent with this intention, and the provisions of this Agreement may not be amended, adjusted, assumed or substituted for, converted or otherwise modified without the Recipient's prior written consent if and to the extent that such amendment, adjustment, assumption or substitution, conversion or modification would cause the award to violate the requirements of Section 409A.

ii. In the event that either the Company or the Recipient believes, at any time, that any benefit or right under this Agreement is subject to Section 409A, and does not comply with the requirements of Section 409A, it shall promptly advise the other and the Company and the Recipient shall negotiate reasonably and in good faith to amend the terms of such benefits and rights, if such an amendment may be made in a commercially reasonable manner, such that they comply with Section 409A with the most limited possible economic affect on the Recipient and on the Company.

iii. Notwithstanding the foregoing, the Company does not make any representation to the Recipient that the shares of Restricted Stock awarded pursuant to this Agreement are exempt from, or satisfy, the requirements of Section 409A, and the Company shall have no liability or other obligation to indemnify or hold harmless the Recipient or any Beneficiary for any tax, additional tax, interest or penalties that the Recipient or any Beneficiary may incur in the event that any provision of this Agreement, or any amendment or modification thereof or any other action taken with respect thereto is deemed to violate any of the requirements of Section 409A.

(j) ***Non-Waiver of Breach.*** The waiver by any party hereto of the other party's prompt and complete performance, or breach or violation, of any term or provision of this Agreement shall be effected solely in a writing signed by such party, and shall not operate nor be construed as a waiver of any subsequent breach or violation, and the waiver by any party hereto to exercise any right or remedy which he or it may possess shall not operate nor be construed as the waiver of such right or remedy by such party, or as a bar to the exercise of such right or remedy by such party, upon the occurrence of any subsequent breach or violation.

(k) ***Counterparts.*** This Agreement may be executed in two or more separate counterparts, each of which shall be an original, and all of which together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have executed this Agreement as of the date first written above.

Destination XL Group, Inc.

By: _____
Name:
Title:

The Recipient acknowledges receipt of a copy of the Plan and represents that he or she has reviewed the provisions of the Plan and this Restricted Stock Agreement in their entirety, is familiar with and understands their terms and provisions, and hereby accepts this Restricted Stock Agreement subject to all of the terms and provisions of the Plan and the Restricted Stock Agreement. The Recipient further represents that he or she has had an opportunity to obtain the advice of counsel prior to executing this Restricted Stock Agreement.

RECIPIENT:

By: _____
[NAME]

EXHIBIT A

Copy of

DXL GROUP
Destination XL Group, Inc.
Long-Term Incentive Plan

DESTINATION XL GROUP, INC.
2016 INCENTIVE COMPENSATION PLAN

ASSOCIATE RESTRICTED STOCK UNIT AWARD AGREEMENT

FOR

[***NAME***]

1. ***Grant of Restricted Stock Units.*** DESTINATION XL GROUP, INC., a Delaware corporation (the "**Company**"), hereby grants, as of _____ ("**Date of Grant**"), to _____ (the "**Participant**") an award (the "**Award**") of ____ restricted stock units (the "**RSUs**") with respect to shares of the Company's common stock, $.01 par value per share, subject to the terms and conditions as set forth herein. This RSU award agreement (the "**Agreement**") is issued pursuant to the Company's 2016 Incentive Compensation Plan (the "**2016 Plan**"), which is incorporated herein for all purposes. The Participant hereby acknowledges receipt of a copy of the 2016 Plan and agrees to be bound by all of the terms and conditions hereof and thereof and all applicable laws and regulations. Unless otherwise provided herein, terms used herein that are defined in the 2016 Plan and not defined herein shall have the meanings attributed thereto in the 2016 Plan.

2. ***Vesting of RSUs.***

(a) ***General Vesting.*** The shares of RSUs shall become vested in the following amounts, at the following times and upon the following conditions, provided that the Continuous Service of the Participant continues through and on the applicable Vesting Date:

Number of RSUs	Vesting Date
[ ]	[ ]

There shall be no proportionate or partial vesting of RSUs in or during the months, days or periods prior to the Vesting Date, and except as otherwise provided in Sections 2(b), 2(c), or 2(d) hereof, all vesting of RSUs shall occur only on the applicable Vesting Date.

(b) ***Acceleration of Vesting Upon Termination.*** The RSUs subject to this Agreement shall vest immediately in the event that a Change in Control of the Company occurs and within 6 months before or 18 months after the Change in Control, the Participant's Continuous Service is terminated by the Company or any Related Entity without Justifiable Cause or by the Participant for Good Reason, or by death or Disability, in accordance with the provisions of Section 10(a) of the 2016 Plan.

(c) ***Acceleration of Vesting at Company Discretion***. Nothing in this Agreement shall preclude the Committee from taking action, in its sole discretion, to accelerate the vesting of any Award in connection with or following a Participant's death, Disability, termination of Continuous Service or the consummation of a Change in Control**.**

(d) ***Definitions.*** For purposes of this Agreement, the following terms shall have the meanings indicated:

(i) "***Delivery Date"*** means any date occurring as promptly as practical (but in no event more than 30 days) following the date on which the RSUs become Vested RSUs pursuant to Section 2.

(ii) "***Non-Vested RSUs***" means any portion of the RSUs subject to this Agreement that has not become vested pursuant to this Section 2.

(iii) "***Vested RSUs***" means any portion of the RSUs subject to this Agreement that is and has become vested pursuant to this Section 2.

3. ***Forfeiture of Non-Vested RSUs.*** If the Participant's Continuous Service is terminated for any reason, any RSUs that are not Vested RSUs, and that do not become Vested RSUs pursuant to Section 2 hereof as a result of such termination, shall be forfeited immediately upon such termination of Continuous Service without any payment to the Participant. The Committee shall have the power and authority to enforce on behalf of the Company any rights of the Company under this Agreement in the event of the Participant's forfeiture of Non-Vested RSUs pursuant to this Section 3.

4. ***Settlement of the RSUs.*** The Company shall deliver to the Participant, or in the event of the Participant's death, to the Beneficiary or Beneficiaries designated by the Participant, or if the Participant has not so designated any Beneficiary(ies), or no Beneficiary survives the Participant, to the personal representative of the Participant's estate, on the Delivery Date certificates (or other indicia of ownership) representing Shares corresponding to the Vested RSUs.

5. ***Rights with Respect to RSUs.***

(a) ***No Rights as Shareholder Until Delivery.*** Except as otherwise provided in this Section 5, the Participant shall not have any rights, benefits or entitlements with respect to the Shares corresponding to the RSUs unless and until those Shares are delivered to the Participant (and thus shall have no voting rights, or rights to receive any dividend declared, before those Shares are so delivered). On or after delivery, the Participant shall have, with respect to the Shares delivered, all of the rights of a holder of Shares granted pursuant to the articles of incorporation and other governing instruments of the Company, or as otherwise available at law.

(b) ***Adjustments to Shares.*** This Award shall be subject to the adjustments provided for in Section 11(c) of the 2016 Plan.

(c) ***No Restriction on Certain Transactions.*** Notwithstanding any term or provision of this Agreement to the contrary, the existence of this Agreement, or of any outstanding RSUs awarded hereunder, shall not affect in any manner the right, power or authority of the Company or any Related Entity to make, authorize or consummate: (i) any or all adjustments, recapitalizations, reorganizations or other changes in the Company's or any Related Entity's capital structure or its business; (ii) any merger, consolidation or similar transaction by or of the Company or any Related Entity; (iii) any offer, issue or sale by the Company or any Related

Entity of any capital stock of the Company or any Related Entity, including any equity or debt securities, or preferred or preference stock that would rank prior to or on parity with the Shares represented by the RSUs and/or that would include, have or possess other rights, benefits and/or preferences superior to those that such Shares includes, has or possesses, or any warrants, options or rights with respect to any of the foregoing; (iv) the dissolution or liquidation of the Company or any Related Entity; (v) any sale, transfer or assignment of all or any part of the stock, assets or business of the Company or any Related Entity; or (vi) any other corporate transaction, act or proceeding (whether of a similar character or otherwise).

(d) ***Dividend Equivalents.*** During the term of this Agreement and provided that the Participant's Continuous Service has not terminated prior to the dividend record date, the Participant shall have the right to receive distributions (the "***Dividend Equivalents***") from the Company equal to any dividends or other distributions that would have been distributed to the Participant if each of the RSUs instead was an issued and outstanding Share owned by the Participant. The number of RSUs awarded for a cash dividend or non-cash dividend other than a stock dividend shall be determined by (i) multiplying the number of RSUs held by the Participant pursuant to this Agreement as of the dividend record date by the amount of the dividend per Share and (ii) dividing the product so determined by the Fair Market Value of a Share on the dividend payment date. The number of RSUs awarded for a stock dividend shall be determined by multiplying the number of RSUs held by the Participant pursuant to this Agreement as of the dividend record date by the number of additional Shares actually paid as a dividend per Share. Any additional RSUs awarded pursuant to this Section 5(d) shall be awarded effective the date the dividend was paid, and shall have the same status, and shall be subject to the same terms and conditions (including without limitation the vesting and forfeiture provisions), under this Agreement as the RSUs to which they relate, and shall be distributed, reduced by any applicable withholding taxes, on the same Delivery Date as the RSUs to which they relate (or if later, as of the applicable dividend payment date). Each Dividend Equivalent shall be treated as a separate payment for purposes of Section 409A of the Code.

6. ***Transferability.*** The RSUs are not transferable unless and until the Shares have been delivered to the Participant in settlement of the RSUs in accordance with this Agreement, otherwise than by will or under the applicable laws of descent and distribution, except that the RSUs may be transferred to one or more Beneficiaries or other transferees during the lifetime of the Participant, but only if and to the extent such transfers are permitted by the Committee (subject to any terms and conditions which the Committee may impose thereon), are by gift or pursuant to a domestic relations order, are to a "Permitted Assignee" that is a permissible transferee under the Securities and Exchange Commission for registration of shares of stock on a Form S-8 Registration Statement under the Securities Act of 1933, as amended (or any successor or, at the sole discretion of the Committee, other registration statement pursuant to which Awards, Shares, rights or interests under the 2016 Plan are then registered under such Act), if applicable. A Beneficiary, transferee, executor, administrator, heir, successor and assign of the Participant or any other person claiming any rights with respect to the RSUs shall be subject to all terms and conditions of the 2016 Plan and this Agreement, except as otherwise determined by the Committee, and to any additional terms and conditions deemed necessary or appropriate by the Committee. Except as otherwise permitted pursuant to the first sentence of this Section, any attempt to effect a Transfer of any RSUs prior to the date on which the Shares have been

delivered to the Participant in settlement of the RSUs shall be void ab initio. For purposes of this Agreement, "Transfer" shall mean any sale, transfer, encumbrance, gift, donation, assignment, pledge, hypothecation, or other disposition, whether similar or dissimilar to those previously enumerated, whether voluntary or involuntary, and including, but not limited to, any disposition by operation of law, by court order, by judicial process, or by foreclosure, levy or attachment.

7. ***Tax Matters.***

(a) ***Withholding***. As a condition to the Company's obligations with respect to the RSUs (including, without limitation, any obligation to deliver any Shares) hereunder, the Participant shall make arrangements satisfactory to the Company to pay to the Company any federal, state, local or foreign taxes of any kind required to be withheld with respect to the delivery of Shares corresponding to such RSUs. If the Participant shall fail to make the tax payments as are required, the Company shall, to the extent permitted by law, have the right to deduct from any payment of any kind (including the withholding of any Shares that otherwise would be delivered to Participant under this Agreement) otherwise due to the Participant any federal, state or local taxes of any kind required by law to be withheld with respect to such Shares.

(b) ***Satisfaction of Withholding Requirements.*** The Participant may satisfy the withholding requirements with respect to the RSUs pursuant to any one or combination of the following methods:

(i) payment in cash; or

(ii) payment by the withholding of Shares that otherwise would be deliverable to the Participant pursuant to this Agreement.

(c) ***Participant's Responsibilities for Tax Consequences.*** The tax consequences to the Participant (including without limitation federal, state, local and foreign income tax consequences) with respect to the RSUs (including without limitation the grant, vesting and/or delivery thereof) are the sole responsibility of the Participant. The Participant shall consult with his or her own personal accountant(s) and/or tax advisor(s) regarding these matters and the Participant's filing, withholding and payment (or tax liability) obligations.

8. ***Amendment, Modification & Assignment.*** This Agreement may only be modified or amended in a writing signed by the parties hereto. No promises, assurances, commitments, agreements, undertakings or representations, whether oral, written, electronic or otherwise, and whether express or implied, with respect to the subject matter hereof, have been made by either party which are not set forth expressly in this Agreement. Unless otherwise consented to in writing by the Company, in its sole discretion, this Agreement (and Participant's rights hereunder) may not be assigned, and the obligations of Participant hereunder may not be delegated, in whole or in part. The rights and obligations created hereunder shall be binding on the Participant and his heirs and legal representatives and on the successors and assigns of the Company.

9. ***Complete Agreement.*** This Agreement (together with the 2016 Plan and those other agreements and documents expressly referred to herein, for the purposes referred to herein) embody the complete and entire agreement and understanding between the parties with respect to the subject matter hereof, and supersede any and all prior promises, assurances, commitments, agreements, undertakings or representations, whether oral, written, electronic or otherwise, and whether express or implied, which may relate to the subject matter hereof in any way.

10. ***Miscellaneous.***

(a) ***No Right to (Continued) Employment or Service.*** This Agreement and the grant of RSUs hereunder shall not confer, or be construed to confer, upon the Participant any right to employment or service, or continued employment or service, with the Company or any Related Entity.

(b) ***No Limit on Other Compensation Arrangements.*** Nothing contained in this Agreement shall preclude the Company or any Related Entity from adopting or continuing in effect other or additional compensation plans, agreements or arrangements, and any such plans, agreements and arrangements may be either generally applicable or applicable only in specific cases or to specific persons.

(c) ***Severability.*** If any term or provision of this Agreement is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or under any applicable law, rule or regulation, then such provision shall be construed or deemed amended to conform to applicable law (or if such provision cannot be so construed or deemed amended without materially altering the purpose or intent of this Agreement and the grant of RSUs hereunder, such provision shall be stricken as to such jurisdiction and the remainder of this Agreement and the award hereunder shall remain in full force and effect).

(d) ***No Trust or Fund Created.*** Neither this Agreement nor the grant of RSUs hereunder shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any Related Entity and the Participant or any other person. To the extent that the Participant or any other person acquires a right to receive payments from the Company or any Related Entity pursuant to this Agreement, such right shall be no greater than the right of any unsecured general creditor of the Company.

(e) ***Law Governing.*** This Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of Delaware (without reference to the conflict of laws rules or principles thereof).

(f) ***Interpretation / Provisions of Plan Control***. This Agreement is subject to all the terms, conditions and provisions of the 2016 Plan, including, without limitation, any future amendment provisions thereof, and to such rules, regulations and interpretations relating to the 2016 Plan adopted by the Committee as may be in effect from time to time. If and to the extent that this Agreement conflicts or is inconsistent with the terms, conditions and provisions of the 2016 Plan, the 2016 Plan shall control, and this Agreement shall be deemed to be modified accordingly. The Participant accepts this Agreement subject to all of the terms and provisions of the 2016 Plan and this Agreement. The undersigned Participant hereby accepts as binding,

conclusive and final all decisions or interpretations of the Committee upon any questions arising under the 2016 Plan and this Agreement, unless shown to have been made in an arbitrary and capricious manner.

(g) ***Headings.*** Section, paragraph and other headings and captions are provided solely as a convenience to facilitate reference. Such headings and captions shall not be deemed in any way material or relevant to the construction, meaning or interpretation of this Agreement or any term or provision hereof.

(h) ***Notices.*** Any notice under this Agreement shall be in writing and shall be deemed to have been duly given when delivered personally or when deposited in the United States mail, registered, postage prepaid, and addressed, in the case of the Company, to the Company's Secretary at 555 Turnpike Street, Canton, MA 02021, or if the Company should move its principal office, to such principal office, and, in the case of the Participant, to the Participant's last permanent address as shown on the Company's records, subject to the right of either party to designate some other address at any time hereafter in a notice satisfying the requirements of this Section.

(i) ***Section 409A***. It is the intention of both the Company and the Participant that the benefits and rights to which the Participant could be entitled pursuant to this Agreement qualify for the short-term deferral exemption under Section 409A of the Code and the Treasury Regulations and other guidance promulgated or issued thereunder ("***Section 409A***"), and the provisions of this Agreement shall be construed in a manner consistent with that intention. Notwithstanding the foregoing, the Company does not make any representation to the Participant that the shares of RSUs awarded pursuant to this Agreement are exempt from, or satisfy, the requirements of Section 409A, and the Company shall have no liability or other obligation to indemnify or hold harmless the Participant or any Beneficiary for any tax, additional tax, interest or penalties that the Participant or any Beneficiary may incur in the event that any provision of this Agreement, or any amendment or modification thereof or any other action taken with respect thereto is deemed to violate any of the requirements of Section 409A.

(j) ***Non-Waiver of Breach.*** The waiver by any party hereto of the other party's prompt and complete performance, or breach or violation, of any term or provision of this Agreement shall be effected solely in a writing signed by such party, and shall not operate nor be construed as a waiver of any subsequent breach or violation, and the waiver by any party hereto to exercise any right or remedy which he or it may possess shall not operate nor be construed as the waiver of such right or remedy by such party, or as a bar to the exercise of such right or remedy by such party, upon the occurrence of any subsequent breach or violation.

(k) ***Counterparts.*** This Agreement may be executed in two or more separate counterparts, each of which shall be an original, and all of which together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have executed this Agreement as of _____, 20_____.

COMPANY:

DESTINATION XL GROUP, INC., a Delaware corporation

By: _____
Name:
Title:

The Participant acknowledges receipt of a copy of the 2016 Plan and represents that he or she has reviewed the provisions of the 2016 Plan and this Agreement in their entirety and is familiar with and understands their terms and provisions, and hereby accepts this Agreement subject to all of the terms and provisions of the 2016 Plan and the Agreement. The Participant further represents that he or she has had an opportunity to obtain the advice of counsel prior to executing this Agreement.

Dated: _____ **PARTICIPANT**:

By: _____
[ ]

DESTINATION XL GROUP, INC.
2016 INCENTIVE COMPENSATION PLAN
Pursuant to Destination XL Group, Inc.
Long-Term Incentive Plan

ASSOCIATE RESTRICTED STOCK UNIT AWARD AGREEMENT

FOR

[NAME]

1. ***Grant of Restricted Stock Units.*** DESTINATION XL GROUP, INC., a Delaware corporation (the "**Company**"), hereby grants, as of _____ ("**Date of Grant**"), to _____ (the "**Participant**") an award (the "**Award**") of ____ restricted stock units (the **"RSUs**") with respect to shares of the Company's common stock, $.01 par value per share**,** subject to the terms and conditions as set forth herein. This RSU award agreement (the "**Agreement**") is issued pursuant to the Company's 2016 Incentive Compensation Plan (the "**2016 Plan**") and the Company's Long-Term Incentive Plan (the "LTIP")(a copy of which is attached as Exhibit "A"), which are incorporated herein for all purposes. The Participant hereby acknowledges receipt of a copy of the 2016 Plan and the LTIP and agrees to be bound by all of the terms and conditions hereof and thereof and all applicable laws and regulations. Unless otherwise provided herein, terms used herein that are defined in the 2016 Plan and not defined herein shall have the meanings attributed thereto in the 2016 Plan and the LTIP.

2. ***Vesting of RSUs.***

(a) ***General Vesting.*** The shares of RSUs shall become vested in the following amounts, at the following times and upon the following conditions, provided that the Continuous Service of the Participant continues through and on the applicable Vesting Date:

Number of RSUs	Vesting Date
[ ]	[ ]

There shall be no proportionate or partial vesting of RSUs in or during the months, days or periods prior to the Vesting Date, and except as otherwise provided in Sections 2(b), 2(c), or 2(d) hereof, all vesting of RSUs shall occur only on the applicable Vesting Date.

(b) ***Acceleration of Vesting Upon Termination.*** In the event that the Participant's Continuous Service is terminated either by the Company without Justifiable Cause or by the Participant for Good Reason, the RSUs subject to this Agreement shall vest in accordance with Sections 7(a)(ii)(C) and 7(b)(ii)(C) of the LTIP, and Shares equal to the number of such Vested RSUs, if any, shall be delivered, subject to any requirements under this Agreement, to the Participant. Notwithstanding the foregoing, in the event that a Change in Control of the Company occurs and within 6 months before or 18 months after the Change in Control, the Participant's Continuous Service is terminated by the Company or any Related Entity without

Justifiable Cause or by the Participant for Good Reason, the provisions of Section 10(a) of the 2016 Plan shall apply.

(c) ***Acceleration of Vesting Upon Death or Disability.*** In the event that the Participant's Continuous Service terminates by reason of the Participant's Disability or death, the RSUs subject to this Agreement shall vest in accordance with Sections 7(a)(ii)(A) and 7(b)(ii)(A), and Shares equal to the number of such Vested RSUs, if any, shall be delivered, subject to any requirements under this Agreement, to the Participant, in the event of his or her Disability, or in the event of the Participant's death, to the beneficiary or beneficiaries designated by the Participant, or if the Participant has not so designated any beneficiary(ies), or no designated beneficiary survives the Participant, to the personal representative of the Participant's estate. Notwithstanding the foregoing, in the event that a Change in Control of the Company occurs and within 6 months before or 18 months after the Change in Control, there is a termination of the Participant's Continuous Service because of the Participant's death or Disability, the provisions of Section 10(a) of the 2016 Plan shall apply.

(d) ***Acceleration of Vesting Upon Retirement.*** In the event that the Participant's Continuous Service terminates by reason of the Participant's Retirement, the RSUs subject to this Agreement shall vest in accordance with Sections 7(a)(ii)(B) and 7(b)(ii)(B) of the LTIP.

(e) ***Acceleration of Vesting at Company Discretion***. Nothing in this Agreement shall preclude the Committee from taking action, in its sole discretion, to accelerate the vesting of any Award in connection with or following a Participant's death, Disability, termination of Continuous Service or the consummation of a Change in Control.

(f) ***Definitions.*** For purposes of this Agreement, the following terms shall have the meanings indicated:

(i) "***Delivery Date"*** means any date occurring as promptly as practical (but in no event more than 30 days) following the date on which the RSUs become Vested RSUs pursuant to Section 2.

(ii) "***Non-Vested RSUs***" means any portion of the RSUs subject to this Agreement that has not become vested pursuant to this Section 2.

(iii) "***Vested RSUs***" means any portion of the RSUs subject to this Agreement that is and has become vested pursuant to this Section 2.

3. ***Forfeiture of Non-Vested RSUs.*** If the Participant's Continuous Service is terminated for any reason, any RSUs that are not Vested RSUs, and that do not become Vested RSUs pursuant to Section 2 hereof as a result of such termination, shall be forfeited immediately upon such termination of Continuous Service without any payment to the Participant. The Committee shall have the power and authority to enforce on behalf of the Company any rights of the Company under this Agreement in the event of the Participant's forfeiture of Non-Vested RSUs pursuant to this Section 3.

4. ***Settlement of the RSUs.*** The Company shall deliver to the Participant, or in the event of the Participant's death, to the Beneficiary or Beneficiaries designated by the Participant, or if the Participant has not so designated any Beneficiary(ies), or no Beneficiary survives the Participant, to the personal representative of the Participant's estate, on the Delivery Date certificates (or other indicia of ownership) representing Shares corresponding to the Vested RSUs.

5. ***Rights with Respect to RSUs.***

(a) ***No Rights as Shareholder Until Delivery.*** Except as otherwise provided in this Section 5, the Participant shall not have any rights, benefits or entitlements with respect to the Shares corresponding to the RSUs unless and until those Shares are delivered to the Participant (and thus shall have no voting rights, or rights to receive any dividend declared, before those Shares are so delivered). On or after delivery, the Participant shall have, with respect to the Shares delivered, all of the rights of a holder of Shares granted pursuant to the articles of incorporation and other governing instruments of the Company, or as otherwise available at law.

(b) ***Adjustments to Shares.*** This Award shall be subject to the adjustments provided for in Section 11(c) of the 2016 Plan.

(c) ***No Restriction on Certain Transactions.*** Notwithstanding any term or provision of this Agreement to the contrary, the existence of this Agreement, or of any outstanding RSUs awarded hereunder, shall not affect in any manner the right, power or authority of the Company or any Related Entity to make, authorize or consummate: (i) any or all adjustments, recapitalizations, reorganizations or other changes in the Company's or any Related Entity's capital structure or its business; (ii) any merger, consolidation or similar transaction by or of the Company or any Related Entity; (iii) any offer, issue or sale by the Company or any Related Entity of any capital stock of the Company or any Related Entity, including any equity or debt securities, or preferred or preference stock that would rank prior to or on parity with the Shares represented by the RSUs and/or that would include, have or possess other rights, benefits and/or preferences superior to those that such Shares includes, has or possesses, or any warrants, options or rights with respect to any of the foregoing; (iv) the dissolution or liquidation of the Company or any Related Entity; (v) any sale, transfer or assignment of all or any part of the stock, assets or business of the Company or any Related Entity; or (vi) any other corporate transaction, act or proceeding (whether of a similar character or otherwise).

(d) ***Dividend Equivalents.*** During the term of this Agreement and provided that the Participant's Continuous Service has not terminated prior to the dividend record date, the Participant shall have the right to receive distributions (the "***Dividend Equivalents***") from the Company equal to any dividends or other distributions that would have been distributed to the Participant if each of the RSUs instead was an issued and outstanding Share owned by the Participant. The number of RSUs awarded for a cash dividend or non-cash dividend other than a stock dividend shall be determined by (i) multiplying the number of RSUs held by the Participant pursuant to this Agreement as of the dividend record date by the amount of the dividend per Share and (ii) dividing the product so determined by the Fair Market Value of a Share on the dividend payment date. The number of RSUs awarded for a stock dividend shall be

determined by multiplying the number of RSUs held by the Participant pursuant to this Agreement as of the dividend record date by the number of additional Shares actually paid as a dividend per Share. Any additional RSUs awarded pursuant to this Section 5(d) shall be awarded effective the date the dividend was paid, and shall have the same status, and shall be subject to the same terms and conditions (including without limitation the vesting and forfeiture provisions), under this Agreement as the RSUs to which they relate, and shall be distributed, reduced by any applicable withholding taxes, on the same Delivery Date as the RSUs to which they relate (or if later, as of the applicable dividend payment date). Each Dividend Equivalent shall be treated as a separate payment for purposes of Section 409A of the Code.

6. ***Transferability.*** The RSUs are not transferable unless and until the Shares have been delivered to the Participant in settlement of the RSUs in accordance with this Agreement, otherwise than by will or under the applicable laws of descent and distribution, except that the RSUs may be transferred to one or more Beneficiaries or other transferees during the lifetime of the Participant, but only if and to the extent such transfers are permitted by the Committee (subject to any terms and conditions which the Committee may impose thereon), are by gift or pursuant to a domestic relations order, are to a "Permitted Assignee" that is a permissible transferee under the Securities and Exchange Commission for registration of shares of stock on a Form S-8 Registration Statement under the Securities Act of 1933, as amended (or any successor or, at the sole discretion of the Committee, other registration statement pursuant to which Awards, Shares, rights or interests under the 2016 Plan are then registered under such Act), if applicable. A Beneficiary, transferee, executor, administrator, heir, successor and assign of the Participant or any other person claiming any rights with respect to the RSUs shall be subject to all terms and conditions of the 2016 Plan and this Agreement, except as otherwise determined by the Committee, and to any additional terms and conditions deemed necessary or appropriate by the Committee. Except as otherwise permitted pursuant to the first sentence of this Section, any attempt to effect a Transfer of any RSUs prior to the date on which the Shares have been delivered to the Participant in settlement of the RSUs shall be void *ab initio*. For purposes of this Agreement, "Transfer" shall mean any sale, transfer, encumbrance, gift, donation, assignment, pledge, hypothecation, or other disposition, whether similar or dissimilar to those previously enumerated, whether voluntary or involuntary, and including, but not limited to, any disposition by operation of law, by court order, by judicial process, or by foreclosure, levy or attachment.

7. ***Tax Matters.***

(a) ***Withholding***. As a condition to the Company's obligations with respect to the RSUs (including, without limitation, any obligation to deliver any Shares) hereunder, the Participant shall make arrangements satisfactory to the Company to pay to the Company any federal, state, local or foreign taxes of any kind required to be withheld with respect to the delivery of Shares corresponding to such RSUs. If the Participant shall fail to make the tax payments as are required, the Company shall, to the extent permitted by law, have the right to deduct from any payment of any kind (including the withholding of any Shares that otherwise would be delivered to Participant under this Agreement) otherwise due to the Participant any

federal, state or local taxes of any kind required by law to be withheld with respect to such Shares.

(b) ***Satisfaction of Withholding Requirements.*** The Participant may satisfy the withholding requirements with respect to the RSUs pursuant to any one or combination of the following methods:

(i) payment in cash; or

(ii) payment by the withholding of Shares that otherwise would be deliverable to the Participant pursuant to this Agreement.

(c) ***Participant's Responsibilities for Tax Consequences.*** The tax consequences to the Participant (including without limitation federal, state, local and foreign income tax consequences) with respect to the RSUs (including without limitation the grant, vesting and/or delivery thereof) are the sole responsibility of the Participant. The Participant shall consult with his or her own personal accountant(s) and/or tax advisor(s) regarding these matters and the Participant's filing, withholding and payment (or tax liability) obligations.

8. ***Amendment, Modification & Assignment.*** This Agreement may only be modified or amended in a writing signed by the parties hereto. No promises, assurances, commitments, agreements, undertakings or representations, whether oral, written, electronic or otherwise, and whether express or implied, with respect to the subject matter hereof, have been made by either party which are not set forth expressly in this Agreement. Unless otherwise consented to in writing by the Company, in its sole discretion, this Agreement (and Participant's rights hereunder) may not be assigned, and the obligations of Participant hereunder may not be delegated, in whole or in part. The rights and obligations created hereunder shall be binding on the Participant and his heirs and legal representatives and on the successors and assigns of the Company.

9. ***Complete Agreement.*** This Agreement (together with the 2016 Plan and those other agreements and documents expressly referred to herein, for the purposes referred to herein) embody the complete and entire agreement and understanding between the parties with respect to the subject matter hereof, and supersede any and all prior promises, assurances, commitments, agreements, undertakings or representations, whether oral, written, electronic or otherwise, and whether express or implied, which may relate to the subject matter hereof in any way.

10. ***Miscellaneous.***

(a) ***No Right to (Continued) Employment or Service.*** This Agreement and the grant of RSUs hereunder shall not confer, or be construed to confer, upon the Participant any right to employment or service, or continued employment or service, with the Company or any Related Entity.

(b) ***No Limit on Other Compensation Arrangements.*** Nothing contained in this Agreement shall preclude the Company or any Related Entity from adopting or continuing in

effect other or additional compensation plans, agreements or arrangements, and any such plans, agreements and arrangements may be either generally applicable or applicable only in specific cases or to specific persons.

(c) ***Severability.*** If any term or provision of this Agreement is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or under any applicable law, rule or regulation, then such provision shall be construed or deemed amended to conform to applicable law (or if such provision cannot be so construed or deemed amended without materially altering the purpose or intent of this Agreement and the grant of RSUs hereunder, such provision shall be stricken as to such jurisdiction and the remainder of this Agreement and the award hereunder shall remain in full force and effect).

(d) ***No Trust or Fund Created.*** Neither this Agreement nor the grant of RSUs hereunder shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any Related Entity and the Participant or any other person. To the extent that the Participant or any other person acquires a right to receive payments from the Company or any Related Entity pursuant to this Agreement, such right shall be no greater than the right of any unsecured general creditor of the Company.

(e) ***Law Governing.*** This Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of Delaware (without reference to the conflict of laws rules or principles thereof).

(f) ***Interpretation / Provisions of Plan Control***. This Agreement is subject to all the terms, conditions and provisions of the 2016 Plan, including, without limitation, any future amendment provisions thereof, and to such rules, regulations and interpretations relating to the 2016 Plan adopted by the Committee as may be in effect from time to time. If and to the extent that this Agreement conflicts or is inconsistent with the terms, conditions and provisions of the 2016 Plan, the 2016 Plan shall control, and this Agreement shall be deemed to be modified accordingly. The Participant accepts this Agreement subject to all of the terms and provisions of the 2016 Plan and this Agreement. The undersigned Participant hereby accepts as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the 2016 Plan and this Agreement, unless shown to have been made in an arbitrary and capricious manner.

(g) ***Headings.*** Section, paragraph and other headings and captions are provided solely as a convenience to facilitate reference. Such headings and captions shall not be deemed in any way material or relevant to the construction, meaning or interpretation of this Agreement or any term or provision hereof.

(h) ***Notices.*** Any notice under this Agreement shall be in writing and shall be deemed to have been duly given when delivered personally or when deposited in the United States mail, registered, postage prepaid, and addressed, in the case of the Company, to the Company's Secretary at 555 Turnpike Street, Canton, MA 02021, or if the Company should move its principal office, to such principal office, and, in the case of the Participant, to the

Participant's last permanent address as shown on the Company's records, subject to the right of either party to designate some other address at any time hereafter in a notice satisfying the requirements of this Section.

(i) ***Section 409A***. It is the intention of both the Company and the Participant that the benefits and rights to which the Participant could be entitled pursuant to this Agreement qualify for the short-term deferral exemption under Section 409A of the Code and the Treasury Regulations and other guidance promulgated or issued thereunder ("Section 409A"), and the provisions of this Agreement shall be construed in a manner consistent with that intention. Notwithstanding the foregoing, the Company does not make any representation to the Participant that the shares of RSUs awarded pursuant to this Agreement are exempt from, or satisfy, the requirements of Section 409A, and the Company shall have no liability or other obligation to indemnify or hold harmless the Participant or any Beneficiary for any tax, additional tax, interest or penalties that the Participant or any Beneficiary may incur in the event that any provision of this Agreement, or any amendment or modification thereof or any other action taken with respect thereto is deemed to violate any of the requirements of Section 409A.

(j) ***Non-Waiver of Breach.*** The waiver by any party hereto of the other party's prompt and complete performance, or breach or violation, of any term or provision of this Agreement shall be effected solely in a writing signed by such party, and shall not operate nor be construed as a waiver of any subsequent breach or violation, and the waiver by any party hereto to exercise any right or remedy which he or it may possess shall not operate nor be construed as the waiver of such right or remedy by such party, or as a bar to the exercise of such right or remedy by such party, upon the occurrence of any subsequent breach or violation.

(k) ***Counterparts.*** This Agreement may be executed in two or more separate counterparts, each of which shall be an original, and all of which together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have executed this Agreement as of _____, 20_____.

COMPANY:

DESTINATION XL GROUP, INC., a Delaware corporation

By: _____
Name:
Title:

The Participant acknowledges receipt of a copy of the 2016 Plan and represents that he or she has reviewed the provisions of the 2016 Plan and this Agreement in their entirety and is familiar with and understands their terms and provisions, and hereby accepts this Agreement subject to all of the terms and provisions of the 2016 Plan and the Agreement. The Participant

further represents that he or she has had an opportunity to obtain the advice of counsel prior to executing this Agreement.

Dated: _____ **PARTICIPANT**:

By: _____
[ ]

EXHIBIT A

Copy of

DXL GROUP

Destination XL Group, Inc.

Long-Term Incentive Plan

DESTINATION XL GROUP, INC.
2016 INCENTIVE COMPENSATION PLAN

DEFERRED STOCK AWARD AGREEMENT
(For Non-Employee Directors)

Agreement

1. ***Grant of Deferred Stock***. DESTINATION XL GROUP, INC., a Delaware corporation (the "**Company**"), hereby grants, as of _____ ("**Date of Grant**"), to _____ (the "**Participant**") an award (the "**Award**") of deferred stock (the **"Deferred Stock**") of ____ shares of the Company's common stock, $.01 par value per share**,** subject to the terms and conditions as set forth herein. This deferred stock award agreement (the "**Agreement**") is issued pursuant to the Company's 2016 Incentive Compensation Plan (the "**2016 Plan**") and the Company's Amended and Restated Non-Employee Director Compensation Plan (the "**Non-Employee Director Plan**"), which are incorporated herein for all purposes. The Participant hereby acknowledges receipt of copies of the 2016 Plan and the Non-Employee Director Plan and agrees to be bound by all of the terms and conditions hereof and thereof and all applicable laws and regulations.

2. ***Definitions***. Unless otherwise provided herein, terms used herein that are defined in the 2016 Plan and not defined herein shall have the meanings attributed thereto in the 2016 Plan.

3. ***Vesting Schedule***. Pursuant to the Non-Employee Director Plan, the Deferred Stock shall be fully vested on the Date of Grant.

4. ***Deferral Period***. Pursuant to the Non-Employee Director Plan, Shares that are deferred pursuant to this Award of Deferred Stock shall be delivered to the Participant, or in the event of the Participant's death, to the Beneficiary or Beneficiaries designated by the Participant, or if the Participant has not so designated any Beneficiary(ies), or no Beneficiary survives the Participant, to the personal representative of the Participant's estate, within 30 days after the end of a period (the "**Deferral Period**") that begins on the Date of Grant and ends on the [earlier of (a) the [_____] anniversary of the Date of Grant or (b) the] date on which the Participant incurs a "separation from service", within the meaning of Section 409A of the Code. Payment of the Award shall be made in shares of Common Stock, except as otherwise provided under the 2016 Plan.

5. ***Adjustments***. This Award shall be subject to the adjustments provided for in Section 11 of the 2016 Plan.

6. ***Transferability***. Unless otherwise determined by the Committee in a manner that does not violate the requirements of Section 409A of the Code, the Award granted hereby is not transferable otherwise than by will or under the applicable laws of descent and distribution. Upon any attempt to transfer, assign, negotiate, pledge or hypothecate the, or in the event of any levy upon the by reason of any execution, attachment or similar process contrary to the provisions hereof, the

Award shall immediately become null and void. The terms of this Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of the Participant.

7. ***No Rights of Stockholders***. Prior to the date on which Shares that are deferred pursuant to this Award of Deferred Stock are delivered to the Participant pursuant to Section 4 hereof, the Award carries no voting or dividend or other rights and privileges of a stockholder of the Company.

8. ***Acceleration of Deferral Period Upon Change in Control.*** If and to the extent it would not result in a violation of Section 409A of the Code, in the event that a Change in Control, as defined in Section 10(b) of the 2016 Plan, occurs during the Deferral Period, the Shares that are subject to this Award of Deferred Stock shall be delivered to the Participant within 30 days after the Change in Control.

9. ***No Right to Continued Employment or Service with the Company***. Neither the Deferred Stock nor this Agreement shall confer upon the Participant any right to continued employment or service with the Company.

10. ***Law Governing***. This Agreement shall be governed in accordance with and governed by the internal laws of the State of Delaware.

11. ***Interpretation / Provisions of Plan Control***. This Agreement is subject to all the terms, conditions and provisions of the 2016 Plan, including, without limitation, the amendment provisions thereof, and to such rules, regulations and interpretations relating to the 2016 Plan adopted by the Committee as may be in effect from time to time. If and to the extent that this Agreement conflicts or is inconsistent with the terms, conditions and provisions of the 2016 Plan, the 2016 Plan shall control, and this Agreement shall be deemed to be modified accordingly. The Participant accepts this Agreement subject to all of the terms and provisions of the 2016 Plan and this Agreement. The undersigned Participant hereby accepts as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the 2016 Plan and this Agreement, unless shown to have been made in an arbitrary and capricious manner.

12. ***Notices***. Any notice under this Agreement shall be in writing and shall be deemed to have been duly given when delivered personally or when deposited in the United States mail, registered, postage prepaid, and addressed, in the case of the Company, to the Company's Secretary at 555 Turnpike Street, Canton, MA 02021, or if the Company should move its principal office, to such principal office, and, in the case of the Participant, to the Participant's last permanent address as shown on the Company's records, subject to the right of either party to designate some other address at any time hereafter in a notice satisfying the requirements of this Section.

13. ***Section 409A***. This Award shall be subject to the provisions of Section 8(e) of the 2016 Plan, relating to Section 409A of the Code.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the ____ day of _____, 20_____.

COMPANY:

DESTINATION XL GROUP, INC., a Delaware corporation

By: _____
Name:
Title:

The Participant acknowledges receipt of copies of the 2016 Plan and the Non-Employee Director Plan and represents that he or she has reviewed the provisions of both plans and this Agreement in their entirety and is familiar with and understands their terms and provisions, and hereby accepts this Agreement subject to all of the terms and provisions of the 2016 Plan and the Agreement. The Participant further represents that he or she has had an opportunity to obtain the advice of counsel prior to executing this Agreement.

Dated: _____ **PARTICIPANT**:

By: _____
[ ]

Exhibit 10.13

DESTINATION XL GROUP, INC.

THIRD AMENDMENT TO SECOND AMENDED AND RESTATED
NON-EMPLOYEE DIRECTOR COMPENSATION PLAN

Pursuant to a vote taken of the Directors of Destination XL Group, Inc. at a meeting held on February 2, 2017, the Second Amended and Restated Non-Employee Director Compensation Plan (the "Plan") dated as of December 8, 2014; amended as of November 5, 2015; and amended as of January 31, 2016 is hereby amended effective February 2, 2017 (the "Third Amendment"). Capitalized terms used herein and not defined shall have the same meaning herein as in the Plan.

1. Amendments to Plan.

Section 2. Definitions of the Plan shall be updated to include the following definition:

> (r) "Lead Director" means an independent director whose responsibilities shall include the following and any other responsibilities determined by the Board: (i) presiding at all meetings of the Board at which the Chairman is not present, including executive sessions of the independent directors; (ii) serving as liaison between the Chairman and the independent directors; (iii) reviewing and approving materials to be sent to the Board; (iv) approving the meeting agendas for the Board; (v) approving meeting schedules to assure that there is sufficient time for discussion of all agenda items; (vi) having the authority to call meetings of the independent directors; and (vii) if requested by major shareholders, ensuring that he or she is available for consultation and direct communication. If the Chairman of the Board is an independent director, then the foregoing responsibilities will be handled by the Chairman.

Subsection (i) of Section 3. Compensation; Irrevocable Election; Valuation of the Plan shall be updated to include the following language:

> (i) to the Lead Director, a fee equal to $4,500.00 per fiscal quarter (paid only to the Participant serving in such position as of the Grant Date in the fiscal quarter for which the fee is payable).

Exhibit 10.43

EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") is made as of January 18, 2017 between CMRG APPAREL, LLC, (the “Company”) a “Related Entity”, as defined in the 2016 Incentive Compensation Plan, of DXLG Group, Inc., a Delaware corporation with an office at 555 Turnpike Street, Canton, Massachusetts, 02021 (the "Company" which term includes any affiliates and subsidiaries), and Mary Luttrell (the “Executive”) having an address at 70 Shirley Road, Raynham, MA 02767.

WITNESSETH:

WHEREAS, the Company desires that Executive serve as Senior Vice President Marketing and Executive desires to be so employed by the Company.

WHEREAS, Executive and the Company desire to set forth in writing the terms and conditions of the Executive's employment with the Company from the date hereof.

NOW, THEREFORE, in consideration of the promises and the mutual promises, representations and covenants herein contained, the parties hereto agree as follows:

1. EMPLOYMENT

The Company hereby employs Executive and Executive hereby accepts such employment, subject to the terms and conditions herein set forth. Executive shall hold the office of Senior Vice President Marketing.

2. TERM

The term of employment under this Agreement (the “Term of Employment”) shall begin on the date set forth above (the "Effective Date") and shall continue until terminated by either party as hereinafter set forth.

3. COMPENSATION

(a) During the Term of Employment, as compensation for the employment services to be rendered by Executive hereunder, the Company agrees to pay to Executive, and Executive agrees to accept, payable in equal bi-weekly installments in accordance with Company practice, an annual base salary of two hundred twenty five thousand and 00/100 Cents ($225,000.00) (the “Base Salary”). The Base Salary shall be reviewed at least annually to ascertain whether, in the judgment of the Company, such Base Salary should be adjusted. If so, the adjusted Base Salary shall be adjusted for all purposes of this Agreement.

(b) In addition to the Base Salary, during the Term of Employment, Executive is eligible to participate in the Company’s Annual Incentive Plan. Such incentive shall be

determined and payable in accordance with the Company's incentive program in effect at the time, subject to change from year to year in the Company's sole discretion. Executive will participate in the Company's incentive program and Executive's target bonus under such plan (if all individual and Company performance conditions are met) shall be 40% of Executive's actual annual base earnings (which shall be the total Base Salary as may be paid during the fiscal year ("Base Earnings")). The actual award under the incentive program, if any, may be more or less than the target and will be based on Executive's performance and the performance of the Company and payment will be made in accordance with and subject to the terms and conditions of the incentive program then in effect.

(c) In addition, during the Term of Employment, Executive is eligible to participate in the Company's Long Term Incentive Plan ("LTIP"). Such incentive shall be determined and distributable in accordance with and subject to the terms and conditions as described in the LTIP documents in effect at the time of the award, subject to change from year to year in the Compensation Committee's sole discretion. Executive will participate in the Company's LTIP at a target incentive rate of 70%, of Executive's combined actual annual Base Earnings, for the incentive period, based upon the Company's targeted performance as defined in the LTIP documents in effect at the time of the award.

4. EXPENSES

The Company shall pay or reimburse Executive, in accordance with the Company's policies and procedures and upon presentment of suitable vouchers, for all reasonable business and travel expenses, which may be incurred or paid by Executive during the Term of Employment in connection with Executive's employment hereunder. Executive shall comply with such restrictions and shall keep such records as the Company may reasonably deem necessary to meet the requirements of the Internal Revenue Code of 1986, as amended from time to time, and regulations promulgated thereunder.

5. OTHER BENEFITS

(a) During the Term of Employment, Executive shall be entitled to such vacations and to participate in and receive any other benefits customarily provided by the Company to its management (including any profit sharing, pension, 401(k), short and long-term disability insurance, medical and dental insurance and group life insurance plans in accordance with and subject to the terms of such plans, including, without limitation, any eligibility requirements contained therein), all as determined from time to time by the Compensation Committee of the Board of Directors in its discretion.

(b) The Company will, during the Term of Employment, provide Executive with an automobile allowance in the total amount of eight thousand four hundred and 00/100 ($8,400.00) annually, in equal bi-weekly payments in accordance with the Company's normal payroll practices. Executive shall pay and be responsible for all insurance, repairs and maintenance costs

associated with operating the automobile. Executive is responsible for Executive's gasoline, unless the gasoline expense is reimbursable under the Company's policies and procedures.

(b) Executive will be eligible to participate in the Company's annual performance appraisal process.

6. DUTIES

(a) Executive shall perform such duties and functions consistent with the position of Senior Vice President Marketing and/or as the Company shall from time to time determine and Executive shall comply in the performance of Executive's duties with the policies of, and be subject to the direction of the Company.

(b) During the Term of Employment, Executive shall devote substantially all of his or her time and attention, vacation time and absences for sickness excepted, to the business of the Company, as necessary to fulfill Executive's duties. Executive shall perform the duties assigned to him or her with fidelity and to the best of Executive's ability. Notwithstanding anything herein to the contrary, and subject to the foregoing, Executive shall not be prevented from accepting positions in outside organizations so long as such activities do not interfere with Executive's performance of Executive's duties hereunder and do not violate paragraph 10 hereof.

(c) The principal location at which the Executive shall perform Executive's duties hereunder shall be at the Company's offices in Canton, Massachusetts or at such other location as may be temporarily designated from time to time by the Company. Notwithstanding the foregoing, Executive shall perform such services at such other locations as may be required for the proper performance of Executive's duties hereunder, and Executive recognizes that such duties may involve travel.

7. TERMINATION OF EMPLOYMENT; EFFECT OF TERMINATION

(a) The Term of Employment may be terminated by the Company at any time:

(i) upon the determination by the Company that Executive's performance of his duties has not been fully satisfactory for any reason which would not constitute justifiable cause (as hereinafter defined) or for other business reasons necessitating termination which do not constitute justifiable cause, in either case upon thirty (30) days' prior written notice to Executive; or

(ii) upon the determination of the Company that there is justifiable cause (as hereinafter defined) for such termination.

(b) The Term of Employment shall terminate upon:

(i) the death of Executive;

(ii) the date on which the Company elects to terminate the Term of Employment by reason of the "disability" of Executive (as hereinafter defined in subsection (c) herein) pursuant to subsection (g) hereof; or

(iii) Executive's resignation of employment.

(c) For the purposes of this Agreement, the term "disability" shall mean Executive is physically or mentally incapacitated so as to render Executive incapable of performing the essentials of Executive's job, even with reasonable accommodation, as reasonably determined by the Company, which determination shall be final and binding.

(d) For the purposes hereof, the term "justifiable cause" shall mean: any failure or refusal to perform any of the duties pursuant to this Agreement or any breach of this Agreement by the Executive; Executive's breach of any material written policies, rules or regulations which have been adopted by the Company; Executive's repeated failure to perform Executive's duties in a satisfactory manner; Executive's performance of any act or Executive's failure to act, as to which if Executive were prosecuted and convicted, a crime or offense involving money or property of the Company or its subsidiaries or affiliates, or a crime or offense constituting a felony in the jurisdiction involved, would have occurred; any unauthorized disclosure by Executive to any person, firm or corporation of any confidential information or trade secret of the Company or any of its subsidiaries or affiliates; any attempt by Executive to secure any personal profit in connection with the business of the Company or any of its subsidiaries and affiliates; or the engaging by Executive in any business other than the business of the Company and its subsidiaries and affiliates which interferes with the performance of Executive's duties hereunder. Upon termination of Executive's employment for justifiable cause, Executive shall not be entitled to any amounts or benefits hereunder other than such portion of Executive's Base Salary and reimbursement of expenses pursuant to paragraph 5 hereof as have been accrued through the date of Executive's termination of employment.

(e) If the Company terminates this Agreement without "justifiable cause" as provided in subsection 7(a)(i), the Company shall pay Executive his or her then current base salary for five months after the effectiveness of such termination, payable in equal payments in accordance with the Company's customary payroll practices commencing with the first payroll period that begins at least 30 days after the termination of the Executive's Term of Employment conditioned upon the Executive having provided the Company with an executed general release in the form attached hereto as Exhibit A (the "General Release") and the time for Executive's revocation of the General Release having expired. Such payments shall be made in accordance with the Company's customary payroll practices until paid in full. Any payment pursuant to this paragraph 7(e) is contingent upon Executive's execution of the General Release within 21 days after termination of the Term of Employment (and the Executive's not revoking that General Release) and will be in lieu of payments to which Executive might have been entitled under any other severance plan of the Company.

(f) If Executive shall die during the term of Executive's employment hereunder, this Agreement shall terminate immediately. In such event, the estate of Executive shall thereupon be entitled to receive such portion of Executive's base annual salary and reimbursement of expenses pursuant to paragraph 4 as have been accrued through the date of Executive's death.

(g) Upon Executive's "disability", the Company shall have the right to terminate Executive's employment. Any termination pursuant to this subsection (g) shall be effective on the earlier of (i) the date 30 days after which Executive shall have received written notice of the Company's election to terminate or (ii) the date Executive begins to receive long-term disability insurance benefits under the policy provided by the Company pursuant to paragraph 5 hereof.

(h) Upon the resignation of Executive in any capacity, that resignation will be deemed to be a resignation from all offices and positions that Executive holds with respect to the Company and any of its subsidiaries and affiliates. In the event of Executive's resignation, Executive shall be entitled only to receive such portion of Executive's annual Base Salary and reimbursement of expenses pursuant to paragraph 4 as have been accrued through the date of Executive's resignation.

(i) Change of Control. In the event the Term of Employment is terminated by the Company without justifiable cause (as defined herein) or Executive resigns with Good Reason (as defined herein) within one (1) year following a Change of Control of the Company has occurred, then, in such event, the Company shall pay Executive an amount equal to twelve (12) months of Executive's highest Base Salary in effect at any time during the six (6) month period ending on the date of the Change of Control. For the purposes of the foregoing, Change of Control shall have the meaning set forth in the Company's 2016 Incentive Compensation Plan (without regard to any subsequent amendments thereto). For purposes of the foregoing, **"***Good Reason"* means the occurrence of any of the following: (i) a material diminution in the Executive's base compensation; (ii) a material diminution in the Executive's authority, duties, or responsibilities; (iii) a material change in the geographic location at which the Executive must perform the services under this Agreement; or (iv) any other action or inaction that constitutes a material breach by the Company of this Agreement. For purposes of this provision, Good Reason shall not be deemed to exist unless the Executive's termination of employment for Good Reason occurs within 2 years following the initial existence of one of the conditions specified in clauses (i) through (iv) above, the Executive provides the Company with written notice of the existence of such condition within 90 days after the initial existence of the condition, and the Company fails to remedy the condition within 30 days after its receipt of such notice. The Company shall pay the amount required under this paragraph 7(i) in a single payment thirty (30) days after termination of the Term of Employment, subject to and conditioned upon the Executive's execution of the General Release required pursuant to paragraph 7(k) hereof and such release becoming irrevocable. Any payments made pursuant to this paragraph 7(i) will be in lieu of payments to which Executive might have been entitled under paragraph 7(e) of this Agreement or under any other severance plan of the Company. The payments under this Agreement shall be reduced if and to the extent necessary to avoid any payments or benefits to

Executive being treated as "excess parachute payments" within the meaning of Internal Revenue Code Section 280G(b)(i).

(j) Clawback of Certain Compensation and Benefits.

If, after the termination of the Term of Employment for any reason other than by the Company for "justifiable cause":

(i) it is determined in good faith by the Company within twelve (12) months after the termination of the Term of Employment (the "Termination Date") that the Executive's employment could have been terminated by the Company for justifiable cause under paragraph 7(d) hereof (unless the Company knew or should have known that as of the Termination Date, the Executive's employment could have been terminated for justifiable cause in accordance with paragraph 7(d) hereof); or

(ii) the Executive breaches any of the provisions of paragraph 10, then, in addition to any other remedy that may be available to the Company in law or equity and/or pursuant to any other provisions of this Agreement, the Executive's employment shall be deemed to have been terminated for justifiable cause retroactively to the Termination Date and the Executive also shall be subject to the following provisions:

(A) the Executive shall be required to pay to the Company, immediately upon written demand by the Company, all amounts paid to Executive by the Company, whether or not pursuant to this Agreement (other than such portion of Executive's Base Salary and reimbursement of expenses pursuant to paragraph 4 hereof as have been accrued through the date of the termination of the Term of Employment), on or after the Termination Date (including the pre-tax cost to the Company of any benefits that are in excess of the total amount that the Company would have been required to pay to the Executive if the Executive's employment with the Company had been terminated by the Company for justifiable cause in accordance with paragraph 7(d) above);

(B) all vested and unvested Awards (as that term is defined in the 2016 Incentive Compensation Plan) then held by the Executive shall immediately expire; and

(C) the Executive shall be required to pay to the Company, immediately upon written demand by the Company, an amount equal to any Gains resulting from the exercise or payment of any Awards (as that term is defined in the 2016 Incentive Compensation Plan) at any time on or after, or during the one year period prior to, the Termination Date. For these purposes, the term "Gain" shall mean (i) in the case of each stock option or stock appreciation right ("SAR"), the difference between the fair market value per share of the Company's common stock underlying such option or SAR as of the date on which the Executive exercised the option or SAR, less the exercise price or grant price of the option or SAR; and (ii) in the case of any Award other than a stock option or SAR that is satisfied by the issuance of Common Stock of the Company, the value of such stock on the

Termination Date, and (iii) in the case of any Award other than a stock option or SAR, that is satisfied in cash or any property other than Common Stock of the Company, the amount of cash and the value of the property on the payment date paid to satisfy the Award.

(k) Any payment pursuant to paragraph 7(e) or 7(i) shall be contingent upon Executive's execution of the General Release within 21 days after termination of the Term of Employment, and the Executive's not revoking that release.

8. COMPLIANCE WITH SECTION 409A

(a) General. It is the intention of both the Company and the Executive that the benefits and rights to which the Executive could be entitled pursuant to this Agreement comply with Section 409A of the Code and the Treasury Regulations and other guidance promulgated or issued thereunder ("Section 409A"), to the extent that the requirements of Section 409A are applicable thereto, and the provisions of this Agreement shall be construed in a manner consistent with that intention. If the Executive or the Company believes, at any time, that any such benefit or right that is subject to Section 409A does not so comply, it shall promptly advise the other and shall negotiate reasonably and in good faith to amend the timing of such benefits and rights such that they comply with Section 409A (with the most limited possible economic effect on the Executive).

(b) Distributions on Account of Separation from Service. If and to the extent required to comply with Section 409A, no payment or benefit required to be paid under this Agreement on account of termination of the Executive's employment shall be made unless and until the Executive incurs a "separation from service" within the meaning of Section 409A.

(c) 6 Month Delay for "Specified Employees".

(i) If the Executive is a "specified employee", then no payment or benefit that is payable on account of the Executive's "separation from service", as that term is defined for purposes of Section 409A, shall be made before the date that is six months after the Executive's "separation from service" (or, if earlier, the date of the Executive's death) if and to the extent that such payment or benefit constitutes deferred compensation (or may be nonqualified deferred compensation) under Section 409A and such deferral is required to comply with the requirements of Section 409A. Any payment or benefit delayed by reason of the prior sentence shall be paid out or provided in a single lump sum at the end of such required delay period in order to catch up to the original payment schedule. There shall be added to any payments that are delayed pursuant to this provision interest at the prime rate as reported in the Wall Street Journal for the date of the Executive's separation from service. Such interest shall be calculated from the date on which the payment otherwise would have been made until the date on which the payment is made.

(ii) For purposes of this provision, the Executive shall be considered to be a "specified employee" if, at the time of his or her separation from service, the Executive is a "key

employee", within the meaning of Section 416(i) of the Code, of the Company (or any person or entity with whom the Company would be considered a single employer under Section 414(b) or Section 414(c) of the Code) any stock in which is publicly traded on an established securities market or otherwise.

(d) No Acceleration of Payments. Neither the Company nor the Executive, individually or in combination, may accelerate any payment or benefit that is subject to Section 409A, except in compliance with Section 409A and the provisions of this Agreement, and no amount that is subject to Section 409A shall be paid prior to the earliest date on which it may be paid without violating Section 409A.

(e) Treatment of Each Installment as a Separate Payment. For purposes of applying the provisions of Section 409A to this Agreement, each separately identified amount to which the Executive is entitled under this Agreement shall be treated as a separate payment. In addition, to the extent permissible under Section 409A, any series of installment payments under this Agreement shall be treated as a right to a series of separate payments.

(f) Taxable Reimbursements.

(i) Any reimbursements by the Company to the Executive of any eligible expenses under this Agreement that are not excludable from the Executive's income for Federal income tax purposes (the "Taxable Reimbursements") shall be made by no later than the earlier of the date on which they would be paid under the Company's normal policies and the last day of the taxable year of the Executive following the year in which the expense was incurred.

(ii) The amount of any Taxable Reimbursements to be provided to the Executive during any taxable year of the Executive shall not affect the expenses eligible for reimbursement to be provided in any other taxable year of the Executive.

(iii) The right to Taxable Reimbursements shall not be subject to liquidation or exchange for another benefit.

9. REPRESENTATION AND AGREEMENTS OF EXECUTIVE

(a) Executive represents and warrants that Executive is free to enter into this Agreement and to perform the duties required hereunder, and that there are no employment contracts or understandings, restrictive covenants or other restrictions, whether written or oral, preventing the performance of Executive's duties hereunder.

(b) Executive agrees to submit to a medical examination and to cooperate and supply such other information and documents as may be required by any insurance company in connection with the Company's obtaining life insurance on the life of Executive, and any other type of insurance or fringe benefit as the Company shall determine from time to time to obtain.

(c) Executive represents and warrants that Executive has never been convicted of a felony and Executive has not been convicted or incarcerated for a misdemeanor within the past five years, other than a first conviction for drunkenness, simple assault, speeding, minor traffic violations, affray, or disturbance of the peace.

(d) Executive represents and warrants that Executive has never been a party to any judicial or administrative proceeding that resulted in a judgement, decree, or final order (i) enjoining him or her from future violations of, or prohibiting any violations of any federal or state securities law, or (ii) finding any violations of any federal or state securities law.

(e) Executive represents and warrants that Executive has never been accused of any impropriety in connection with any employment;

Any breach of any of the above representations and warranties is "justifiable cause" for termination under paragraph 7(d) of this Agreement.

10. NON-COMPETITION

(a) Executive agrees that during the Term of Employment and during the one (1) year period immediately following the Termination Date (the "Non-Competitive Period"), Executive shall not, directly or indirectly, as owner, partner, joint venturer, stockholder, employee, broker, agent, principal, trustee, corporate officer, director, licensor, or in any capacity whatsoever, engage in, become financially interested in, be employed by, render any consultation or business advice with respect to, accept any competitive business on behalf of, or have any connection with any business which is competitive with products or services of the Company or any subsidiaries and affiliates, in any geographic area in which the Company or any of its subsidiaries or affiliates are then conducting or proposing to conduct business, including, without limitation, the United States of America and its possessions, Canada and Europe; provided, however, that Executive may own any securities of any corporation which is engaged in such business and is publicly owned and traded but in an amount not to exceed at any one time one percent (1%) of any class of stock or securities of such corporation. In addition, Executive shall not, during the Non-Competitive Period, directly or indirectly, request or cause any suppliers or customers with whom the Company or any of its subsidiaries or affiliates has a business relationship to cancel or terminate any such business relationship with the Company or any of its subsidiaries or affiliates or otherwise compromise the Company’s good will or solicit, hire, interfere with or entice from the Company or any of its subsidiaries or affiliates any employee (or former employee who has been separated from service for less than 12 months) of the Company or any of its subsidiaries or affiliates.

(b) If any portion of the restrictions set forth in this paragraph 10 should, for any reason whatsoever, be declared invalid by a court of competent jurisdiction, the validity or enforceability of the remainder of such restrictions shall not thereby be adversely affected. For the purposes of this paragraph 10, a business competitive with the products and services of the Company (or such subsidiaries and affiliates) is limited to a specialty retailer which primarily

distributes, sells or markets so-called "big and tall" apparel of any kind for men or which utilizes the "big and tall" retail or wholesale marketing concept as part of its business.

(c) Executive acknowledges that the Company conducts business throughout the world, that Executive's duties and responsibilities on behalf of the Company are of a worldwide nature, that its sales and marketing prospects are for continued expansion throughout the world and therefore, the territorial and time limitations set forth in this paragraph 10 are reasonable and properly required for the adequate protection of the business of the Company and its subsidiaries and affiliates. In the event any such territorial or time limitation is deemed to be unreasonable by a court of competent jurisdiction, Executive agrees to the reduction of the territorial or time limitation to the area or period which such court shall deem reasonable.

(d) The existence of any claim or cause of action (a claim or cause of action is defined as a claim or cause of action which results from a breach of the terms and provisions of this Agreement by the Company, regardless of whether the breach is material) by Executive against the Company or any subsidiary or affiliate shall not constitute a defense to the enforcement by the Company or any subsidiary or affiliate of the foregoing restrictive covenants, but such claim or cause of action shall be litigated separately.

11. INVENTIONS AND DISCOVERIES

(a) Upon execution of this Agreement and thereafter, Executive shall promptly and fully disclose to the Company, and with all necessary detail for a complete understanding of the same, all existing and future developments, know-how, discoveries, inventions, improvements, concepts, ideas, writings, formulae, processes and methods (whether copyrightable, patentable or otherwise) made, received, conceived, acquired or written during working hours, or otherwise, by Executive (whether or not at the request or upon the suggestion of the Company) during the period of Executive's employment with, or rendering of advisory or consulting services to, the Company or any of its subsidiaries and affiliates, solely or jointly with others, in or relating to any activities of the Company or its subsidiaries and affiliates known to him or her as a consequence of Executive's employment or the rendering of advisory and consulting services hereunder (collectively the "Subject Matter").

(b) Executive hereby assigns and transfers, and agrees to assign and transfer, to the Company, all Executive's rights, title and interest in and to the Subject Matter, and Executive further agrees to deliver to the Company any and all drawings, notes, specifications and data relating to the Subject Matter, and to execute, acknowledge and deliver all such further papers, including applications for copyrights or patents, as may be necessary to obtain copyrights and patents for any thereof in any and all countries and to vest title thereto to the Company. Executive shall assist the Company in obtaining such copyrights or patents during the term of this Agreement, and at any time thereafter on reasonable notice and at mutually convenient times, and Executive agrees to testify in any prosecution or litigation involving any of the Subject Matter; provided, however, after the Term of Employment that Executive shall be compensated in a timely manner at the rate of $250 per day (or portion thereof), plus out-of-

pocket expenses incurred in rendering such assistance or giving or preparing to give such testimony if it is required after the termination of this Agreement.

12. NON-DISCLOSURE OF CONFIDENTIAL INFORMATION

(a) Executive acknowledges that the Company possesses certain confidential and propriety information that has been or may be revealed to him or her or learned by Executive during the course of Executive's employment with the Company and that it would be unfair to use that information or knowledge to compete with or to otherwise disadvantage the Company. Executive shall not, during the Term of Employment or at any time following the Term of Employment, directly or indirectly, disclose or permit to be known (other than as is required in the regular course of Executive's duties (including without limitation disclosures to the Company's advisors and consultants), as required by law (in which case Executive shall give the Company prior written notice of such required disclosure) or with the prior written consent of the Board of Directors, to any person, firm, corporation, or other entity, any confidential information acquired by him or her during the course of, or as an incident to, Executive's employment or the rendering of Executive's advisory or consulting services hereunder, relating to the Company or any of its subsidiaries or affiliates, the directors of the Company or its subsidiaries or affiliates, any supplier or customer of the Company or any of their subsidiaries or affiliates, or any corporation, partnership or other entity owned or controlled, directly or indirectly, by any of the foregoing, or in which any of the foregoing has a beneficial interest, including, but not limited to, the business affairs of each of the foregoing. Such confidential information shall include, but shall not be limited to, proprietary technology, trade secrets, patented processes, research and development data, know-how, market studies and forecasts, financial data, competitive analyses, pricing policies, employee lists, personnel policies, the substance of agreements with customers, suppliers and others, marketing or dealership arrangements, servicing and training programs and arrangements, supplier lists, customer lists and any other documents embodying such confidential information. This confidentiality obligation shall not apply to any confidential information, which is or becomes publicly available other than pursuant to a breach of this paragraph 12(a) by Executive.

(b) All information and documents relating to the Company and its subsidiaries or affiliates as herein above described (or other business affairs) shall be the exclusive property of the Company, and Executive shall use commercially reasonable best efforts to prevent any publication or disclosure thereof. Upon termination of Executive's employment with the Company, all documents, records, reports, writings and other similar documents containing confidential information, including copies thereof then in Executive's possession or control shall be returned and left with the Company.

13. SPECIFIC PERFORMANCE

Executive agrees that if Executive breaches, or threatens to commit a breach of, any enforceable provision of paragraphs 10, 11 or 12 (the "Restrictive Covenants"), the Company shall have, in addition to, and not in lieu of, any other rights and remedies available to the Company under law

and in equity, the right to have the Restrictive Covenants specifically enforced by a court of competent jurisdiction, it being agreed that any such breach or threatened breach of the Restrictive Covenants would cause irreparable injury to the Company and that money damages would not provide an adequate remedy to the Company. Notwithstanding the foregoing, nothing herein shall constitute a waiver by Executive of Executive's right to contest whether such a breach or threatened breach of any Restrictive Covenant has occurred. In the event of litigation between the parties to this Agreement regarding their respective rights and obligations under paragraphs 10, 11, or 12 hereof, the prevailing party shall be entitled to recover from the other all attorneys' fees and expenses reasonably incurred in obtaining a ruling in the prevailing party's favor. Any such damages, attorneys' fees and costs shall be in addition to and not in lieu of any injunctive relief that may be available to the Company.

14. AMENDMENT OR ALTERATION

No amendment or alteration of the terms of this Agreement shall be valid unless made in writing and signed by both of the parties hereto.

15. GOVERNING LAW

This Agreement shall be governed by, and construed and enforced in accordance with the substantive laws of the Commonwealth of Massachusetts, without regard to its principles of conflicts of laws.

16. SEVERABILITY

The holding of any provision of this Agreement to be invalid or unenforceable by a court of competent jurisdiction shall not affect any other provision of this Agreement, which shall remain in full force and effect.

17. NOTICES

Any notices required or permitted to be given hereunder shall be sufficient if in writing, and if delivered by hand or courier, or sent by certified mail, return receipt requested, to the addresses set forth above or such other address as either party may from time to time designate in writing to the other, and shall be deemed given as of the date of the delivery or of the placement of the notice in the mail.

18. WAIVER OR BREACH

It is agreed that a waiver by either party of a breach of any provision of this Agreement shall not operate, or be construed as a waiver of any subsequent breach by that same party.

19. ENTIRE AGREEMENT AND BINDING EFFECT

This Agreement contains the entire agreement of the parties with respect to the subject matter hereof and shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, heirs, distributors, successors and assigns and supersedes any and all prior agreements between the parties whether oral or written. This Agreement may not be modified except upon further written agreement executed by both parties. Executive agrees that the Company may in its sole discretion, during the term of Executive's employment with the Company and thereafter, provide copies of this Agreement (or excerpts of the Agreement) to others, including businesses or entities that may employ, do business with, or consider employing Executive in the future. Executive further agrees that any subsequent change or changes in Executive's duties, compensation or areas of responsibility shall in no way affect the validity of this Agreement or otherwise render inapplicable any of the provisions of paragraphs 10 through 13 of this Agreement, which shall remain in full force and effect except as may be modified by a subsequent written agreement.

20. SURVIVAL

Except as otherwise expressly provided herein, the termination of Executive's employment hereunder or the expiration of this Agreement shall not affect the enforceability of paragraphs 7 through 26 hereof, which shall survive the termination or expiration.

21. RESOLUTION OF DISPUTES

Any and all disputes arising under or in connection with this Agreement shall be resolved in accordance with this paragraph 21 and paragraph 15.

The parties shall attempt to resolve any dispute, controversy or difference that may arise between them through good faith negotiations. In the event the parties fail to reach resolution of any such dispute within thirty (30) days after entering into negotiations, either party may proceed to institute action in any state or federal court located within the Commonwealth of Massachusetts, which courts shall have exclusive jurisdiction, and each party consents to the personal jurisdiction of any such state or federal court. Both parties waive their right to a trial by jury.

22. NON-DISPARAGEMENT

Executive agrees not to make disparaging, critical or otherwise detrimental comments to any person or entity concerning the Company, its officers, directors, trustees, and employees or the services or programs provided or to be provided by the Company and the Company agrees not to make any disparaging, critical or otherwise detrimental comments to any person or entity concerning Executive.

23. FURTHER ASSURANCES

The parties agree to execute and deliver all such further documents, agreements and instruments and take such other and further action as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

24. SUBSIDIARIES AND AFFILIATES

For purposes of this Agreement:

(a) “affiliate” means any entity that controls, is controlled by, or is under common control with, the Company, and “control” means the power to exercise a controlling influence over the management or policies of an entity, unless such power is solely the result of an official position with such entity; and

(b) “subsidiary” means any corporation or other entity in which the Company has a direct or indirect ownership interest of 50% or more of the total combined voting power of the then outstanding securities or interests of such corporation or other entity entitled to vote generally in the election of directors (or similar governing body of a non-corporate entity) or in which the Company has the right to receive 50% or more of the distribution of profits or 50% or more of the assets on liquidation or dissolution.

25. HEADINGS

The paragraph headings appearing in this Agreement are for the purposes of easy reference and shall not be considered a part of this Agreement or in any way modify, amend or affect its provisions.

26. COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, under seal, as of the date and year first above written.

CMRG APPAREL., LLC.

By: /s/ David A. Levin Date: March 1, 2017
Name:David A. Levin
Its:President, Chief Executive Officer

By: /s/ Mary Luttrell Date: March 1, 2017
Name:Mary Luttrell

EXHIBIT A
FORM OF RELEASE

GENERAL RELEASE OF CLAIMS

1. [**INSERT EXECUTIVE'S NAME]** ("Executive"), for him- or herself and his or her family, heirs, executors, administrators, legal representatives and their respective successors and assigns, in exchange for good and valuable consideration to be paid after the date of Executive's termination as set forth in the Employment Agreement to which this release is attached as Exhibit A (the "Employment Agreement"), does hereby release and forever discharge CMRG Apparel, LLC (the "Company"), its subsidiaries, affiliated companies, successors and assigns, and their respective current or former directors, officers, employees, shareholders or agents in such capacities (collectively with the Company, the "Released Parties") from any and all actions, causes of action, suits, controversies, claims and demands whatsoever, for or by reason of any matter, cause or thing whatsoever, whether known or unknown including, but not limited to, all claims under any applicable laws arising under or in connection with Executive's employment or termination thereof, whether for tort, breach of express or implied employment contract, wrongful discharge, intentional infliction of emotional distress, or defamation or injuries incurred on the job or incurred as a result of loss of employment. Executive acknowledges that the Company encouraged Executive to consult with an attorney of Executive's choosing, and through this General Release of Claims encourages Executive to consult with his or her attorney with respect to possible claims under the Age Discrimination in Employment Act ("ADEA") and that Executive understands that the ADEA is a Federal statute that, among other things, prohibits discrimination on the basis of age in employment and employee benefits and benefit plans. Without limiting the generality of the release provided above, Executive expressly waives any and all claims under ADEA that he or she may have as of the date hereof. Executive further understands that by signing this General Release of Claims he or she is in fact waiving, releasing and forever giving up any claim under the ADEA as well as all other laws within the scope of this paragraph 1 that may have existed on or prior to the date hereof. Notwithstanding anything in this paragraph 1 to the contrary, this General Release of Claims shall not apply to (i) any rights to receive any payments pursuant to paragraph 7 of the Employment Agreement, or any accrued but unpaid benefits under any employee benefit plan maintained by the Company (ii) any rights or claims that may arise as a result of events occurring after the date this General Release of Claims is executed, (iii) any indemnification rights Executive may have as a former officer or director of the Company or its subsidiaries or affiliated companies, (iv) any claims for benefits under any directors' and officers' liability policy maintained by the Company or its subsidiaries or affiliated companies in accordance with the terms of such policy, (v) any rights as a holder of equity securities of the Company, and (vi) any rights or claims that, by law, may not be waived, including claims for unemployment compensation and workers' compensation. Nothing contained in this Agreement prevents Executive from filing a charge, cooperating with or participating in any investigation or proceeding before any federal or state Fair Employment Practices Agency, including, without limitation, the Equal Employment Opportunity Commission, except that Executive

acknowledges that he or she will not be able to recover any monetary benefits in connection with any such claim, charge or proceeding.

2. Executive represents that he or she has not filed against the Released Parties any complaints, charges, or lawsuits arising out of his or her employment, or any other matter arising on or prior to the date of this General Release of Claims, and covenants and agrees that he or she will never individually or with any person file, or commence the filing of, any charges, lawsuits, complaints or proceedings with any governmental agency, or against the Released Parties with respect to any of the matters released by Executive pursuant to paragraph 1 hereof (a "Proceeding"); provided, however, Executive shall not have relinquished his or her right to commence a Proceeding to challenge whether Executive knowingly and voluntarily waived his or her rights under ADEA.

3. Executive hereby acknowledges that the Company has informed him or her that he or she has up to twenty-one (21) days to sign this General Release of Claims and he or she may knowingly and voluntarily waive that twenty-one (21) day period by signing this General Release of Claims earlier. Executive also understands that he or she shall have seven (7) days following the date on which he or she signs this General Release of Claims within which to revoke it by providing a written notice of his or her revocation to the Company.

4. Executive acknowledges that this General Release of Claims will be governed by and construed and enforced in accordance with the internal laws of the Commonwealth of Massachusetts applicable to contracts made and to be performed entirely within the Commonwealth.

5. Executive acknowledges that he or she has read this General Release of Claims, has been advised that he or she should consult with an attorney before executing this general release of claims, and that he or she understands all of its terms and executes it voluntarily and with full knowledge of its significance and the consequences thereof.

6. This General Release of Claims shall take effect on the eighth day following Executive's execution of this General Release of Claims unless Executive's written revocation is delivered to the Company within seven (7) days after such execution.

Mary Luttrell

Exhibit 10.44

EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") is made as of January 30, 2017 between DESTINATION XL GROUP, INC., a Delaware corporation with an office at 555 Turnpike Street, Canton, Massachusetts, 02021 (the "Company" which term includes any affiliates and subsidiaries), and Sahal S. Laher (the “Executive”) having an address at 16 Hancock Road, Windham, New Hampshire 03087.

WITNESSETH:

WHEREAS, the Company desires that Executive serve as Senior Vice President, Chief Digital and Information Officer, and Executive desires to be so employed by the Company.

WHEREAS, Executive and the Company desire to set forth in writing the terms and conditions of the Executive's employment with the Company from the date hereof.

NOW, THEREFORE, in consideration of the promises and the mutual promises, representations and covenants herein contained, the parties hereto agree as follows:

1. EMPLOYMENT

The Company hereby employs Executive and Executive hereby accepts such employment, subject to the terms and conditions herein set forth. Executive shall hold the office of Senior Vice President, Chief Digital and Information Officer.

2. TERM

The term of employment under this Agreement (the “Term of Employment”) shall begin on the date set forth above (the "Effective Date") and shall continue until terminated by either party as hereinafter set forth.

3. COMPENSATION

(a) During the Term of Employment, as compensation for the employment services to be rendered by Executive hereunder, the Company agrees to pay to Executive, and Executive agrees to accept, payable in equal bi-weekly installments in accordance with Company practice, an annual base salary of four hundred twenty five thousand and 00/100 Cents ($425,000.00) (the “Base Salary”). The Base Salary shall be reviewed at least annually to ascertain whether, in the judgment of the Company, such Base Salary should be adjusted. If so, the adjusted Base Salary shall be adjusted for all purposes of this Agreement.

(b) In addition to the Base Salary, during the Term of Employment, Executive is eligible to participate in the Company's Annual Incentive Plan. Such incentive shall be determined and payable in accordance with the Company's incentive program in effect at the time, subject to change from year to year in the Company's sole discretion. Executive will participate in the Company's incentive program and Executive's target bonus under such plan (if all individual and Company performance conditions are met) shall be 40% of Executive's actual annual base earnings (which shall be the total Base Salary as may be paid during the fiscal year ("Base Earnings")). The actual award under the incentive program, if any, may be more or less than the target and will be based on Executive's performance and the performance of the Company and payment will be made in accordance with and subject to the terms and conditions of the incentive program then in effect.

(c) In addition, during the Term of Employment, Executive is eligible to participate in the Company's Long Term Incentive Plan ("LTIP"). Such incentive shall be determined and distributable in accordance with and subject to the terms and conditions as described in the LTIP documents in effect at the time of the award, subject to change from year to year in the Compensation Committee's sole discretion. Executive will participate in the Company's LTIP at a target incentive rate of 70%, of Executive's combined actual annual Base Earnings, for the incentive period, based upon the Company's targeted performance as defined in the LTIP documents in effect at the time of the award.

(d) Executive will receive a grant of a restricted stock award of fifty thousand (50,000) shares of the Common Stock of the Company granted on January 30, 2017. The restricted stock shall vest over a three-year period, with the first 1/3 of the grant becoming exercisable on the first anniversary of the date of grant and an additional 1/3 becoming exercisable on each of the second and third anniversaries of the date of grant thereafter.

4. EXPENSES

The Company shall pay or reimburse Executive, in accordance with the Company's policies and procedures and upon presentment of suitable vouchers, for all reasonable business and travel expenses, which may be incurred or paid by Executive during the Term of Employment in connection with Executive's employment hereunder. Executive shall comply with such restrictions and shall keep such records as the Company may reasonably deem necessary to meet the requirements of the Internal Revenue Code of 1986, as amended from time to time, and regulations promulgated thereunder.

5. OTHER BENEFITS

(a) During the Term of Employment, Executive shall be entitled to such vacations and to participate in and receive any other benefits customarily provided by the Company to its management (including any profit sharing, pension, 401(k), short and long-term disability insurance, medical and dental insurance and group life insurance plans in accordance with and subject to the terms of such plans, including, without limitation, any eligibility requirements

contained therein), all as determined from time to time by the Compensation Committee of the Board of Directors in its discretion.

(b) The Company will, during the Term of Employment, provide Executive with an automobile allowance in the total amount of eight thousand four hundred and 00/100 ($8,400.00) annually, in equal bi-weekly payments in accordance with the Company's normal payroll practices. Executive shall pay and be responsible for all insurance, repairs and maintenance costs associated with operating the automobile. Executive is responsible for Executive's gasoline, unless the gasoline expense is reimbursable under the Company's policies and procedures.

(c) Executive will be eligible to participate in the Company's annual performance appraisal process.

6. DUTIES

(a) Executive shall perform such duties and functions consistent with the position of Senior Vice President, Chief Digital and Information Officer and/or as the Company shall from time to time determine and Executive shall comply in the performance of Executive's duties with the policies of, and be subject to the direction of the Company.

(b) During the Term of Employment, Executive shall devote substantially all of his or her time and attention, vacation time and absences for sickness excepted, to the business of the Company, as necessary to fulfill Executive's duties. Executive shall perform the duties assigned to him or her with fidelity and to the best of Executive's ability. Notwithstanding anything herein to the contrary, and subject to the foregoing, Executive shall not be prevented from accepting positions in outside organizations so long as such activities do not interfere with Executive's performance of Executive's duties hereunder and do not violate paragraph 10 hereof.

(c) The principal location at which the Executive shall perform Executive's duties hereunder shall be at the Company's offices in Canton, Massachusetts or at such other location as may be temporarily designated from time to time by the Company. Notwithstanding the foregoing, Executive shall perform such services at such other locations as may be required for the proper performance of Executive's duties hereunder, and Executive recognizes that such duties may involve travel.

7. TERMINATION OF EMPLOYMENT; EFFECT OF TERMINATION

(a) The Term of Employment may be terminated by the Company at any time:

(i) upon the determination by the Company that Executive's performance of his duties has not been fully satisfactory for any reason which would not constitute justifiable cause (as hereinafter defined) or for other business reasons necessitating termination which do

not constitute justifiable cause, in either case upon thirty (30) days' prior written notice to Executive; or

(ii) upon the determination of the Company that there is justifiable cause (as hereinafter defined) for such termination.

(b) The Term of Employment shall terminate upon:

(i) the death of Executive;

(ii) the date on which the Company elects to terminate the Term of Employment by reason of the "disability" of Executive (as hereinafter defined in subsection (c) herein) pursuant to subsection (g) hereof; or

(iii) Executive's resignation of employment.

(c) For the purposes of this Agreement, the term "disability" shall mean Executive is physically or mentally incapacitated so as to render Executive incapable of performing the essentials of Executive's job, even with reasonable accommodation, as reasonably determined by the Company, which determination shall be final and binding.

(d) For the purposes hereof, the term "justifiable cause" shall mean: any failure or refusal to perform any of the duties pursuant to this Agreement or any breach of this Agreement by the Executive; Executive's breach of any material written policies, rules or regulations which have been adopted by the Company; Executive's repeated failure to perform Executive's duties in a satisfactory manner; Executive's performance of any act or Executive's failure to act, as to which if Executive were prosecuted and convicted, a crime or offense involving money or property of the Company or its subsidiaries or affiliates, or a crime or offense constituting a felony in the jurisdiction involved, would have occurred; any unauthorized disclosure by Executive to any person, firm or corporation of any confidential information or trade secret of the Company or any of its subsidiaries or affiliates; any attempt by Executive to secure any personal profit in connection with the business of the Company or any of its subsidiaries and affiliates; or the engaging by Executive in any business other than the business of the Company and its subsidiaries and affiliates which interferes with the performance of Executive's duties hereunder. Upon termination of Executive's employment for justifiable cause, Executive shall not be entitled to any amounts or benefits hereunder other than such portion of Executive's Base Salary and reimbursement of expenses pursuant to paragraph 5 hereof as have been accrued through the date of Executive's termination of employment.

(e) If the Company terminates this Agreement without "justifiable cause" as provided in subsection 7(a)(i), the Company shall pay Executive his or her then current base salary for five months after the effectiveness of such termination, payable in equal payments in accordance with the Company's customary payroll practices commencing with the first payroll period that begins

at least 30 days after the termination of the Executive's Term of Employment conditioned upon the Executive having provided the Company with an executed general release in the form attached hereto as Exhibit A (the "General Release") and the time for Executive's revocation of the General Release having expired. Such payments shall be made in accordance with the Company's customary payroll practices until paid in full. Any payment pursuant to this paragraph 7(e) is contingent upon Executive's execution of the General Release within 21 days after termination of the Term of Employment (and the Executive's not revoking that General Release) and will be in lieu of payments to which Executive might have been entitled under any other severance plan of the Company.

(f) If Executive shall die during the term of Executive's employment hereunder, this Agreement shall terminate immediately. In such event, the estate of Executive shall thereupon be entitled to receive such portion of Executive's base annual salary and reimbursement of expenses pursuant to paragraph 4 as have been accrued through the date of Executive's death.

(g) Upon Executive's "disability", the Company shall have the right to terminate Executive's employment. Any termination pursuant to this subsection (g) shall be effective on the earlier of (i) the date 30 days after which Executive shall have received written notice of the Company's election to terminate or (ii) the date Executive begins to receive long-term disability insurance benefits under the policy provided by the Company pursuant to paragraph 5 hereof.

(h) Upon the resignation of Executive in any capacity, that resignation will be deemed to be a resignation from all offices and positions that Executive holds with respect to the Company and any of its subsidiaries and affiliates. In the event of Executive's resignation, Executive shall be entitled only to receive such portion of Executive's annual Base Salary and reimbursement of expenses pursuant to paragraph 4 as have been accrued through the date of Executive's resignation.

(i) Change of Control. In the event the Term of Employment is terminated by the Company without justifiable cause (as defined herein) or Executive resigns with Good Reason (as defined herein) within one (1) year following a Change of Control of the Company has occurred, then, in such event, the Company shall pay Executive an amount equal to twelve (12) months of Executive's highest Base Salary in effect at any time during the six (6) month period ending on the date of the Change of Control. For the purposes of the foregoing, Change of Control shall have the meaning set forth in the Company's 2016 Incentive Compensation Plan (without regard to any subsequent amendments thereto). For purposes of the foregoing, "Good Reason" means the occurrence of any of the following: (i) a material diminution in the Executive's base compensation; (ii) a material diminution in the Executive's authority, duties, or responsibilities; (iii) a material change in the geographic location at which the Executive must perform the services under this Agreement; or (iv) any other action or inaction that constitutes a material breach by the Company of this Agreement. For purposes of this provision, Good Reason shall not be deemed to exist unless the Executive's termination of employment for Good Reason occurs within 2 years following the initial existence of one of the conditions specified in

clauses (i) through (iv) above, the Executive provides the Company with written notice of the existence of such condition within 90 days after the initial existence of the condition, and the Company fails to remedy the condition within 30 days after its receipt of such notice. The Company shall pay the amount required under this paragraph 7(i) in a single payment thirty (30) days after termination of the Term of Employment, subject to and conditioned upon the Executive's execution of the General Release required pursuant to paragraph 7(k) hereof and such release becoming irrevocable. Any payments made pursuant to this paragraph 7(i) will be in lieu of payments to which Executive might have been entitled under paragraph 7(e) of this Agreement or under any other severance plan of the Company. The payments under this Agreement shall be reduced if and to the extent necessary to avoid any payments or benefits to Executive being treated as "excess parachute payments" within the meaning of Internal Revenue Code Section 280G(b)(i).

(j) Clawback of Certain Compensation and Benefits. If, after the termination of the Term of Employment for any reason other than by the Company for "justifiable cause":

(i) it is determined in good faith by the Company within twelve (12) months after the termination of the Term of Employment (the "Termination Date") that the Executive's employment could have been terminated by the Company for justifiable cause under paragraph 7(d) hereof (unless the Company knew or should have known that as of the Termination Date, the Executive's employment could have been terminated for justifiable cause in accordance with paragraph 7(d) hereof); or

(ii) the Executive breaches any of the provisions of paragraph 10, then, in addition to any other remedy that may be available to the Company in law or equity and/or pursuant to any other provisions of this Agreement, the Executive's employment shall be deemed to have been terminated for justifiable cause retroactively to the Termination Date and the Executive also shall be subject to the following provisions:

(A) the Executive shall be required to pay to the Company, immediately upon written demand by the Company, all amounts paid to Executive by the Company, whether or not pursuant to this Agreement (other than such portion of Executive's Base Salary and reimbursement of expenses pursuant to paragraph 4 hereof as have been accrued through the date of the termination of the Term of Employment), on or after the Termination Date (including the pre-tax cost to the Company of any benefits that are in excess of the total amount that the Company would have been required to pay to the Executive if the Executive's employment with the Company had been terminated by the Company for justifiable cause in accordance with paragraph 7(d) above);

(B) all vested and unvested Awards (as that term is defined in the 2016 Incentive Compensation Plan) then held by the Executive shall immediately expire; and

(C) the Executive shall be required to pay to the Company, immediately upon written demand by the Company, an amount equal to any Gains resulting from

the exercise or payment of any Awards (as that term is defined in the 2016 Incentive Compensation Plan) at any time on or after, or during the one year period prior to, the Termination Date. For these purposes, the term "Gain" shall mean (i) in the case of each stock option or stock appreciation right ("SAR"), the difference between the fair market value per share of the Company's common stock underlying such option or SAR as of the date on which the Executive exercised the option or SAR, less the exercise price or grant price of the option or SAR; and (ii) in the case of any Award other than a stock option or SAR that is satisfied by the issuance of Common Stock of the Company, the value of such stock on the Termination Date, and (iii) in the case of any Award other than a stock option or SAR, that is satisfied in cash or any property other than Common Stock of the Company, the amount of cash and the value of the property on the payment date paid to satisfy the Award.

(k) Any payment pursuant to paragraph 7(e) or 7(i) shall be contingent upon Executive's execution of the General Release within 21 days after termination of the Term of Employment, and the Executive's not revoking that release.

8. COMPLIANCE WITH SECTION 409A

(a) General. It is the intention of both the Company and the Executive that the benefits and rights to which the Executive could be entitled pursuant to this Agreement comply with Section 409A of the Code and the Treasury Regulations and other guidance promulgated or issued thereunder ("Section 409A"), to the extent that the requirements of Section 409A are applicable thereto, and the provisions of this Agreement shall be construed in a manner consistent with that intention. If the Executive or the Company believes, at any time, that any such benefit or right that is subject to Section 409A does not so comply, it shall promptly advise the other and shall negotiate reasonably and in good faith to amend the timing of such benefits and rights such that they comply with Section 409A (with the most limited possible economic effect on the Executive).

(b) Distributions on Account of Separation from Service. If and to the extent required to comply with Section 409A, no payment or benefit required to be paid under this Agreement on account of termination of the Executive's employment shall be made unless and until the Executive incurs a "separation from service" within the meaning of Section 409A.

(c) 6 Month Delay for "Specified Employees".

(i) If the Executive is a "specified employee", then no payment or benefit that is payable on account of the Executive's "separation from service", as that term is defined for purposes of Section 409A, shall be made before the date that is six months after the Executive's "separation from service" (or, if earlier, the date of the Executive's death) if and to the extent that such payment or benefit constitutes deferred compensation (or may be nonqualified deferred compensation) under Section 409A and such deferral is required to comply with the requirements of Section 409A. Any payment or benefit delayed by reason of the prior sentence shall be paid out or provided in a single lump sum at the end of such required delay period in

order to catch up to the original payment schedule. There shall be added to any payments that are delayed pursuant to this provision interest at the prime rate as reported in the Wall Street Journal for the date of the Executive's separation from service. Such interest shall be calculated from the date on which the payment otherwise would have been made until the date on which the payment is made.

(ii) For purposes of this provision, the Executive shall be considered to be a "specified employee" if, at the time of his or her separation from service, the Executive is a "key employee", within the meaning of Section 416(i) of the Code, of the Company (or any person or entity with whom the Company would be considered a single employer under Section 414(b) or Section 414(c) of the Code) any stock in which is publicly traded on an established securities market or otherwise.

(d) No Acceleration of Payments. Neither the Company nor the Executive, individually or in combination, may accelerate any payment or benefit that is subject to Section 409A, except in compliance with Section 409A and the provisions of this Agreement, and no amount that is subject to Section 409A shall be paid prior to the earliest date on which it may be paid without violating Section 409A.

(e) Treatment of Each Installment as a Separate Payment. For purposes of applying the provisions of Section 409A to this Agreement, each separately identified amount to which the Executive is entitled under this Agreement shall be treated as a separate payment. In addition, to the extent permissible under Section 409A, any series of installment payments under this Agreement shall be treated as a right to a series of separate payments.

(f) Taxable Reimbursements.

(i) Any reimbursements by the Company to the Executive of any eligible expenses under this Agreement that are not excludable from the Executive's income for Federal income tax purposes (the "Taxable Reimbursements") shall be made by no later than the earlier of the date on which they would be paid under the Company's normal policies and the last day of the taxable year of the Executive following the year in which the expense was incurred.

(ii) The amount of any Taxable Reimbursements to be provided to the Executive during any taxable year of the Executive shall not affect the expenses eligible for reimbursement to be provided in any other taxable year of the Executive.

(iii) The right to Taxable Reimbursements shall not be subject to liquidation or exchange for another benefit.

9. REPRESENTATION AND AGREEMENTS OF EXECUTIVE

(a) Executive represents and warrants that Executive is free to enter into this Agreement and to perform the duties required hereunder, and that there are no employment

contracts or understandings, restrictive covenants or other restrictions, whether written or oral, preventing the performance of Executive's duties hereunder.

(b) Executive agrees to submit to a medical examination and to cooperate and supply such other information and documents as may be required by any insurance company in connection with the Company's obtaining life insurance on the life of Executive, and any other type of insurance or fringe benefit as the Company shall determine from time to time to obtain.

(c) Executive represents and warrants that Executive has never been convicted of a felony and Executive has not been convicted or incarcerated for a misdemeanor within the past five years, other than a first conviction for drunkenness, simple assault, speeding, minor traffic violations, affray, or disturbance of the peace.

(d) Executive represents and warrants that Executive has never been a party to any judicial or administrative proceeding that resulted in a judgement, decree, or final order (i) enjoining him or her from future violations of, or prohibiting any violations of any federal or state securities law, or (ii) finding any violations of any federal or state securities law.

(e) Executive represents and warrants that Executive has never been accused of any impropriety in connection with any employment;

Any breach of any of the above representations and warranties is "justifiable cause" for termination under paragraph 7(d) of this Agreement.

10. NON-COMPETITION

(a) Executive agrees that during the Term of Employment and during the one (1) year period immediately following the Termination Date (the "Non-Competitive Period"), Executive shall not, directly or indirectly, as owner, partner, joint venturer, stockholder, employee, broker, agent, principal, trustee, corporate officer, director, licensor, or in any capacity whatsoever, engage in, become financially interested in, be employed by, render any consultation or business advice with respect to, accept any competitive business on behalf of, or have any connection with any business which is competitive with products or services of the Company or any subsidiaries and affiliates, in any geographic area in which the Company or any of its subsidiaries or affiliates are then conducting or proposing to conduct business, including, without limitation, the United States of America and its possessions, Canada and Europe; provided, however, that Executive may own any securities of any corporation which is engaged in such business and is publicly owned and traded but in an amount not to exceed at any one time one percent (1%) of any class of stock or securities of such corporation. In addition, Executive shall not, during the Non-Competitive Period, directly or indirectly, request or cause any suppliers or customers with whom the Company or any of its subsidiaries or affiliates has a business relationship to cancel or terminate any such business relationship with the Company or any of its subsidiaries or affiliates or otherwise compromise the Company's good will or solicit, hire,

interfere with or entice from the Company or any of its subsidiaries or affiliates any employee (or former employee who has been separated from service for less than 12 months) of the Company or any of its subsidiaries or affiliates.

(b) If any portion of the restrictions set forth in this paragraph 10 should, for any reason whatsoever, be declared invalid by a court of competent jurisdiction, the validity or enforceability of the remainder of such restrictions shall not thereby be adversely affected. For the purposes of this paragraph 10, a business competitive with the products and services of the Company (or such subsidiaries and affiliates) is limited to a specialty retailer which primarily distributes, sells or markets so-called "big and tall" apparel of any kind for men or which utilizes the "big and tall" retail or wholesale marketing concept as part of its business.

(c) Executive acknowledges that the Company conducts business throughout the world, that Executive's duties and responsibilities on behalf of the Company are of a worldwide nature, that its sales and marketing prospects are for continued expansion throughout the world and therefore, the territorial and time limitations set forth in this paragraph 10 are reasonable and properly required for the adequate protection of the business of the Company and its subsidiaries and affiliates. In the event any such territorial or time limitation is deemed to be unreasonable by a court of competent jurisdiction, Executive agrees to the reduction of the territorial or time limitation to the area or period which such court shall deem reasonable.

(d) The existence of any claim or cause of action (a claim or cause of action is defined as a claim or cause of action which results from a breach of the terms and provisions of this Agreement by the Company, regardless of whether the breach is material) by Executive against the Company or any subsidiary or affiliate shall not constitute a defense to the enforcement by the Company or any subsidiary or affiliate of the foregoing restrictive covenants, but such claim or cause of action shall be litigated separately.

11. INVENTIONS AND DISCOVERIES

(a) Upon execution of this Agreement and thereafter, Executive shall promptly and fully disclose to the Company, and with all necessary detail for a complete understanding of the same, all existing and future developments, know-how, discoveries, inventions, improvements, concepts, ideas, writings, formulae, processes and methods (whether copyrightable, patentable or otherwise) made, received, conceived, acquired or written during working hours, or otherwise, by Executive (whether or not at the request or upon the suggestion of the Company) during the period of Executive's employment with, or rendering of advisory or consulting services to, the Company or any of its subsidiaries and affiliates, solely or jointly with others, in or relating to any activities of the Company or its subsidiaries and affiliates known to him or her as a consequence of Executive's employment or the rendering of advisory and consulting services hereunder (collectively the "Subject Matter").

(b) Executive hereby assigns and transfers, and agrees to assign and transfer, to the Company, all Executive's rights, title and interest in and to the Subject Matter, and Executive further agrees to deliver to the Company any and all drawings, notes, specifications and data relating to the Subject Matter, and to execute, acknowledge and deliver all such further papers, including applications for copyrights or patents, as may be necessary to obtain copyrights and patents for any thereof in any and all countries and to vest title thereto to the Company. Executive shall assist the Company in obtaining such copyrights or patents during the term of this Agreement, and at any time thereafter on reasonable notice and at mutually convenient times, and Executive agrees to testify in any prosecution or litigation involving any of the Subject Matter; provided, however, after the Term of Employment that Executive shall be compensated in a timely manner at the rate of $250 per day (or portion thereof), plus out-of-pocket expenses incurred in rendering such assistance or giving or preparing to give such testimony if it is required after the termination of this Agreement.

12. NON-DISCLOSURE OF CONFIDENTIAL INFORMATION

(a) Executive acknowledges that the Company possesses certain confidential and propriety information that has been or may be revealed to him or her or learned by Executive during the course of Executive's employment with the Company and that it would be unfair to use that information or knowledge to compete with or to otherwise disadvantage the Company. Executive shall not, during the Term of Employment or at any time following the Term of Employment, directly or indirectly, disclose or permit to be known (other than as is required in the regular course of Executive's duties (including without limitation disclosures to the Company's advisors and consultants), as required by law (in which case Executive shall give the Company prior written notice of such required disclosure) or with the prior written consent of the Board of Directors, to any person, firm, corporation, or other entity, any confidential information acquired by him or her during the course of, or as an incident to, Executive's employment or the rendering of Executive's advisory or consulting services hereunder, relating to the Company or any of its subsidiaries or affiliates, the directors of the Company or its subsidiaries or affiliates, any supplier or customer of the Company or any of their subsidiaries or affiliates, or any corporation, partnership or other entity owned or controlled, directly or indirectly, by any of the foregoing, or in which any of the foregoing has a beneficial interest, including, but not limited to, the business affairs of each of the foregoing. Such confidential information shall include, but shall not be limited to, proprietary technology, trade secrets, patented processes, research and development data, know-how, market studies and forecasts, financial data, competitive analyses, pricing policies, employee lists, personnel policies, the substance of agreements with customers, suppliers and others, marketing or dealership arrangements, servicing and training programs and arrangements, supplier lists, customer lists and any other documents embodying such confidential information. This confidentiality obligation shall not apply to any confidential information, which is or becomes publicly available other than pursuant to a breach of this paragraph 12(a) by Executive.

(b) All information and documents relating to the Company and its subsidiaries or affiliates as herein above described (or other business affairs) shall be the exclusive property of the Company, and Executive shall use commercially reasonable best efforts to prevent any publication or disclosure thereof. Upon termination of Executive's employment with the Company, all documents, records, reports, writings and other similar documents containing confidential information, including copies thereof then in Executive's possession or control shall be returned and left with the Company.

13. SPECIFIC PERFORMANCE

Executive agrees that if Executive breaches, or threatens to commit a breach of, any enforceable provision of paragraphs 10, 11 or 12 (the "Restrictive Covenants"), the Company shall have, in addition to, and not in lieu of, any other rights and remedies available to the Company under law and in equity, the right to have the Restrictive Covenants specifically enforced by a court of competent jurisdiction, it being agreed that any such breach or threatened breach of the Restrictive Covenants would cause irreparable injury to the Company and that money damages would not provide an adequate remedy to the Company. Notwithstanding the foregoing, nothing herein shall constitute a waiver by Executive of Executive’s right to contest whether such a breach or threatened breach of any Restrictive Covenant has occurred. In the event of litigation between the parties to this Agreement regarding their respective rights and obligations under paragraphs 10, 11, or 12 hereof, the prevailing party shall be entitled to recover from the other all attorneys’ fees and expenses reasonably incurred in obtaining a ruling in the prevailing party’s favor. Any such damages, attorneys’ fees and costs shall be in addition to and not in lieu of any injunctive relief that may be available to the Company.

14. AMENDMENT OR ALTERATION

No amendment or alteration of the terms of this Agreement shall be valid unless made in writing and signed by both of the parties hereto.

15. GOVERNING LAW

This Agreement shall be governed by, and construed and enforced in accordance with the substantive laws of the Commonwealth of Massachusetts, without regard to its principles of conflicts of laws.

16. SEVERABILITY

The holding of any provision of this Agreement to be invalid or unenforceable by a court of competent jurisdiction shall not affect any other provision of this Agreement, which shall remain in full force and effect.

17. NOTICES

Any notices required or permitted to be given hereunder shall be sufficient if in writing, and if delivered by hand or courier, or sent by certified mail, return receipt requested, to the addresses set forth above or such other address as either party may from time to time designate in writing to the other, and shall be deemed given as of the date of the delivery or of the placement of the notice in the mail.

18. WAIVER OR BREACH

It is agreed that a waiver by either party of a breach of any provision of this Agreement shall not operate, or be construed as a waiver of any subsequent breach by that same party.

19. ENTIRE AGREEMENT AND BINDING EFFECT

This Agreement contains the entire agreement of the parties with respect to the subject matter hereof and shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, heirs, distributors, successors and assigns and supersedes any and all prior agreements between the parties whether oral or written. This Agreement may not be modified except upon further written agreement executed by both parties. Executive agrees that the Company may in its sole discretion, during the term of Executive's employment with the Company and thereafter, provide copies of this Agreement (or excerpts of the Agreement) to others, including businesses or entities that may employ, do business with, or consider employing Executive in the future. Executive further agrees that any subsequent change or changes in Executive's duties, compensation or areas of responsibility shall in no way affect the validity of this Agreement or otherwise render inapplicable any of the provisions of paragraphs 10 through 13 of this Agreement, which shall remain in full force and effect except as may be modified by a subsequent written agreement.

20. SURVIVAL

Except as otherwise expressly provided herein, the termination of Executive's employment hereunder or the expiration of this Agreement shall not affect the enforceability of paragraphs 7 through 26 hereof, which shall survive the termination or expiration.

21. RESOLUTION OF DISPUTES

Any and all disputes arising under or in connection with this Agreement shall be resolved in accordance with this paragraph 21 and paragraph 15.

The parties shall attempt to resolve any dispute, controversy or difference that may arise between them through good faith negotiations. In the event the parties fail to reach resolution of any such dispute within thirty (30) days after entering into negotiations, either party may proceed

to institute action in any state or federal court located within the Commonwealth of Massachusetts, which courts shall have exclusive jurisdiction, and each party consents to the personal jurisdiction of any such state or federal court. Both parties waive their right to a trial by jury.

22. NON-DISPARAGEMENT

Executive agrees not to make disparaging, critical or otherwise detrimental comments to any person or entity concerning the Company, its officers, directors, trustees, and employees or the services or programs provided or to be provided by the Company and the Company agrees not to make any disparaging, critical or otherwise detrimental comments to any person or entity concerning Executive.

23. FURTHER ASSURANCES

The parties agree to execute and deliver all such further documents, agreements and instruments and take such other and further action as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

24. SUBSIDIARIES AND AFFILIATES

For purposes of this Agreement:

(a) "affiliate" means any entity that controls, is controlled by, or is under common control with, the Company, and "control" means the power to exercise a controlling influence over the management or policies of an entity, unless such power is solely the result of an official position with such entity; and

(b) "subsidiary" means any corporation or other entity in which the Company has a direct or indirect ownership interest of 50% or more of the total combined voting power of the then outstanding securities or interests of such corporation or other entity entitled to vote generally in the election of directors (or similar governing body of a non-corporate entity) or in which the Company has the right to receive 50% or more of the distribution of profits or 50% or more of the assets on liquidation or dissolution.

25. HEADINGS

The paragraph headings appearing in this Agreement are for the purposes of easy reference and shall not be considered a part of this Agreement or in any way modify, amend or affect its provisions.

26. COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, under seal, as of the date and year first above written.

DESTINATION XL GROUP, INC.

By: /s/ David A. Levin Date: February 27, 2017
Name:David A. Levin
Its:President, Chief Executive Officer

By: /s/ Sahal S. Laher Date: February 23, 2017
Name:Sahal S. Laher

EXHIBIT A
FORM OF RELEASE

GENERAL RELEASE OF CLAIMS

1. Sahal S. Laher ("Executive"), for him- or herself and his or her family, heirs, executors, administrators, legal representatives and their respective successors and assigns, in exchange for good and valuable consideration to be paid after the date of Executive's termination as set forth in the Employment Agreement to which this release is attached as Exhibit A (the "Employment Agreement"), does hereby release and forever discharge Destination XL Group, Inc. (the "Company"), its subsidiaries, affiliated companies, successors and assigns, and their respective current or former directors, officers, employees, shareholders or agents in such capacities (collectively with the Company, the "Released Parties") from any and all actions, causes of action, suits, controversies, claims and demands whatsoever, for or by reason of any matter, cause or thing whatsoever, whether known or unknown including, but not limited to, all claims under any applicable laws arising under or in connection with Executive's employment or termination thereof, whether for tort, breach of express or implied employment contract, wrongful discharge, intentional infliction of emotional distress, or defamation or injuries incurred on the job or incurred as a result of loss of employment. Executive acknowledges that the Company encouraged Executive to consult with an attorney of Executive's choosing, and through this General Release of Claims encourages Executive to consult with his or her attorney with respect to possible claims under the Age Discrimination in Employment Act ("ADEA") and that Executive understands that the ADEA is a Federal statute that, among other things, prohibits discrimination on the basis of age in employment and employee benefits and benefit plans. Without limiting the generality of the release provided above, Executive expressly waives any and all claims under ADEA that he or she may have as of the date hereof. Executive further understands that by signing this General Release of Claims he or she is in fact waiving, releasing and forever giving up any claim under the ADEA as well as all other laws within the scope of this paragraph 1 that may have existed on or prior to the date hereof. Notwithstanding anything in this paragraph 1 to the contrary, this General Release of Claims shall not apply to (i) any rights to receive any payments pursuant to paragraph 7 of the Employment Agreement, or any accrued but unpaid benefits under any employee benefit plan maintained by the Company (ii) any rights or claims that may arise as a result of events occurring after the date this General Release of Claims is executed, (iii) any indemnification rights Executive may have as a former officer or director of the Company or its subsidiaries or affiliated companies, (iv) any claims for benefits under any directors' and officers' liability policy maintained by the Company or its subsidiaries or affiliated companies in accordance with the terms of such policy, (v) any rights as a holder of equity securities of the Company, and (vi) any rights or claims that, by law, may not be waived, including claims for unemployment compensation and workers' compensation. Nothing contained in this Agreement prevents Executive from filing a charge, cooperating with or participating in any investigation or proceeding before any federal or state Fair Employment Practices Agency, including, without limitation, the Equal Employment Opportunity

Commission, except that Executive acknowledges that he or she will not be able to recover any monetary benefits in connection with any such claim, charge or proceeding.

2. Executive represents that he or she has not filed against the Released Parties any complaints, charges, or lawsuits arising out of his or her employment, or any other matter arising on or prior to the date of this General Release of Claims, and covenants and agrees that he or she will never individually or with any person file, or commence the filing of, any charges, lawsuits, complaints or proceedings with any governmental agency, or against the Released Parties with respect to any of the matters released by Executive pursuant to paragraph 1 hereof (a "Proceeding"); provided, however, Executive shall not have relinquished his or her right to commence a Proceeding to challenge whether Executive knowingly and voluntarily waived his or her rights under ADEA.

3. Executive hereby acknowledges that the Company has informed him or her that he or she has up to twenty-one (21) days to sign this General Release of Claims and he or she may knowingly and voluntarily waive that twenty-one (21) day period by signing this General Release of Claims earlier. Executive also understands that he or she shall have seven (7) days following the date on which he or she signs this General Release of Claims within which to revoke it by providing a written notice of his or her revocation to the Company.

4. Executive acknowledges that this General Release of Claims will be governed by and construed and enforced in accordance with the internal laws of the Commonwealth of Massachusetts applicable to contracts made and to be performed entirely within the Commonwealth.

5. Executive acknowledges that he or she has read this General Release of Claims, has been advised that he or she should consult with an attorney before executing this general release of claims, and that he or she understands all of its terms and executes it voluntarily and with full knowledge of its significance and the consequences thereof.

6. This General Release of Claims shall take effect on the eighth day following Executive's execution of this General Release of Claims unless Executive's written revocation is delivered to the Company within seven (7) days after such execution.

Sahal S. Laher

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

I. SUMMARY AND OBJECTIVES

Destination XL Group, Inc. ("Company") has developed this Third 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 with those of our shareholders. Bonus awards are cash payments based on actual results measured against pre-established Company financial performance ("Bonus Awards"). Bonus Awards are intended to provide a reward to eligible Incentive Plan 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 who is a staff director (as that term is used by Company) or higher, will be eligible to participate in the Incentive Plan (a "Participant"). Unless specifically determined otherwise by the Compensation Committee, a Participant whose employment terminates prior to the end of a Plan Year or payment of the Bonus Award, other than as a result of permanent disability, death or retirement (upon reaching Full Retirement age as defined by Social Security), will not be eligible to receive a Bonus Award under the Incentive Plan for that Plan Year.

B. TRANSFERS TO OTHER BUSINESS UNITS

A Participant who transfers out of the Incentive Plan into a position in another business unit is eligible for a partial Bonus Award based on the number of days the associate was a Participant. The associate's eligibility for a bonus for the new position, if any, will be determined in accordance with any applicable bonus plan for that position. In general, when an associate transfers to a new position, any Bonus Awards are prorated based on the number of days employed in the Incentive Plan.

C. CHANGES IN POSITION

A Participant who changes from one management position to another, through a promotion, transfer, or demotion is eligible for a prorated Bonus Award for each position based on the number of days the Participant held each position during the Plan Year.

D. TERMINATION

Subject to paragraph A above, to be eligible for a Bonus Award, a Participant must be actively employed as of the last day of the Plan Year and at the time the Bonus Award is distributed, unless otherwise required by law.

E. COMPLIANCE WITH APPLICABLE REGULATIONS

In order to be eligible to receive 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 on a Company-approved leave of absence in excess of 90 days (per Plan Year) is not eligible for a Bonus Award for the portion of his/her leave over 90 days unless otherwise approved by the Compensation Committee.

G. RETIREMENT, DEATH OR DISABILITY

If a Participant retires (upon reaching Full Retirement age as defined by Social Security) or leaves employment due to death or permanent disability before the end of the Plan Year, he/she will receive a pro-rated Bonus Award. The pro-rated Bonus Award will be based on the number of days of active employment in the Plan Year, provided there is an earned payout for that Plan Year and all other eligibility requirements are met.

III. THE INCENTIVE PLAN

Within 90 days after the beginning of each Plan Year, the Compensation Committee will establish specific performance criteria for the payment of Bonus Awards for that Plan Year. At the time that the performance criteria is set, the Compensation Committee may determine that special matters shall be considered or excluded consistent with Section 9 of the 2016 Compensation Plan. The performance criteria for Participants for each Plan Year may be based on one or more of the following measures which include but are not limited to: 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. 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 performance criteria selected by the Compensation Committee for that Plan Year. A specified percentage of the Bonus Award will be paid, dependent upon the performance of the Company as measured against the performance criteria. The Compensation Committee may establish a threshold goal (which if not achieved will result in no Award being payable), target and maximum goals for each Participant. The goals, 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% of a Participant’s Target Award (as defined below).

IV. PAYMENT CALCULATIONS

Each Participant will have a target bonus award (a “Target Award”) for each Plan Year. Target Awards will be expressed as a percentage of the actual base earnings (which is the blend of salary plus any salary adjustments made during the course of the fiscal year) paid to the Participant during that Plan Year, which earnings shall be determined without regard to any salary increases determined by the Compensation Committee after the date on which the Compensation Committee determines the target for each Participant. Company’s new hires or those becoming eligible to participate in the Incentive Plan for a portion of the fiscal year will receive a pro-rata Bonus Award based upon the period of time they are eligible. The percentages for the Target Award will be approved by the Compensation Committee based upon the Participant’s 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 based on the extent that the performance criteria was achieved and shall authorize Company to pay the Participant the amount so determined.

Any Bonus Awards checks will be distributed within 90 days following the fiscal year close, and in the case of any Bonus Awards made to any Covered Employee, as defined in the 2016 Compensation Plan, only after the Compensation Committee has certified, in the manner described in Section 9(e) of the 2016 Compensation Plan, that the performance criteria have been satisfied.

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 bonuses 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 and the payment of bonuses under the Incentive Plan.

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)

Bonus Awards are not earned or vested until actual payments are made; 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

All required deductions will be withheld from the Bonus Awards prior to distribution. This includes federal, state or local taxes.

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. 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. SECTION 162(m) COMPLIANCE

Unless otherwise specified by the Compensation Committee, Bonus Awards made to any person who is a Covered Employee, as defined in the 2016 Compensation Plan, are intended to qualify as “performance-based compensation” that is exempt from the deduction limitations imposed by Section 162(m) of the Internal Revenue Code. Accordingly, unless otherwise specified by the Compensation Committee, the provisions set forth in Section 9 of the 2006 Compensation Plan shall apply with respect to those Bonus Awards and in the event of any conflict between those provisions and the provisions of this Incentive Plan, the provisions of Section 9 shall apply.

DXL GROUP
First Amended and Restated Destination XL Group, Inc.
Long-Term Incentive Plan

1. ***Establishment and Purpose.*** Destination XL Group, Inc., f/k/a Casual Male Retail Group, Inc. (the "Company"), established a long-term incentive plan named the 2008 Casual Male Retail Group, Inc. Long-Term Incentive Plan. Effective May 3, 2010, the 2008 Casual Male Retail Group, Inc. Long-Term Incentive Plan was amended and restated in its entirety. The Casual Male Retail Group, Inc. Long-Term Incentive Plan was terminated (excluding payouts of awards which were already granted, but not yet vested) and was superseded by the 2013-2016 Destination XL Group, Inc. Long-Term Incentive Plan (the "2013-2016 Plan"), which was designed for the specific purpose of retaining and rewarding the efforts required to transition the Company to the Destination XL concept during that plan's period. Thereafter, the Company adopted the 2016 Destination XL Group, Inc. Long-Term Incentive Wrap-Around Plan (the "Wrap-Around Plan") after it was determined that the Board's shift in strategy for DXL rollout was necessary to preserve liquidity. The Wrap-Around Plan is triggered only if the Company does not meet the Applicable Performance Target, as defined in the 2013-2016 Plan. This Destination XL Group, Inc. Long-Term Incentive Plan (the "Plan") is hereby adopted for the purpose of supporting the Company's ongoing efforts to attract, retain and develop exceptional talent and enable the Company to provide incentives directly linked to the Company's short and long-term objectives and increases in shareholder value.

2. ***Definitions.*** When used herein, the following capitalized terms shall have the meanings assigned to them, unless the context clearly indicates otherwise. Capitalized terms used herein and not defined shall have the meanings assigned to them in the Incentive Compensation Plan, as defined below.

(a) ***Affiliate*** means any entity that controls, is controlled by, or is under common control with, the Company.

(b) ***Applicable Performance Target*** means the Performance Target(s) selected by the Committee of the Board to be met during a Performance Period pursuant to the Plan.

(c) ***Award*** means an award under the Plan that is payable in the form of Cash, Options, Restricted Stock, Restricted Stock Units or other form of Award available under the Company's Incentive Compensation Plan, pursuant to the terms and conditions set forth in this Plan.

(d) ***Black-Scholes Value*** means the value of an Option as of the date of the valuation calculated utilizing the same formula and assumptions as the Company utilized for the purpose of valuing outstanding options in its most recently (meaning at the time of the valuation) prepared audited annual financial statement.

(e) ***Board*** means the Board of Directors of the Company.

(f) ***Cash*** means U.S. dollars.

(g) ***Committee*** means the Compensation Committee of the Board.

(h) ***Effective Date*** means the date on which the metrics for a Performance Period have been finally approved by the Committee, or such later date as shall be designated by the Committee.

(i) ***Effective Date of Participation*** means the date on which a Participant became a Participant in the Plan with respect to a Performance Period.

(j) ***Fiscal Quarter*** means each fiscal quarter that ends within a fiscal year of the Company.

(k) ***FYE*** means the last day of each fiscal year of the Company.

(l) ***Gain*** means (i) to the extent that the Award was satisfied with a grant of Options, the amount by which the Fair Market Value per share of the Shares underlying such Option as of the date on which the Participant exercised the Option exceeded the exercise price of the Option; (ii) to the extent that the Award was satisfied by the grant of Restricted Stock that became vested, the Fair Market Value of those vested Shares on the earlier of the date on which the Participant incurred a Termination of Employment or the date on which the Participant sold those Shares; (iii) to the extent that the Award was satisfied by the grant of Restricted Stock Units that became vested, the Fair Market Value of the vested Shares on the earlier of the date on which the Participant incurred a Termination of Employment or the date on which the Participant sold the Shares; (iv) to the extent that the Award was satisfied in Cash, the amount of Cash paid to satisfy the Award; or (v) to the extent that the Award is satisfied in some other form, the value of the amount used to satisfy the Award (as determined by the Committee).

(m) ***Good Reason*** means the same definition of Good Reason, or any substantially similar term, in the Participant's employment agreement with the Company, if any, that is in effect at the time the determination is being made. If the Participant does not have an employment agreement with the Company at that time, or there is no definition of Good Reason, or any substantially similar term, in the Participant's employment agreement at that time, or the Committee determines, in its sole and absolute discretion, that the right to any payment or benefit under this Plan pursuant to a Termination of Employment by a Participant for Good Reason would not be treated as a right to a payment or benefit pursuant to an involuntary separation from service for purposes of Section 409A (as defined in Section 16(a) of this Plan) if the definition of Good Reason, or any substantially similar term, in the Participant's employment agreement at that time is applied to the Participant's Termination of Employment, then Good Reason means the occurrence of any of the following in the absence of Justifiable Cause by the Company: (i) a material diminution in the Participant's base salary, unless such material diminution in the Participant's base salary is made pursuant to a reduction in base salary that affects all similarly situated employees in a similar manner and is made at least six months prior to a Change in Control, in which case such material diminution in the Participant's base salary shall not constitute Good Reason; (ii) a material change in the geographic location at which the Participant must perform his or her job functions to which the Participant does not agree; or (iii) solely in the case of a Section 16 Officer, a material diminution in the Participant's authority, duties, or responsibilities. For purposes of this Plan, Good Reason shall not be deemed to exist unless the Termination of Employment by a Participant for Good Reason occurs within 180 days following the initial existence of one of the conditions specified in clauses (i) through (iii) above, the Participant provides the Company with written notice of the existence of such condition within 90 days after the initial

existence of the condition, and the Company fails to remedy the condition within 30 days after its receipt of such notice.

(n) ***Grant Date*** means the date on which an Award is granted to a Participant under the Plan, or such later date as shall be determined by the Committee.

(o) ***Incentive Compensation Plan*** means the Company's 2016 Incentive Compensation Plan or any shareholder-approved successor plan to the Company's 2016 Incentive Compensation Plan.

(p) ***Justifiable Cause*** means the same definition as used in the Participant's employment agreement, if any, that is in effect at the time the determination is being made. If the Participant does not have an employment agreement at that time, or there is no definition of Justifiable Cause, or any substantially similar term, in the Participant's employment agreement at that time, then Justifiable Cause means any material failure by the Participant in performing his or her necessary job functions; any breach of any material written policies, rules or regulations which have been adopted by the Company; the Participant's performance of any act or failure to act, as to which if the Participant were prosecuted and convicted, a crime or offense involving money or property of the Company or its Subsidiaries or Affiliates, or a crime or offense constituting a felony in the jurisdiction involved, would have occurred; the Participant's embezzlement of funds or assets of the Company or any of its Subsidiaries or Affiliates; the Participant's conviction of, plea of guilty to, or plea of nolo contendere to any felony; the Participant's unauthorized disclosure to any person, firm or corporation of any confidential information of the Company or any of its Subsidiaries or Affiliates; the Participant's usurpation of a corporate opportunity of the Company or any of its Subsidiaries or Affiliates; or the Participant's engaging in any business other than the business of the Company or its Subsidiaries or Affiliates which materially interferes with the performance of his or her duties.

(q) ***Operating Margin*** for any period means the Company's operating income, as reported on the Company's consolidated financial statements for that period, divided by Sales for that period.

(r) ***Performance-Vesting Benefit Amount*** has the meaning given to that term in Section 7(b) hereof.

(s) ***Performance Period*** means each two-year fiscal period which begins on the first day of the fiscal year in which an Effective Date occurs and ends at FYE of the following fiscal year. For example, if the Effective Date is March 15, 2017, the Performance Period would be January 29, 2017 to February 2, 2019.

(t) ***Performance Target*** means any one or more of the following business criteria for the Company, on a consolidated basis, and/or for Related Entities, or for business or geographical units of the Company and/or a Related Entity (except with respect to the total shareholder return and earnings per share criteria), shall be used by the Committee in establishing performance goals for such Awards: (1) earnings per share; (2) Sales or margins; (3) cash flow; (4) Operating Margin; (5) return on net assets, investment, capital, or equity; (6) economic value added; (7) net income; pretax earnings; earnings before interest and taxes; earnings before interest, taxes, depreciation and amortization; earnings after interest expense and before extraordinary or special items; operating income; income before interest income or expense, unusual items and income taxes, local, state or federal and excluding budgeted and

actual bonuses which might be paid under any ongoing bonus plans of the Company; (8) working capital; (9) management of fixed costs or variable costs; (10) identification or consummation of investment opportunities or completion of specified projects in accordance with corporate business plans, including, but not limited to, strategic mergers, acquisitions or divestitures; (11) total shareholder return; and (12) debt reduction. Any of the above goals may be determined on an absolute or relative basis or as compared to the performance of a published or special index deemed applicable by the Committee including, but not limited to, the Standard & Poor's 500 Stock Index or a group of companies that are comparable to the Company. As set forth in Section 3, the Committee may establish threshold, target and maximum goals for each Performance Target. Except as otherwise specified by the Committee at the time the goals are set, the 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 Committee at the time the goals are set.

(u) ***Plan*** means this Destination XL Group, Inc. Long-Term Incentive Plan, as it may be amended from time to time.

(v) ***Projected Benefit Amount*** has the meaning given to that term in Section 5 hereof.

(w) ***Pro-Rata Vesting Percentage*** means the percentage that (1) the number of days from the Participant's Effective Date of Participation until the date of the Participant's Termination of Employment bears to (2) the number of days from the Participant's Effective Date of Participation until the end of the Performance Period. If the Participant receives more than one Award pursuant to Section 6(c) hereof, then the Pro-Rata Percentage shall be determined separately with respect to each separate Award based upon the particular Grant Date (which is to be treated as the Participant's Effective Date of Participation with respect to that Award) and Performance-Vesting Benefit Amount for each such Award.

(x) ***Retirement*** means the Termination of Employment of the Participant, other than by reason of the Participant's death or Disability and other than by the Company for Justifiable Cause or by the Participant for Good Reason, after the Participant has attained age 65 and completed at least 5 years of employment with the Company and its Subsidiaries and Affiliates.

(y) ***Sales*** for any period mean the sales of the Company consistent with the calculation as reported on the Company's consolidated financial statements for that period.

(z) ***Section 16 Officer*** means an officer of the Company who is subject to the requirements of Section 16 of the Securities and Exchange Act of 1934.

(aa) ***Subsidiary*** means any corporation or other entity in which the Company has a direct or indirect ownership interest of 50% or more of the total combined voting power of the then outstanding securities or interests of such corporation or other entity entitled to vote generally in the election of directors or in which the Company has the right to receive 50% or more of the distribution of profits or 50% or more of the assets on liquidation or dissolution.

(bb) ***Target Cash Value*** means the amount in U.S. dollars determined by: multiplying (i) the Participant's annual base salary in effect on the Participant's Effective Date of Participation by (ii) the long-term incentive program percentage designated in the Participant's executed employment agreement with the Company (or the percentage as otherwise designated in the Company's records) or such other amount as shall be determined by the Committee.

(cc) ***Termination of Employment*** means the termination of the Participant's employment with the Company and its Subsidiaries and Affiliates for any reason.

(dd) ***Time-Vesting Benefit Amount*** has the meaning given to that term in Section 7(a) hereof.

3. ***Establishment of Fiscal Year Applicable Performance Target and Awards.*** Within 90 days after the start of each Performance Period, the Committee will establish the Performance Target(s) (in the aggregate, the Applicable Performance Target). The Committee may establish threshold, target and maximum goals for each Performance Target and the weight of each Performance Target may vary and may be dependent on achievement of another Performance Target. At that time, the Committee will establish whether Awards will be granted in Cash, form of equity (for example, Restricted Stock, Restricted Stock Units and/or Options), or a combination thereof.

4. ***Eligibility.*** The Committee shall designate those employees of the Company and its Subsidiaries and Affiliates who shall be eligible to become Participants in the Plan and the date during the Performance Period on which they shall become Participants. The initial Participants shall become Participants on the Effective Date for the Performance Period that begins January 31, 2016. Except as otherwise provided in Section 7(d) hereof, unless otherwise determined by the Committee, no portion of any Award shall become vested pursuant to Section 7 hereof, unless and until a Participant has completed at least 1 year of employment with the Company and its Subsidiaries and Affiliates. No one shall be eligible to be a Participant during an existing Performance Period unless he or she was employed by the Company by the first day of the fourth fiscal quarter in the second year of a Performance Period.

5. ***Amount of Benefit.*** The benefit payable to a Participant pursuant to an Award under this Plan shall be equal to the sum of the vested portions, if any, of the Participant's Time-Vesting Benefit Amount and Performance-Vesting Benefit Amount. Those amounts shall be determined in accordance with Section 7 of this Plan, based upon the Participant's Target Cash Value for the Performance Period (or, in the case of an individual that becomes a Participant after the Effective Date of a Performance Period, an amount equal to the Target Cash Value for the Performance Period multiplied by a fraction, the numerator of which shall be the number of calendar days from the Participant's Effective Date of Participation to the end of the Performance Period and the denominator of which shall be the total number of days in Performance Period) (the "Projected Benefit Amount").

6. ***Form of Payment.***

(a) ***Grant of Time-Based Awards.*** Upon a Participant's Effective Date of Participation, the Committee shall grant to the Participant the portion of the Award which will vest over time, without regard to performance (the "Time-Vesting Benefit Amount"). In the event all or a portion of the Award will be Restricted Stock or a Restricted Stock Unit, the

number of shares to be granted will be determined by taking the dollar value of the Restricted Stock or Restricted Stock Unit Award and dividing by the closing price of the Company's common stock on Grant Date. In the event all or a portion of the Award will be Options, then the number of options to be granted will be determined by taking the dollar value of the Stock Option Award and dividing by the Black-Scholes Value on the Grant Date, each with an exercise price equal to the closing price of the Company's common stock on the Grant Date.

(b) ***Grant of Performance-Based Awards***. After completion of an audit of the Company's financial statements after the respective Performance Period ends and the Committee's review and approval that the Applicable Performance Targets were met, on the business day closest to April 1, the Committee shall grant to the Participant an Award equal to the Performance-Vesting Benefit Amount as calculated in Section 7(b). All grants of performance-based awards are subject to a post-grant vesting period, as set forth in Section 7(b). In the event all or a portion of the Award will be Restricted Stock or Restricted Stock Units, the number of shares or units to be granted will be determined by taking the dollar value of the Restricted Stock or Restricted Stock Unit Award and dividing by the closing price of the Company's common stock on the Grant Date. In the event all or a portion of the Award will be Options, then the number of options to be granted will be determined by taking the dollar value of the Stock Option Award and dividing by the Black-Scholes Value on the Grant Date, each with an exercise price equal to the closing price of the Company's common stock on the Grant Date.

(c) ***Additional Grants for Promotions.*** If a Participant is promoted during the Performance Period and entitled to a higher long-term incentive program percentage as a result of such promotion, then the Committee shall grant the Participant an additional Award determined as if the Participant had become a Participant on the Grant Date of the additional Award, with the amount of the additional Award being equal to the excess, if any, of (i) Participant's Projected Benefit Amount determined as if the Participant had become a Participant on the Grant Date of the additional Award, over (ii) the Participant's original Projected Benefit Amount multiplied by a fraction, the numerator of which shall be equal to the total number of calendar days from the Grant Date of the additional Award to the last day of the Performance Period and the denominator of which shall be the total number of days from the Participant's Effective Date of Participation to the last day of the Performance Period. In the event that a Participant is promoted and entitled to a higher long-term incentive program percentage as a result of such promotion more than once during the Performance Period, each additional Award shall be determined by the Committee, in its sole and absolute discretion, under the principles set forth above in this Section 6(c).

(d) ***Forms of Award Agreements.*** The Restricted Stock, Restricted Stock Units and Options granted pursuant to the Plan shall be made pursuant to the forms of Restricted Stock Agreement, Restricted Stock Unit and Stock Option Agreement, respectively, attached as Exhibits A, B and C hereto (with such modifications as the Committee may deem to be appropriate).

(e) ***Payment of Cash.*** The portion of any Projected Benefit Amount that vests and is payable in Cash shall be payable as soon as practicable after the date on which that portion of the benefit vests and, in the case of the Cash attributable to the Performance-Based Vesting Award, the Committee certifies in writing that the Applicable Performance Target has been met (but in either case, in no event more than 2 1/2 months after the end of the calendar year in which the portion of the Projected Benefit Amount vests).

(f) ***If Insufficient Shares Available.*** Notwithstanding the foregoing, if and to the extent that, at the time an Award is granted, the Company does not have a sufficient number of Shares remaining available for Awards under the Incentive Compensation Plan to issue such Award in the form of Restricted Stock, Restricted Stock Units and/or Options, or the Shares are available for Awards under the Incentive Compensation Plan subject to shareholder approval, and such approval is not obtained and the grant of Restricted Stock, Restricted Stock Units and/or Options therefore are cancelled, then such Award shall be settled in Cash to the extent of such insufficiency.

7. ***Vesting of Benefit.***

(a) ***Vesting of Time-Vesting Benefit Amount***:

(i) 50% of the Projected Benefit Amount shall vest according to the following vesting schedule (and is sometimes referred to as the "Time-Vesting Benefit Amount"), provided that the Participant does not have a Termination of Employment on or before the applicable vesting date:

Vesting Date	Percentage of Time-Vesting Benefit Amount that Vests
April 1 following the FYE which marks the end of the Performance Period	50%
April 1 in the succeeding year (meaning, of the fiscal year following the end of the Performance Period)	50%

(ii) Notwithstanding the foregoing, if a Participant has a Termination of Employment during a Performance Period, then notwithstanding anything to the contrary in the Participant's employment agreement, if any:

(A) If such Termination of Employment is by reason of the Participant's death or Disability, then the Participant shall, upon such Termination of Employment, (x) become fully vested in any amount of Time-Vesting Benefit Amount from a prior completed Performance Period that had not yet vested or been paid and (y) become vested in the Pro-Rata Vesting Percentage of the Time-Vesting Benefit Amount during the current Performance Period(s) upon such Termination of Employment;

(B) If such Termination of Employment is by reason of the Participant's Retirement, then the Participant shall become vested in the Pro-Rata Vesting Percentage of the portion of the Time-Vesting Benefit Amount(s) that would have vested in the year of such Termination of Employment if the Participant had continued to be employed by the Company and its Subsidiaries until the last day of that fiscal year; and

(C) If such Termination of Employment is by reason of a termination by the Company without Justifiable Cause (and other than by reason of the Participant's Disability) or is by the Participant for Good Reason, then, without including any time for a Notification Period (as that term is defined in an employment agreement):

(1) for any completed Performance Period that has not yet vested or been paid, the Participant shall become fully vested in any Time-Vesting Benefit Amount; and

(2) for any Performance Period that is currently in its first year of the Performance Period, if such Termination of Employment occurs after the first 6 months of the Performance Period, the Participant shall become vested in the Pro-Rata Vesting Percentage of the Time-Vesting Benefit Amount of such Performance Period. If such Termination of Employment occurs in the first 6 months of a Performance Period, then the Participant shall forfeit the Time-Vesting Benefit Amount of such Performance Period; and

(3) for any Performance Period that is currently in its second year of the Performance Period when such Termination of Employment occurs, the Participant shall become fully vested in the Time-Vesting Benefit Amount of such Performance Period.

(iii) In the event that a Participant has a Termination of Employment, and such Termination of Employment was for any reason other than (A) by the Company without Justifiable Cause, (B) by the Participant for Good Reason, or (C) by reason of the Participant's death, Disability or Retirement, then in addition to any other remedy that may be available to the Company in law or in equity, and/or pursuant to the provisions of the Participant's employment agreement, if any, the Participant also shall be required to pay to the Company, immediately upon written demand by the Committee or the Board, any Gains resulting from the grant, vesting, exercise or payment of any Award in the previous twelve months.

(b) ***Vesting of Performance-Vesting Benefit Amount***.

(i) 50% of the Projected Benefit Amount is subject to the achievement of the Applicable Performance Target. After the respective Performance Period ends and an audit of the Company's financial statements has been completed, the Committee will calculate the amount of the "Performance-Vesting Benefit Amount" for each Participant. The Performance-Vesting Benefit Amount will be determined by first calculating the portion of the Projected Benefit Amount attributable to each Performance Target and then adding those results together. To do so, the Committee will first multiply the 50% of the Projected Benefit Amount by the weight of each individual Performance Target and then by the percentage of target actually achieved for each Performance Target. If results for an individual Performance Target falls below the threshold established, there will be no Award with respect to the portion of the Projected Benefit Amount to which that Performance Target relates. The Performance-Vesting Benefit Amount shall vest on August 31 following the end of the applicable Performance Period if the Participant's employment continues through such August 31 and the Committee has reviewed and certified the extent to which such Applicable Performance Target for the Performance Period has been met.

For example, assume the Performance Targets were Goal A and Goal B and that each was weighted 50%, with a threshold payment at 80% of target and a maximum payout at 150% of target:

(a) if Goal A and Goal B are both less than 80% of their respective target, then no Award shall be made for the Performance-Vesting Benefit Amount;

(b) if Goal A is 100% of its target and Goal B is 100% of its target, and a Participant has a Projected Benefit Amount of $140,000, then 50% of that amount, or $70,000, would be subject to the achievement of the Applicable Performance Target, and the Performance-Vesting Benefit Amount would be $70,000 (100% X $70,000 X 50%) + (100% X $70,000 X 50%); and

(c) if Goal A is 180% of its target and Goal B is 125% of its target, and a Participant has a Projected Benefit Amount of $140,000, then 50% of that amount, or $70,000, would be subject to the achievement of the Applicable Performance Target, and the Performance-Vesting Benefit Amount would be $96,250 (150% (cap) X $70,000 X 50%) + (125% X $70,000 X 50%).

(ii) Notwithstanding the foregoing, if a Participant has a Termination of Employment during a Performance Period, then notwithstanding anything to the contrary in the Participant's employment agreement, if any:

(A) If such Termination of Employment is by reason of the Participant's death or Disability, then the Participant shall, upon such Termination of Employment, (x) become fully vested in any amount of Performance-Vesting Benefit from a prior completed Performance Period that had not yet vested or been paid and (y) vested in the Pro-Rata Vesting Percentage of the Performance-Vesting Benefit Amount regardless of whether the Applicable Performance Target for the current Performance Period has been met.

(B) If such Termination of Employment is by reason of the Participant's Retirement, then the Participant shall (x) become fully vested in any amount of Performance-Vesting Benefit from a prior completed Performance Period that had not yet vested or been paid and (y) become vested in the Pro-Rata Vesting Percentage of the Performance-Vesting Benefit Amount if and when the Applicable Performance Target is met; and

(C) If such Termination of Employment is by reason of a termination by the Company without Justifiable Cause (and other than by reason of the Participant's Disability) or by the Participant for Good Reason, then, without including any time for a Notification Period (as that term is defined in an employment agreement):

(1) for any completed Performance Period that has not yet vested or been paid, the Participant shall become fully vested in any amount of Performance-Vesting Benefit Amount; and

(2) for any Performance Period that is currently in its first year of the Performance Period, if such Termination of Employment occurs after the first 6 months of the Performance Period, the Participant shall become vested in the Pro-Rata Vesting Percentage of the Performance-Based Vesting Benefit Amount for such Performance Period if and when the Applicable Performance Target has been met. If such Termination of

Employment occurs in the first 6 months of a Performance Period, then the Participant shall forfeit the Performance-Vesting Benefit Amount for such Performance Period; and

(3) for any Performance Period that is currently in its second year of the Performance Period when such Termination of Employment occurs, the Participant shall become fully vested in the Performance-Vesting Benefit Amount for the current Performance Period if and when the Applicable Performance Target has been met.

(c) ***Forfeitures***. Except as otherwise provided in Section 7(a)(ii) and 7(b)(ii) hereof, any portion of any Projected Benefit Amount that was not vested on the date on which the Participant incurs a Termination of Employment and that does not vest on account of the Participant's Termination of Employment shall automatically and without any further action by the Committee immediately be forfeited and become null and void. In the event that the Participant's Termination of Employment is by the Company for Justifiable Cause, then any portion of the Participant's Award that has not previously vested and been exercised (in the case of any Options), or paid (in the case of any amount payable in cash) shall automatically and without further action by the Committee immediately be forfeited and become null and void.

(d) ***Change in Control.*** In the event of a Change in Control and within 6 months before or 18 months after the Change in Control, the Participant is terminated by the Company without Justifiable Cause or by the Participant for Good Reason, or there is a Termination of Employment because of the Participant's death or Disability, the following shall occur: (i) if the portion of the Participant's Award(s) that is time-based has not previously been vested or paid to the Participant and is not assumed by the acquirer or converted into a new award that is at least the equivalent of the outstanding award, then such portion shall immediately vest (in the case of Restricted Stock, Restricted Stock Units and Options) and the Cash payable as a result of such vesting shall be paid to the Participant, as soon as practicable (but in no event more than 5 business days) after the later of the Change in Control or the Participant's Termination of Employment; and (ii) if the portion of the Participant's Award(s) that is performance-based has not previously been vested or paid to the Participant, then the pro-rata portion for the time elapsed in the ongoing performance period(s), shall immediately vest (in the case of Restricted Stock, Restricted Stock Units and Options) and the Cash payable as a result of such vesting shall be paid to the Participant, as soon as practicable (but in no event more than 5 business days) after the later of the Change in Control or the Participant's Termination of Employment. Each Share of Restricted Stock that vests pursuant to this Section 7(d) shall be immediately redeemed by the Company (or its successor) for cash payable by the Company (or its successor) in an amount (the "Redemption Price Per Share") equal to, as applicable, (x) if the Shares have not been cancelled, exchanged or converted into other securities or property as a result of the Change in Control and are publicly-traded, the Fair Market Value of a Share on the date of the Participant's Termination of Employment, or (y) if the Shares have been cancelled, exchanged or converted into other securities or property as a result of the Change in Control, the greater of (i) the fair market value per Share of the consideration received pursuant to the Change in Control by the holders of Shares on the date of the Change in Control and (ii) if the consideration received by the holders of Shares pursuant to the Change in Control consisted, in whole or in part, of other securities which are publicly traded, the sum of (A) the fair market value of the number of such securities received for each Share pursuant to the Change in Control on the date of the Participant's Termination of Employment and (B) the fair market value of any other consideration received for each Share pursuant to the Change of Control. Each Option that vests pursuant to this Section 7(d) shall be immediately cancelled in exchange for cash

payable by the Company for each Share subject to the cancelled Option equal to the amount, if any, by which the Redemption Price Per Share exceeds the exercise price per Share of the Option.

8. ***Administration.***

(a) ***Authority of the Committee.*** The Plan shall be administered by the Committee. The Committee shall have full and final authority, subject to and consistent with the provisions of the Plan, to select persons to become Participants, grant Awards, determine the amount of any Participant's Award and all other matters relating to Awards, prescribe rules and regulations for the administration of the Plan, construe and interpret the Plan and correct defects, supply omissions or reconcile inconsistencies therein, and to make all other decisions and determinations as the Committee may deem necessary or advisable for the administration of the Plan. In exercising any discretion granted to the Committee under the Plan or pursuant to any Award, the Committee shall not be required to follow past practices, act in a manner consistent with past practices, or treat any Participant in a manner consistent with the treatment of any other Participants. Decisions of the Committee shall be final, conclusive and binding on all persons or entities, including the Company, any Subsidiary, any Affiliate or any Participant or Beneficiary.

(b) ***Manner of Exercise of Committee Authority.*** The Committee may delegate to members of the Board, or officers or managers of the Company or any Subsidiary, or committees thereof, the authority, subject to such terms and limitations as the Committee shall determine, to perform such functions, including administrative functions as the Committee may determine to the extent that such delegation will not result in the loss of an exemption under Rule 16b-3(d)(1) for Awards granted to Participants subject to Section 16 of the Securities and Exchange Act of 1934, as amended, in respect of the Company and will not cause Awards intended to qualify as "performance-based compensation" under Code Section 162(m) to fail to so qualify. It is the Committee's intention that the Performance-Based Vesting Awards shall qualify as performance-based compensation that shall be exempt from the deduction limitations under Section 162(m) of the Code, and that they therefore be granted under and be subject to the applicable sections of the Company's Incentive Compensation Plan relating to awards intended to satisfy the Section 162(m) requirements (including the limitations on the amount of such awards that have been approved by shareholders). The Committee may appoint agents to assist it in administering the Plan.

(c) ***Limitation of Liability.*** The Committee, and each member thereof, shall be entitled to, in good faith, rely or act upon any report or other information furnished to him or her by any officer or employee, the Company's independent auditors, consultants or any other agents assisting in the administration of the Plan. Members of the Committee, and any other member of the Board and any officer or employee acting at the direction or on behalf of the Committee, shall not be personally liable for any action or determination taken or made in good faith with respect to the Plan, and shall, to the extent permitted by law, be fully indemnified and protected by the Company with respect to any such action or determination.

(d) ***No Claim for Benefits Required.*** Benefits due and owing to a Participant under the Plan shall be paid when due without any requirement that a claim for benefits be filed. However, any Participant who has not received the benefits to which Participant believes himself or herself entitled may file a written claim with the Committee, which shall act on the claim within thirty days. If a Participant's employment agreement conflicts with any provision of this Plan, the language of the Plan shall govern.

(e) ***Payments to Beneficiary.*** Any vested benefits payable to any Participant that have not been paid as of the date of the Participant's death, shall be paid to the Participant's Beneficiary.

9. ***Awards Subject to Plans.*** The Awards under this Plan, and the grants of Restricted Stock, Restricted Stock Units and Options pursuant to this Plan, are being granted pursuant to and in accordance with the terms and conditions of this Plan and the Incentive Compensation Plan, and the Award Agreements.

10. ***No Acceleration of Benefits.*** In no event shall the acceleration of the time or schedule of any payment under the Plan be permitted, except to the extent that such acceleration would not violate Section 409A of the Code and the Treasury Regulations and other applicable guidance issued thereunder.

11. ***Amendment and Termination.*** This Plan may be amended or terminated in any respect at any time by the Committee; provided, however, that no amendment or termination of the Plan shall be effective to reduce any benefits payable to a Participant that may accrue or vest under the terms of this Plan without the Participant's prior written consent. If and to the extent permitted without violating the requirements of Section 409A of the Code, the Committee may require that the Awards of all Participants be distributed as soon as practicable after such termination. If and to the extent that the Committee does not accelerate the timing of distributions on account of the termination of the Plan pursuant to the preceding sentence, payment of any remaining benefits under the Plan shall be made at the same times and in the same manner as such distributions would have been made under the terms of the Plan, as in effect at the time the Plan is terminated.

12. ***Unfunded Obligation.*** The obligations of the Company to pay any benefits under the Plan shall be unfunded and unsecured, and any payments under the Plan shall be made from the general assets of the Company. Participants' rights under the Plan are not assignable or transferable except to the extent that such assignment or transfer is permitted under the terms of the Incentive Compensation Plan.

13. ***Withholding.*** The Participants and personal representatives shall bear any and all federal, state, local or other taxes imposed on benefits under the Plan. The Company may deduct from any distributions under the Plan the amount of any taxes required to be withheld from such distribution by any federal, state, local or foreign government, and may deduct from any compensation or other amounts payable to the Participant the amount of any taxes required to be withheld with respect to any other amounts under the Plan by any federal, state, local or foreign government.

14. ***Applicable Law.*** This Plan shall be construed and enforced in accordance with the laws of the State of Delaware, except to the extent superseded by federal law.

15. ***No Right to Continued Employment.*** No Award shall confer upon any Participant any right to continued service with the Company or any of its Affiliates.

16. ***Code Section 409A.***

(a) ***Interpretation of Plan.*** It is intended that the Awards granted pursuant to this Plan be exempt from Section 409A of the Code ("Section 409A") because it is believed (i) the Awards payable in cash should qualify for the short-term deferral exception contained in

Treasury Regulation §1.409A-1(a)(4), (ii) any Options granted pursuant to the Plan will have an exercise price that may never be less than the Fair Market Value of a Share on the Grant Date and the other requirements for the exemption of such options under Treasury Regulation §1.409A-1(a)(5)(i)(A) should be met; and (iii) any Shares of Restricted Stock granted under the Plan should be exempt as an award of restricted property pursuant to Treasury Regulation §1.409A-1(a)(6). The provisions of the Plan shall be interpreted in a manner consistent with that intent.

(b) ***Section 409A Amendments***. The Committee, in its sole discretion, and without the consent of any Participant or Beneficiary, may amend the provisions of this Plan to the extent that the Committee determines that such amendment is necessary or appropriate in order for the Awards made pursuant to the Plan to be exempt from the requirements of Section 409A, or if and to the extent that the Committee determines that Awards are not so exempt, to amend the Plan (and any agreements relating to any Awards) in such manner as the Committee shall deem necessary or appropriate to comply with the requirements of Section 409A.

(c) ***No Right to Section 409A Indemnification***. Notwithstanding the foregoing, the Company does not make any representation to any Participant or Beneficiary that the Awards made pursuant to this Plan are exempt from, or satisfy, the requirements of Section 409A, and the Company shall have no liability or other obligation to indemnify or hold harmless any Participant or Beneficiary for any tax, additional tax, interest or penalties that the Participant or Beneficiary may incur in the event that any provision of the Plan or any Award agreement, or any amendment or any modification thereof, or any other action taken with respect thereto, is deemed to violate any of the requirements of Section 409A.

(d) ***Six Month Delay for Specified Employees.*** If a Participant is a "specified employee," as that term is defined for purposes of Section 409A, then no payment or benefit that is payable on account of the Participant's "separation from service," as that term is defined for purposes of Section 409A, shall be made before the date that is six months after the Participant's "separation from service" (or, if earlier, the date of the Participant's death) if and to the extent that such payment or benefit constitutes nonqualified deferred compensation (or may be nonqualified deferred compensation) under Section 409A and such deferral is required to comply with the requirements of Section 409A. Any payment or benefit delayed by reason of the prior sentence shall be paid out or provided in a single lump sum at the end of such required delay period in order to catch up to the original payment schedule.

17. ***No Assignment.*** Neither any Participant nor any Beneficiary nor any other person shall have any right to assign the rights to receive any payments or benefits hereunder, in whole or in part, which payments and benefits are non-assignable and non-transferable, whether voluntarily, or involuntarily.

Exhibit 21.1

DESTINATION XL GROUP, INC.
Wholly-owned unless otherwise indicated

Subsidiary:	Place of Incorporation:
Casual Male Retail Store, LLC (f/k/a Designs CMAL Retail Store Inc.)	Delaware
Casual Male Direct, LLC (f/k/a Designs CMAL TBD Inc.)	Delaware
CMRG Apparel Management, Inc.	Delaware
CMRG Holdco, LLC	Delaware
CMXL Apparel, LP (a)	Delaware
CMRG Apparel, LLC (f/k/a Designs Apparel, Inc.) (b)	Delaware
Casual Male Store, LLC (f/k/a Designs CMAL Store Inc.)	Delaware
Capture, LLC (c)	Virginia
Casual Male RBT, LLC	Delaware
Casual Male RBT (U.K.) LLC (d)	Delaware
DXL Canada, Inc. (f/k/a Casual Male Canada Inc.)	Ontario, Canada
Casual Male (EUROPE) LLC	Delaware
Think Big Products LLC	Delaware
Canton PL Liquidating Corp. (f/k/a LP Innovations, Inc.)	Nevada
CMRG Hong Kong Limited	Hong Kong

(a) A limited partnership in which CMRG Apparel Management, Inc. is a General Partner owning 1% and CMRG Holdco, LLC is a Limited Partner owning 99%. (Both partners are wholly-owned subsidiaries of Destination XL Group, Inc.)
(b) 100% owned by CMXL Apparel, LP (a wholly-owned subsidiary of Destination XL Group, Inc.)
(c) 100% owned by Casual Male Store, LLC (a wholly-owned subsidiary of Destination XL Group, Inc.)
(d) 100% owned by Casual Male RBT, LLC (a wholly-owned subsidiary of Destination XL Group, Inc.)

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

The Board of Directors
Destination XL Group, Inc.:

We consent to the incorporation by reference in the registration statements (Nos. 333-118966 and 333-90742) on Form S-3 and (Nos. 333-136890, 333-163245, 333-164618, 333-170708, 333-170764, 333-194627 and 333-213311) on Form S-8 of Destination XL Group, Inc. of our reports dated March 20, 2017, with respect to the consolidated balance sheets of Destination XL Group, Inc. and subsidiaries as of January 28, 2017 and January 30, 2016, and the related consolidated statements of operations, comprehensive income (loss), changes in stockholders' equity, and cash flows for each of the years in the three-year period ended January 28, 2017, and the effectiveness of internal control over financial reporting as of January 28, 2017, which reports appear in the January 28, 2017 annual report on Form 10-K of Destination XL Group, Inc.

/s/ KPMG LLP

Boston, Massachusetts
March 20, 2017

Exhibit 31.1

PRINCIPAL EXECUTIVE OFFICER CERTIFICATION

I, David A. Levin, certify that:

1. I have reviewed this Annual Report on Form 10-K of Destination XL Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 20, 2017

/s/ David A. Levin

David A. Levin
President and Chief Executive Officer

Exhibit 31.2

PRINCIPAL FINANCIAL OFFICER CERTIFICATION

I, Peter H. Stratton, Jr., certify that:

1. I have reviewed this Annual Report on Form 10-K of Destination XL Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 20, 2017

/s/ Peter H. Stratton, Jr.

Peter H. Stratton, Jr.
Senior Vice President and Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-K of Destination XL Group, Inc. (the "Company") for the period ended January 28, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David A. Levin, Chief Executive Officer of the Company, certify pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

This certification is being furnished as an exhibit to the Report pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section. This certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing, except to the extent that the Company specifically incorporates this certification by reference.

Dated: March 20, 2017

/s/ David A. Levin

David A. Levin
Chief Executive Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-K of Destination XL Group, Inc. (the "Company") for the period ended January 28, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Peter H. Stratton, Jr., Chief Financial Officer of the Company, certify pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

This certification is being furnished as an exhibit to the Report pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section. This certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing, except to the extent that the Company specifically incorporates this certification by reference.

Dated: March 20, 2017

/s/ Peter H. Stratton, Jr.

Peter H. Stratton, Jr.
Senior Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.