
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

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

Date of Report (Date of earliest event reported): January 29, 2009

0-15898
(Commission File Number)

CASUAL MALE RETAIL GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State of Incorporation)

04-2623104
(IRS Employer
Identification Number)

555 Turnpike Street, Canton, Massachusetts 02021
(Address of registrant's principal executive office)

(781) 828-9300
(Registrant's telephone number)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(e) On January 29, 2009, Casual Male Retail Group, Inc. (the "Company"), pursuant to Board approval, repurchased certain stock options with exercise prices significantly in excess of market price from certain directors and executive officers, including David A. Levin, its President and Chief Executive Officer, and Dennis R. Hernreich, its Executive Vice President, Chief Financial Officer, Chief Operating Officer and Treasurer. Such repurchases were made pursuant to separate Option Repurchase Agreements with each of the individuals. The Company repurchased and cancelled the eligible options in exchange for cash payments equal to the fair value of the applicable options on the date of repurchase, as determined using Black-Scholes. The Black-Scholes value of each option repurchased was calculated based upon the closing stock price of the Company's common stock on January 29, 2009.

The Company repurchased options with underlying shares totaling 2,291,512 for an aggregate purchase price of \$7,191.73. These options had exercise prices ranging from \$4.54 to \$12.35 per share. Of the 2,291,512 shares underlying the repurchased and cancelled options, options covering 1,206,854 shares issued under the Company's 2006 Incentive Compensation Plan (the "2006 Plan") were repurchased and, pursuant to the terms of the 2006 Plan, will become available for future issuance under the 2006 Plan. In connection with the repurchase and cancellation of these options, the Company will recognize additional stock compensation expense of approximately \$1.5 million in the fourth quarter of fiscal 2008 relating to the acceleration of vesting associated with the options.

The Company believes that this action enhances long-term stockholder value by improving the Company's ability to incentivize and retain its employees, as well as reducing the Company's equity award "overhang" (that is, the number of shares subject to outstanding equity awards relative to the total number of shares of common stock outstanding) through the cancellation of outstanding options that currently provide no meaningful retention or incentive value to the Company's employees.

The following table lists the aggregate number of options repurchased and the respective cash payment made to certain directors and Messrs. Levin and Hernreich pursuant to the Option Repurchase Agreements:

Name	Title	Aggregate Number of Shares Underlying Stock Options Repurchased by the Company and Cancelled	Total Cash Payment for Cancelled Stock Options(1)
Seymour Holtzman	Chairman of the Board	296,427	\$ 616.43
Alan S. Bernikow	Director	65,000	\$ 175.00
Jesse H. Choper	Director	65,000	\$ 175.00
Ward K. Mooney	Director	65,000	\$ 130.00
George T. Porter	Director	65,000	\$ 175.00
Mitchell S. Presser	Director	40,000	\$ 80.00
David A. Levin	President and Chief Executive Officer	1,145,533	\$ 4,145.53
Dennis R. Hernreich	Executive Vice President, Chief Financial Officer, Chief Operating Officer and Treasurer	549,552	\$ 1,694.77

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- (1) Repurchase cost equals to the Black-Scholes value of the repurchased and cancelled option based upon the closing stock price of the Company's common stock on January 29, 2009.

A copy of the form of Option Repurchase Agreement is attached as Exhibit 10.1 hereto and is incorporated herein by reference.

Item 8.01 Other Events.

In connection with the Company's repurchase and cancellation of these stock options and pursuant to the terms of the 2006 Plan, approximately 1,206,854 shares of common stock will become available for future issuance under the 2006 Plan.

1,084,658 shares of common stock underlying the remaining repurchased options will be cancelled and will not be available for future issuance because such options were issued under the Company's retired 1992 Stock Incentive Plan, as amended.

Item 9.01 Financial Statements and Exhibits.

- (d) Exhibits.

<u>Number</u>	<u>Description</u>
10.1	Form of Option Repurchase Agreement

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CASUAL MALE RETAIL GROUP, INC.

By: /s/ DENNIS R. HERNREICH
Name: Dennis R. Hernreich
Title: Executive Vice President and Chief Financial Officer

Date: February 3, 2009

OPTION REPURCHASE AGREEMENT

THIS OPTION REPURCHASE AGREEMENT (“Agreement”) is made and entered into effective as of January 29, 2009, by and between _____ (“Seller”) and Casual Male Retail Group, Inc., a Delaware corporation (the “Company”).

RECITALS

A. The Company has adopted a stock option repurchase program pursuant to which it is offering to purchase from directors and certain key executives stock options, vested and unvested, having an exercise price of \$3.00 or greater (the “Eligible Options”) for a cash payment for each Eligible Option based on the Black-Scholes valuation of such option.

B. As part of such program, Seller desires to sell to the Company, and the Company desires to repurchase from Seller, the Seller’s Eligible Options set forth on Schedule A hereto for the purchase price set forth on Schedule A hereto.

C. The Company and Seller desire to enter into this Agreement setting forth certain terms relating to such option repurchase.

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth in this Agreement, and such other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller and the Company agree as follows:

1. Option Repurchase. The Company hereby agrees to repurchase, and Seller hereby agrees to sell to the Company, all of Seller’s right, title and interest to the Eligible Options set forth on Schedule A hereto for the purchase price set forth on Schedule A hereto. Upon payment of such purchase price by the Company to the Seller, such Eligible Options shall be terminated and Seller shall no longer have any rights with respect to such Eligible Options.

2. No Entitlement to Future Awards. The Seller acknowledges that the Seller’s participation in the option repurchase program, of which this Agreement is a part, does not entitle Seller to any equity-based awards in the future, and any such future grants are in the complete discretion of the Company. In that regard, each of the Seller and the Company acknowledge and confirm that there is no agreement, commitment, offer or understanding with or by the Company involving future grants of equity-based awards to the Seller as a result of this Agreement or otherwise.

3. Sophistication. The Seller represents and warrants that Seller has sufficient knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the transaction contemplated by this Agreement, and has so evaluated the merits and risks of such transaction. The Seller has sought such accounting, legal and tax advice as Seller has considered necessary to make an informed decision with respect to this transaction.

4. Counterparts. This Agreement may be executed in counterparts, each of which shall serve as an original for all purposes, but all copies of which shall constitute but one and the same Agreement.

IN WITNESS WHEREOF, the parties to this Agreement have hereunto set their names as of the date first above written.

THE COMPANY:

CASUAL MALE RETAIL GROUP, INC.

By: David A. Levin
Its: President, CEO

SELLER:

Schedule A

<u>Plan</u>	<u>Grant Date</u>	<u>Number of Option Shares</u>	<u>Exercise Price Per Share</u>	<u>Number of Option Shares for Repurchase</u>	<u>Black-Scholes Valuation</u>	<u>Total Purchase Price</u>
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