BURLINGTON COAT FACTORY WAREHOUSE CORP
Form 4
March 13, 2006

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
FERBER ROMAN

(Last) (First) (Middle)

C/O BURLINGTON COAT FACTORY, 1830 RT.130

(Street)

BURLINGTON, NJ 08016

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
BURLINGTON COAT FACTORY WAREHOUSE CORP [BCF]

3. Date of Earliest Transaction (Month/Day/Year)
03/03/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock, $1.00 Par Value	03/03/2006		A		100	A	$ 0	500	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FERBER ROMAN C/O BURLINGTON COAT FACTORY 1830 RT.130 BURLINGTON, NJ 08016	X			

Signatures

/s/ Roman Ferber	03/13/2006
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. :0.75pt;padding-Bottom:0pt;width:1%; border-top:solid 0.75pt #000000;0pt #000000;0pt #000000;0pt #000000;white-space:nowrap;">

51,530

36.9

%

70,425

49.3

%

Selling, general and administrative expenses

27,331

34.2

%

24,070

27.0

%

52,971

37.9

%

45,274

31.7

%

(Loss) Income from operations

(6,542

)

(8.2

)%

19,944

22.3

%

(1,441

)

(1.0

)%

25,151

17.6

%

Interest expense, net

1,623

2.0

%

2,485

2.8

%

2,939

2.1

%

5,335

3.7

%

Other expense, net

350

0.4

%

435

0.4

%

491

0.4

%

485

0.4

%

(Loss) Income before income taxes

(8,515

)

(10.6

)%

17,024

19.1

%

(4,871

)

(3.5

)%

19,331

13.5

%

(Benefit) Provision for income taxes

(3,489

)

(4.3

)%

6,523

7.3

%

(2,299

)

(1.7

)%

7,446

5.2

%

Net (loss) income

$

(5,026

)

(6.3

)%

$

10,501

11.8

%

$

(2,572

)

(1.8

)%

$

11,885

8.3

%

(Loss) Earnings per share:

Basic earnings per share

$

(0.14

)

$

Explanation of Responses:

0.29

$

(0.07

)

$

0.32

Diluted (loss) earnings per share

$

(0.14

Explanation of Responses:

)

$

0.27

$

(0.07

)

$

0.31

Other Operating and Financial Data:

Total wholesale doors at end of period

2,539

2,378

2,539

2,378

Total stores at end of period

42

31

42

31

Comparable store sales growth (1) (2)

13.4

%

11.7

%

11.5

%

12.7

%

(1) Beginning with the first quarter of 2015, comparable store sales now include our e-commerce sales in order to align with how the Company manages its brick-and-mortar retail stores and e-commerce online store as a combined single direct-to-consumer segment. Prior to fiscal year 2015, comparable store sales included only our comparable brick-and-mortar retail stores. As a result of our omni-channel sales and inventory strategy as well as cross-channel customer shopping patterns, there is less distinction between our brick-and-mortar retail stores and our e-commerce online store and we believe the inclusion of e-commerce sales in

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our comparable store sales metric is a more meaningful representation of these results and provides a more comprehensive view of our year over year comparable store sales metric. As a result of this change, the prior period presented above has been adjusted to reflect comparable store sales inclusive of e-commerce.

(2) Beginning with the first quarter of 2015, a store is included in the comparable store sales calculation after it has completed at least 13 full fiscal months of operations. Non-comparable store sales include new stores which have not completed at least 13 full fiscal months of operations and sales from closed stores. In the event that we relocate, or change square footage of an existing store, we would treat that store as a non-comparable store until it has completed at least 13 full fiscal months of operation following the relocation or square footage adjustment. For 53-week fiscal years, we adjust comparable store sales to exclude the additional week. There may be variations in the way in which some of our competitors and other retailers calculate comparable store sales.

Three Months Ended August 1, 2015 Compared to Three Months Ended August 2, 2014

Net sales for the three months ended August 1, 2015 were $80.0 million, decreasing $9.3 million, or 10.4%, versus $89.3 million for the three months ended August 2, 2014.

	Net Sales by Segment Three Months Ended	
(in thousands)	August 1, 2015	August 2, 2014
Net Sales:		
Wholesale	$58,312	$74,344
Direct-to-consumer	21,681	14,982
Total net sales	$79,993	$89,326

Net sales from our wholesale segment decreased $16.0 million, or 21.6%, to $58.3 million in the three months ended August 1, 2015, primarily driven by lower full price customer reorders and lower off price orders in the second quarter. Despite the downturn in our sales performance, the contraction of our wholesale business was partially offset by an increase in net wholesale doors of 161 and added 27 additional shop-in-shops with our wholesale partners since the end of the second quarter of fiscal 2014.

Net sales from our direct-to-consumer segment increased 44.7% to $21.7 million in the three months ended August 1, 2015 from $15.0 million in the three months ended August 2, 2014. Approximately $1.9 million of the sales growth is attributable to comparable store sales growth of 13.4% including e-commerce. Non-comparable store sales contributed approximately $4.8 million of the sales growth. Since the prior year second quarter, 11 new stores have opened bringing our total retail store count to 42 as of August 1, 2015 compared to 31 as of August 2, 2014.

Gross profit decreased 52.8% to $20.8 million for the three months ended August 1, 2015 versus $44.0 million in the prior year. As a percentage of sales, gross margin was 26.0%, compared with 49.3% in the prior year second quarter. Gross profit and margin were negatively impacted by a $(16.8) million charge associated with write-downs of excess inventory and aged product to expected realizable value in the current quarter. Of this charge, $(14.4) million is attributable to the Company’s decision to accelerate disposition of aged and excess product, with the balance relating

to normal, recurring provisions based on existing accounting policy for aged inventory. The total gross margin rate decrease was driven primarily by the following factors:

- Higher year-over-year inventory reserve charge impacted gross margins negatively by (2005) basis points;
- The unfavorable impact from markdowns and chargebacks contributed negatively by (595) basis points;
- Favorable increased sales penetration of the direct-to-consumer segment contributed 225 basis points of improvement; and
- The impact from other costs and supply chain margin initiatives had a net favorable impact of 45 basis points.

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Selling, general and administrative expenses for the three months ended August 1, 2015 were $27.3 million, increasing $3.3 million, or 13.5%, versus $24.1 million for the three months ended August 1, 2014. Selling, general and administrative expenses as a percent of sales was 34.2% and 27.0% for the three months ended August 1, 2015 and August 2, 2014, respectively. Selling, general and administrative expenses in the current year quarter include a $2.9 million charge for net management transition costs. As we continue to invest in our growth and from our recent decline in sales, our selling, general and administrative expenses as a percent of sales have deleveraged. The increase in selling, general and administrative expenses compared to the prior fiscal year period is primarily due to:

- Increase in compensation expense of $2.5 million, primarily driven by $2.9 million of net management transition charges associated with employee departures
- Increase in depreciation expense of $1.1 million due to new retail stores, shop-in-shop investments and our new headquarter office spaces.
- Increase in rent and occupancy costs of $0.8 million due primarily to new retail store openings and our new headquarter office and showroom spaces; and
- The above increases were partially offset by $(0.9) million of lower costs charged under our Shared Services Agreement as we have transitioned certain back office support functions in-house that were previously performed by Kellwood under the Shared Services Agreement and $0.2 million reduction in other supporting expenses.

Operating income by segment for the three months ended August 1, 2015 and the three months ended August 2, 2014 is summarized in the following table:

	Operating Income by Segment Three Months Ended	
	August 1, 2015	August 2, 2014
(in thousands)		
Wholesale	$7,739	$30,549
Direct-to-consumer	(1,927)	1,336
Subtotal	5,812	31,885
Unallocated expenses	(12,354)	(11,941)
Total operating (loss) income	$(6,542)	$19,944

Operating income from our wholesale segment decreased $22.8 million, or 74.7%, to $7.7 million in the three months ended August 1, 2015 from $30.5 million in the three months ended August 2, 2014. This decrease was primarily driven by the impact of the lower gross margin performance due to wholesale inventory reserves of $(13.1) million and sales volume decrease noted above.

Operating income from our direct-to-consumer segment decreased by $3.3 million to $(1.9) million in the three months ended August 1, 2015 from $1.3 million in the three months ended August 2, 2014. The decrease resulted primarily from the impact of inventory reserves of $(3.7) million combined with lower gross margins driven by higher promotional activity.

Interest expense decreased $0.9 million, or 34.7%, to $1.6 million in the three months ended August 1, 2015 from $2.5 million in the three months ended August 2, 2014. The reduction in interest expense is primarily due to the lower

overall debt balances since August 2, 2014 as a result of voluntary prepayments on our Term Loan Facility and net borrowings against Revolving Credit Facility with more favorable interest rates.

Other expense, net, was $0.3 million and $0.4 million for the three months ended August 1, 2015 and August 2, 2014, respectively.

Provision for income taxes for the three months ended August 1, 2015 was $(3.5) million benefit as compared to $6.5 million for the three months ended August 2, 2014. Our effective tax rate on pretax income for the three months ended August 1, 2015 and the three months ended August 2, 2014 was 41.0% and 38.3%, respectively. The effective tax rate for the three months ended August 1, 2015 differed from the U.S. statutory rate of 35% primarily due to state taxes. Our effective tax rate for the three months ended August 2, 2014 differed from the U.S. statutory rate of 35% primarily due to state taxes offset in part by changes in our valuation allowance.

Net loss was $(5.0) million in the three months ended August 1, 2015 versus net income of $10.5 million in the three months ended August 2, 2014. The $(15.5) million decrease in net income was primarily due to the pre-tax charges of $(14.4) million related

to inventory reserves, $(2.9) million related to net management transition costs, ($8.8) million related to decreases in gross profit, partially offset by favorable interest expense of $0.9 million and the provision for income taxes of $10.0 million related to all of the above.

Six Months Ended August 1, 2015 Compared to Six Months Ended August 2, 2014

Net sales for the six months ended August 1, 2015 were $139.8 million, decreasing $2.9 million, or 2.1%, versus $142.8 million for the six months ended August 2, 2014.

	Net Sales by Segment	
	Six Months Ended	
(in thousands)	August 1, 2015	August 2, 2014
Net Sales:		
Wholesale	$96,599	$111,666
Direct-to-consumer	43,236	31,112
Total net sales	$139,835	$142,778

Net sales from our wholesale segment decreased $15.1 million, or 13.5%, to $96.6 million in the six months ended August 1, 2015 from $111.7 million in the six months ended August 2, 2014. The decrease from the prior year is primarily due to the lower sell-through, lower full price customer reorders and lower off price orders in the second quarter. The contraction of our wholesale business was partially offset by an increase in net wholesale doors of 161 and we added 27 additional shop-in-shops with our wholesale partners since the end of the second quarter of fiscal 2014.

Net sales from our direct-to-consumer segment increased $12.1 million, or 39.0%, to $43.2 million in the six months ended August 1, 2015 from $31.1 million in the six months ended August 2, 2014. Approximately $3.5 million of the sales growth is attributable to comparable store sales growth of 11.5% including e-commerce. Non-comparable store sales contributed approximately $8.7 million of the sales growth and includes the impact of 11 new stores that have opened since the end of the same period in the prior fiscal year, bringing our total retail store count to 42 as of August 1, 2015 compared to 31 as of August 2, 2014.

Gross profit decreased 26.8% to $51.5 million for the six months ended August 1, 2015 versus $70.4 million in the prior year. As a percentage of sales, gross margin was 36.9%, compared with 49.3% in the prior year. Gross profit and gross margin were negatively impacted by the full year $(19.6) million inventory reserve charge in the current year. Of this charge, $(14.4) million is attributable to the Company's decision to accelerate disposition of excess and aged product, with the balance relating to normal, recurring provisions based on existing accounting policy for aged inventory. The total gross margin rate decrease was driven primarily by the following factors:

- Higher year-over-year inventory reserve charge impacted gross margins negatively by (1210) basis points;
- The impact from higher assistance to wholesale partners had a combined negative impact of (330) basis points;
- Increased sales penetration of the direct-to-consumer segment contributed 180 basis points of improvement; and
- The impact from other costs and supply chain margin initiatives had a net favorable impact of 120 basis points.

Selling, general and administrative expenses for the six months ended August 1, 2015 were $53.0 million, increasing $7.7 million, or 17.0%, versus $45.3 million for the six months ended August 1, 2014. Selling, general and administrative expenses as a percent of sales was 37.9% and 31.7% for the six months ended August 1, 2015 and August 2, 2014, respectively. Selling, general and administrative expenses in the current year include a $2.9 million

charge for net management transition costs. Selling, general and administrative expenses in the prior year include $0.6 million of costs incurred by the Company related to the secondary offering by certain stockholders of the company completed in July 2014. As we continue to invest in our growth and from our recent decline in sales, our selling, general and administrative expenses as a percent of sales have deleveraged. The increase in selling, general and administrative expenses compared to the prior fiscal year period is primarily due to:

Increase in compensation expense of $4.1 million, primarily driven by $2.9 million of net management transition charges including share-based and incentive compensation, employee benefits and related increases due to hiring and retaining additional employees to support our growth plans;

Increase in rent and occupancy costs of $2.4 million due primarily to new retail store openings and our new headquarter office and showroom spaces;

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Increase in depreciation expense of $1.9 million due to new retail stores, shop-in-shop investments and our new headquarter office spaces.
Increase in marketing, advertising and promotional expenses of $0.9 million to support our brand awareness growth efforts; and
The above increases were partially offset by $(1.6) million of lower costs charged under our Shared Services Agreement as we have transitioned certain back office support functions in-house that were previously performed by Kellwood under the Shared Services Agreement.

Operating income by segment for the six months ended August 1, 2015 and the six months ended August 2, 2014 is summarized in the following table:

	Operating Income by Segment Six Months Ended	
	August 1, 2015	August 2, 2014
(in thousands)		
Wholesale	$22,016	$43,627
Direct-to-consumer	444	3,813
Subtotal	22,460	47,440
Unallocated expenses	(23,901)	(22,289)
Total operating (loss) income	$(1,441)	$25,151

Operating income from our wholesale segment decreased $21.6 million to $22.0 million in the six months ended August 1, 2015 from $43.6 million in the six months ended August 2, 2014. This decrease was driven by the lower gross margin performance due to wholesale inventory reserves of $(14.7) million and sales volume decrease noted above.

Operating income from our direct-to-consumer segment decreased by $3.4 million to $0.4 million in the six months ended August 1, 2015 from $3.8 million in the six months ended August 2, 2014. The decrease resulted primarily from the impact of inventory reserves of $(4.9) million combined with lower gross margins driven by higher promotional activity.

Interest expense decreased $2.4 million, or 44.9%, to $2.9 million in the six months ended August 1, 2015 from $5.3 million in the six months ended August 2, 2014. The reduction in interest expense is primarily due to the lower overall debt balances since August 2, 2014, as a result of voluntary prepayments on our Term Loan Facility and borrowings against Revolving Credit Facility with more favorable interest rates.

Other expense, net, was $0.5 million for both the six months ended August 1, 2015 and the six months ended August 2, 2014.

Provision for income taxes for the six months ended August 1, 2015 was $(2.3) million benefit, as compared to $7.4 million for the six months ended August 2, 2014. Our effective tax rate on pretax income for the six months ended August 1, 2015 and the six months ended August 2, 2014 was 47.2% and 38.5%, respectively. The effective tax rate for the six months ended August 1, 2015 differed from the U.S. statutory rate of 35% primarily due to state taxes and the favorable impact of recent changes to the New York City tax laws that impacted the net operating loss deferred tax assets. Our effective tax rate for the six months ended August 2, 2014 differed from the U.S. statutory rate of 35% primarily due to state taxes offset in part by changes in our valuation allowance.

Net loss was $(2.6) million in the six months ended August 1, 2015 versus net income of $11.9 million in the six months ended August 2, 2014. The $(14.5) million decrease in net income was primarily due to pre-tax charges of $(14.4) million related to inventory reserves, $(2.9) million of net management transition costs, $(4.5) million related to decreases in gross profit, and ($4.8) million of increased selling, general and administrative expenses, partially offset by favorable interest expense of $2.4 million and the provision for income taxes of $9.7 million related to all of the above.

Liquidity and Capital Resources

Our sources of liquidity are our cash and cash equivalents, cash flows from operations and borrowings available under the Revolving Credit Facility. Our primary cash needs are capital expenditures for new stores and related leasehold improvements, for investment in new ERP platform and related infrastructure, meeting our debt service requirements, paying amounts due per the Tax Receivable Agreement, and funding working capital requirements. The most significant components of our working capital are cash and cash equivalents, accounts receivable, inventories, accounts payable and other current liabilities.

Management believes that our current balances of cash and cash equivalents, cash flow from operations and amounts available under the Revolving Credit Facility will be adequate to fund our debt service requirements, obligations under our Tax Receivable Agreement as amended, planned capital expenditures and working capital needs for at least the next twelve months.

The Company had expected to make a required payment under the Tax Receivable Agreement in the fourth quarter of 2015. As a result of lower than expected cash from operations due to weaker than projected performance, and the level of projected availability under the Company's Revolving Credit Facility, we concluded that we would not be able to fund the payment when due. Accordingly, on September 1, 2015, we entered into an amendment to the Tax Receivable Agreement with Sun Cardinal, LLC, an affiliate of Sun Capital Partners, Inc., for itself and as a representative of the other stockholders parties thereto. Pursuant to this amendment, Sun Cardinal agreed to postpone payment of the tax benefit with respect to the 2014 taxable year, estimated at approximately $22.8 million plus accrued interest, to September 15, 2016. As a result, the $22.8 million plus accrued interest was reclassified from other accrued expenses to other liabilities on the condensed consolidated balance sheet. As of August 1, 2015 our obligation under the Tax Receivable Agreement is $169.0 million and has a remaining term of nine years and is included as a component of other liabilities on our condensed consolidated balance sheet. The amendment to the Tax Receivable Agreement also waived the application of a default interest rate at LIBOR plus 500 basis points per annum on the postponed payment. The interest rate on the postponed payment will remain at LIBOR plus 200 basis points per annum. See "Item 1A ---Risk Factors ---Our ability to continue to have the liquidity necessary to service our debt, meet contractual payment obligations, including under the Tax Receivable Agreement and fund our operations depends on many factors, including our ability to generate sufficient cash flow from operations and maintain adequate availability under the Revolving Credit Facility."

On November 27, 2013, in connection with the consummation of the IPO and the related Restructuring Transactions, all previously outstanding debt obligations either remained with Kellwood Company, LLC (i.e. the non-Vince businesses) or were discharged, repurchased or refinanced. In connection with the consummation of these transactions, we entered into the Term Loan Facility and Revolving Credit Facility, which are discussed further below.

Operating Activities

	Six Months Ended	
	August 1, 2015	August 2, 2014
(in thousands)		
Operating activities		
Net (loss) income	$(2,572)	$11,885
Add (deduct) items not affecting operating cash flows:		
Depreciation	3,803	1,849
Amortization of intangible assets	299	299
Amortization of deferred financing costs	664	597
Amortization of deferred rent	1,301	1,246
Deferred income taxes	(441)	7,415
Share-based compensation expense	801	792
Loss on disposal of property, plant and equipment	309	—
Changes in assets and liabilities:		

Receivables, net	11,118	1,894
Inventories, net	(8,147)	(24,676)
Prepaid expenses and other current assets	(88)	2,318
Accounts payable and accrued expenses	6,997	12,596
Other assets and liabilities	37	194
Net cash provided by operating activities	$14,081	$16,409

Net cash provided by operating activities during the six months ended August 1, 2015 was $14.1 million, which consisted of net loss of $2.6 million, impacted by non-cash items of $6.7 million and cash provided from working capital of $9.9 million. Net cash provided from working capital primarily resulted from a $11.1 million decrease in accounts receivable due primarily to the timing of current year collections from prior year receivables and lower wholesale sales performance. Additional increases in accounts payable and accrued expenses of $7.0 million, also contributed primarily due to inventory purchases prior to reserves, partially offset by accrued expenses. The increase in accounts payable and accrued expenses was offset by an $8.1 million net increase in inventories. Gross inventory increased $27.7 million due to new store additions, increased handbag inventory, and higher in-transit

inventory which were offset in part by an increased in our reserves of $19.6 million associated with excess and aged product inventory.

Net cash provided by operating activities during the six months ended August 2, 2014 was $16.4 million, which consisted of net income of $11.9 million, impacted by non-cash items of $12.2 million and cash used for working capital of $7.7 million. Net cash used in working capital primarily resulted from a $24.7 million increase in inventory due primarily to increase inventory purchases for the fall selling season. This was offset in part by net increases in accounts payable and accrued expenses of $12.6 million due to timing of payments to vendors, a decrease in prepaid expenses and other current assets of $2.3 million and a $1.9 million decrease in receivables due to timing of collections.

Investing Activities

	Six Months Ended	
	August 1, 2015	August 2, 2014
(in thousands)		
Investing activities		
Payments for capital expenditures	$(11,043)	$(7,351)
Net cash used in investing activities	$(11,043)	$(7,351)

Net cash used in investing activities represents capital expenditures, primarily related to retail store build-outs, including leasehold improvements, costs related to the build out of our new corporate office space, store fixtures as well as expenditures for our shop-in-shop spaces operated by certain distribution partners and the investment in new ERP systems and related infrastructure. Net cash used in investing activities increased $3.7 million from $7.4 million used during the six months ended August 2, 2014 to $11.0 million used during the six months ended August 1, 2015. The increase is primarily attributable to an increase in capital expenditures for construction of additional retail stores and shop-in-shop build outs, costs associated with our IT migration project, e-commerce platform migration and the build-out of our new corporate office spaces.

Financing Activities

	Six Months Ended	
	August 1, 2015	August 2, 2014
(in thousands)		
Financing activities		
Proceeds from borrowings under the Revolving Credit Facility	$54,402	$27,100
Payments for Revolving Credit Facility	(42,554)	(4,500)
Payments for Term Loan Facility	(15,000)	(53,000)

Fees paid for Term Loan Facility and Revolving Credit Facility	(85)	(114)
Stock option exercise	175	34
Net cash used in financing activities	$(3,062)	$(30,480)

Net cash used in financing activities was $3.1 million during the six months ended August 1, 2015, primarily consisting of voluntary prepayments totaling $15.0 million on the Term Loan Facility partially offset by net proceeds from borrowings on our Revolving Credit Facility of $11.8 million.

Net cash used in financing activities was $30.5 million during the six months ended August 2, 2014, primarily consisting of voluntary prepayments totaling $53.0 million on the Term Loan Facility, partially offset by $22.6 million of net borrowings under our Revolving Credit Facility.

Revolving Credit Facility

On November 27, 2013, Vince, LLC entered into a $50.0 million senior secured revolving credit facility (as amended from time to time, the “Revolving Credit Facility”) with Bank of America, N.A. (“BofA”), as administrative agent. Vince, LLC is the borrower and VHC and Vince Intermediate Holding, LLC, a direct subsidiary of VHC and the direct parent company of Vince, LLC (“Vince Intermediate”), are the guarantors under the Revolving Credit Facility. On June 3, 2015, Vince LLC entered into a first amendment to

the Revolving Credit Facility, that among other things, increased the aggregate commitments under the facility from $50.0 million to $80.0 million, subject to a loan cap of $70.0 million until debt obligations under the Company's term loan facility have been paid in full, and extended the maturity date from November 27, 2018 to June 3, 2020. The Revolving Credit Facility also provides for a letter of credit sublimit of $25.0 million (plus any increase in aggregate commitments) and an accordion option that allows for an increase in aggregate commitments up to $20.0 million. Interest is payable on the loans under the Revolving Credit Facility at either the LIBOR or the Base Rate, in each case, with applicable margins subject to a pricing grid based on an excess availability calculation. The "Base Rate" means, for any day, a fluctuating rate per annum equal to the highest of (i) the rate of interest in effect for such day as publicly announced from time to time by BofA as its prime rate; (ii) the Federal Funds Rate for such day, plus 0.50%; and (iii) the LIBOR Rate for a one month interest period as determined on such day, plus 1.0%. During the continuance of an event of default and at the election of the required lender, interest will accrue at a rate of 2% in excess of the applicable non-default rate.

The Revolving Credit Facility contains a maintenance requirement that, at any point when "Excess Availability" is less than the greater of (i) 15% percent of the adjusted loan cap or (ii) $10.0 million, and continuing until Excess Availability exceeds the greater of such amounts for 30 consecutive days, during which time, Vince, LLC must maintain a consolidated EBITDA (as defined in the Revolving Credit Facility) equal to or greater than $20.0 million. We have not been subject to this maintenance requirement as Excess Availability was greater than the required minimum.

The Revolving Credit Facility contains representations and warranties, other covenants and events of default that are customary for this type of financing, including limitations on the incurrence of additional indebtedness, liens, negative pledges, guarantees, investments, loans, asset sales, mergers, acquisitions, prepayment of other debt, the repurchase of capital stock, transactions with affiliates, and the ability to change the nature of its business or its fiscal year. The Revolving Credit Facility generally permits dividends in the absence of any event of default (including any event of default arising from the contemplated dividend), so long as (i) after giving pro forma effect to the contemplated dividend, for the following six months Excess Availability will be at least the greater of 20% of the aggregate lending commitments and $10.0 million and (ii) after giving pro forma effect to the contemplated dividend, the "Consolidated Fixed Charge Coverage Ratio" for the 12 months preceding such dividend shall be greater than or equal to 1.1 to 1.0 (provided that the Consolidated Fixed Charge Coverage Ratio may be less than 1.1 to 1.0 if, after giving pro forma effect to the contemplated dividend, Excess Availability for the six fiscal months following the dividend is at least the greater of 35% of the aggregate lending commitments and $15.0 million). We are in compliance with applicable financial covenants.

As of August 1, 2015, the availability under the Revolving Credit Facility was $27.9 million net of the amended loan cap and there were $34.8 million of borrowings outstanding and $7.2 million of letters of credit outstanding under the Revolving Credit Facility. The weighted average interest rate for borrowings outstanding under the Revolving Credit Facility as of August 1, 2015 was approximately 2.1%. As of August 2, 2014, the availability on the Revolving Credit Facility was $20.1 million and there was $22.6 million of borrowings outstanding and $7.3 million of letters of credit outstanding under the Revolving Credit Facility.

Term Loan Facility

On November 27, 2013, in connection with the closing of the IPO and related Restructuring Transactions, Vince, LLC and Vince Intermediate entered into a $175.0 million senior secured term loan credit facility (the "Term Loan Facility") with the lenders party thereto, BofA, as administrative agent, JP Morgan Chase Bank and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as joint lead arrangers, and Cantor Fitzgerald as documentation agent. The Term Loan

Facility will mature on November 27, 2019. On November 27, 2013, net borrowings under the Term Loan Facility were used at closing, together with proceeds from the initial public offering, to repay the Kellwood Note Receivable issued by Vince Intermediate to Kellwood Company, LLC immediately prior to the consummation of the initial public offering as part of the related restructuring transactions.

The Term Loan Facility also provides for an incremental facility of up to the greater of $50.0 million and an amount that would result in the consolidated net total secured leverage ratio not exceeding 3.00 to 1.00, in addition to certain other rights to refinance or repurchase portions of the term loan. The Term Loan Facility is subject to quarterly amortization of principal equal to 0.25% of the original aggregate principal amount of the Term Loan Facility, with the balance payable at final maturity. Interest is payable on loans under the Term Loan Facility at a rate of either (i) the Eurodollar rate (subject to a 1.00% floor) plus an applicable margin of 4.75% to 5.00% based on a leverage ratio or (ii) the base rate applicable margin of 3.75% to 4.00% based on a leverage ratio. During the continuance of a payment or bankruptcy event of default, interest will accrue (i) on the overdue principal amount of any loan at a rate of 2% in excess of the rate otherwise applicable to such loan and (ii) on any overdue interest or any other outstanding overdue amount at a rate of 2% in excess of the non-default interest rate then applicable to base rate loans.

The Term Loan Facility contains a requirement that Vince, LLC and Vince Intermediate maintain a “Consolidated Net Total Leverage Ratio” as of the last day of any period of four fiscal quarters not to exceed 3.75 to 1.00 for the fiscal quarters ending February 1, 2014 through November 1, 2014, 3.50 to 1.00 for the fiscal quarters ending January 31, 2015, through October 31, 2015, and 3.25 to 1.00 for the fiscal quarter ending January 30, 2016 and each fiscal quarter thereafter. In addition, the Term Loan Facility

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contains customary representations and warranties, other covenants, and events of default, including but not limited to, limitations on the incurrence of additional indebtedness, liens, negative pledges, guarantees, investments, loans, asset sales, mergers, acquisitions, prepayment of other debt, the repurchase of capital stock, transactions with affiliates, and the ability to change the nature of its business or its fiscal year, and distributions and dividends. The Term Loan Facility generally permits dividends to the extent that no default or event of default is continuing or would result from the contemplated dividend and the pro forma Consolidated Net Total Leverage Ratio after giving effect to such contemplated dividend is at least 0.25 lower than the maximum Consolidated Net Total Leverage Ratio for such quarter. All obligations under the Term Loan Facility are guaranteed by Vince Holding Corp. and any future material domestic restricted subsidiaries of Vince, LLC and secured by a lien on substantially all of the assets of Vince Holding Corp., Vince, LLC and Vince Intermediate and any future material domestic restricted subsidiaries. We are in compliance with applicable financial covenants.

Through August 1, 2015, on an inception to date basis, we have made voluntary prepayments totaling $125.0 million in the aggregate on the original $175.0 million Term Loan Facility entered into on November 27, 2013. Of the $125.0 million of aggregate voluntary prepayments made to date, $15.0 million was paid during the six months ended August 1, 2015. As of August 1, 2015, the Company had $50.0 million of debt outstanding under the Term Loan Facility.

Off-Balance Sheet Arrangements

We did not have any relationships with unconsolidated organizations or financial partnerships, such as structured finance or special purpose entities, that would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes during the periods presented herein.

Inflation

While inflation may impact our sales, cost of goods sold and expenses, we believe the effects of inflation on our results of operations and financial condition are not significant. Although it is difficult to accurately measure the impact of inflation, management believes it has not been significant and cannot provide any assurances that our results of operations and financial condition will not be materially impacted by inflation in the future.

Seasonality

The apparel and fashion industry in which we operate is cyclical and, consequently, our revenues are affected by general economic conditions and the seasonal trends characteristic to the apparel and fashion industry. Purchases of apparel are sensitive to a number of factors that influence the level of consumer spending, including economic conditions and the level of disposable consumer income, consumer debt, interest rates and consumer confidence as well as the impact from adverse weather conditions. In addition, fluctuations in sales in any fiscal quarter are affected by the timing of seasonal wholesale shipments and other events affecting direct-to-consumer sales; as such, the financial results for any particular quarter may not be indicative of results for the fiscal year.

Critical Accounting Policies and Estimates

Our discussion of financial condition and results of operations relies on our condensed consolidated financial statements, as set forth in Item 1 of this report on Form 10-Q, which are prepared based on certain critical accounting policies that require management to make judgments and estimates that are subject to varying degrees of uncertainty. While we believe that these accounting policies are based on reasonable measurement criteria, actual future events can and often do result in outcomes that can be materially different from these estimates.

A summary of our critical accounting policies is included in the Management's Discussion and Analysis of Financial Condition and Results of Operations section of our 2014 Annual Report on Form 10-K. As of August 1, 2015, there have been no material changes to the critical accounting policies contained therein.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Our principal market risk relates to interest rate sensitivity, which is the risk that changes in interest rates will reduce our net income or net assets. Our variable rate debt consists of borrowings under the Term Loan Facility and Revolving Credit Facility. Our current interest rate on the Term Loan Facility is based on the Eurodollar rate (subject to a 1.00% floor) plus 4.75%. Our interest rate on the Revolving Credit Facility is based on the Eurodollar rate or the Base Rate (as defined in the Revolving Credit Facility) with

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applicable margins subject to a pricing grid based on excess availability. As of August 1, 2015, a one percentage point increase in the interest rate on our variable rate debt would result in additional interest expense of approximately $0.8 million for the $84.8 million of debt principal borrowings outstanding under the Term Loan Facility and Revolving Credit Facility as of such date, calculated on an annual basis.

On September 1, 2015, we entered into an amendment to the Tax Receivable Agreement with Sun Cardinal, LLC, an affiliate of Sun Capital Partners, Inc., for itself and as a representative of the other stockholders parties thereto. Pursuant to this amendment, Sun Cardinal agreed to postpone payment of the tax benefit with respect to the 2014 taxable year estimated at approximately $22.8 million plus accrued interest, to September 15, 2016. The amendment to the Tax Receivable Agreement also waived the application of a default interest rate at LIBOR plus 500 basis points per annum on the postponed payment. The interest rate on the postponed payment will remain at LIBOR plus 200 basis points per annum. As of August 1, 2015, a one percentage point increase in the interest rate would result in additional interest expense of approximately $0.2 million for the $22.8 million Tax Receivable Agreement as of such date, calculated on an annual basis.

We do not believe that foreign currency risk, commodity price or inflation risks are expected to be material to our business or our consolidated financial position, results of operations or cash flows. Substantially all of our foreign sales and purchases are made in U.S. dollars.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Attached as exhibits to this report on Form 10-Q are certifications of our Chief Executive Officer and Chief Financial Officer. Rule 13a-14 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), requires that we include these certifications with this report. This Controls and Procedures section includes information concerning the disclosure controls and procedures referred to in the certifications. You should read this section in conjunction with the certifications.

Under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, management has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) of the Exchange Act) as of August 1, 2015.

We evaluate the effectiveness of our disclosure controls and procedures on at least a quarterly basis. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective to ensure information is recorded, processed, summarized and reported within the periods specified in the Securities and Exchange Commission’s rules and forms and to provide reasonable assurance that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer as appropriate, to allow timely decisions regarding required disclosure.

Limitations on the Effectiveness of Disclosure Controls and Procedures

In designing and evaluating our disclosure controls and procedures, we recognized that disclosure controls and procedures, no matter how well conceived and well operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Additionally, in designing disclosure controls and

procedures, our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures. We have also designed our disclosure controls and procedures based in part upon assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Changes in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the fiscal quarter ended August 1, 2015 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are a party to routine legal proceedings that arise in the ordinary course of our business. Except as disclosed on our 2014 Annual Report on Form 10-K, we are not currently a party to any legal proceedings or environmental claims that we believe would, individually or in the aggregate, have a material adverse effect on our financial position, results of operations, or cash flows.

ITEM 1A. RISK FACTORS

The risk factors disclosed in our 2014 Annual Report on Form 10-K, in addition to the other information set forth in this report on Form 10-Q, could materially affect our business, financial condition or results.

There have not been any material changes from the risk factors disclosed in our 2014 Annual Report on Form 10-K, other than the following:

Our ability to continue to have the liquidity necessary to service our debt, meet contractual payment obligations, including under the Tax Receivable Agreement, and fund our operations depends on many factors, including our ability to generate sufficient cash flow from operations and maintain adequate availability under the Revolving Credit Facility.

Our ability to timely service our indebtedness, meet contractual payment obligations and to fund our operations will depend on our ability to generate sufficient cash, either through cash flows from operations or borrowing availability under the Revolving Credit Facility. Our recent financial results have been, and our future financial results are expected to be, subject to substantial fluctuations impacted by business conditions and macroeconomic factors. While we remain confident that we will have sufficient liquidity for the next twelve months, there can be no assurances that we will be able to generate sufficient cash flow from operations to meet our liquidity needs, or that we will have the necessary availability under the Revolving Credit Facility when liquidity needs arise. In the event that we are unable to timely service our debt service, meet other contractual payment obligations or fund our other liquidity needs, we may need to refinance all or a portion of our indebtedness before maturity, seek waivers of or amendments to our contractual obligations for payment, reduce or delay scheduled expansions and capital expenditures or sell material assets or operations. Payment defaults under our debt agreements or other contracts could result in a default under the Term Loan Facility or the Revolving Credit Facility, which could result in all amounts outstanding under those credit facilities becoming immediately due and payable. Additionally, the lenders under those credit facilities would not be obligated to lend us additional funds.

The Company had expected to make a required payment under the Tax Receivable Agreement in the fourth quarter of 2015. As a result of lower than expected cash from operations due to weaker than projected performance, and the level of projected availability under the Company’s Revolving Credit Facility, we concluded that we would not be able to fund the payment when due. Accordingly, on September 1, 2015, we entered into an amendment to the Tax Receivable Agreement with Sun Cardinal, LLC, an affiliate of Sun Capital Partners, Inc., for itself and as a representative of the other stockholders parties thereto. Pursuant to this amendment, Sun Cardinal agreed to postpone payment of the tax benefit with respect to the 2014 taxable year, estimated at approximately $22.8 million plus accrued interest, to September 15, 2016. The amendment to the Tax Receivable Agreement also waived the application of a default interest rate at LIBOR plus 500 basis points per annum on the postponed payment. The interest rate on the postponed payment will remain at LIBOR plus 200 basis points per annum.

Certain members of our senior management team have recently departed, including the Chief Executive Officer (“CEO”), Chief Financial Officer (“CFO”), Chief Creative Officer, and certain other members of our senior executive team, including the general counsel and the senior vice president of retail operations. As a result, our current senior management team now includes several recent hires (including an interim CEO and interim CFO who are on a leave of absence from employment at affiliates of the Company’s controlling shareholder) and who have limited experience working together as a group, and may not be able to manage our business effectively.

We have experienced significant turnover in our senior executive team in recent months, including the departure of Lisa Klinger, our former CFO in June 2015, Karin Gregersen, our former President and Chief Creative Officer in July 2015, as well as Jill Granoff, our former CEO, who left the Company on September 1, 2015. In addition, certain members of our senior executive team, including the general counsel and the senior vice president of retail operations, have left the Company in recent months. Our current interim CEO, Mark E. Brody, who previously served as interim CFO after Ms. Klinger’s departure in June 2015 has been in his position since September 1, 2015. Our new interim Chief Financial Officer and Treasurer David Stefko, has been in his position since September 1, 2015. Both Mr. Brody and Mr. Stefko were employees of Sun Capital Partners, whose affiliates hold approximately 56% of our outstanding shares of common stock, and have been on leave of absence from their positions at Sun Capital Partners since their

appointment to their respective positions at the Company. While each of Mr. Brody and Stefko are on a leave of absence from Sun Capital Partners, they continue to be covered by Sun Capital Partner's health and welfare benefit plans and are eligible to receive a bonus under Sun Capital Partner's annual bonus plan related to their work at Sun Capital Partners. In addition, Messrs. Brody and Stefko are partners in one or more partnerships that are affiliated with Sun Capital Partners investment partnerships that beneficially own shares of common stock of the Company.

In addition, certain other members of our senior management team have been with us less than one year. As a result, our current senior management team has limited experience working at the Company and working together as a group. In addition, our current interim CEO and interim CFO have less industry experience than our former CEO and former CFO. This lack of experience working at the Company and as a group could negatively impact our senior management team's ability to quickly and efficiently respond to problems and effectively manage our business. If our management team is not able to work effectively either individually or as together as a group, our results of operations may suffer and our business may be harmed. While we are currently engaged in searches for a permanent CEO and a permanent CFO, there can be no assurances that we will be able to attract and retain qualified candidates for these positions, or how long such searches will take to complete, or that any new CEO or CFO will be successful or positively impact the Company's results.

We are currently searching for a permanent CEO and a permanent CFO, as well as other key management personnel. If we lose additional key personnel, or are unable to attract, assimilate and retain a permanent CEO, a permanent CFO or other employees, we may not be able to successfully operate or grow our business.

Our continued success is dependent on our ability to attract, assimilate, retain and motivate qualified management, designers, administrative talent and sales associates to support existing operations and future growth. Competition for qualified talent in the apparel and fashion industry is intense, and we compete for these individuals with other companies that in many cases have greater financial and other resources. The loss of the services of any members of senior management or the inability to attract and retain qualified executives, including for the CEO and CFO positions, could have a material adverse effect on our business, results of operations and financial condition. In addition, we will need to continue to attract, assimilate, retain and motivate highly talented employees with a range of other skills and experience, especially at the store management levels. Although we have hired and trained new store managers and experienced sales associates at several of our retail locations, competition for employees in our industry is intense and we may from time to time experience difficulty in retaining our associates or attracting the additional talent necessary to support the growth of our business. These problems could be exacerbated as we embark on our strategy of opening new retail stores over the next several years. We will also need to attract, assimilate and retain other professionals across a range of disciplines, including design, production, sourcing and international business, as we develop new product categories and continue to expand our international presence. Furthermore, we will need to continue to recruit employees to provide, or enter into consulting or outsourcing arrangements with respect to the provision of, services provided by Kellwood under the Shared Services Agreement when Kellwood no longer provides such services thereunder. If we are unable to attract, assimilate and retain a permanent CEO, a permanent CFO or other employees with the necessary skills and experience, we may not be able to grow or successfully operate our business, which would have an adverse impact on our results. There can be no assurances that any new CEO or CFO will be successful or positively impact the Company's results.

Our goodwill and indefinite lived intangible assets could become impaired, which may require us to take significant non-cash charges against earnings.

In accordance with Financial Accounting Standards Board ASC Topic 350 Intangibles-Goodwill and Other ("ASC 350"), goodwill and other indefinite-lived intangible assets are tested for impairment at least annually during the fourth

fiscal quarter and in an interim period if a triggering event occurs. Determining the fair value of goodwill and other intangible assets is judgmental in nature and requires the use of significant estimates and assumptions, including revenue growth rates and operating margins, discount rates and future market conditions, among others. It is possible that estimates of future operating results could change adversely and impact the evaluation of the recoverability of the carrying value of goodwill and intangible assets and that the effect of such changes could be material. In light of the decline in our sales over recent periods, the Company may determine that it should perform a quantitative assessment of the valuation of its goodwill and indefinite lived intangible assets in the second half of the fiscal year. There can be no assurances that we will not be required to record a charge in our financial statements negatively impacting our results of operations during the period in which any impairment of our goodwill or intangible assets is determined.

Our operations are restricted by our credit facilities.

We entered into a Revolving Credit Facility and a Term Loan Facility in connection with the IPO and Restructuring Transactions closed on November 27, 2013. Our facilities contain significant restrictive covenants. These covenants may impair our

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financing and operational flexibility and make it difficult for us to react to market conditions and satisfy our ongoing capital needs and unanticipated cash requirements. Specifically, such covenants will likely restrict our ability and, if applicable, the ability of our subsidiaries to, among other things:

- incur additional debt;
- make certain investments and acquisitions;
- enter into certain types of transactions with affiliates;
- use assets as security in other transactions;
- pay dividends;
- sell certain assets or merge with or into other companies;
- guarantee the debt of others;
- enter into new lines of businesses;
- make capital expenditures;
- prepay, redeem or exchange our debt; and
- form any joint ventures or subsidiary investments.

Our ability to comply with the covenants and other terms of our debt obligations will depend on our future operating performance. If we fail to comply with such covenants and terms, we would be required to obtain waivers from our lenders to maintain compliance with our debt obligations. If we are unable to obtain any necessary waivers and the debt is accelerated, a material adverse effect on our financial condition and future operating performance would likely result. The terms of our debt obligations and the amount of borrowing availability under our facilities may restrict or delay our ability to fulfill our obligations under the Tax Receivable Agreement. In accordance with the terms of the Tax Receivable Agreement, delayed or unpaid amounts thereunder would accrue interest at a default rate of one-year LIBOR plus 200 basis points until paid. Our obligations under the Tax Receivable Agreement could result in a failure to comply with covenants or financial ratios required by our debt financing agreements and could result in an event of default under such a debt financing. See “Tax Receivable Agreement” under Note 12 to the Consolidated Financial Statements in this quarterly report on Form 10-Q for further information.

The Company had expected to make a required payment under the Tax Receivable Agreement in the fourth quarter of 2015. As a result of lower than expected cash from operations due to weaker than projected performance, and the level of projected availability under the Company’s Revolving Credit Facility, we concluded that we would not be able to fund the payment when due. Accordingly, on September 1, 2015, we entered into an amendment to the Tax Receivable Agreement with Sun Cardinal, LLC, an affiliate of Sun Capital Partners, Inc., for itself and as a representative of the other stockholders parties thereto. Pursuant to this amendment, Sun Cardinal agreed to postpone payment of the tax benefit with respect to the 2014 taxable year, estimated at approximately $22.8 million plus accrued interest, to September 15, 2016. The amendment to the Tax Receivable Agreement also waived the application of a default interest rate at LIBOR plus 500 basis points per annum on the postponed payment. The interest rate on the postponed payment will remain at LIBOR plus 200 basis points per annum.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

10.1 First Amendment to Credit Agreement, dated as of June 3, 2015, by and among the Company, the guarantors parties thereto, BofA, as administrative agent, and each lender party thereto.

10.2 Employment Offer Letter, dated as of June 25, 2015, from Vince Holding Corp. to Mark E. Brody relating to his appointment as the Interim Chief Financial Officer and Treasurer of the Company.

10.3 Employment Offer Letter, dated as of June 17, 2015, from Vince, LLC to Nicholas Rubino.

31.1 CEO Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

31.2 CFO Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

32.1 CEO Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

32.2 CFO Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

101.1 Financial Statements in XBRL Format

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.

Signature	Title	Date
/s/ David Stefko	Chief Financial Officer and Treasurer	September 8, 2015
	(as duly authorized officer and principal financial officer)	
David Stefko		

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