

Hearing Date: April 27, 2017, at 2:00 p.m. (prevailing Eastern Time)
Objection Deadline: April 19, 2017, at 4:00 p.m. (prevailing Eastern Time)

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Counsel to the Debtors and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	Chapter 11
BCBG MAX AZRIA GLOBAL HOLDINGS, LLC, <i>et al.</i> , ¹)	Case No. 17-10466 (SCC)
)	
Debtors.)	(Jointly Administered)
)	

**NOTICE OF DEBTORS' MOTION FOR ENTRY OF
AN ORDER APPROVING BCBG MAX AZRIA GROUP, LLC'S
ENTRY INTO LICENSE AGREEMENT WITH GBG USA INC.**

PLEASE TAKE NOTICE that on April 5, 2017, the above-captioned debtors and debtors in possession (collectively, the "Debtors") Filed the *Debtors' Motion for Entry of an Order Approving BCBG Max Azria Group, LLC's Entry into License Agreement with GBG USA Inc.* (the "Motion," a copy of which is attached hereto). A hearing (the "Hearing") on the Motion will be held before the Honorable Shelley C. Chapman of the United States Bankruptcy Court for the Southern District of New York (the "Court"), in Room 623, One Bowling Green, New York, New York 10004-1408, on **April 27, 2017, at 2:00 p.m. (prevailing Eastern Time)**.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: BCBG Max Azria Global Holdings, LLC (6857); BCBG Max Azria Group, LLC (5942); BCBG Max Azria Intermediate Holdings, LLC (3673); Max Rave, LLC (9200); and MLA Multibrand Holdings, LLC (3854). The location of the Debtors' service address is: 2761 Fruitland Avenue, Vernon, California 90058.

PLEASE TAKE FURTHER NOTICE that any responses or objections (each, an “Objection”) to the Motion and the relief requested therein shall be in writing, shall conform to the Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules for the Southern District of New York, and the *Order (I) Establishing Certain Notice, Case Management, and Administrative Procedures and (II) Granting Related Relief* [Docket No. 90] (the “Case Management Order”), shall set forth the basis for the Objection and the specific grounds therefore, and shall be filed with the Court electronically in accordance with General Order M-399 by registered users of the Court’s case filing system (the User’s Manual for the Electronic Case Filing System can be found at <http://www.nysb.uscourts.gov>, the official website for the Court), with a hard copy delivered directly to chambers pursuant to Local Bankruptcy Rule 9070-1 and served so as to be actually received no later than **April 19, 2017, at 4:00 p.m. (prevailing Eastern Time)** (the “Objection Deadline”), upon the parties on the Master Service List (as defined in the Case Management Order), including, without limitation:

- a. Kirkland & Ellis LLP, 300 North LaSalle Street, Chicago, Illinois 60654 (Attn: Benjamin M. Rhode and John R. Luze), the attorneys for the Debtors;
- b. The Office of The United States Trustee for Region 2, U.S. Federal Office Building, 201 Varick Street, Suite 1006, New York, New York 10014 (Attn: Brian Masumoto, Esq.);
- c. Pachulski Stang Ziehl & Jones LLP, 780 Third Avenue, 34th Floor, New York, New York 10017-2024 (Attn: Bradford Sandler and Robert Feinstein), the proposed attorneys for the Official Committee of Unsecured Creditors;
- d. Morgan, Lewis & Bockius LLP, One Federal Street, Boston, Massachusetts 02110 (Attn: Marc R. Leduc, Matthew F. Furlong), attorneys to the administrative agent under the Debtors’ prepetition and postpetition asset-based revolving credit facilities; and
- e. Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Matt Barr), attorneys to the administrative agent under the Debtors’ prepetition and postpetition term loan credit facility.

PLEASE TAKE FURTHER NOTICE that if no Objections are timely filed and served with respect to the Motion, the Debtors shall, on or after the Objection Deadline, submit to the Court an order substantially in the form annexed as **Exhibit A** to the Motion, which order the Court may enter with no further notice or opportunity to be heard.

PLEASE TAKE FURTHER NOTICE that the Hearing may be continued or adjourned thereafter from time to time without further notice other than an announcement of the adjourned date or dates at the Hearing. The Debtors will file an agenda before the Hearing, which may modify or supplement the Motion to be heard at the Hearing.

PLEASE TAKE FURTHER NOTICE that a copy of the Motion may be obtained free of charge by visiting the website of Donlin, Recano & Company, Inc. at <https://www.donlinrecano.com/bcbg>. You may also obtain copies of any pleadings by visiting the Court's website at <http://www.nysb.uscourts.gov> in accordance with the procedures and fees set forth therein.

[Remainder of page intentionally left blank]

Dated: April 5, 2017

/s/ Joshua A. Sussberg

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	Chapter 11
BCBG MAX AZRIA GLOBAL HOLDINGS, LLC, <i>et al.</i> , ¹)	Case No. 17-10466 (SCC)
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Debtors.)	(Jointly Administered)
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**DEBTORS' MOTION FOR ENTRY OF AN ORDER
APPROVING BCBG MAX AZRIA GROUP, LLC'S ENTRY
INTO THE LICENSE AGREEMENT WITH GBG USA INC.**

BCBG Max Azria Global Holdings, LLC and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors"), respectfully state the following in support of this motion:

Relief Requested

1. The Debtors seek entry of an order, substantially in the form attached hereto as **Exhibit A** (the "Order"): (a) authorizing BCBG Max Azria Group, LLC's (the "Debtor Licensor") entry into the License Agreement dated March 30, 2017 (the "License Agreement")

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: BCBG Max Azria Global Holdings, LLC (6857); BCBG Max Azria Group, LLC (5942); BCBG Max Azria Intermediate Holdings, LLC (3673); Max Rave, LLC (9200); and MLA Multibrand Holdings, LLC (3854). The location of the Debtors' service address is: 2761 Fruitland Avenue, Vernon, California 90058.

with GBG USA Inc. (the “Licensee”), the form of which is annexed hereto as **Exhibit 1** to **Exhibit A**, and (b) granting related relief. In support of this Motion, the Debtors submit the declaration of Holly Felder Etlin (the “Etlin Declaration”), attached hereto as **Exhibit B**. In further support of the Motion, the Debtors respectfully state as follows.

Jurisdiction and Venue

2. The United States Bankruptcy Court for the Southern District of New York (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the Southern District of New York*, dated January 31, 2012. The Debtors confirm their consent, pursuant to rule 7008 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), to the entry of a final order by the Court in connection with this motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

3. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The bases for the relief requested herein is section 363 of title 11 of the United States Code (the “Bankruptcy Code”), Bankruptcy Rule 6004, and Rule 9013-1(a) of the Local Bankruptcy Rules for the Southern District of New York (the “Local Rules”).

License Agreement

5. Over the course of nearly thirty years, the Debtors have become a well-known and respected name in high-end women’s apparel and accessories. During this time, the Debtors created significant goodwill that is embodied in their valuable trademarks and service marks. To date, licensing their intellectual property has not formed a substantial piece of the Debtors’ businesses. From time to time, the Debtors have considered opportunities to exploit the value inherent in their intellectual property portfolio.

6. By this Motion, the Debtor Licensor seeks authority to enter into the License Agreement with the Licensee. Under the License Agreement, the Debtor Licensor intends to grant the Licensee the right to use certain of the Debtors' trademarks worldwide (except for the Republic of Korea) for the manufacture, marketing, and distribution of certain categories of products, including footwear, belts, socks, legwear, jewelry, and home products, for the Spring/Summer 2017 and Fall 2017 collections. The initial term of the license agreement extends through February 3, 2018.

7. In exchange for the right to use the Debtors' trademarks, the Licensee will pay sales royalties based on a percentage of net sales (which varies based on the type of product sold). The License Agreement contemplates a minimum royalty fee of \$2 million (the "Minimum Fee"). Importantly, the \$2 million Minimum Fee will be due immediately upon approval of this Motion. Accordingly, entry into the License Agreement will provide an immediate and substantial source of liquidity that will be beneficial to the Debtors' continued prosecution of their chapter 11 cases. Moreover, entry into the License Agreement is consistent with the Debtors' go-forward business plan, which includes a strategy to create value through similar license arrangements.

8. The key terms of the License Agreement, which has been negotiated over several months (before the petition date) on an arm's-length basis, are included in the chart below:²

Parties (Preamble)	BCBG Max Azria Group, LLC as Licensor and GBG USA Inc. as Licensee
Grant of License (Section 2.1)	Licensor grants to Licensee a license, subject to the provisions of Schedule A of the License Agreement, to use the Licensed Mark in the Territory solely in connection with the manufacture, marketing,

² Capitalized terms used in the following chart shall have the meanings ascribed to them in the License Agreement.

	<p>distribution and sale, on a wholesale basis and via the Internet, of Products approved by Licensor.</p> <p>The license granted is exclusive with the following exceptions:</p> <ul style="list-style-type: none"> • Licensor Group or third party licensees may manufacture Products bearing the Licensed Mark in the Territory, provided that such Products are not sold by them to wholesale customers located in the Territory. Licensor Group shall retain the right to manufacture and distribute Products and to distribute solely through Licensor Group owned or operated Retail Stores and E-Commerce Sites. • At the time the initial seasonal collection of Articles to be manufactured and sold hereunder are introduced and thereafter shipped, the Products sold under the Existing License will remain in the marketplace in the Territory. • The term "Territory" includes the Internet, but on a non-exclusive basis. In that regard, the sale of Products bearing the Licensed Mark by, or the purchase of Products bearing the Licensed Mark from, Licensor or any of its affiliates or third party licensees or by customers in the Territory ordered on the Internet shall not be deemed a breach of Licensee's limited Product exclusivity rights hereunder. Also, although Licensee may sell Articles to approved customers for resale via the Internet in accordance with the provisions hereinafter set forth, Licensee itself may not offer Articles for sale on the Internet. • Licensor may grant the limited license with respect to Non-Conforming Products (as such term is hereinafter defined) pursuant to Section 7.3(d).
<p>Term (Section 3.1)</p>	<p>Effective Date to February 3, 2018</p>
<p>Territory (Schedule B)</p>	<p>Worldwide, except for the Republic of Korea</p>
<p>Trademarks (Schedule A)</p>	<ul style="list-style-type: none"> • BCBGMAXAZRIA: For footwear, belts, socks/legwear, and jewelry (for retail stores owned or operated by the Debtor Licensor or the Licensor Group). • BCBG (which will replace the license for the trademark "BCBGMAXAZRIA" if the Licensor chooses to change the brand from BCBGMAXAZRIA TO BCBG). • BCBGeneration: For footwear, belts, socks/legwear, home products,

	<p>and jewelry.</p> <ul style="list-style-type: none"> • BCBG Paris: For footwear.
Article Production (Section 4.1)	During the Annual Period, Licensee shall produce and sell 2 seasonal collections of Articles, the Spring 2017 collection and the Fall 2017 collection for all Categories.
Sales Royalties (Section 11.1)	<ul style="list-style-type: none"> • 8% of Net Sales of Products other than Off-Price or Home Products • 6% of Net Sales of Off-Price Products • 5% of Net Sales of Home Products
Minimum Royalty (Sections 10.1, 10.2)	\$2 million, 100% of which shall be paid by Licensee as an advance upon execution of the Agreement by Licensee and Licensor. Notwithstanding anything to the contrary contained in the Agreement, Licensee shall not be required to make any Sales Royalty payments under the Agreement unless and until 100% of the Minimum Royalty has been recouped.
Minimum Net Sales Requirement (Schedule E)	<ul style="list-style-type: none"> • BCBGMAXAZRIA: \$3,552,500. • BCBGeneration: \$45,762,500. • BCBG Paris: \$14,962,500. • Total: \$64,277,500.
Indemnification (Sections 17.1, 17.2)	<p>Licensor shall hold the Licensee Group, and their respective successors and assigns, harmless from and shall indemnify each of them against any losses, liabilities, damages and expenses (including interest, penalties and reasonable attorneys' fees and expenses) that any of them may incur or become obligated or liable to pay in any action, claim or proceeding against any of them (other than an action, claim or proceeding brought by any Contractor, any of Licensee's suppliers or any others acting on Licensee's behalf in connection herewith or any of their respective affiliates, agents or employees) by reason of the fact that the use of the Licensed Mark in accordance with the terms of this Agreement infringes upon the trademark or other intellectual property rights of a third party (other than with respect to any infringement claim with respect to the Licensed Mark in the Republic of Korea).</p> <p>Licensee shall hold Licensor Group and their respective successors and assigns harmless from and shall indemnify each of them against any losses, liabilities, damages and expenses (including interest, penalties and reasonable attorneys' fees and expenses) that any of them may incur or</p>

	<p>become obligated to pay, or for which any of them may become liable to pay in any action, claim or proceeding against any of them, by reason of any representation or warranty on the part of Licensee in this Agreement being untrue in any material respect or by reason of any acts, whether of omission or commission, by the Licensee Group, any Contractor, any of Licensee’s suppliers or any of their respective affiliates, agents or employees arising out of or related to this Agreement or any Contractor agreement or by reason of any brokerage commissions or finders’ fees in connection with this Agreement or the transactions contemplated by this Agreement insofar as such arrangements or agreements were made by it or on its behalf.</p>
<p>Sell-Off Rights (Section 19.2(a))</p>	<p>If this Agreement expires or is terminated other than by Licensor pursuant to Sections 13.2 or 18.1 of the Agreement and subject to Licensee’s full and timely compliance with its obligations under Sections 19.1 and 19.3, Licensee and any of its affiliates to which Licensee may sell or otherwise transfer Articles shall be entitled, for the Sell-Off Period (i.e., 180 days from the date of termination of the Agreement), on an entirely non-exclusive basis, to sell the Inventory in the ordinary course, in accordance with this Agreement, but none of them may advertise or promote the sale of Articles during the Sell-Off Period. Licensor shall have a right of first refusal with respect to any proposed sale on the terms agreed to by the third party.</p>

Basis for Relief

9. Section 363(b)(1) of the Bankruptcy Code provides, in relevant part, that “[t]he trustee, after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b)(1). Section 363(b) does not specify a standard for determining when it is appropriate for a court to authorize the use, sale, or lease of property of the estate. The United States Court of Appeals for the Second Circuit, however, has held that a bankruptcy court may authorize such use, sale, or lease of property of the estate outside of the ordinary course of business, where it reflects the sound business judgment of the debtor. *See Official Comm. of Unsecured Creditors of LTV Aerospace and Defense Co. v. LTV Corp. (In re Chateaugay Corp.)*, 973 F.2d 141, 143 (2d Cir. 1992); *Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063, 1070 (2d Cir. 1983) (requiring

“some articulated business justification” to approve the use, sale, or lease of property outside the ordinary course of business). In that regard, “[w]here the debtor articulates a reasonable basis for its business decisions (as distinct from a decision made arbitrarily or capriciously), courts will generally not entertain objections to the debtor’s conduct.” *Comm. of Asbestos-Related Litigants and/or Creditors v. Johns-Manville Corp. (In re Johns-Manville Corp.)*, 60 B.R. 612, 616 (Bankr. S.D.N.Y. 1986).

10. Once a debtor articulates a valid business justification for its actions, courts in the Second Circuit “give great deference to the substance of the directors’ decision and will not invalidate the decision, will not examine its reasonableness, and will not substitute its views for those of the board if the latter’s decision can be attributed to any rational business purpose.” *In re Global Crossing Ltd.*, 295 B.R. 726, 744 (Bankr. S.D.N.Y. 2003) (citing *Paramount Commc’ns Inc. v. QVC Network Inc.*, 637 A.2d 34, 45 n.17 (Del. 1994)); accord *Official Comm. of Subordinated Bondholders v. Integrated Res., Inc. (In re Integrated Res., Inc.)*, 147 B.R. 650, 656 (S.D.N.Y. 1992) (presuming, based on the business judgment rule, “that in making a business decision the directors of [the debtor] acted on an informed basis, in good faith, and in the honest belief that the action was in the best interests of the company”) (quoting *Smith v. Van Gorkom*, 488 A.2d 858, 872 (Del. 1985)); *In re Johns-Manville Corp.*, 60 B.R. at 616. Thus, if a debtor’s actions satisfy the business judgment rule, then the transaction in question should be approved and authorized under section 363(b)(1).

11. Entry into the License Agreement is an exercise of the Debtors’ sound business judgment. The License Agreement was negotiated on an arm’s-length basis, which negotiations began prior to the petition date. Importantly, approval of the License Agreement will result in an immediate \$2 million payment to the Debtors’ estates in the form of the Minimum Fee.

Accordingly, the Debtors respectfully request that the Court approve the Debtors' entry into the License Agreement.

Waiver of Bankruptcy Rule 6004

12. To successfully implement the foregoing, the Debtors seek a waiver of the 14-day stay of an order authorizing the use, sale, or lease of property under Bankruptcy Rule 6004(h).

Motion Practice

13. This motion includes citations to the applicable rules and statutory authorities upon which the relief requested herein is predicated and a discussion of their application to this motion. Accordingly, the Debtors submit that this motion satisfies Local Rule 9013-1(a).

Notice

14. The Debtors will provide notice of this motion to: (a) the Master Service List; (b) the 2002 List; and (c) any Affected Entity (each as defined in the *Order (I) Establishing Certain Notice, Case Management, and Administrative Procedures and (II) Granting Related Relief* [Docket No. 90]). The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

No Prior Request

15. No prior request for the relief sought in this motion has been made to this or any other court.

[Remainder of page intentionally left blank]

WHEREFORE, the Debtors respectfully request that the Court enter the Order granting the relief requested herein and such other relief as the Court deems appropriate under the circumstances.

Dated: April 5, 2017

/s/ Joshua A. Sussberg

Joshua A. Sussberg, P.C.

Christopher Marcus, P.C.

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Counsel to the Debtors and Debtors in Possession

EXHIBIT A

Proposed Order

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	Chapter 11
)	
BCBG MAX AZRIA GLOBAL HOLDINGS, LLC, <i>et al.</i> , ¹)	Case No. 17-10466 (SCC)
)	
Debtors.)	(Jointly Administered)

**ORDER APPROVING THE DEBTORS' ENTRY
INTO LICENSE AGREEMENT WITH GBG USA INC.**

Upon the motion (the "Motion")² of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order (this "Order"), (a) authorizing the Debtor Licensor's entry into and performance under the License Agreement; and (b) granting related relief, all as more fully set forth in the Motion; and upon the Etlin Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the Southern District of New York*, dated January 31, 2012; and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: BCBG Max Azria Global Holdings, LLC (6857); BCBG Max Azria Group, LLC (5942); BCBG Max Azria Intermediate Holdings, LLC (3673); Max Rave, LLC (9200); and MLA Multibrand Holdings, LLC (3854). The location of the Debtors' service address is: 2761 Fruitland Avenue, Vernon, California 90058.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.

provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing, if any, before this Court (the “Hearing”); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.
2. The Debtor Licensor is authorized to enter into and perform under the License Agreement, the form of which is attached hereto as **Exhibit 1**.
3. Upon entry of this Order, Licensee shall be deemed to have fully disclaimed, waived, and released each and every claim (as that term is defined by section 101(5) of the Bankruptcy Code), counterclaim, cause of action, right, suit, damage, and remedy against, and liability and obligation of, each and every Debtor entity, whether presently known or unknown, foreseen or unforeseen, liquidated or unliquidated, contingent or non-contingent, that existed as of the date the Motion was filed.
4. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.
5. Notwithstanding anything to the contrary, the terms and conditions of this Order are immediately effective and enforceable upon its entry.
6. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

7. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

New York, New York

Dated: _____, 2017

THE HONORABLE SHELLEY C. CHAPMAN
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT 1

License Agreement

License Agreement

Between

BCBG MAX AZRIA GROUP, LLC

And

GBG USA INC.

Dated March 30, 2017

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LICENSE AGREEMENT (this “**Agreement**”), dated as of March 30, 2017 (the “**Effective Date**”), by and between BCBG MAX AZRIA GROUP, LLC, a Delaware limited liability company with offices at 2761 Fruitland Avenue, Vernon, California 90058 (“**Licensor**”), and GBG USA INC., a Delaware corporation with offices at 350 Fifth Avenue, New York, New York 10018. (“**Licensee**”).

WITNESSETH:

WHEREAS, Licensor holds all rights, title and interest in and to certain trademarks, service marks, designs and copyrights used in connection with the manufacture and sale of high quality, fashionable clothing, accessories, and other products;

WHEREAS, Licensor’s trademarks and service marks represent the substantial goodwill created by Licensor through its use and sale of high quality products and Licensor’s policy of distributing its products through retail outlets that conform to Licensor’s strict standards for appearance, image, clientele, customer service and overall quality;

WHEREAS, Licensee is experienced in the design, manufacture, marketing, distribution and sale of footwear, belts, socks and other legwear, home products and jewelry;

WHEREAS, Licensee desires to be granted the right, subject to the terms set forth herein, to use the trademarks specified on Schedule A hereto (the “**Licensed Mark**”) solely within the countries set forth on Schedule B (the “**Territory**,” with the various countries, territories, possessions and commonwealths in the Territory sometimes being referred to individually as a “**Country**” and jointly as “**Countries**”) in connection with the manufacture, marketing, distribution and sale of the products set forth (by Category, as applicable) on Schedule C (“**Products**”); and

NOW, THEREFORE, in consideration of the mutual covenants set forth below, Licensor and Licensee respectively grant, covenant and agree as follows:

1. Definitions and Interpretation

1.1 As used in this Agreement:

“**Allowances**” means any written credits actually given by Licensee to its customers for any purpose (including, but not limited to traditional retailer deductions such as margin support and mark down allowances, up-front warehouse allowances, opening order allowances, new store allowances and up-front damage allowances in lieu of returns for damaged goods), other than Returns, Payment Terms Discounts, Trade Discounts and Closeout Discounts, and other than credits or reimbursements for advertising, any other type of promotions and freight expenses.

“**Annual Period**” means the period from the date hereof through February 3, 2018.

“**Articles**” means Products that are sold by Licensee.

“**Brand**” means the “BCBG”, “BCBGMAXAZRIA” “BCBGeneration” and “BCBG Paris” brands.

“**Business**” means the business to be conducted by Licensee under this Agreement.

“**Business Documents**” means all business documents bearing the Licensed Mark, such as business cards, invoices, order forms and stationery, proposed to be used in the Business.

“**Business Plan**” means a one-year business plan containing such information as is customarily presented in a business plan for a business of equivalent type and size to the Business and any other information that Licensor may reasonably request, broken out, for reporting purposes, by Country, by store, and/or by Category (where appropriate).

“**Campaign Contribution**” means a contribution by Licensee to Licensor’s Image Campaigns.

“**Category**” means the category or categories of Products listed on Schedule C.

“**Closeout Accounts**” means the retailers, if any, designated as such on Schedule D together with any other customer that Licensor hereafter may approve as a customer for Closeout Articles.

“**Closeout Articles**” means (a) Articles not of first quality, including “seconds” and “irregulars,” (b) Articles sold as end-of-season closeouts, and (c) Articles sold below Licensee’s cost or at a reduction of 30% or more from the Listed Wholesale Prices.

“**Closeout Discounts**” means all discounts resulting in a selling price that is below Licensee’s cost or a discount of 30% or more from the Listed Wholesale Prices that are actually given by Licensee to its customers on Products sold in the Territory.

“**Communications**” means all reports, approvals, consents, requests, demands, notices and other communications required or permitted by this Agreement.

“**Comparable Products**” means comparable, competitive Products of other leading, designer and fashion firms and/or their licensees sold in leading department stores in the Territory.

“**Confidential Information**” means all information relating to the business, operations and personnel of Licensor Group that Licensee learns or has learned during or prior to the Term and all information relating to the business, operations and personnel of Licensee Group the Licensor learns during or prior to the Term, as applicable, including all Design Components and other materials and all rights therein, if submitted or approved by Licensor for use in connection with Articles, all financial information and business plans relating to the business of Licensor, Licensee or any of their respective affiliates, and all Design Components, creative concepts and marketing, advertising and promotional concepts and plans that Licensor provides to Licensee or that Licensor approves for use in connection with Articles or the Business.

“**Conversion Rate**” means the conversion rate of any currency into United States Dollars quoted in *The Wall Street Journal* as of the close of business on the last day of each applicable accounting and payment period.

“**Court Actions**” means (a) Injunctive Relief sought by Licensor, (b) disputes, controversies and claims relating to or affecting Licensor’s ownership of or the validity of the Licensed Mark or (c) any registration thereof, or any application for registration thereof or as otherwise specifically set forth in this Agreement.

“**Cut-up Programs**” means special cut-up programs for Articles with off-price retailers in accordance with industry practice for Products.

“**Design Components**” means concepts for the collection and for the Products proposed to be included in the collection, including bodies, silhouettes, fabrications, materials, color

palettes, CADS and prototypes and design components for the Products proposed to be included in the collection, including fabric types, trims, hardware, sketches, graphic artwork, the color story and woven creative material (yarn dyes, prints, etc.).

“Design Guidance” shall mean the initial design direction and guidance given by Licensor Group to Licensee with respect to the Articles, including, without limitation, overall Brand guidance, seasonal design guidance, suggestion and input (including, without limitation, guidance provided via mood boards or with respect to colors and fabrics), as amended and revised by Licensor Group from time to time, at its sole discretion.

“Discounted Products” shall mean all Products which are (a) Seconds, end-of-season excess inventory or returns or (b) sold by Licensee at a wholesale price which is at least 30% less than the Listed Wholesale Price or to approved Off-Price retailers.

“E-Commerce Sites” means e-commerce sites on the Internet for the sale, either exclusively or non-exclusively, of products bearing the Licensed Mark and other of Licensor’s trademarks.

“Image” means the reputation, prestige and image of Licensor Group, the Licensed Mark and the “BCBG” brand.

“Image Campaigns” means Licensor Group image advertising campaigns for products bearing the Licensed Mark.

“International Distributors” means the international distributors with which Licensor has distribution agreements a list of which, as of the date hereof, is included as Schedule G. Licensor shall provide Licensee with prompt written notice of any changes in the list of International Distributors during the Term.

“Inventory” means inventory of Articles and related work-in-process on hand, in the possession of Contractors and in transit.

“IP Right” means any copyright, design right, moral right or similar such right and any other intellectual property right in or that may be created in any Design Components, Articles or any Packaging Materials or Marketing Materials, including photographs, designed or approved by Licensor.

“Key Region” means North America and Europe.

“Licensee Group” means, collectively, Licensee, Licensee’s affiliates and any of the respective owners, equity holders, directors, employees and agents of Licensee or any of its affiliates.

“Licensor Group” means Licensor and any of their affiliates.

“Listed Wholesale Price” means the wholesale price of a Product stated on the applicable Licensed Product Approval Forms submitted to Licensor.

“Marketing Activities” means advertising, promotional, publicity and marketing activities including the presentation of fashion shows.

“Marketing Materials” means advertising, promotional, publicity and marketing materials proposed to be used for Articles or otherwise in connection with this Agreement.

“**Minimum Royalty**” means the minimum amount of royalty payable by Licensee to Licensor hereunder for the Annual Period, as set forth on Schedule E attached hereto.

“**Minimum Sales Requirement**” means, for the Annual Period, the amount of Net Sales set forth on Schedule E for such period.

“**Net Sales**” means the gross sales of invoiced or shipped (whichever is earlier) Articles sold by Licensee, less only credits to customers for Returns, Trade Discounts, Closeout Discounts, Allowances, Payment Terms Discounts and chargebacks as specifically permitted by this Agreement. No deduction shall be made for other discounts, allowances or returns, uncollectible accounts or costs incurred by Licensee. “Net Sales” shall include the Listed Wholesale Price of any Articles shipped to a customer in exchange for Returns. “Net Sales” also include amounts for sales of Articles to third-party licensed Retail Stores and E-Commerce Sites (including, without limitation to the International Distributors). “Net Sales” shall not include sales of Articles to Retail Stores and E-Commerce Sites owned or operated by Licensor or the Licensor Group (including, without limitation, the Wholly-Owned Affiliates). Sales or other transfers of Articles to affiliates of Licensee or otherwise not in arm’s length transactions shall be deemed to be sales made at the Listed Wholesale Price of such Articles. “Net Sales,” with respect to sales of Articles in a currency other than United States Dollars, for all purposes hereof, shall be computed on the basis of the Conversion Rate.

“**Off-Price Products**” means Products designed and produced for off-price accounts listed on Schedule D.

“**Packaging Materials**” means all tags, labels and packaging materials proposed to be used in connection with Articles.

“**Payment Terms Discounts**” means all discounts from the Listed Wholesale Price actually given by Licensee to its customers for timely payments, and the terms which are specified on the face of such customer’s invoice.

“**Public Relations**” shall mean public relations activities with respect to the Licensed Mark, the Brand and the Image.

“**Quarter**” means a three-month period ending on each January, April, July and October during the Term (or portion thereof in the event of prior termination for any reason).

“**Quarterly Payment**” means the Sales Royalty payable for each Quarter during the Annual Period, if any.

“**Required Quality**” means, in respect of Articles, first quality only, at least equal in quality to the prototype samples approved by Licensor Group and in conformity with the integrity of the design/aesthetics of the approved samples.

“**Retail Stores**” means boutiques and/or in-store concessions under the Licensed Mark or variations thereof.

“**Returns**” means Products actually returned to Licensee by its customers.

“**Sales Environment**” means an environment in which Articles are displayed and offered for sale.

“**Seconds**” means damaged, imperfect, non-first quality or defective goods.

“**Sell-Off Period**” means an additional period of 180 days from the date of termination of this Agreement.

“**Showroom**” means, at Licensee’s option, (A) a separate showroom in Licensee’s New York City offices, with the design to be approved by Licensor (such approval not to be unreasonably withheld); or (B) dedicated space in Licensee’s New York City showrooms, with the design to be approved by Licensor (such approval not to be unreasonably withheld).

“**Trade Discounts**” means all discounts from the Listed Wholesale Price that are actually given by Licensee (including, but not limited to, traditional retailer discounts, such as volume discounts and logistics deductions).

“**Wholly-Owned Affiliates**” means the wholly-owned affiliates of Licensor Group operating Retail Stores and E-Commerce Sites in Europe, Canada and Japan.

1.2 The following is a list of additional terms used in this Agreement and a reference to the Section hereof in which such term is defined:

DEFINED TERM	SECTION
CWA Products	2.1(b)(ii)
Current Licensee	2.1(b)(ii)
Existing License	2.1(b)(ii)
First Collection	3.1
Last Collection	3.1
Term	3.1
Design Calendar	4.2
Contractors	4.5
Manufacturers Agreement	4.6
Subcontractors	4.8
SGS	5.1(b)
BV	5.1(b)
Materials	5.2(b)
EDI	7.3(b)
Proposed Manufacture Notice	7.3(c)(ii)
Proposed Manufacture	7.3(c)(ii)
Proposed Manufacturer	7.3(c)(ii)
Non-Conforming Product	7.3(d)
Deficiencies	7.3(d)
Minimum Campaign Contribution	8.3(a)
Additional Campaign Contribution	8.3(a)
Minimum Royalty	10.1
Sales Royalty	11.1
Advance Payment	12.1
Quarterly Statement	12.4
Debtor	18.2(c)
Injunctive Relief	19.4(a)

1.3 This Agreement shall be construed without regard to any presumption or other rule requiring construction against the party causing this Agreement to be drafted. As used in this Agreement, the term “including” means “including, but not limited to”, the singular includes the plural and vice versa and the masculine includes the feminine and vice versa, unless, in each case, otherwise specifically provided.

2. Grant of License

2.1 (a) Licensor hereby grants to Licensee a license, subject to the provisions of Schedule A, to use the Licensed Mark in the Territory solely in connection with the manufacture, marketing, distribution and sale, on a wholesale basis and via the Internet, of Products approved by Licensor.

(b) The license granted hereunder is exclusive with the following exceptions:

(i) Licensor Group or third party licensees may manufacture Products bearing the Licensed Mark in the Territory, provided that such Products are not sold by them to wholesale customers located in the Territory. Licensor Group shall retain the right to manufacture and distribute Products and to distribute solely through Licensor Group owned or operated Retail Stores and E-Commerce Sites.

(ii) Licensee acknowledges that the existing license granted to the current licensee (the “**Current Licensee**”) for products in the category of hats, scarves and cold weather accessories (“**CWA Products**”) bearing certain of the Licensed Marks (the “**Existing License**”) continuing through February 2, 2019. Licensee further acknowledges that under the terms of the Existing License, between November 1, 2017 and April 30, 2018, the Current Licensee and the Licensor shall negotiate renewal of the Existing License in good faith (with such negotiations not required to be on an exclusive basis). Accordingly, at the time the initial seasonal collection of Articles to be manufactured and sold hereunder are introduced and thereafter shipped, the Products sold under the Existing License will remain in the marketplace in the Territory.

(iii) The term “Territory” includes the Internet, but on a non-exclusive basis. In that regard, the sale of Products bearing the Licensed Mark by, or the purchase of Products bearing the Licensed Mark from, Licensor or any of its affiliates or third party licensees or by customers in the Territory ordered on the Internet shall not be deemed a breach of Licensee’s limited Product exclusivity rights hereunder. Also, although Licensee may sell Articles to approved customers for resale via the Internet in accordance with the provisions hereinafter set forth, Licensee itself may not offer Articles for sale on the Internet.

(iv) Licensor may grant the limited license with respect to Non-Conforming Products (as such term is hereinafter defined) pursuant to Section 7.3(d).

2.2 Licensor reserves, for itself and its affiliates, all rights to the Licensed Mark except those that are granted specifically to Licensee.

2.3 Licensee shall use commercially reasonable efforts to exploit the rights (with equal efforts across all Categories and Brands) granted to it and vigorously to promote the sale of Articles (with equal efforts across all Categories, and Brands with equal efforts in the Key Regions) consistent with the high standards and prestige of the Licensed Mark and the advertising and marketing philosophy of Licensor Group.

2.4 Articles shall not be sold (a) to customers located outside the Territory, (b) outside the approved distribution channels within the Territory, as provided in Section 7, or (c) to a retailer if Licensee has reason to believe that such retailer may sell Articles to customers located outside the Territory, including by reason of a previous history of diversion of Articles, other Products or any other products.

3. Term

3.1 The initial term of this Agreement commences on the date hereof and ends on February 3, 2018 (the “**Term**”), with the Spring/Summer, 2017 seasonal collection being the first collection with respect to all Categories (the “**First Collection**”) and the Fall, 2017 seasonal collection being the last collection (the “**Last Collection**”) of Articles to be produced and sold by Licensee if this Agreement is not renewed (unless this Agreement is sooner terminated in accordance herewith).

3.2 Licensee and Licensor shall negotiate in good faith an extension of the Term of this Agreement on or before June 1, 2017.

4. Collections of Articles; Development of Articles; Contractors

4.1 During the Annual Period, Licensee shall produce and sell 2 seasonal collections of Articles, the Spring 2017 collection and the Fall 2017 collection for all Categories.

4.2 (a) With respect to each seasonal collection of Articles, Licensor Group shall have primary responsibility for the Design Guidance. Licensee shall have primary responsibility for (i) developing the Design Components and (ii) developing therefrom a fashion forward and innovative collection of Articles, with the contents and workmanship of all Articles to be of the highest quality consistent with the quality of Comparable Products. Licensee shall seek and obtain approval for a collection, a sample, fabric and color and trim, as applicable by submitting a completed copy of such physical approval forms as Licensor Group will from time to time provide to Licensee or through the use by Licensee of a digital approval system which Licensor Group may implement in the future. Licensor Group and Licensee shall create a design calendar by mutual agreement (the “**Design Calendar**”).

(b) Licensor Group shall have members of its design staff work with Licensee’s designers and product development coordinators, to the extent Licensor Group deems it necessary or appropriate, to develop the seasonal collections of Articles, and Licensee shall accept their design direction. In that regard, Licensee’s head designer shall meet with the designated members of Licensor Group’s design staff on a regular basis during the design and development of each seasonal collection of Articles.

4.3 (a) Licensee shall prepare prototype samples of each Article of such collection and shall deliver to Licensor Group one prototype sample of each Article of each such collection for inspection and approval in respect of the applicable season on dates no later than those provided for in the Design Calendar.

(b) After the prototype samples of all of the Articles of a seasonal collection have been approved, Licensee shall make the entire collection available to Licensor for approval in respect of the applicable season on dates no later than those provided in the Design Calendar, and, in each case, prior to commencing the showing or sale of such collection.

(c) After any sample Article has been approved by Licensor Group pursuant to Section 4.3(a), Licensee shall not modify such Article unless required by Licensor Group pursuant to Section 4.3(b). After a seasonal collection is approved pursuant to Section 4.3(b), Licensee shall not modify any Article in such collection without the prior written approval of Licensor.

4.4 After Licensor Group approves a seasonal collection of Articles under Section 4.3(b), Licensee shall, at its sole cost, diligently proceed with the completion of the development of and with the commercial production of such collection and shall show, offer for sale, sell and ship such collection in a timely manner in accordance with industry standards.

4.5 Licensee may manufacture Products at a factory or factories that Licensee owns, or may employ independent contractors (“**Contractors**”) to manufacture Products. In either case, Licensee is responsible for the lawful manufacture of high quality Products that meet the reasonable standards prescribed by Licensor. If Licensee retains Contractors hereunder, Licensee shall use its commercially reasonable efforts to assure that such Contractors comply with any and all obligations under this Agreement that are applicable to such Contractors. In addition, Licensee shall use commercially reasonable efforts to retain or use only Contractors that operate in conformance with all applicable laws and regulations, and shall use reasonable efforts to ascertain whether such Contractors operate in conformance with applicable laws and regulations. Licensee shall indemnify and defend Licensor Group against all losses, damages, attorneys’ fees, judgments, settlement amounts or other costs or expenses incurred or suffered by Licensor Group as a result of Licensee’s use or retention of any Contractor.

4.6 In all cases, Licensee must obtain the approval of Licensor in advance of contracting with any Contractor, which approval shall not be unreasonably withheld. Licensee agrees that it shall be responsible for any failures of its Contractors as expressly provided for in this Agreement and under the Manufacturers Agreement (as defined hereafter). If a Contractor is approved by Licensor: (a) Licensee shall use commercially reasonable efforts to enter into a manufacturers agreement with each Contractor substantially in the form of the “**Manufacturers Agreement**” attached hereto as Schedule F (as may reasonably be negotiated and revised between Licensee and the Contractor) and deliver an executed copy thereof to Licensor and Licensee, before such subcontractor may manufacture any Products; and (b) even if such Manufacturers Agreement has not been entered into, such Contractor shall be required to fully perform and observe the material obligations provided in the Manufacturers Agreement and to comply with all applicable laws and with the applicable provisions of this Agreement in all material respects.

4.7 Upon the request of Licensor, Licensee shall provide Licensor with a current list of its Contractors for the manufacture of Products, together with addresses, telephone and email and the names of contact persons relating thereto. Licensee shall use commercially reasonable efforts to obtain the data required by this Section 4.7, and in any event, shall provide the most recent information in its possession. All information provided by Licensee pursuant to this Section 4.7 shall be considered Confidential Information for purposes of Section 16 hereof.

4.8 Licensee shall cause its Contractor to notify Licensee of all subcontractors used by Licensee’s Contractor (“**Subcontractors**”). Not less than 30 calendar days prior to the beginning of manufacture of a Product by a Contractor and at the end of the calendar year during

the Term, Licensee shall provide Licensor with a list of the names and addresses of all Subcontractors used by Licensee's Contractors.

4.9 Licensee shall be responsible for supervising and controlling the acts of its own factory(ies) and shall use its commercially reasonable efforts to supervise and control the acts of its Contractors and Subcontractors to prevent the manufacturing or sale of Products that is not expressly authorized by Licensor.

4.10 Licensor shall have the right to require that Licensee terminate its relationship with any Contractor who, Licensor can reasonably show is behaving in a manner detrimental to Licensor. Upon the expiration or termination of any Manufacturers Agreement, Licensee shall cause the Contractor thereunder to immediately cease the manufacture of Products and to fully perform and observe its obligations under the Manufacturers Agreement and under this Agreement with respect to such expiration or termination.

4.11 Licensee shall provide to Licensor Group, free of charge, one (1) full set of footwear Products and two (2) full sets of other Categories per season for use in connection with fashion shows, for showroom display, for Licensor's Marketing Activities and for retail displays of other products bearing the Licensed Mark.

5. Quality Control; Approval of Materials; Compliance with Laws

5.1 (a) Upon request, Licensee shall submit to Licensor Group for inspection current production samples of Articles so that Licensor may assure itself that the Required Quality standards are being maintained. Licensee shall use its commercially reasonable efforts to sell Articles that conform with the Required Quality.

(b) Licensor and its representatives may, upon at least five (5) business days advance notice and during normal business hours, examine Articles in the process of being manufactured and at Licensee's distribution centers and may inspect all facilities, including the facilities of Contractors, utilized in connection therewith. Licensee shall provide upon request certification of quality control inspection on all manufacturing facilities that produce Product bearing the Licensed Marks. This quality control inspection must be issued by an approved third-party inspector. For purposes of this Section, Li and Fung ("L&F"), Societe Generale de Surveillance ("SGS") and Bureau Veritas Group ("BV") shall be deemed approved third-party inspectors. Other quality control inspection agencies must be approved by Licensor. Licensee shall provide, upon request, a certification of compliance audit on all manufacturing facilities that produce Product bearing the Licensed Marks. This compliance audit must be issued by an approved third-party auditor. For purposes of this Section, L&F, SGS and BV shall be deemed approved third-party auditors. Other auditing agencies must be approved by Licensor. The compliance audit shall include, but is not limited to, local laws and regulations regarding child labor, wages, benefits, working hours, harassment, health and safety and factory safety.

5.2 (a) Articles shall be offered for sale and sold and advertised, promoted, publicized and otherwise marketed by Licensee in a manner appropriate for Required Quality Products, consistent with (i) the Image and (ii) the manner in which Comparable Products are offered for sale, sold, advertised, marketed, promoted, publicized and otherwise exploited in the respective Countries.

(b) Licensee shall submit to Licensor for its prior approval all Packaging Material, Marketing Materials, and Business Documents, proposed to be used in the Business or otherwise in connection with the Articles or this Agreement. After any proposed Packaging Material, Marketing Material or Business Document (collectively “**Materials**”) has been approved by Licensor, Licensee shall not modify the item in any material respect without the prior approval of Licensor.

(c) The medium or publication in which any Marketing Material is proposed to be placed, the placement itself and the timing of the placement also shall be subject to Licensor’s prior approval. Licensee shall provide to Licensor, free of charge for its permanent archives, copies of all Marketing Materials.

5.3 All Articles shall be manufactured, offered for sale, sold, labeled, packaged and distributed, and advertised, promoted, publicized and otherwise marketed, in accordance with all applicable laws and regulations in each Country and in the United States and the countries in which Articles are produced. Licensee shall monitor the performance of the Contractors to assure compliance with these laws and regulations in accordance with the laws of each Country and the countries in which Articles are produced. Licensee promptly shall notify Licensor upon learning of a failure by any Contractor to comply with any such laws or regulations and shall take all corrective actions as may be necessary or appropriate to prevent the failure from recurring; and Licensee shall terminate any Contractor that intentionally or repeatedly fails to comply with any such laws or regulations. Licensee also shall test (or have the Contractors test), as appropriate, all Articles, using independent certified laboratories, to determine fiber and/or other content, physical properties and all other required data, and provide Licensor, upon request, with copies of all test results.

5.4 Licensee shall affix to each Product a style number or name which shall be identical to the style number used to identify the respective Product in all Licensee’s books and records. Each Product shall only bear the Licensed Marks in the form provided by Licensor and with such required legends, markings and notices as are customary for such goods.

5.5 Licensee shall provide Licensor with a copy of Licensee’s current code of conduct.

5.6 Licensee shall be able to provide written verification of the content and care of a Product as outlined by US Customs and the Federal Trade Commission. Licensee shall be responsible for all fees, fines and damages resulting from a failure to provide such verification, including all costs and expenses related to the removal of all products from all sales channels.

6. Business Plans; Organization

6.1 Licensee shall submit to Licensor before the beginning of the Annual Period, a Business Plan for Licensor’s prior approval. Any Business Plan shall be modified by Licensee as reasonably required by Licensor.

6.2 Licensee shall appoint as the brand manager, head designer, sales manager and all other personnel directly involved in the Business highly qualified and appropriately experienced individuals approved reasonably acceptable to Licensor. Licensee shall appoint a head designer for each Category within each Brand. Each such head designer shall work on a non-exclusive

basis. Any proposed replacement of such a head designer shall be subject to Licensor's prior approval (such approval not to be unreasonably withheld).

6.3 Licensee's employees shall be under the full direction and control of Licensee and shall not be deemed employees or agents of or the responsibility of Licensor.

7. Distribution and Sale of Articles

7.1 (a) Licensee acknowledges that the preservation of the Image and the goodwill of the Licensed Mark is of paramount importance. Accordingly, Articles shall be sold only through a carefully selected network of retail customers, with all retail customers being selected based upon their compatibility with the Image and their reputation and standing in the respective Countries as high quality stores selling, in season, Comparable Products purchased from authorized sources. All distribution channels shall be commensurate with the highest quality, prestige and reputation of the Product and the Licensed Mark.

(b) (i) All customers shall be subject to the advance approval by Licensor, including those customers to which Closeout Articles and Articles being sold off pursuant to Section 19.2(a) are proposed to be sold. In addition, if Licensee wishes to sell Articles to a customer (including an approved "brick & mortar" customer) for resale to consumers in the Territory via the Internet, such customer also shall be subject to the advance approval by Licensor, and sales to any approved customers shall be subject to such reasonable conditions and restrictions as may be imposed by Licensor upon reasonable advance notice to Licensee. Licensor hereby approves, as customers for Articles, the retailers set forth on Schedule D and, as customers for Closeout Articles, the Closeout Accounts, in each case for both "brick & mortar" and Internet sales. Before any order from any other prospective customer is accepted (including an e-tailer, a prospective Closeout Account or a prospective customer for Articles being sold off pursuant to Section 19.2(a)), Licensee shall notify Licensor of the identity of the customer and provide Licensor with a completed "New Account Approval Form" (as provided to Licensee by Licensor from time to time) for such customer together with sufficient information relating to its experience, reputation and qualifications, including the location(s) and size(s) of its store/doors and what brands of Comparable Products it sells, as to enable Licensor to determine whether it is acceptable. Licensee shall be (subject to the International Distributors, as applicable) the only distributor in the Territory. If Licensee desires to have an additional distributor service the Territory it shall seek Licensor's approval for such distributor by providing a completed copy of such distributor approval form as Licensor may provide to Licensee from time to time.

(c) Licensor may withdraw its approval of a customer, including an individual "door" (i.e., outlet or branch of a multiple-unit customer) of an otherwise approved customer, if such customer diverts Articles or has acted in a manner, in the advertising, marketing, promotion, offering for sale or sale of Articles, that would be a breach of or default under this Agreement if done by Licensee, or Licensor reasonably determines that a customer (or door) no longer meets its standards, including by reason of the manner in which such customer merchandises, offers for sale or sells Articles or by reason of such customer selling Comparable Products not purchased from authorized sources, no longer being compatible with the Image or no longer continuing to sell a reasonable cross-section of in-season, Comparable Products purchased from authorized sources. If Licensor withdraws approval of a customer pursuant to this Section 7.1(c), Licensee shall cease and desist from further sales to such customer, except that, unless the customer diverted Articles or in other circumstances deemed reasonably appropriate by Licensor, Licensee may ship Articles to

such customer against confirmed orders on hand for the then current seasonal collection on the date Licensee receives the notice of withdrawal of approval of such customer.

(d) The parties agree that the sale by Licensee of any Product that has not been approved by Licensor or the sale by Licensee of any Product to a customer that has not been approved by Licensor may cause substantial damage to Licensor's image and reputation, and that such damages to Licensor will be extremely difficult or impracticable to ascertain. Based upon the facts known by the parties at the time of this Agreement, the parties agree that in the event Licensee sells Products that have not been approved by Licensor bearing the Licensed Mark(s), then Licensee shall pay an additional royalty thereon in the same amount as, and in addition to, the Sales Royalty due thereon (i.e., an additional royalty equal to: 8% of Net Sales of such unapproved Products (other than Off-Price or Home Products); 6% of Net Sales of such unapproved Off-Price Products; and 5% of Net Sales of such unapproved Home Products). Similarly, based upon the facts known by the parties at the time of this Agreement, the parties agree that in the event Licensee sells Products bearing the Licensed Mark(s) to customers that have not been approved by Licensor, then Licensee shall pay an additional royalty thereon in the same amount as, and in addition to, the Sales Royalty due thereon (i.e., an additional royalty equal to: 8% of Net Sales of Products (other than Off-Price or Home Products) to such unapproved customers; 6% of Net Sales of Off-Price Products to such unapproved customers; and 5% of Net Sales of Home Products to such unapproved customers). The parties further agree that the foregoing constitutes reasonable liquidated damages due Licensor and are not prohibited penalties.

7.2 Articles shall be sold to approved department stores solely for sale in departments for the sale of "classifications" of Comparable Products. With respect to approved specialty stores, if a specialty store maintains a separate department or location for Comparable Products, Articles shall be sold to such specialty store solely for sale in such department or location.

7.3 (a) Licensor has established and will be operating, either directly or through affiliates, and may enter into agreements with third parties granting them the right to establish and operate Retail Stores. Also, Licensor and/or its affiliates, either directly or through licenses to or other ventures with third parties, hereafter may establish and operate E-Commerce Sites.

(b) (i) Licensee shall sell Products to Licensor Group and the Wholly-Owned Affiliates at (1) 32% off Listed Wholesale Price with respect to footwear, belts and socks and (2) 35% off of Listed Wholesale Price with respect to jewelry. Such sales shall not be included as Net Sales of the Products for the purpose of calculating royalties, Net Sales and Campaign Contributions.

(ii) Unless otherwise agreed in writing, prices under this Section 7.3(b) are Ex Works Licensee's U.S. distribution center, payable cash on delivery. For the avoidance of doubt, risk of loss shall pass to the applicable Licensor Group or Wholly-Owned Affiliate purchaser upon Licensee's delivery to such purchaser's carrier or freight forwarder at Licensee's U.S. distribution center and such purchaser shall be solely responsible for all freight, shipping or other charges following such delivery. Licensee shall have and maintain the ability to receive issued orders purchase order via Electronic Data Interchange ("EDI") as well as to return the associated invoice via EDI.

(iii) Licensor shall be required to post a stand-by letter of credit (the "LC"), in a form acceptable to Licensee in Licensee's sole discretion, to cover the

purchases of Products pursuant to Section 7.3(b). Licensor acknowledges and agrees that Licensee reserves the right to terminate this Agreement in the event that Licensor fails to post the LC, makes any changes to the LC to Licensee's detriment without Licensee's prior written consent, or otherwise is delinquent by more than fifteen (15) days in paying Licensee for Products, and has not cured such delinquency within three (3) business days after written notice from Licensor (for which e-mail notice shall be considered "written notice"). Notwithstanding anything to the contrary contained herein, Licensee may offset any royalty payments against any payments for Products past due from Licensor.

(c) Right of First Refusal.

(i) In the event Licensor or the Wholly-Owned Affiliates intend to manufacture Products for the Retail Stores operated by the Licensor or the Wholly-Owned Affiliates or their respective E-Commerce Sites, Licensor or the Wholly-Owned Affiliates, as applicable, shall deliver to Licensee a written notice (the "**Proposed Manufacture Notice**") stating (A) Licensor or the Wholly-Owned Affiliates intention to manufacture Products for the Licensor or the Wholly-Owned Affiliates (the "**Proposed Manufacture**"), through a third-party manufacturer not affiliated with Licensee (the "**Proposed Manufacturer**"); (B) the name of the Proposed Manufacturer; (C) the Products and amounts of Products making up the Proposed Manufacture; and (D) the price and any other material terms and conditions with respect to the Proposed Manufacture.

(ii) At any time within 15 days after receipt of the Proposed Manufacture Notice, the Licensee may, by giving written notice to the Licensor or the Wholly-Owned Affiliate, as applicable, elect to conduct the Proposed Manufacture in lieu of the Proposed Manufacturer at the price, terms and conditions provided in the Proposed Manufacture Notice.

(iii) If the Licensee does not elect to conduct the Proposed Manufacture, the Licensor or the Wholly Owned Affiliate, as applicable is entitled to have the Proposed Manufacturer conduct the Proposed Manufacture up to 100% of the total volume to be purchased by Licensor or the Wholly-Owned Affiliates.

(iv) If the Licensee elects to conduct the Proposed Manufacture, Licensee shall receive from Licensor or the Wholly-Owned Affiliates, as applicable, a guaranteed minimum commitment to manufacture 70% of the total volume to be purchased by Licensor or the Wholly-Owned Affiliates under the Proposed Manufacture. For the avoidance of doubt, up to 30% of the total volume to be purchased by the Licensor or the Wholly-Owned Affiliates may be manufactured by the Proposed Manufacturer.

(d) Licensee acknowledges that Licensor Group has International Distributors in various geographic regions throughout the world and that the Product need of each varies based on geographic and/or cultural factors unique to the region in which such International Distributors are located. Licensee shall use commercially reasonable efforts to sell Products to and meet the requirements for Products of, these International Distributors. Such sales shall be on substantially the same terms and conditions applicable to Licensee's sales to its domestic wholesale customers, including fulfillment of factory minimum unit requirements for orders of

non-exclusive styles consistent with the requirements applicable to Licensee's specialty store customers. International Distributors' orders for exclusive styles must meet 100% of the applicable factory minimum unit requirements. In no event shall Licensee be required to assume responsibility for any additional units necessary to satisfy minimum unit requirements in excess of the orders placed by International Distributors for exclusive styles. If with respect to a given International Distributor a Product offered by Licensee to such International Distributor does not conform to the needs and requirements of such International Distributor (a "**Non-Conforming Product**") (as determined, in good faith reasonable business judgment, by such International Distributor and the Licensor), Licensor shall send a written notice to Licensee identifying such Non-Conforming Product stating the non-conforming aspects thereof (the "**Deficiencies**"). Within 15 days after the receipt of such notice, Licensee, Licensor and the applicable International Distributor shall meet (in person or telephonically) to attempt to address the Deficiencies stated in such written notice. If either the Licensee, Licensor and International Distributor fail to meet, or after meeting, are unable to resolve the Deficiencies, Licensor shall have the right to allow such International Distributor to be provided with versions of the Non-Conforming Product without the Deficiencies by granting a limited license to an independent manufacturer to (i) use the Licensed Mark solely related to the Non-Conforming Product without Deficiencies; (ii) manufacture and sell only the Non-Conforming Product; and (iii) sell the Non-Conforming Product without Deficiencies only to such International Distributor and only in the territory such International Distributor possesses under its international distribution agreement with Licensor Group.

(e) Licensee shall sell to the Retail Stores in the respective Countries and the E-Commerce Sites such quantities of Articles as may be ordered by them. Such sales by Licensee shall be on the terms agreed to by the Retail Stores and E-Commerce Sites and Licensee, except that, in consideration of the license granted by Licensor hereunder, the price to be paid by the Retail Stores and E-Commerce Sites for Articles and all other terms of sale shall be no less favorable to the Retail Stores and E-Commerce Sites than the best terms offered by Licensee to any other retail customer of the same Articles. Also, Licensee may not impose on any Retail Stores or E-Commerce Sites a minimum purchase obligation inconsistent with its customary practices.

(f) Those retailers listed on Schedule D hereto who operate their own E-Commerce Sites as of the date of this Agreement are considered approved by Licensor to sell products via the Internet. Licensor's approval to sell any Products through the Internet or any other electronic or computer-based system, shall be subject to the following terms:

(i) Licensee shall not and shall notify its resellers not to use the registered trademark symbol ® or the terms "Official Site" in its ad copy;

(ii) Licensee shall not and shall notify its resellers not to bid higher than position two (2) on the SERP to help ensure Licensor divisions are always in first position for all keywords; Licensee shall not and shall use commercially reasonable efforts to cause its resellers not to bid above the bid ceiling of \$1 for desktop and \$0.75 for mobile keywords;

(iii) Licensee shall not and shall notify its resellers not to use promotional type messaging for sales and discounts on Product such as "Save 40-70% on BCBGMAXAZRIA Dresses" or "Up to 65% Off Herve Leger Dresses", including

images of the Licensed Marks with any discount messaging associated with such image(s). Licensee or reseller's site-wide or free shipping promotions are acceptable, but brand-specific messaging on promotions and discounts must be excluded; and

(iv) Licensee shall notify its off price account resellers not to bid on desktop or mobile keywords or use "BCBG" in any of their ads.

(g) Licensee shall deal directly with the Retail Stores and E-Commerce Sites and shall look solely to them in its dealings with them.

(h) In the event of a shortage of supply, the Retail Stores and E-Commerce Sites purchasing Articles directly from Licensee shall receive the same percentage of their orders for Articles as do Licensee's best customers for Articles.

7.4 (a) All Articles shall bear the Licensed Mark and no Articles or Products which are substantially similar to the Articles shall be sold by Licensee under any trademark or other designation other than the Licensed Mark.

(b) Licensee shall clearly and permanently "red line" the label(s) of any Article to be sold as a "second" or "irregular" to so indicate. Licensee shall notify those Closeout Accounts to which "seconds" or "irregulars" or other Closeout Articles are sold not to advertise those Articles. Any proposed sale of Closeout Articles also is subject to the provisions of Section 7.1.

7.5 (a) To the extent Licensor provides Licensee with designs, decoration, fixture and other standards with respect to a Sales Environment, Licensee shall use commercially reasonable efforts to have all of its department stores and other customers present Articles for sale to consumers in a prominent manner consistent with the manner in which shop-in-shops and other Sales Environments established for the sale of other products bearing the Licensed Mark are merchandised and such products presented and displayed therein and in Sales Environments designed, decorated and fixtured to Licensor's specifications and consistent with and reflecting the Image.

(b) (i) The plans for the design, layout, decor and fixturing of the Sales Environments shall be developed by Licensee in accordance with the specifications and standards then established by Licensor and shall be subject to the prior approval of Licensor. Upon approval of the plans by Licensor, Licensee shall proceed with, and shall be responsible for overseeing, the development and construction of the Sales Environments in consultation with Licensor. Upon completion, each Sales Environment shall be subject to Licensor's final review and approval.

(ii) From time to time, Licensee shall cause to be made all changes deemed reasonably necessary and appropriate by Licensor to incorporate into the Sales Environments any updated design concepts, including for layout, decor and fixturing, such that the Sales Environments shall continue to be consistent with and reflect the Image and prestige of the Brands.

(c) Licensee shall be responsible for such costs, fees and expenses incurred in connection with the development and implementation of the plans for the Sales Environments and any modifications thereof as mutually agreed by Licensor and Licensee.

(d) Licensee acknowledges that Licensor may withdraw its approval of any customer that refuses to establish or update a Sales Environment for Articles that is not in accordance with Section 7.5(a) or that operates the Sales Environment or otherwise sells Articles inconsistent with Licensor Group's merchandising, presentation and display requirements (as provided in Section 7.6).

7.6 In connection therewith, Licensee, or at its option, merchandise coordinators employed by it, shall regularly visit all of the Sales Environments and take such actions as are necessary to assure that the aforesaid requirements are being satisfied. Licensee or its merchandise coordinators, as applicable, shall consult regularly with Licensor Group's merchandise coordinators to discuss and familiarize themselves with Licensor Group's merchandising and product presentation and display policies, procedures and guidelines and shall follow the reasonable directions of Licensor's merchandise coordinators with respect to the presentation and display of Articles.

7.7 (a) Articles shall be displayed and offered for sale in Showrooms which shall be fixtured, furnished, constructed and maintained in a manner acceptable to Licensor and consistent with the Image. The design and construction of each Showroom shall be subject to Licensor's final review and approval. Licensee shall be responsible for all costs, fees and expenses incurred in connection with the development, remodeling and maintenance of the Showrooms. Licensee shall not give away or sell Articles in any tie-in or promotional campaign relating to Articles, or any other products, without the prior consent of Licensor.

(b) All sales of Articles shall be originated from the Showrooms, except for sales originating at trade shows and other traditional Sales Environments approved by Licensor or provided in this Agreement. Articles shall not be offered for sale in any showroom other than the Showrooms without Licensor's prior approval. However, Licensee may use road sales people to seek out orders for Articles.

8. Marketing Activities; Licensee Contributions

8.1 (a) In the event the Licensee decides to undertake Marketing Activities, such Marketing Activities shall be undertaken in consultation with Licensor's Public Relations staff or Licensor's affiliates' Public Relations staff. All Marketing Activities, including all press releases and other media related projects, are subject to Licensor's prior approval. Licensee shall seek Licensor's approval with respect to Marketing Activities by providing Licensor with a completed Marketing Activities approval form(s) (as provided to Licensee by Licensor from time to time). Licensee shall not be charged a fee for the Public Relations staff's services in connection with Marketing Activities, but Licensee shall be responsible for all costs and expenses of Marketing Activities conducted for Articles and the Business.

(b) Licensee's Public Relations shall be undertaken in consultation with Licensor's Public Relations staff or Licensor's affiliates' Public Relations staff. Licensee shall meet periodically with Licensor's or Licensor's affiliates' Public Relations staff to develop and coordinate activities. Licensee shall not engage in any media contacts with respect to Articles or the Business without first discussing the anticipated subject matter of the media contact with such Public Relations staff. All Public Relations, including all press releases and other media related projects, are subject to Licensor's prior approval. Licensee shall not be charged a fee for the Public Relations staff's services in connection with such activities, but Licensee shall be responsible for all costs and expenses of such activities conducted for Articles and the Business,

including all out-of-pocket expenses incurred by Licensor and the Public Relations staff in connection therewith.

(c) In addition, Licensee shall be required to participate in major trade shows at Licensee's expense as mutually agreed by Licensor and Licensee. In the event Licensee participates in a trade show in conjunction with Licensor Group, Licensee shall pay its pro-rata share of expenses for such trade show based on actual floor space utilized to directly promote the Products and expressly not based on any other formula, including without limitation the number of licensees represented. All shows, showrooms, displays, signage, promotions and other trade show related expenses are subject to prior approval by Licensor.

8.2 In the event that Licensee engages in Marketing Activities, Licensee shall ensure that the various types of Articles are supported by its Marketing Activities and that appropriate Marketing Activities are conducted throughout the respective Countries, consistent with the nature of and manner in which Marketing Activities are conducted in the respective Countries for Comparable Products. Notwithstanding anything to the contrary herein, Licensor's prior approval shall be required for all proposed Marketing Activities (which shall be in addition to its required approval of all proposed Marketing Materials in accordance with Section 5.2(b)).

8.3 (a) During the Annual Period, Licensee shall make a non-refundable Campaign Contribution to Licensor's Image Campaigns in an amount equal to the greater of (i) the minimum campaign contribution listed on Schedule E (the "**Minimum Campaign Contribution**"); or (ii) 1% of the actual full price Net Sales during the Annual Period (the "**Additional Campaign Contribution**"). No Campaign Contribution shall be required with respect to sales of Discounted Products or Closeout Articles.

(b) Licensor Group shall include Articles in various Image Campaign materials from time to time. Licensee may not, and Licensee (except with respect to Marketing Activities done in cooperation with Licensor) shall instruct its retail customers not to, advertise, market, promote, publicize or otherwise exploit Articles or the Licensed Mark or otherwise use the Licensed Mark together with any other trademarks or names or any other products. Also, Licensee shall not again sell Articles to any retail customer that acts in a manner contrary to the requirements of the preceding sentence, and it shall not sell Articles to any retail customer that it learns or has reason to believe might do so.

9. Approvals

9.1 Licensor's approvals pursuant to this Agreement may be based solely on Licensor's subjective standards and may be withheld in Licensor's sole and absolute discretion. Any sample Article or other item or matter submitted to Licensor for its approval that is not approved within 10 business days after Licensor's receipt thereof shall be deemed approved.

9.2 If Licensor disapproves any item or action presented to it for approval under this Agreement, including any proposed Design Component, sample Article, Packaging Material, Marketing Material or other item or matter proposed by Licensee, Licensor shall notify Licensee of such disapproval with an explanation of the reason therefor, and Licensee shall promptly take all commercially reasonable efforts to correct or modify such item or action in accordance with Licensor's requirements and resubmit the corrected or modified item or action to Licensor for Licensor's reconsideration. If Licensor finally disapproves any item or action, Licensee shall not use the disapproved item or take such action, as applicable.

9.3 Licensor's approval of any Articles for a particular seasonal collection of Articles or of any Packaging Materials or Marketing Materials for use in connection with any particular seasonal collection of Articles shall constitute approval for use only in connection with such collection.

10. Minimum Royalty

10.1 Licensee shall pay to Licensor a non-refundable minimum royalty for the Annual Period (the "**Minimum Royalty**") as set forth on Schedule E.

10.2 The Minimum Royalty for the Annual Period shall be credited against the Sales Royalty for only the Annual Period.

11. Sales Royalty

11.1 Licensee shall pay to Licensor a royalty equal to:

- (a) 8% of Net Sales of Products (other than Off-Price or Home Products);
- (b) 6% of Net Sales of Off-Price Products; and
- (c) 5% of Net Sales of Home Products (collectively (a) through (c), the "**Sales Royalty**").

11.2 Unless otherwise agreed in writing by the parties, only the following deductions from gross sales will be permitted for the Annual Period for the purpose of calculating Net Sales:

(a) the combined total of Allowances, Trade Discounts, Payment Term Discounts, and any other discounts, excluding Closeout Discounts, shall not exceed 25% of the gross sales of Articles sold, other than sales of Articles to Retail Stores or E-Commerce Sites owned or operated by Licensor Group, but Off-Price Product sales under the BCBGMAXAZRIA and BCBGeneration Licensed Marks shall not exceed the amounts set forth in Section 11.5 below. For the avoidance of doubt, no such Off-Price volume restriction shall apply to Products in the category of Home Goods.

11.3 If Allowances, Trade Discounts, Payment Term Discounts and other discounts (excluding Closeout Discounts) exceed 25%, then Net Sales for the Annual Period shall be adjusted upward by the amount of the overage.

11.4 Returns shall not exceed 10% of Net Sales. If Returns exceed 15% of total Articles shipped, then Net Sales shall be adjusted upward for the Annual Period by the amount that is the product of (a) the average price of the Returns during the Annual Period, multiplied by (b) the number of Returns in excess of the maximum percentage of Returns permitted.

11.5 If Off-Price Product sales under the BCBGMAXAZRIA and BCBGeneration Licensed Marks exceed (a) 60% of total Net Sales of Products in the Category of footwear (excluding sales to DSW and Nordstrom Rack); or (b) 60% of total Net Sales of Products in the Categories of jewelry, belts and socks, then, in either or both instances, Net Sales shall be adjusted upward by the amount that is the product of (a) the average discount given on Off-Price Products during the Annual Period, multiplied by (b) the number of Articles in excess of the maximum percentage of Off-Price sales permitted.

11.6 Notwithstanding anything contained herein, no deductions whatsoever will be permitted for reserves of any kind, including reserves for bad debts, nor for any actual write-offs of bad debts.

11.7 If the information necessary for Licensor to determine or verify claimed Allowances, Trade Discount or Closeout Discounts is not provided properly as required by this Agreement and the attached forms, then Licensor shall have the right to disregard said claimed Allowances, Trade Discounts and/or Closeout Discounts in calculating the Sales Royalty due under this Agreement to the extent that Licensor is unable to verify the same.

11.8 Notwithstanding anything to the contrary herein and whether or not Licensor elects to terminate this Agreement on account thereof in accordance with the provisions of Section 18.1(b)(iv), if Licensee sells, as an Article (i.e., with the Licensed Mark thereon), any Product that has not been approved, or has been disapproved, by Licensor for sale as an Article hereunder or if Licensee sells Articles to an unapproved or disapproved customer, the Sales Royalty payable with respect to any such sales shall be equal to the invoice price thereof and no payment of Minimum Royalty shall be credited against any such Sales Royalty, nor shall the Sales Royalty payable with respect to any such sales be credited against any other sums payable to Licensor hereunder.

12. Payments; Statements

12.1 Licensee shall pay an advance equal to 100 % of the Minimum Royalty upon execution of this Agreement by Licensee and Licensor. Notwithstanding anything to the contrary contained herein, Licensee shall not be required to make any Sales Royalty payments hereunder unless and until 100% of the Minimum Royalty has been recouped.

12.2 Each of (a) the Sales Royalty, if any, and only to the extent it has exceeded the Minimum Royalty, (b) the Minimum Campaign Contribution for the Quarter, and (c) the Additional Campaign Contribution for the Quarter, if any, and only to the extent it exceeds the Minimum Campaign Contribution for the Quarter, shall, in each case, be accounted for and paid quarterly on the 30th of the month after the close of each Quarter, except that the first Quarter shall be the period commencing on the date hereof and continuing through March 31, 2017.

12.3 Payments by Licensee shall be made in United States Dollars via wire transfers.

12.4 (a) At the time each Quarterly Payment is due, Licensee shall deliver to Licensor a statement in a format reasonably acceptable to Licensor (the "**Quarterly Statement**") signed and certified as accurate by a senior financial executive of Licensee setting forth, for the just completed Quarter and the Annual Period-to-date:

(i) the number and invoice prices of all Articles invoiced or shipped by Licensee to customers in arm's length transactions, the amount of discounts, markdown allowances and returns that properly may be deducted from gross sales and Net Sales, all by Country, by Article, by customer, and, if requested by Licensor, "by sku", by month and in the aggregate;

(ii) the number, invoice prices and Listed Wholesale Price of all Articles invoiced or shipped by Licensee to customers other than in arm's length transactions, all

by Country, by Article, by affiliate of Licensee, by each other such customer, and, if requested by Licensor, "by sku", by month and in the aggregate;

(iii) the amount of any insurance proceeds received by Licensee in respect of Articles;

(iv) the Listed Wholesale Price of Articles given away by Licensee to a charity; and

(v) the amount of the Sales Royalty and Campaign Contribution then due and payable.

(b) Licensee shall deliver to Licensor at such times as may be reasonably requested by Licensor but not more often than monthly, detailed sell in reports in a format reasonably acceptable to Licensor, in both units and dollar amounts, covering the preceding month and the Annual Period-to-date, by customer and by door, by style and by seasonal collection.

12.5 Within 30 days after the completion of the market for each seasonal collection of Articles, Licensee shall deliver to Licensor a report setting forth a list of all orders then booked for such collection, including the number and aggregate Listed Wholesale Price value of all Articles covered by such orders, by Country, by customer and by door.

12.6 Licensee shall deliver to Licensor the annual audited combined financial statements of Licensee's ultimate parent corporation, Global Brand Group Holding Limited, as and when such financial statements are provided to the public. As of the date hereof, such statements are available at <http://ir.globalbrandsgroup.com/financial-highlights-reports/annual-interim-reports>.

13. Books and Records; Audits

13.1 Licensee shall prepare and maintain for a period of two years after the end of the Annual Period during the Term, complete and accurate books of account and records (including the originals or copies of documents supporting entries in the books of account) covering all transactions relating to this Agreement. Licensee acknowledges that its failure to maintain the appropriate and accurate books of accounts and records required hereunder will constitute a material breach of its obligations and will cause substantial damage to Licensor. Licensor may, therefore, in addition to exercising any other rights hereunder, disregard any claimed deductions that are not supported by reasonable records.

13.2 Licensor's representatives may, from time to time during regular business hours on at least 10 days' advance notice, during the Term and for two years thereafter, audit these books of account and records but not more often than once in any 12 month period. Licensor may exercise its right to audit the Annual Period during the Term only within two years following the end of such contract year. If no audit is commenced during such two-year period then any right to audit the Annual Period shall be waived. If any audit of Licensee's books and records discloses that any of Licensee's payments was less than the amount that should have been paid, the payment required to be made to eliminate the discrepancy, plus interest at the rate provided for in Section 18.1(a)(i), shall be made promptly, and, if the discrepancy is 5% or more of the amount actually paid for the subject period, Licensee promptly shall reimburse Licensor for the cost and expenses of the audit, up to \$10,000 in the aggregate. In addition, if the discrepancy is 5% or more, interest shall be at the rate provided for in Section 18.1(a)(i) plus an

additional three percentage points (or the maximum rate of interest that legally can be charged to Licensee, if lower) and Licensor may terminate this Agreement by notice to Licensee given within 60 days after receipt of the audit report disclosing the discrepancy with respect to the Annual Period or any two calendar quarters during the Annual Period (unless such discrepancy was due to an inadvertent clerical error).

14. The Licensed Mark

14.1 Licensee shall use and display the Licensed Mark only in the form and manner designated or approved by Licensor from time to time hereunder. Licensor shall notify Licensee if it elects to change the form of the Licensed Mark and Licensee shall effect the change as promptly as reasonably practicable.

14.2 Licensee shall not use the Licensed Mark, in whole or in part, as a corporate name, trade name, domain name or otherwise except as expressly provided in this Agreement. Licensee shall not join any name(s) with the Licensed Mark so as to form a new mark. Licensee shall not use any name in connection with the Licensed Mark in any Materials or other printed matter.

14.3 Licensee acknowledges that, as between Licensee and Licensor, Licensor is the owner of all right, title and interest in and to the Licensed Mark throughout the Territory in any form or embodiment thereof and is also the owner of the goodwill attached or that shall become attached to the Licensed Mark in connection with the business and goods in relation to which the same has been, is or shall be used. Sales by Licensee shall be deemed to have been made by Licensor for purposes of trademark registration and, in that regard, all uses of the Licensed Mark by Licensee shall inure to Licensor's benefit. Licensee Group shall not do anything or suffer anything to be done, whether under or in connection with the Business or this Agreement or otherwise, that may adversely affect any rights of Licensor in and to the Licensed Mark or any registrations thereof, that, directly or indirectly, may reduce or dilute the value of the Licensed Mark or that, directly or indirectly, may disparage or dilute, detract from or reflect adversely upon the Image. Licensee Group shall not seek to register the Licensed Mark or any variation or simulation thereof in any jurisdiction for any products or services.

14.4 (a) Licensee shall cooperate with Licensor in connection with the filing and prosecution of applications in Licensor's name to register the Licensed Mark for Products in the respective Countries. All costs reasonably incurred by Licensor in connection therewith, including the costs of prosecuting or defending opposition and cancellation proceedings and obtaining clearances and the costs of the maintenance and renewal of any registrations that hereafter may issue, as well as attorneys' fees, search costs and filing fees, shall be borne by Licensor.

(b) Licensee shall not use the Licensed Mark, nor may any Articles be advertised, marketed, promoted, publicized or otherwise exploited or distributed, offered for sale or sold, (i) in any Country in which the Licensed Mark had not theretofore been registered in the applicable trademark class or an application to register the Licensed Mark in such class had not theretofore been filed, until (A) an appropriate trademark search has been conducted and an application to register the Licensed Mark for Products has been filed in such Country or (B) Licensor determines that it would be preferable not to seek to register the Licensed Mark for Products in such Country but that there is no material impediment to the use of the Licensed Mark therein, and (C) Licensor notifies Licensee that it may do so, (ii) in a British

Commonwealth Country, or any other Country where required, prior to the execution of a registered user agreement or similar type agreement approved by Licensor and the filing thereof with the appropriate governmental agency, (iii) other than in strict compliance with the legal requirements of each such Country and all applicable subdivisions thereof, (iv) without placing on all Articles and all Materials all legends, markings and notices required to give appropriate notice of any trademark or other rights in or to the Licensed Mark in accordance with the governing trademark and other applicable laws or otherwise reasonably requested by Licensor.

14.5 Licensee Group shall not challenge Licensor's ownership of or the validity of the Licensed Mark, any application for registration or registration thereof or any rights of Licensor therein.

14.6 If Licensee learns of any infringement, imitation or counterfeiting of the Licensed Mark or Articles or of any use of a trademark similar to the Licensed Mark or of any instances of the importation and sale in any Country of otherwise legitimate Products bearing the Licensed Mark (including Articles) by any third party, it promptly shall notify Licensor thereof and Licensor shall take such action as they in their sole discretion deem advisable. Licensee shall cooperate with and follow the reasonable directions of Licensor in connection therewith, including by acting as a plaintiff or co-plaintiff in lawsuits and by causing its officers to execute pleadings and other related documents. Any action contemplated by this Section 14.6 shall be controlled by Licensor and Licensor shall not be required to take any action if it deems it inadvisable to do so and Licensee may not take any action with respect to the Licensed Mark without Licensor's prior approval. The costs, fees and expenses (including investigatory expenses and legal expenses such as attorneys' fees, court costs and filing fees) incurred in connection with any action relating to Products in any Country taken under this Section 14.6 shall be borne by Licensor; provided, however, if Licensor declines to take any action and permits Licensee to take an action, Licensee shall be responsible for all costs, fees and expense incurred in connection with such action (but shall be entitled to recover all proceeds obtained in connection with such action).

15. Intellectual Property Rights

15.1 Any IP Right shall be, as between Licensor, on the one hand, and Licensee, on the other hand, the exclusive property of Licensor. If any of such Articles or Packaging Materials or Marketing Materials are not designed and/or created by Licensor, they shall be deemed "works made for hire" for Licensor within the meaning of the U.S. Copyright Law and/or other applicable comparable laws or, if they do not so qualify, all ownership rights thereto, including any IP Rights therein, shall be deemed assigned to Licensor. Licensee shall cooperate with Licensor in the preparation, filing and prosecution of applications in the name of Licensor to record any claims to IP Rights in any Article, Packaging Material or Marketing Material. Licensee Group shall not do anything or suffer anything to be done that may affect adversely any of Licensor's rights in Articles or in any Packaging Materials or Marketing Materials, including filing any application in its name to record any claims to IP Rights in any Articles or in any Packaging Materials or Marketing Materials, and shall do all things reasonably required by Licensor to preserve and protect those rights. Notwithstanding anything to the contrary herein, Licensor acknowledges that Licensee already has in existence certain trademarks, trade names, patents, trade secrets and other intellectual property rights. Further, Licensee may create new intellectual property for use with other subject matter separate from Articles. To the extent that such rights of Licensee are separable from and do not include the IP Rights, such intellectual

property rights of Licensee shall remain vested in Licensee. As between the parties hereto, neither Licensor nor Licensee shall own, or have the exclusive right to use, any aspects of marks, logos, drawings, designs, artwork, patterns or concepts which are in the public domain or are otherwise generic or non-protectable.

16. Confidentiality and Non-Solicitation

16.1 All Confidential Information applicable to the Licensor Group is the valuable property of Licensor Group. During the Term and thereafter, Licensee Group shall not use or disclose any of the Confidential Information applicable to the Licensor Group, except for such use by or on behalf of Licensee that is permitted under this Agreement. Licensee shall take all necessary steps to ensure that any use by it and those acting on its behalf, including the members of the Licensee Group, Contractors and its suppliers, shall preserve the confidentiality and secrecy of the Confidential Information of Licensor Group. Licensee shall indemnify Licensor Group against any damage that may be suffered by any of them as a result of any breach by any of the members of the Licensee Group, any of the Contractors or any of Licensee's suppliers of the provisions of this Section 16.1.

16.2 All Confidential Information applicable to the Licensee Group is the valuable property of Licensee Group. During the Term and thereafter, Licensor Group shall not use or disclose any of the Confidential Information, except for such use by or on behalf of Licensor that is permitted under this Agreement. Licensor shall take all necessary steps to ensure that any use by it and those acting on its behalf, including the members of the Licensor Group, contractors and its suppliers, shall preserve the confidentiality and secrecy of the Confidential Information of the Licensee Group. Licensor shall indemnify Licensee Group against any damage that may be suffered by any of them as a result of any breach by any of the members of the Licensor Group, any of the contractors or any of Licensor's suppliers of the provisions of this Section 16.2.

17. Indemnification; Insurance

17.1 Licensor shall hold the Licensee Group, and their respective successors and assigns, harmless from and shall indemnify each of them against any losses, liabilities, damages and expenses (including interest, penalties and reasonable attorneys' fees and expenses) that any of them may incur or become obligated or liable to pay in any action, claim or proceeding against any of them (other than an action, claim or proceeding brought by any Contractor, any of Licensee's suppliers or any others acting on Licensee's behalf in connection herewith or any of their respective affiliates, agents or employees) by reason of the fact that the use of the Licensed Mark in accordance with the terms of this Agreement infringes upon the trademark or other intellectual property rights of a third party (other than with respect to any infringement claim with respect to the Licensed Mark in the Republic of Korea). Licensee shall give Licensor prompt notice of any such action, claim or proceeding and Licensor, in its sole discretion, then may take such action as it deems advisable to defend the action, claim or proceeding on behalf of the indemnitee. If appropriate action is not taken by Licensor timely after its receipt of notice from Licensee, the indemnitee may defend the action, claim or proceeding, but with only one counsel reasonably acceptable to Licensor and at standard rates, and no compromise or settlement may be made without the approval of Licensor, which shall not be withheld unreasonably. In either case, the indemnitee and Licensor shall keep each other fully advised of all developments and shall cooperate fully with each other in connection with the defense thereof. Also, no compromise or settlement of any such action, claim or proceeding may be

made unless full releases as to the subject matter are obtained for Licensor Group and for the indemnitee. The indemnification shall apply solely to (a) the amount of the judgment, if any, against the indemnitee, (b) any sums paid by the indemnitee in settlement, and (c) the expenses incurred by the indemnitee in connection with its defense.

17.2 Licensee shall hold Licensor Group and their respective successors and assigns harmless from and shall indemnify each of them against any losses, liabilities, damages and expenses (including interest, penalties and reasonable attorneys' fees and expenses) that any of them may incur or become obligated to pay, or for which any of them may become liable to pay in any action, claim or proceeding against any of them, by reason of any representation or warranty on the part of Licensee in this Agreement being untrue in any material respect or by reason of any acts, whether of omission or commission, by the Licensee Group, any Contractor, any of Licensee's suppliers or any of their respective affiliates, agents or employees arising out of or related to this Agreement or any Contractor agreement or by reason of any brokerage commissions or finders' fees in connection with this Agreement or the transactions contemplated by this Agreement insofar as such arrangements or agreements were made by it or on its behalf. Licensee's indemnification obligation also shall apply to any action, claim or proceeding against any of the indemnitees brought by or on behalf of any member of the Licensee Group, any of Licensee's customers, any Contractor or any of Licensee's suppliers arising out of or relating to this Agreement or the performance of Licensee hereunder or their relationships or dealings with Licensee, the termination thereof or otherwise, including any action, claim or proceeding against any of the indemnitees for the payment of a goodwill indemnity or other termination payment.

17.3 Licensee shall, at its own expense, procure and maintain in full force and effect for so long as Articles are sold, with an insurance carrier with a rating of "A" or above established by Best's Rating Guide, a public liability insurance policy including products liability coverage with respect to Articles, as well as inventory insurance and civil and advertising insurance and contractual liability coverage with respect to this Agreement, with a limit of liability of not less than US\$4,000,000 in the aggregate (\$2,000,000 single limit per occurrence). The insurance policy shall be written for the benefit of Licensee, Licensor and the various other indemnitees described in Section 17.2, shall be designated expressly as primary insurance. During the Term of this Agreement, Licensee may not engage in the manufacture, sale or promotion of any Product unless the required insurance coverage is in full force and effect.

18. Defaults; Termination

18.1 (a) If Licensee fails to pay to Licensor any undisputed sum owing to Licensor hereunder or in connection herewith in full when due, (i) Licensee shall pay interest on any unpaid balance from and including the date the payment becomes due until the date of payment at a rate equal to the prime rate prevailing in New York City at JPMorgan Chase during the period of delinquency plus five percentage points (except as provided in Section 13) or the maximum rate of interest that can legally be charged to Licensee in New York, if lower, and (ii) if the default continues uncured for five business days or more after written notice to Licensee, Licensor may terminate this Agreement immediately by and upon notice to Licensee. Licensee shall reimburse Licensor for any fees, costs and expenses incurred by Licensor in seeking to collect any sums due to it, including attorneys' fees and expenses and collection agency fees and expenses.

(b) Licensor may terminate this Agreement immediately by and upon notice to Licensee if:

(i) Licensee discontinues the marketing and sale of Articles in reasonable commercial quantities in a material portion of the Territory for a period of 60 days or more;

(ii) Net Sales for the Annual Period are less than the Minimum Sales Requirement; or

(iii) Licensee defaults on any obligation that is secured by a security interest in any Articles and the secured party enforces its rights against the Articles.

(c) If Licensee fails to perform any of the material terms, conditions, agreements or covenants in this Agreement on its part to be performed and if (i) the default is not curable, (ii) the default is curable but continues uncured for a period of 30 days or more after written notice specifying the breach or failure with particularity has been given to Licensee, or (iii) the default is curable, but not within 30 days, and all reasonable steps necessary to cure the default have not been taken by the Licensee within the 30-day period or the Licensee is not diligently taking all steps necessary to cure the default as promptly as practicable or, in any event, the default continues to remain uncured for at least 90 days after such notice, then, in any such case, the Licensor, at its election, may terminate this Agreement immediately by and upon notice to the Licensee; provided, however, that in the event such breach or failure is not curable, then Licensor shall not have the right to terminate this Agreement unless and until Licensee breaches the same material provision two more times during the Annual Period.

(d) If this Agreement terminates pursuant to Section 18.1(b)(ii), Licensee may complete, in the ordinary course and in accordance with and subject to all of the provisions of this Agreement, the development, production and sale of the seasonal collection of Articles currently in process and next to be shipped on the date the notice of termination is given, but only such seasonal collection, even if collections for subsequent seasons also already are in process.

(e) If Licensee defaults on any obligation that is secured by a security interest in any Articles, automatically and simultaneously therewith Licensee no longer may sell or otherwise transfer Articles or otherwise use the Licensed Mark unless and until such default is cured.

18.2 (a) If Licensee files a petition in bankruptcy, is adjudicated a bankrupt or files a petition or otherwise seeks relief under or pursuant to any bankruptcy, insolvency or reorganization statute or proceeding, or if a petition in bankruptcy is filed against it and is not dismissed within 60 days or it dissolves or takes steps to dissolve or it becomes insolvent or makes an assignment for the benefit of its creditors or a custodian, receiver or trustee is appointed for it or a substantial portion of its business or assets, this Agreement shall terminate automatically and immediately.

(b) If this Agreement terminates under Section 18.2(a), no assignee for the benefit of creditors, custodian, receiver, trustee in bankruptcy, sheriff or any other officer of the court or official charged with responsibility for taking custody of Licensee's assets or business may continue this Agreement or exploit or use the Licensed Mark.

(c) Notwithstanding the provisions of Sections 18.2(a) and (b), if, pursuant to the Bankruptcy Code or any amendment, supplement or successor thereto, a trustee in bankruptcy of Licensee, or Licensee, as debtor, is permitted to assume this Agreement and does so and, thereafter, desires to assign this Agreement to a third party, the trustee or Licensee, as the case may be (“**Debtor**”), shall notify Licensor. The notice shall set forth the name and address of the proposed assignee, the proposed consideration for the assignment and all other relevant details thereof. The giving of this notice shall constitute the grant to Licensor of an option to have this Agreement assigned to it or to its designee for the consideration, or its equivalent in money, and upon the terms specified in the notice. This option may be exercised only by notice given by Licensor to Debtor by the 30th day after Licensor’s receipt of the notice from Debtor, unless a shorter period is deemed appropriate by the court in the bankruptcy proceeding. If Licensor does not exercise its option in a timely manner, Debtor may complete the assignment, but only if the assignment is to the entity named in the notice and for the consideration and upon the terms specified therein. Nothing herein is intended to impair any rights that Licensor may have as a creditor in the bankruptcy proceeding.

(d) Licensor will have the right to terminate this Agreement with respect to the a specific Category if 85% of the Minimum Sales Requirement set forth in Schedule E with respect to sales of Products of a specific Category and/or a specific Category under a specific Licensed Mark is not met for the Annual Period. After any such termination, the Agreement shall remain in full force and effect with respect to the other Licensed Marks and/or Categories.

18.3 Licensee may terminate this Agreement immediately by and upon notice to Licensor if:

(a) Licensor loses any of its rights in or to the Licensed Marks during the Term;

(b) A third party challenges the validity of this Agreement; or

(c) Licensor fails to perform any of the material terms, conditions, agreements or covenants in this Agreement on its part to be performed and if (i) the default is not curable, (ii) the default is curable but continues uncured for a period of 30 days or more after written notice specifying the breach or failure with particularity has been given to Licensee, or (iii) the default is curable, but not within 30 days, and all reasonable steps necessary to cure the default have not been taken by the Licensee within the 30-day period or the Licensee is not diligently taking all steps necessary to cure the default as promptly as practicable or, in any event, the default continues to remain uncured for at least 90 days after such notice.

19. Rights and Obligations on Termination

19.1 (a) Within 10 business days after Termination and, if applicable, no later than 60 days prior to the expiration date hereof, Licensee shall deliver to Licensor a complete and accurate schedule, by Country and by Article, of Licensee’s Inventory, which schedule(s) shall

describe the Articles Inventory by style numbers with descriptions and set forth the colors, sizes and quantity of each style of Articles. Such Inventory schedule shall be prepared as of the close of business on the date of Termination and shall reflect Licensee's cost of each item of Inventory, including Licensee's cost/purchase price of any items not yet delivered to Licensee. (Licensee's "cost", including the cost of Articles that were shown as work-in-process on such Inventory schedule and are completed as provided in Section 19.1(c), shall be Licensee's actual cost as shown in its financial records, calculated in the way it then calculates cost of inventory and in accordance with generally accepted accounting principles for financial reporting purposes.)

(b) Licensor may, by notice delivered to Licensee within 30 days after its receipt of the complete Inventory schedule described in Section 19.1(a), purchase all or any of the Inventory for an amount equal to (i) the price at which Products are offered to Licensor pursuant to Section 7.3(b) of this Agreement with respect to current season Products and (ii) the landed duty paid cost of such Product to Licensee with respect to all non-current season Products. All Inventory not in first quality condition shall be transferred to Licensor without charge or promptly destroyed, with proof of destruction provided to Licensor. Also, if Licensee is not entitled to the "Sell-Off Period" (as defined in Section 19.2(a)) and Licensor does not elect to purchase all Inventory that is in first quality condition, such Inventory shall be destroyed promptly after Licensee's receipt of notice from Licensor that it has elected not to purchase all of such Inventory; and Licensee shall provide Licensor with proof of destruction.

(c) If the purchase option is exercised by Licensor (whether in whole or in part), Licensee shall cause the Inventory to be delivered to Licensor or its designee as soon as is practicable after receipt of Licensor's notice exercising its option. Licensor shall pay Licensee for the Inventory purchased within 60 days after receipt thereof.

19.2 (a) If this Agreement expires or is terminated other than by Licensor pursuant to Sections 13.2 or 18.1 and subject to Licensee's full and timely compliance with its obligations under Sections 19.1 and 19.3, Licensee and any of its affiliates to which Licensee may sell or otherwise transfer Articles shall be entitled, for the Sell-Off Period, on an entirely non-exclusive basis, to sell the Inventory in the ordinary course, in accordance with this Agreement, but none of them may advertise or promote the sale of Articles during the Sell-Off Period. Licensor shall have a right of first refusal with respect to any proposed sale on the terms agreed to by the third party. This right shall be exercisable only within five business days after Licensor is notified of the terms of the proposed third party sale. The accounting and payment of Sales Royalty shall be due within 30 days after the close of the Sell-Off Period. No Campaign Contribution shall be payable with respect to sales of Articles during the Sell-Off Period. No payments of Minimum Royalty made during the Annual Period shall be credited against any Sales Royalty payable by reason of sales of Articles during the Sell-Off Period. If Licensor notifies Licensee of its desire to purchase any Inventory, the notice shall apply only to that portion of the Inventory remaining when Licensee receives the notice. If any Inventory remains at the close of the Sell-Off Period, such Inventory shall be transferred to Licensor without charge or destroyed promptly after the close of the Sell-Off Period; and Licensee shall provide Licensor with proof of destruction.

(b) Licensee's loss of its sell-off rights under Section 19.2(a) by reason of its failure to comply fully and timely with its obligations under Sections 19.1 and 19.3 shall not reduce or limit in any way its obligations under said paragraphs.

19.3 (a) Within 10 days after termination of this Agreement (except in the event of termination pursuant to Section 18.3), Licensee shall pay to Licensor (i) all unpaid Sales Royalties on sales theretofore made (whether or not due and payable on the date of Termination) then due and payable, (ii) all Minimum Campaign Contribution and Additional Campaign Contributions then due and payable and unpaid, and (iii) if Termination occurs pursuant to Section 18 hereof a result of a default by Licensee or if Licensee wrongfully terminates this Agreement, an amount equal to the unpaid balance of the Additional Campaign Contribution payable for the Annual Period.

(b) Within 10 days after termination of this Agreement, Licensee shall deliver to Licensor, free of charge, all Materials, including all sample Articles, technical manufacturing specifications for Articles, pattern disks, computer disks with patterns and markers relating to Articles and all materials with the Licensed Mark, the name "BCBG" or any variation or abbreviation thereof thereon. Except as necessary to exercise its rights, if any, under Section 19.2(a), after Termination Licensee shall not use, provide to others or authorize others to use any of these materials or any variations thereof in connection with any products nor shall Licensee hold itself out as being associated with Licensor Group or, in its business activities, promote or otherwise indicate its prior association with any of them.

19.4 (a) Notwithstanding termination of this Agreement, Licensor shall have, and Licensor hereby reserves, for itself, all rights and remedies that it has, or that are granted to it by operation of law, (i) to enjoin the unlawful or unauthorized use of the Licensed Mark or sale of Articles by Licensee or any breach by Licensee of any of its obligations hereunder, including its confidentiality and non-competition obligations under Section 16 and its obligations under Section 19.3 ("**Injunctive Relief**"), (ii) to collect royalties and any other sums payable by Licensee, including any Sales Royalty or Additional Campaign Contributions owed, if any, and seek determination of Net Sales as it relates to the same, in order to determine Sales Royalty and Additional Campaign Contribution, and (iii) to recover damages for breach of this Agreement, including for breach of Licensee's obligations under Sections 19.1 and 19.3 (whether or not notice of the breach was given during the Term).

(b) Injunctive Relief may be sought in the courts, and, if applicable, also may be sought prior to or in lieu of termination. Also, in seeking Injunctive Relief, Licensor need not secure a bond or other security or prove any actual damages. In addition, in any proceeding for an injunction, and upon any motion for a temporary or permanent injunction, Licensee's ability to answer in damages shall not be a bar or interposed as a defense to the granting of such injunction. Licensor's right and remedy to seek Injunctive Relief is in addition to, and not in lieu of, any other rights and remedies available to it under law or in equity. In that regard, Licensor may bring actions for damages in the courts in which it is seeking Injunctive Relief where such damages arise from or relate to the conduct that is the subject of the action for Injunctive Relief.

(c) Nothing in this Section 19.4 is intended to prevent Licensor from commencing an action to recover damages and/or from obtaining other relief prior to or in lieu of termination.

20. Representations and Warranties

20.1 Licensor represents and warrants that (a) it is, and shall remain at all times during the Term of this Agreement, a limited liability company duly organized, validly existing and in

good standing under the laws of Delaware; and (b) it has full right, power and authority to enter into this Agreement and to perform its obligations hereunder.

20.2 Licensee represents and warrants that (a) it is, and shall remain at all times during the Term of this Agreement, a corporation duly organized, validly existing and in good standing under the laws of Delaware; (b) it has full right, power and authority to enter into this agreement and to perform its obligations hereunder; (c) any designs submitted by Licensee to Licensor for approval do not infringe the rights of any other person or entity; (d) it has had the opportunity to provide a copy hereof to legal counsel of its own choosing prior to the execution hereof, has consulted with such legal counsel with respect hereto and the transactions contemplated hereby and has received from such legal counsel an explanation that it deems satisfactory as to the nature and scope of the terms and conditions hereof and Licensee's rights and obligations hereunder; and (e) to the best of its knowledge after consultation with counsel, neither the covenants contained herein nor Licensee's entering into this Agreement conflicts with any laws of any Country or with any contractual obligations by which Licensee is bound; and that all of the terms hereof are legal, valid and enforceable throughout the United States.

20.3 Except as expressly provided herein, Licensor makes no representation or warranty, either express or implied, as to any matter whatsoever, including, without limitation, the design, merchantability, durability, suitability of any product or the fitness of any product or other item for a particular purpose.

21. Travel Expenses

21.1 Upon Licensor's submission of an invoice with appropriate support, Licensee shall reimburse Licensor for the pre-approved travel expenses (i.e., pre-approved airfare and lodgings, meals and local transportation) incurred in travel undertaken at Licensee's request, for purposes of performing services for Licensee or in connection with meetings with Licensee.

21.2 Upon two (2) weeks prior written notice to Licensee, but not more frequently than twice in the Annual Period, Licensor may require Licensee to meet with Licensor in the Los Angeles office of Licensor concerning any matter which is a subject of this Agreement. Licensee shall pay all of its own costs and expenses relating to its attendance at such meetings. Satisfaction by Licensee of this provision shall constitute satisfaction of any similar provision in any other manufacturing agreement between the parties (i.e., the trip requirements shall not be duplicative, and there shall be a total of two trips in the Annual Period).

22. Governing Law; Venue

22.1 This Agreement shall be construed, interpreted and enforced in accordance with the laws of the State of New York applicable to agreements wholly made and to be performed in such state, excluding its conflicts of law rules, except that Court Actions, as they relate to the Licensed Mark, shall be controlled by the Federal laws of the Country where brought. In the event either party brings legal action to enforce its rights under this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party all reasonable costs incurred including staff time, court costs, reasonable attorneys' fees, and all other related expenses incurred in such litigation

22.2 All disputes, controversies and claims arising out of or relating to this Agreement and all Court Actions shall be brought in any Federal or state court located in New York City

having jurisdiction, except that Licensor also may seek Injunctive Relief in any jurisdiction where appropriate by reason of its subject matter. Each of Licensor and Licensee irrevocably submits to the jurisdiction of the Federal and state courts located in New York City and the courts located in such other jurisdictions in Court Actions and waives any claim or defense of inconvenient forum or lack of personal jurisdiction in such forum under any applicable law or decision or otherwise.

23. Force Majeure

23.1 The parties shall not be liable to each other for any failure or delay in performance if it is caused by a natural calamity, such as an earthquake, flood, fire or other act of God. However, either party may terminate this Agreement by and upon notice to the other if the other is unable to perform any of its material obligations for a period of 120 days or more by reason of the event.

24. Miscellaneous

24.1 Except for day-to-day correspondence, submissions and other operational notifications in the ordinary course of business (which may be done by electronic mail), all notices that are required or permitted hereunder shall be in writing and shall be sufficient if personally delivered, or sent by registered or certified mail or Federal Express or other nationally recognized overnight delivery service. Any notices shall be deemed given upon the earlier of the date when received at, or the third day after the date when sent by registered or certified mail or the day after the date when sent by overnight delivery service to, the address set forth below, unless such address is changed by notice to the other party hereto:

if to Licensor:

BCBG Max Azria Group, LLC
2761 Fruitland Avenue
Vernon, CA 90058
Attention: Licensing Department
Telephone: 323-277-5375
Licensing@bcbg.com

With a copy to:

BCBG Max Azria Group, LLC
2761 Fruitland Avenue
Vernon, CA 90058
Attention: Legal Department
Telephone: 323-277-6546
Legaldept@bcbg.com

And

Hand Baldachin & Amburgey LLP
8 West 40th Street, 12th Floor
New York, NY 10018
Attention: Douglas A. Hand, Esq.

If to Licensee:

GBG USA Inc.
350 Fifth Avenue, 6th Floor
New York, New York 10118
Attention: Robert Smits
Telephone: 646-839-7456
Robertsmits@globalbrandsgroup.com

Licensor or Licensee may by notice to the other party designate additional or different addresses as shall be furnished in writing by such party.

24.2 This Agreement, including all schedules and exhibits attached hereto, contains the entire understanding and agreement between the parties with respect to its subject matter, supersedes all prior oral or written understandings and agreements relating thereto and may not be modified, discharged or terminated, nor may any of the provisions hereof be waived, orally.

24.3 Nothing herein is intended to constitute the parties hereto as partners or as joint venturers, or either as agent of the other, and Licensee may not obligate or bind Licensor. Licensee shall identify itself on all Materials as reasonably required by Licensor as an independent licensee of Licensor.

24.4 No waiver by either party, whether express or implied, of any provision of this Agreement, or of any breach or default thereof, shall constitute a continuing waiver of such provision or of any other provision. Acceptance of payments by Licensor shall not constitute a waiver by Licensor of any breach of or default under this Agreement by Licensee. If any acts or omissions by Licensee or Licensor not in conformity with any requirement of this Agreement are not objected to by the other, the failure to object shall not be a waiver by the other of the requirement and it may insist upon due performance at any time.

24.5 If any provision or any portion of any provision of this Agreement is held to be void or unenforceable, the remaining provisions and the remaining portion of any provision held void or unenforceable in part shall continue in full force and effect.

24.6 Neither this Agreement nor the license or other rights granted to Licensee may be assigned, sublicensed or transferred by Licensee without the prior written consent of Licensor, which consent may not be unreasonably withheld, and any attempted assignment, sublicense or transfer, whether voluntary or by operation of law, directly or indirectly, shall be void and of no force or effect. The direct or indirect transfer or issuance of ownership interests in Licensee or the direct or indirect transfer (including by entering into a stockholders, operating or other agreement or by granting a proxy) of the voting rights of ownership interests or the issuance by Licensee of any other voting securities or the entering into by Licensee of a management or other agreement shall constitute an impermissible transfer, requiring the prior written consent of Licensor, if it limits or reduces the rights or ability of the current owners of Licensee to control the business and affairs of Licensee. Notwithstanding the foregoing, Licensee may assign all its rights and obligations hereunder to an affiliate of Licensee (i.e. an entity controlled by Licensee, controlling Licensee or under common control with Licensee), provided that such assignee possesses all of the resources necessary to fully perform under this Agreement and that such

assignee agrees in writing to be bound by the obligations set forth herein. Any such assignment to an affiliate shall require prior written notice to Licensor but shall not require Licensor's prior written consent. This Agreement shall inure to the benefit of and shall be binding upon the parties, Licensor's successors and assigns and Licensee's permitted successors and assigns. Licensor may freely assign all of its rights, duties and obligations under this Agreement. Any assignee of Licensor's rights, duties and obligations hereunder shall affirm in writing to Licensee that it will assume all of such rights, duties and obligations.

24.7 At any time after the date hereof each of the parties shall, at the request and cost of another party, execute or procure the execution of such documents and do or procure the doing of such acts and things as the party so requiring may reasonably require for the purpose of giving to the party so requiring the full benefit of all the provisions of this Agreement.

24.8 After the expiration or termination of this Agreement, except with regard to Sections 13, 14.3, 15.1, 16.1, 17, 19.3 and this Section 24.8 which shall survive the termination of this Agreement, and Section 16.2, which shall survive the termination of this Agreement for a period of six months, this Agreement shall be of no further force and effect and the parties shall have no further obligations hereunder.

24.9 This Agreement may be executed in counterparts, and each of such counterparts when taken together shall constitute a single agreement.

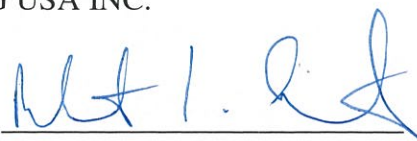
[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have duly executed this License Agreement
the day and year first above written.

BCBG MAX AZRIA GROUP, LLC

BY: _____

GBG USA INC.

BY:  _____

Robert K. Smits
EVP - Secretary

SCHEDULE A

TRADEMARKS

BCBGMAXAZRIA (Footwear, Belts and Sock/Legwear; Jewelry for retail stores owned or operated by Licensor or the Licensor Group)

BCBG*

BCBGeneration (Footwear, Belts and Sock/Legwear, Home Products and Jewelry)

BCBG Paris (Footwear)

**The grant of the trademark "BCBG" is only contingent upon a decision by Licensor in its sole discretion to change the brand "BCBGMAXAZRIA" to "BCBG" in which case the grant of the license in the trademark "BCBG" would replace the license for the trademark "BCBGMAXAZRIA." For the avoidance of doubt, Licensee is not granted the right to sell Products simultaneously under both the "BCBGMAXAZRIA" and the "BCBG" trademarks.*

Licensor represents that it has provided Licensee with an accurate copy of Licensor's most recent portfolio of Licensed Marks in the Territory (including the application/registration number, filing/registration date and classes of each of the Licensed Marks) as of the date of execution of this Agreement. Licensor shall provide an updated version of such portfolio upon Licensee's request therefor.

SCHEDULE B

THE TERRITORY

Worldwide except for the Republic of Korea

SCHEDULE C

PRODUCTS

Footwear

Belts and socks/legwear (BCBGMAXAZRIA and BCBGeneration only)

Home products (BCBGeneration only)

JEWELRY (BCBGENERATION AND, FOR RETAIL STORES OWNED OR OPERATED BY
LICENSOR OR THE LICENSOR GROUP, BCBGMAXAZRIA)

HOME PRODUCTS INCLUDE:

BED LINENS FOR ADULTS AND CHILDREN; SHEETS, PILLOWCASES, QUILTS,
BLANKETS/TROWS, COVERLETS, COMFORTERS, DUVETS, SHAMS (STANDARD
AND EUROPEAN), DECORATIVE PILLOWS, BED SKIRTS;

Bath: Bath towels, bath/rug mats, bath accessories, shower curtains, robes (made of terry cloth)

Beach towels

Window, table linen, soft décor

Pet products

Utility (namely synthetic and natural fill pillows, pillow protectors, down comforters, down
alternative comforters, feather beds, fiber beds, bolsters, mattress pads and mattress protectors)

Outdoor entertaining: melamine and acrylic dinnerware/drinkware/serveware

HARD TABLETOP AND DÉCOR, RUGS, LIGHTING AND FURNITURE

SOCKS/LEGWEAR PRODUCTS INCLUDE: WOMEN'S AND GIRL'S HOSIERY, SOCKS
AND LEGWEAR IN ALL SIZE RANGES.

JEWELRY PRODUCTS INCLUDE: WOMEN'S AND GIRL'S JEWELRY, INCLUDING,
BUT NOT LIMITED TO, RINGS, EARRINGS, BRACELETS, NECKLACES, CHARMS
AND RELATED ACCESSORIES INCLUDING CASES, BROOCHES, AND FASHION HAIR
ACCESSORIES.

SCHEDULE D

APPROVED RETAIL CUSTOMERS FOR ARTICLES, E-COMMERCE AND CLOSEOUT
ARTICLES

BCBGMAXAZRIA

Majors

Barneys
Belk
Bloomingdales
David's Bridal
Destination Maternity
Dillard's
Lord & Taylor
Macys
Neiman Marcus
Nordstrom
Saks 5th Avenue
Bealls
Boscov's
Holt Refrew
Simons
Winners (Canadian)
Military Accounts

E-Commerce

Amazon.com
Belk.com
Bloomingdales.com
Davidsbridal.com
DestinationMaterinity.com
Dillard's.com
Lord&Taylor.com
Macys.com
NeimanMarcus.com
Nordstrom.com
Revolve.com
Saks.com
ShopBop.com

Off Price Brick & Mortar

Annie Sez/ Mandeeshops
Bloomingdales Outlet
Burlington
Century 21
DSW
Fox's
Macy's Backstage
Marshalls
Neiman Marcus Last Call
Nordstrom Rack
Beall's Outlet
Winners
Homesense
TKK, Off Broadway
Famous Footwear, Rack Room
Shoe Show, Shoe Carnival
Ross
Saks Off 5th
SteinMart
TJMaxx

Off Price Brick & Mortar Websites

C21stores.com (Century 21)
NeimanMarcusLastCall.com
NordstromRack.com
SaksOff5th.com

Off Price Websites

Gilt.com
HauteLook.com
Outnet.com
RueLaLa.com

FOR AVOIDANCE OF DOUBT AND TO THE EXTENT NOT OTHERWISE SPECIFIED
HEREIN, THE RETAILERS LISTED ABOVE ARE APPROVED AS CUSTOMERS FOR
ARTICLES BOTH FOR THEIR "BRICK AND MORTAR" AND INTERNET SALES.

BCBGeneration

Majors

AAFES
Belk
Bloomingdales
Bon Ton
David's Bridal
Destination Maternity
Dillard's
Lord & Taylor
Macys
Navy Exchange
Neiman Marcus
Nordstrom
Saks 5th Avenue
Stage
VonMaur
Bealls
Boscov's
Holt Refrew
Simons
Winners (Canadian)
Military Accounts

E-Commerce

Amazon.com
Belk.com
Bloomingdales.com
BonTon.com
Davidsbridal.com
DestinationMaterinity.com
Dillard's.com
Lord&Taylor.com
Macys.com
NeimanMarcus.com
Nordstrom.com
Revolve.com
Saks.com
ShopBop.com
Zappos.com

Off Price Brick & Mortar

Annie Sez/ Mandee Shops
Bealls
Bloomingdales Outlet
Burlington
Century 21
DSW
Fox's
Gordman's
Macy's Backstage
Marshalls
Neiman Marcus Last Call
Nordstrom Rack
Ross
Saks Off 5th
Steinmart
Winners
Homesense
TKK, Off Broadway
Famous Footwear, Rack Room
Shoe Show, Shoe Carnival
Bealls Outlet
TJMaxx

Off Price Brick & Mortar Websites

C21stores.com (Century 21)
NeimanMarcusLastCall.com
NordstromRack.com
SaksOff5th.com

Off Price Websites

6PM.com (Zappos)
Gilt.com
HauteLook.com
Outnet.com
Overstock.com
RueLaLa.com

Wholesale Clubs

Costco (U.S. & International)
Sam's Club

FOR AVOIDANCE OF DOUBT AND TO THE EXTENT NOT OTHERWISE SPECIFIED
HEREIN, THE RETAILERS LISTED ABOVE ARE APPROVED AS CUSTOMERS FOR
ARTICLES BOTH FOR THEIR "BRICK AND MORTAR" AND INTERNET SALES.

BCBG PARIS

Off Price Brick & Mortar

Bealls Outlet
BJ
Boscov's
Burlington Coat Factory
Century 21
Costco
DSW
Fox's
Macy's Backstage
Marshalls
Name Brands
Nordstrom Rack
Saks Off 5th
Ross
Sam's Club
Stein Mart
TJMaxx

Winners
Homesense
TKK
Off Broadway
Famous Footwear
Rack Room
Shoe Show
Shoe Carnival
Military Accounts

E-Commerce

Amazon.com
Ebay
HSN

Off Price Websites

Gilt.com
Groupon
Hautebook.com
SassySteals

FOR AVOIDANCE OF DOUBT AND TO THE EXTENT NOT OTHERWISE SPECIFIED
HEREIN, THE RETAILERS LISTED ABOVE ARE APPROVED AS CUSTOMERS FOR
ARTICLES BOTH FOR THEIR "BRICK AND MORTAR" AND INTERNET SALES.

SCHEDULE E

GUARANTEED MINIMUM ROYALTY

ANNUAL PERIOD	MINIMUM ROYALTY
Effective date - Feb. 3, 2018	\$2,000,000
Total	\$2,000,000

GUARANTEED MINIMUM SALES REQUIREMENT

ANNUAL PERIOD	MINIMUM NET SALES BCBGMAXAZARIA	MINIMUM NET SALES BCBGeneration	MINIMUM NET SALES BCBG Paris	TOTAL MINIMUM NET SALES
Effective date- Feb. 3, 2018	\$3,552,500	\$45,762,500	\$14,962,500	\$64,277,500
Total	\$3,552,500	\$45,762,500	\$14,962,500	\$64,277,500

MINIMUM CAMPAIGN CONTRIBUTION

PERIOD	MINIMUM CAMPAIGN CONTRIBUTION
1 st Quarter	\$30,975
2 nd Quarter	\$30,975
3 rd Quarter	\$30,975
4 th Quarter	\$30,975
Total	\$123,900

SCHEDULE F

MANUFACTURERS AGREEMENT

MANUFACTURERS AGREEMENT

LICENSOR: BCBG MAX AZRIA GROUP, LLC

LICENSEE: GBG USA INC.

TRADEMARKS: _____

PRODUCTS: _____

DATE OF MANUFACTURERS
AGREEMENT: _____

UNDERLYING LICENSE
AGREEMENT DATE: _____

EXPIRATION DATE OF
UNDERLYING LICENSE AGREEMENT
(unless sooner terminated or extended): _____

NAME, ADDRESS, TELEPHONE
NUMBER AND PRIMARY CONTACT
OF MANUFACTURER:
(the "Manufacturer")

LICENSED TERRITORY: _____

Manufacturer understands and agrees that the underlying License Agreement permits Licensee to have manufactured on its behalf Products utilizing the Licensed Marks and designs of Licensor Group (hereinafter collectively the "Licensed Products"). In order to induce Licensor to consent to the manufacture of the Licensed Products by Manufacturer on behalf of Licensee, Manufacturer agrees that:

(1) It will not manufacture the Licensed Products for anyone but Licensee without the prior express written consent of Licensor, which may be withheld for any reason whatsoever or for no reason;

(2) It will manufacture only such Licensed Products and only such quantities of such Licensed Products as are ordered by Licensee from time to time and will sell any and all of such Licensed Products only to Licensee. If for any reason the quantity of manufactured Licensed Products is in excess of the quantity ordered by Licensee, at Licensee's option, Manufacturer shall deliver the excess to Licensee without cost;

(3) It will cease manufacturing the Licensed Products upon expiration or termination of the underlying License Agreement or this Agreement and thereafter Manufacturer shall promptly deliver to Licensee all remaining Licensed Products and components thereof including without limitation fabric, trim, tags, labels, patterns, artwork and molds;

(4) It will not authorize any other party to manufacture the Licensed Products, or any components thereof bearing the Licensed Marks or other trademarks owned by Licensor or embodying Licensor's designs, without the prior express written consent of Licensor, which may be withheld for any reason whatsoever or for no reason;

(5) It will permit representatives of Licensor at all reasonable hours upon not less than 72 hours' notice (by email or otherwise), to inspect the operations and facilities involved in the manufacture of the Licensed Products, to consult with Manufacturer's personnel, and to inspect and copy the books and records relating to the production and shipment of the Licensed Products. All such books and records shall be meticulously kept and shall be maintained for at least 2 years at the premises of Manufacturer;

(6) It acknowledges that the worldwide right, title and interest to the Licensed Marks and Licensor's designs of the Products are owned by Licensor. It shall not do anything to impair Licensor's right, title and interest to such properties. All goodwill associated with the manufacture and sale of the Licensed Products shall inure to the benefit of Licensor;

(7) It will not offer for sale, sell, give away, distribute or use for any purpose whatsoever any Licensed Products or components thereof including without limitation fabric, trim, labels and tags, which are damaged, defective, are seconds, or otherwise fail to meet the specifications and/or quality standards and/or trademark usage and notice requirements of the underlying License Agreement (hereinafter collectively, "Unsalable Licensed Products and Components"). All Unsalable Licensed Products and Components shall be delivered to Licensee without cost promptly after discovery thereof;

(8) It will not use the Licensed Marks or Licensed Products in any advertisements or promotional materials without the prior express written consent of Licensor, which may be withheld for any reason whatsoever or for no reason;

(9) It will not use Licensed Marks or Licensor's designs of the Products for any purpose except to manufacture the Licensed Products for Licensee pursuant to the underlying License Agreement.

(10) It will look solely to Licensee for payment for Licensed Products ordered by Licensee and it shall not hold Licensor responsible for any such payment.

(11) If Licensor discovers that Manufacturer has transferred to any entity other than Licensee or Licensor any of the Licensed Products, components thereof including without limitation fabric, trim, tags, labels, patterns, artwork and molds, or any of the Unsalable Licensed Products and Components, or colorable imitations of any of the foregoing, Licensor shall have the option of acquiring such materials and Manufacturer shall upon the written request of Licensor immediately reimburse Licensor for its cost of acquiring such materials.

(12) All patentable subject matter and copyrightable subject matter developed by Manufacturer pursuant to the manufacture of the Licensed Products shall be assigned to Licensor upon request and without cost.

(13) It will indemnify, protect, defend and hold Licensor harmless from and against any claims, damages, costs, attorney's fees or other liabilities of any nature whatsoever which may be sustained by Licensor arising out of or in any way connected with (i) defects in the manufactured Licensed Products, (ii) injury resulting from use of the Licensed Products, or (iii) breach of any obligation of Manufacturer hereunder.

(14) It shall maintain strictly confidential the terms of this Agreement and any confidential information of Licensor.

(15) It acknowledges that it is cognizant of certain terms and conditions set forth in the underlying License Agreement and agrees to be bound to all such terms and conditions which are applicable to its functions as manufacturer of the Licensed Products.

(16) In addition to all other remedies available to Licensor, if Manufacturer violates any of the above, Licensor may terminate this Agreement. In addition, Manufacturer acknowledges that any such violation will irreparably and immediately harm Licensor and Manufacturer consents to a temporary restraining order and preliminary injunction enjoining such violation.

DATED: _____

Manufacturer

By: _____

Its: _____

SCHEDULE G

INTERNATIONAL DISTRIBUTORS
BCBGMAXAZRIAGROUP

**INTERNATIONAL DISTRIBUTORS
CONTACT INFORMATION
LA + EU OFFICE**

CONTINENT	TERRITORY	DIST	CONTACT	TITLE	EMAIL	2017 PROJ LOCATIONS			
						FS	ISS	FO	TOTAL
AMERICAS	ARUBA, COSTA RICA, CURACAO, DOM. REP., PANAMA, VENEZUELA	PRI BRAND	EDGAR GUZMAN	DIRECTOR	eguzman.pribrand@gmail.com	7			7
	MEXICO	ACG	ALBERTO AMKIE	CEO, MEMBER OF THE BOARD	albamkie@prodigy.net.mx	10	20	3	33
	PARAGUAY	LOS TRES	BELEN VIERCI	CEO, MEMBER OF THE BOARD	Belen-Vierci@aj.com.py	2			2
ASIA	INDIA	RELIANCE BRANDS	DEVAL SHAH	BUSINESS HEAD	deval.shah@ril.com	2			2
	INDONESIA	PT MITRA	MICHELE WIBISONO	VICE PRESIDENT	michele.wibisono@map.co.id	2	2		4
	MALAYSIA	WING TAI ASIA	ADELINE CHONG	GENERAL MANAGER	adelinechong@wingtaiclothing.com.my	2		1	3
	SINGAPORE	WING TAI ASIA	NICOLE LOH	AVP - SALES PLANNING	nicoleloh@wingtaiasia.com.sg	2			2
	TAIWAN	IMAGINEX	JEAN FENG	GENERAL MANAGER	jeanfeng@imaginex.com.tw	3	3	1	7
	TURKEY	GOKSE	SEDA CELIK	COMPANY OWNER	sedac@bnet.net.tr	2			2
	VIETNAM	BFF	ANH TRUONG	GENERAL DIRECTOR	v.anhth@vingroup.net	3			3
EUROPE	AZERBAIJAN	NOVCO	FARID AKHUNDOV		farid.akhundov@novco.com	1			1
	BULGARIA	PLMD EOOD	VALIA VESSELINOVA	MANAGING DIRECTOR	v.vesselinova@plmd.pl	1			1
	DENMARK	DANISH FASHION HOUSE	FERNANDA MACHADO	MANAGING DIRECTOR	fm@danishfashionhouse.dk	1			1
	SLOVAKIA	RSBCBG	ROMANA SKAMLOVA	MANAGING DIRECTOR	skamlova@bestcaffe.sk	1			1
	CZECH REP	RSBCBG	ROMANA SKAMLOVA	MANAGING DIRECTOR	skamlova@bestcaffe.sk	1			1
	TUNISIA	UTIQUE DECOMMERCE	MOEZ KOOLI	GENERAL MANAGER	sogetis@planet.tn	2			2
MIDDLE EAST	EGYPT	D&H INTERNATIONAL CO.	MOODY DAGHER	MANAGING DIRECTOR / PARTNER	moodyspider@hotmail.com	2			2
	JORDAN	CDT	COSTANDI YAGHNAM	PRESIDENT	cyaghnam@elzay.com	1			1
	LEBANON	RETAIL AFFAIR	RITA KARAM	MANAGING DIRECTOR	rkaram@retailaffair.com		4		4
	SAUDI ARABIA	ARABIAN APPAREL	OMAR TAREF SHAWAF	OWNER	otshawaf@arabianapparel.net	9			9
	UAE / KUWAIT / QATAR / BAHRAIN	RSH	KATHY AJAMI	SENIOR BRAND MANAGER	kathy@rshme.co.ae	11	1	1	13
BCBGMAXAZRIA TOTAL						65	30	6	101
AMERICAS	MEXICO	ACG	ALBERTO AMKIE	CEO, MEMBER OF THE BOARD	albamkie@prodigy.net.mx		22		22
ASIA	INDIA	RELIANCE BRANDS	DEVAL SHAH	BUSINESS HEAD	deval.shah@ril.com	5			5
BCBGeneration TOTAL						5	22	0	27
TOTAL						70	52	6	128

EXHIBIT B

Etlin Declaration

Joshua A. Sussberg, P.C.
Christopher Marcus, P.C.
KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
601 Lexington Avenue
New York, New York 10022
Telephone: (212) 446-4800
Facsimile: (212) 446-4900

James H.M. Sprayregen, P.C.
Benjamin M. Rhode (admitted *pro hac vice*)
KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
300 North LaSalle Street
Chicago, Illinois 60654
Telephone: (312) 862-2000
Facsimile: (312) 862-2200

Counsel to the Debtors and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	
)	Chapter 11
)	
BCBG MAX AZRIA GLOBAL HOLDINGS, LLC, <i>et al.</i> , ¹)	Case No. 17-10466 (SCC)
)	
Debtors.)	(Jointly Administered)
)	

**DECLARATION OF HOLLY FELDER ETLIN, CHIEF RESTRUCTURING
OFFICER OF BCBG MAX AZRIA GLOBAL HOLDINGS, LLC, IN SUPPORT
OF DEBTORS’ MOTION FOR ENTRY OF AN ORDER APPROVING BCBG MAX
AZRIA GROUP, LLC’S ENTRY INTO LICENSE AGREEMENT WITH GBG USA INC.**

I, Holly Felder Etlin, Chief Restructuring Officer of BCBG Max Azria Global Holdings, LLC and certain of its subsidiaries, submit this declaration in support of *Debtors’ Motion for Entry of an Order Approving BCBG Max Azria Group, LLC’s Entry into License Agreement with GBG USA Inc.* (the “Motion”)² under penalty of perjury:

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: BCBG Max Azria Global Holdings, LLC (6857); BCBG Max Azria Group, LLC (5942); BCBG Max Azria Intermediate Holdings, LLC (3673); Max Rave, LLC (9200); and MLA Multibrand Holdings, LLC (3854). The location of the Debtors’ service address is: 2761 Fruitland Avenue, Vernon, California 90058.

² Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion.

Background and Qualifications

1. I am a Managing Director at AlixPartners LLP (“AlixPartners”) and have served as the Chief Restructuring Officer of BCBG Max Azria Global Holdings, LLC since January 12, 2017.

2. I have reviewed the Motion, I am familiar with its contents, and, to the best of my knowledge, insofar as I have been able to ascertain after reasonable inquiry, I believe that the approval of the relief requested therein is in the best interests of the Debtors as such relief will preserve and maximize the value of the Debtors’ estates.

3. Except as otherwise indicated, all facts set forth in this Declaration are based on my personal knowledge, my discussions with the Debtors’ management team and advisors, including the AlixPartners team working under my supervision, my review of relevant documents and information provided to me or verified by other executives, management, employees, or advisors of the Debtors, or my opinion based on my experience and knowledge of the Debtors’ operations and financial condition. I am authorized to submit this declaration on behalf of the Debtors, and, if I called upon to testify, I could and would testify competently to the facts set forth herein.

The License Agreement

4. To date, licensing their intellectual property has not formed a substantial piece of the Debtors’ businesses. From time to time, the Debtors have considered opportunities to exploit the value inherent in their intellectual property portfolio.

5. By their motion, the Debtors seek the authority to enter into the Licensing Agreement with the Licensee. Under the License Agreement, the Debtor Licensor intends to grant the Licensee the right to use certain of the Debtors’ trademarks worldwide (except for the

Republic of Korea) for the manufacture, marketing, and distribution of certain categories of products, including footwear, belts, socks, legwear, jewelry, and home products, for the Spring/Summer 2017 and Fall 2017 collections. The initial term of the license agreement extends through February 3, 2018.

6. In exchange for the right to use the Debtors' trademarks, the Licensee will pay sales royalties based on a percentage of net sales (which varies based on the type of product sold). The License Agreement contemplates a minimum royalty fee of \$2 million (the "Minimum Fee"). Importantly, the \$2 million Minimum Fee will be due immediately upon approval of this Motion. Accordingly, entry into the License Agreement will provide an immediate and substantial source of liquidity that will be beneficial to the Debtors' continued prosecution of their chapter 11 cases. Moreover, entry into the License Agreement is consistent with the Debtors' go-forward business plan, which includes a strategy to create value through similar license arrangements.

7. Accordingly, I believe that entry into the License Agreement reflects Debtor BCBG Max Azria Group, LLC's exercise of sound business judgment and is in the best interests of all of the Debtors' estates and their creditors.

[Remainder of page intentionally left blank]

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct.

Dated: April 5, 2017
New York, New York

/s/ Holly Felder Etlin

Name: Holly Felder Etlin
Title: Chief Restructuring Officer
BCBG Max Azria Global Holdings, LLC