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

FORM 10-Q

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

For the quarterly period ended April 30, 2016

Or

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

Commission File Number: 001-36212

VINCE HOLDING CORP.

(Exact name of registrant as specified in its charter)

Delaware	**75-3264870**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

500 5 th Avenue—20th Floor
New York, New York 10110
(Address of principal executive offices) (Zip code)

(212) 515-2600
(Registrant's telephone number, including area code)

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

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

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

Large Accelerated Filer	☐	Accelerated Filer	☒
Non-Accelerated Filer	☐	Smaller Reporting Company	☐

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

Common Stock	**Outstanding at May 31, 2016**
Common Stock, $0.01 par value per share	48,967,467 shares

VINCE HOLDING CORP. AND SUBSIDIARIES

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DISCLOSURES REGARDING FORWARD-LOOKING STATEMENTS

This report on Form 10-Q, and any statements incorporated by reference herein, contains forward-looking statements under the Private Securities Litigation Reform Act of 1995. Forward-looking statements are indicated by words or phrases such as "may," "will," "should," "believe," "expect," "seek," "anticipate," "intend," "estimate," "plan," "target," "project," "forecast," "envision" and other similar phrases. Although we believe the assumptions and expectations reflected in these forward-looking statements are reasonable, these assumptions and expectations may not prove to be correct and we may not achieve the results or benefits anticipated. These forward-looking statements are not guarantees of actual results, and our actual results may differ materially from those suggested in the forward-looking statements. These forward-looking statements involve a number of risks and uncertainties, some of which are beyond our control, including, without limitation: our ability to maintain adequate cash flow from operations or availability under our revolving credit facility to meet our liquidity needs (including our obligations under the Tax Receivable Agreement with the Pre-IPO Stockholders); our ability to successfully complete the migration of our systems and processes from Kellwood Company; our ability to ensure the proper operation of the distribution facility by a third party logistics provider recently transitioned from Kellwood; our ability to remain competitive in the areas of merchandise quality, price, breadth of selection and customer service; our ability to anticipate and/or react to changes in customer demand and attract new customers, including in connection with making inventory commitments; our ability to control the level of sales in the off-price channels; our ability to manage excess inventory in a way that will promote the long-term health of the brand; changes in consumer confidence and spending; our ability to maintain projected profit margins; unusual, unpredictable and/or severe weather conditions; the execution and management of our retail store growth plans, including the availability and cost of acceptable real estate locations for new store openings; the execution and management of our international expansion, including our ability to promote our brand and merchandise outside the U.S. and find suitable partners in certain geographies; our ability to expand our product offerings into new product categories, including the ability to find suitable licensing partners; our ability to successfully implement our marketing initiatives; our ability to protect our trademarks in the U.S. and internationally; our ability to maintain the security of electronic and other confidential information; serious disruptions and catastrophic events; changes in global economies and credit and financial markets; competition; the impact of recent turnover in the senior management team; the fact that a number of members of the management team have less than one year of tenure with the Company, and the current senior management team has not had a long period of time working together; our ability to attract and retain key personnel; commodity, raw material and other cost increases; compliance with domestic and international laws, regulations and orders; changes in laws and regulations; outcomes of litigation and proceedings and the availability of insurance, indemnification and other third-party coverage of any losses suffered in connection therewith; tax matters; and other factors as set forth from time to time in our Securities and Exchange Commission filings, including those described in this report on Form 10-Q and our 2015 annual report on Form 10-K filed with the Securities and Exchange Commission on April 14, 2016 (our "2015 Annual Report on Form 10-K") under the heading "Item 1A—Risk Factors." We intend these forward-looking statements to speak only as of the time of this report on Form 10-Q and do not undertake to update or revise them as more information becomes available, except as required by law.

PART I. FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

VINCE HOLDING CORP. AND SUBSIDIARIES

Condensed Consolidated Balance Sheets
(in thousands, except share and per share data, unaudited)

	April 30, 2016	January 30, 2016
Assets		
Current assets:		
Cash and cash equivalents	$ 21,563	$ 6,230
Trade receivables, net	17,152	9,400
Inventories, net	23,367	36,576
Prepaid expenses and other current assets	10,863	8,027
Total current assets	72,945	60,233
Property, plant and equipment, net	39,836	37,769
Intangible assets, net	108,896	109,046
Goodwill	63,746	63,746
Deferred income taxes and other assets	94,830	92,774
Total assets	$ 380,253	$ 363,568
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 20,956	$ 28,719
Accrued salaries and employee benefits	2,358	5,755
Other accrued expenses	13,898	37,174
Total current liabilities	37,212	71,648
Long-term debt	42,613	57,615
Deferred rent	16,217	14,965
Other liabilities	140,854	140,838
Commitments and contingencies (Note 8)		
Stockholders' equity:		
Common stock at $0.01 par value (100,000,000 shares authorized, 48,967,167 and 36,779,417 shares issued and outstanding at April 30, 2016 and January 30, 2016, respectively)	490	368
Additional paid-in capital	1,079,334	1,012,677
Accumulated deficit	(936,402)	(934,478)
Accumulated other comprehensive loss	(65)	(65)
Total stockholders' equity	143,357	78,502
Total liabilities and stockholders' equity	$ 380,253	$ 363,568

See notes to unaudited condensed consolidated financial statements.

VINCE HOLDING CORP. AND SUBSIDIARIES

Condensed Consolidated Statements of Operations
(in thousands, except share and per share data, unaudited)

	Three Months Ended	
	April 30, 2016	May 2, 2015
Net sales	$ 67,645	$ 59,842
Cost of products sold	39,387	29,101
Gross profit	28,258	30,741
Selling, general and administrative expenses	31,806	25,640
(Loss) income from operations	(3,548)	5,101
Interest expense, net	881	1,316
Other expense, net	160	141
(Loss) income before income taxes	(4,589)	3,644
(Benefit) provision for income taxes	(2,665)	1,190
Net (loss) income	$ (1,924)	$ 2,454
(Loss) earnings per share:		
Basic (loss) earnings per share	$ (0.05)	$ 0.07
Diluted (loss) earnings per share	$ (0.05)	$ 0.06
Weighted average shares outstanding:		
Basic	38,002,774	36,753,114
Diluted	38,002,774	37,971,612

See notes to unaudited condensed consolidated financial statements.

VINCE HOLDING CORP. AND SUBSIDIARIES

Condensed Consolidated Statements of Comprehensive (Loss) Income
(in thousands, unaudited)

	Three Months Ended	
	April 30, 2016	May 2, 2015
Net (loss) income	$ (1,924)	$ 2,454
Comprehensive (loss) income	$ (1,924)	$ 2,454

See notes to unaudited condensed consolidated financial statements.

VINCE HOLDING CORP. AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows
(in thousands, unaudited)

	Three Months Ended	
	April 30, 2016	May 2, 2015
Operating activities		
Net (loss) income	$ (1,924)	$ 2,454
Add (deduct) items not affecting operating cash flows:		
Depreciation and amortization	1,902	1,926
Provision for inventories	388	3,173
Deferred rent	428	869
Deferred income taxes	(2,714)	1,157
Share-based compensation expense	514	836
Other	129	259
Changes in assets and liabilities:		
Receivables, net	(7,752)	16,401
Inventories	12,821	(6,966)
Prepaid expenses and other current assets	(1,414)	629
Accounts payable and accrued expenses	(34,391)	(9,802)
Other assets and liabilities	17	48
Net cash (used in) provided by operating activities	(31,996)	10,984
Investing activities		
Payments for capital expenditures	(3,709)	(6,260)
Net cash used in investing activities	(3,709)	(6,260)
Financing activities		
Proceeds from borrowings under the Revolving Credit Facility	46,073	22,484
Repayment of borrowings under the Revolving Credit Facility	(61,073)	(24,906)
Repayment of borrowings under the Term Loan Facility	—	(2,500)
Proceeds from common stock issuance, net of certain transaction costs	63,883	—
Stock option exercise	2,155	157
Net cash provided by (used in) financing activities	51,038	(4,765)
Increase (decrease) in cash and cash equivalents	15,333	(41)
Cash and cash equivalents, beginning of period	6,230	112
Cash and cash equivalents, end of period	$ 21,563	$ 71
Supplemental Disclosures of Cash Flow Information		
Cash payments on TRA obligation	$ 22,258	$ —
Cash payments for interest	924	1,111
Cash payments for income taxes, net of refunds	207	1,139
Supplemental Disclosures of Non-Cash Investing and Financing Activities		
Capital expenditures in accounts payable	$ 491	$ 376

See notes to unaudited condensed consolidated financial statements.

Note 1. Description of Business and Basis of Presentation

On November 27, 2013, Vince Holding Corp. ("VHC" or the "Company"), previously known as Apparel Holding Corp., closed an initial public offering ("IPO") of its common stock and completed a series of restructuring transactions (the "Restructuring Transactions") through which (i) Kellwood Holding, LLC acquired the non-Vince businesses, which include Kellwood Company, LLC ("Kellwood Company" or "Kellwood"), from the Company and (ii) the Company continues to own and operate the Vince business, which includes Vince, LLC. Prior to the IPO and the Restructuring Transactions, VHC was a diversified apparel company operating a broad portfolio of fashion brands, which included the Vince business and other businesses. As a result of the IPO and Restructuring Transactions, the non-Vince businesses were separated from the Vince business, and the stockholders immediately prior to the consummation of the Restructuring Transactions (the "Pre-IPO Stockholders") retained full ownership and control of the non-Vince businesses through their ownership of Kellwood Holding, LLC. The Vince business is now the sole operating business of Vince Holding Corp.

In this interim report on Form 10-Q, "Kellwood" refers, as applicable and unless otherwise defined, to any of (i) Kellwood Company, (ii) Kellwood Company, LLC (a limited liability company to which Kellwood Company converted at the time of the Restructuring Transactions related to the IPO) or (iii) the operations of the non-Vince businesses after giving effect to the IPO and the related Restructuring Transactions.

(A) Description of Business: Vince is a leading contemporary fashion brand best known for modern effortless style and everyday luxury essentials. Established in 2002, the brand now offers a wide range of women's and men's apparel, women's and men's footwear and handbags. The Company reaches its customers through a variety of channels, specifically through major wholesale department stores and specialty stores in the United States ("U.S.") and select international markets, as well as through the Company's branded retail locations and the Company's website. The Company designs products in the U.S. and sources the vast majority of products from contract manufacturers outside the U.S., primarily in Asia and South America. Products are manufactured to meet the Company's product specifications and labor standards.

(B) Basis of Presentation : The accompanying condensed consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") and the rules and regulations of the U.S. Securities and Exchange Commission ("SEC"). Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted. Therefore, these financial statements should be read in conjunction with VHC's audited financial statements for the fiscal year ended January 30, 2016, as set forth in the 2015 Annual Report on Form 10-K.

The condensed consolidated financial statements include the Company's accounts and the accounts of the Company's wholly-owned subsidiaries as of April 30, 2016. All intercompany accounts and transactions have been eliminated. The amounts and disclosures included in the notes to the condensed consolidated financial statements, unless otherwise indicated, are presented on a continuing operations basis. In the opinion of management, the financial statements contain all adjustments (consisting solely of normal recurring adjustments) and disclosures necessary to make the information presented therein not misleading. The results of operations for these periods are not necessarily comparable to, or indicative of, results of any other interim period or the fiscal year as a whole.

(C) Rights Offering: During fiscal year 2015 and fiscal year 2016, the Company has made strategic investments for the future growth of the VINCE brand. Management believes these significant investments are essential to the commitment to developing a strong foundation from which the Company can drive consistent profitable growth for the long term. In order to enhance the Company's liquidity position in support of these investments, d uring the three months ended April 30, 2016, the Company completed a rights offering (the "Rights Offering") whereby the Company received subscriptions and over-subscriptions from its existing stockholders for a total of 11,622,518 shares of its common stock, and received gross proceeds of $63,924. Simultaneous with the closing of the Rights Offering, the Company received $1,076 of proceeds from a related Investment Agreement entered into with Sun Cardinal, LLC and SCSF Cardinal, LLC, affiliates of Sun Capital Partners, Inc. (collectively the "Investors") and issued to the Investors 195,663 shares of its common stock in connection therewith. S ee Note 11 "Related Party Transactions" for additional details. As a result of the Rights Offering and related Investment Agreement transactions, the Company received total gross proceeds of $65,000, issued 11,818,181 shares of its common stock and recorded increases of $118 within Common Stock and $63,992 within Additional paid-in capital on the condensed consolidated balance sheet.

The Company used a portion of the net proceeds received from the Rights Offering and related Investment Agreement to (1) repay the amount owed by the Company under the Tax Receivable Agreement with Sun Cardinal, for itself and as a representative of the other stockholders party thereto, for the tax benefit with respect to the 2014 tax able year including accrued interest, totaling $22,2 58 (see Note 1 1 “Related Party Transactions” for additional details), and (2) repay all outstanding indebtedness , totaling $20,000, under the Revolving Credit Facility. The Company intends to use the rema ining net proceeds for additional strategic investments and general corporate purposes, which may include future amounts owed by the Company under the Tax Receivable Agreement.

Management believes that the Company’s current balances of cash and cash equivalents, cash flow from operations and amounts available under the Revolving Credit Facility will be sufficient to comply with any covenants under the Term Loan Facility and the Revolving Credit Facility, fund the Company’s debt service requirements, fund the Company’s obligations under the Tax Receivable Agreement, and fund planned capital expenditures and working capital needs for at least the next twelve months. However, there can be no assurance that the Company will be able to achieve its strategic initiatives in the future and failure to do so would have a significant adverse effect on the Company’s operations.

Note 2. Goodwill and Intangible Assets

Net goodwill balances and changes therein by segment are as follows:

(in thousands)	Wholesale	Direct-to-consumer	Total Net Goodwill
Balance as of April 30, 2016	$ 41,435	$ 22,311	$ 63,746
Balance as of January 30, 2016	$ 41,435	$ 22,311	$ 63,746

The total carrying amount of goodwill for all periods presented was net of accumulated impairments of $46,942.

Identifiable intangible assets summary:

(in thousands)	Gross Amount	Accumulated Amortization	Net Book Value
Balance as of April 30, 2016:			
Amortizable intangible assets:			
Customer relationships	$ 11,970	$ (4,924)	$ 7,046
Indefinite-lived intangible assets:			
Trademarks	101,850	—	101,850
Total intangible assets	$ 113,820	$ (4,924)	$ 108,896

(in thousands)	Gross Amount	Accumulated Amortization	Net Book Value
Balance as of January 30, 2016			
Amortizable intangible assets:			
Customer relationships	$ 11,970	$ (4,774)	$ 7,196
Indefinite-lived intangible assets:			
Trademarks	101,850	—	101,850
Total intangible assets	$ 113,820	$ (4,774)	$ 109,046

Amortization of identifiable intangible assets was $150 for the three months ended April 30, 2016 and May 2, 2015. The estimated amortization expense for identifiable intangible assets is $598 for each fiscal year for the next five fiscal years.

Note 3. Fair Value

Accounting Standards Codification ("ASC") Subtopic 820-10 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This guidance outlines a valuation framework, creates a fair value hierarchy to increase the consistency and comparability of fair value measurements, and details the disclosures that are required for items measured at fair value. Financial assets and liabilities are to be measured using inputs from three levels of the fair value hierarchy as follows:

Level 1—	quoted market prices in active markets for identical assets or liabilities
Level 2—	observable market-based inputs (quoted prices for similar assets and liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active) or inputs that are corroborated by observable market data
Level 3—	significant unobservable inputs that reflect the Company's assumptions and are not substantially supported by market data

The Company did not have any non-financial assets or non-financial liabilities recognized at fair value on a recurring basis at April 30, 2016 or January 30, 2016. At April 30, 2016 and January 30, 2016, the Company believes that the carrying value of cash and cash equivalents, receivables and accounts payable approximates fair value, due to the short maturity of these instruments and would be measured using Level 1 inputs. As the Company's debt obligations as of April 30, 2016 are at variable rates, the fair value approximates the carrying value of the Company's debt and would be measured using Level 2 inputs.

The Company's non-financial assets, which primarily consist of goodwill, intangible assets, and property and equipment, are not required to be measured at fair value on a recurring basis and are reported at their carrying values. However, on a periodic basis whenever events or changes in circumstances indicate that their carrying value may not be fully recoverable (and at least annually for goodwill and indefinite lived intangible assets), non-financial assets are assessed for impairment and, if applicable, written down to (and recorded at) fair value.

Note 4. Long-Term Debt and Financing Arrangements

Long-term debt consisted of the following as of April 30, 2016 and January 30, 2016:

(in thousands)	April 30, 2016	January 30, 2016
Term Loan Facility	$ 45,000	$ 45,000
Revolving Credit Facility	—	15,000
Total long-term debt principal	45,000	60,000
Less: Deferred financing costs	2,387	2,385
Total long-term debt	$ 42,613	$ 57,615

Term Loan Facility

On November 27, 2013, in connection with the closing of the IPO and related Restructuring Transactions, Vince, LLC and Vince Intermediate entered into a $175,000 senior secured term loan facility (the "Term Loan Facility") with the lenders party thereto, BofA, as administrative agent, JP Morgan Chase Bank and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as joint lead arrangers, and Cantor Fitzgerald as documentation agent. The Term Loan Facility will mature on November 27, 2019. Vince, LLC and Vince Intermediate are borrowers and VHC is a guarantor under the Term Loan Facility.

The Term Loan Facility also provides for an incremental facility of up to the greater of $50,000 and an amount that would result in the consolidated net total secured leverage ratio not exceeding 3.00 to 1.00, in addition to certain other rights to refinance or repurchase portions of the term loan. The Term Loan Facility is subject to quarterly amortization of principal equal to 0.25% of the original aggregate principal amount of the Term Loan Facility (adjusted to reflect any prepayments), with the balance payable at final maturity. Interest is payable on loans under the Term Loan Facility at a rate of either (i) the Eurodollar rate (subject to a 1.00% floor) plus an applicable margin of 4.75% to 5.00% based on a consolidated net total leverage ratio or (ii) the base rate applicable margin of 3.75% to 4.00% based on a consolidated net total leverage ratio. During the continuance of a payment or bankruptcy event of default, interest will accrue (i) on the overdue principal amount of any loan at a rate of 2% in excess of the rate otherwise applicable to such loan and (ii) on any overdue interest or any other outstanding overdue amount at a rate of 2% in excess of the non-default interest rate then applicable to base rate loans. The Term Loan Facility requires Vince, LLC and Vince Intermediate to make mandatory

prepayments upon the occurrence of certain events, including additional debt issuances, common and preferred stock issuances , certain asset sales, and annual payments of 50% of excess cash flow, subject to reductions to 25% and 0% if Vince, LLC and Vince Intermediate maintain a Consolidated Net Total Leverage Ratio of 2.50 to 1.00 and 2.00 to 1.00, respectively, and subject to reductions for voluntary prepayments made during such fiscal year .

The Term Loan Facility contains a requirement that Vince, LLC and Vince Intermediate maintain a "Consolidated Net Total Leverage Ratio" as of the last day of any period of four fiscal quarters not to exceed 3.75 to 1.00 for the fiscal quarters ending February 1, 2014 through November 1, 2014, 3.50 to 1.00 for the fiscal quarters ending January 31, 2015 through October 31, 2015, and 3.25 to 1.00 for the fiscal quarter ending January 30, 2016 and each fiscal quarter thereafter. In addition, the Term Loan Facility contains customary representations and warranties, other covenants, and events of default, including but not limited to, limitations on the incurrence of additional indebtedness, liens, negative pledges, guarantees, investments, loans, asset sales, mergers, acquisitions, prepayment of other debt, the repurchase of capital stock, transactions with affiliates, and the ability to change the nature of its business or its fiscal year, and distributions and dividends. The Term Loan Facility generally permits dividends to the extent that no default or event of default is continuing or would result from the contemplated dividend and the pro forma Consolidated Net Total Leverage Ratio after giving effect to such contemplated dividend is at least 0.25 lower than the maximum Consolidated Net Total Leverage Ratio for such quarter in an amount not to exceed the excess available amount, as defined in the loan agreement. All obligations under the Term Loan Facility are guaranteed by VHC and any future material domestic restricted subsidiaries of Vince, LLC and secured by a lien on substantially all of the assets of VHC, Vince, LLC and Vince Intermediate and any future material domestic restricted subsidiaries. As of April 30, 2016, the Company was in compliance with applicable financial covenants.

Through April 30, 2016, on an inception to date basis, the Company has made voluntary prepayments totaling $130,000 in the aggregate on the original $175,000 Term Loan Facility entered into on November 27, 2013. Of the $130,000 of aggregate voluntary prepayments made to date, $0 was paid during the three months ended April 30, 2016. As of April 30, 2016, the Company had $45,000 of debt outstanding under the Term Loan Facility.

Revolving Credit Facility

On November 27, 2013, Vince, LLC entered into a $50,000 senior secured revolving credit facility (as amended from time to time, the "Revolving Credit Facility") with Bank of America, N.A. ("BofA") as administrative agent. Vince, LLC is the borrower and VHC and Vince Intermediate Holding, LLC, a direct subsidiary of VHC and the direct parent company of Vince, LLC ("Vince Intermediate"), are the guarantors under the Revolving Credit Facility. On June 3, 2015, Vince LLC entered into a first amendment to the Revolving Credit Facility, that among other things, increased the aggregate commitments under the facility from $50,000 to $80,000, subject to a loan cap which is the lesser of (i) the Borrowing Base, as defined in the loan agreement, (ii) the aggregate commitments, or (iii) $70,000 until debt obligations under the Company's term loan facility have been paid in full, and extended the maturity date from November 27, 2018 to June 3, 2020. The Revolving Credit Facility also provides for a letter of credit sublimit of $25,000 (plus any increase in aggregate commitments) and an accordion option that allows for an increase in aggregate commitments up to $20,000. Interest is payable on the loans under the Revolving Credit Facility at either the LIBOR or the Base Rate, in each case, plus an applicable margin of 1.25% to 1.75% for LIBOR loans or 0.25% to 0.75% for Base Rate loans, and in each case subject to a pricing grid based on an average daily excess availability calculation. The "Base Rate" means, for any day, a fluctuating rate per annum equal to the highest of (i) the rate of interest in effect for such day as publicly announced from time to time by BofA as its prime rate; (ii) the Federal Funds Rate for such day, plus 0.50%; and (iii) the LIBOR Rate for a one month interest period as determined on such day, plus 1.0%. During the continuance of an event of default and at the election of the required lender, interest will accrue at a rate of 2% in excess of the applicable non-default rate.

The Revolving Credit Facility contains a maintenance requirement that, at any point when "Excess Availability" is less than the greater of (i) 15% percent of the adjusted loan cap (without giving effect to item (iii) of the loan cap described above) or (ii) $10,000, and continuing until Excess Availability exceeds the greater of such amounts for 30 consecutive days, during which time, Vince, LLC must maintain a consolidated EBITDA (as defined in the Revolving Credit Facility) equal to or greater than $20,000 measured at the end of each applicable fiscal month for the trailing twelve-month period. The Company has not been subject to this maintenance requirement as Excess Availability was greater than the required minimum.

The Revolving Credit Facility contains representations and warranties, other covenants and events of default that are customary for this type of financing, including limitations on the incurrence of additional indebtedness, liens, negative pledges, guarantees, investments, loans, asset sales, mergers, acquisitions, prepayment of other debt, the repurchase of capital stock, transactions with affiliates, and the ability to change the nature of its business or its fiscal year. The Revolving Credit Facility generally permits dividends in the absence of any event of default (including any event of default arising from the contemplated dividend), so long as (i) after giving pro forma effect to the contemplated dividend, for the following six months Excess Availability will be at least the greater of 20% of the adjusted loan cap and $10,000 and (ii) after giving pro forma effect to the contemplated dividend, the "Consolidated Fixed Charge Coverage Ratio" for the 12 months preceding such dividend shall be greater than or equal to 1.0 to 1.0 (provided that the

Consolidated Fixed Charge Coverage Ratio may be less than 1.0 to 1.0 if, after giving pro forma effect to the contemplated dividend, Excess Avai lability for the six fiscal months following the dividend is at least the greater of 35% of the adjusted loan cap and $15,000). The Company is in compliance with applicable financial covenants.

As of April 30, 2016, $43,685 is available under the Revolving Credit Facility, net of the amended loan cap, and there were $0 of borrowings outstanding and $7,474 of letters of credit outstanding under the Revolving Credit Facility. As of January 30, 2016, there was $15,000 of borrowings outstanding and $7,522 of letters of credit outstanding under the Revolving Credit Facility.

Note 5. Inventory

Inventories consist of the following:

(in thousands)	April 30, 2016	January 30, 2016
Finished goods	$ 31,716	$ 49,837
Less: reserves	(8,349)	(13,261)
Total inventories, net	$ 23,367	$ 36,576

Note 6. Share-Based Compensation

In connection with the Company's IPO, which closed on November 27, 2013, and the separation of the Vince and non-Vince businesses, VHC assumed Kellwood Company's remaining obligations under the 2010 Stock Option Plan of Kellwood Company (the "2010 Option Plan") and all Kellwood Company stock options previously issued to Vince employees under such plan became options to acquire shares of VHC common stock. Additionally, VHC assumed Kellwood Company's obligations with respect to the vested Kellwood Company stock options previously issued to Kellwood Company employees, which options were cancelled in exchange for shares of VHC common stock. Accordingly, option information presented below for previously issued Kellwood Company stock options under the 2010 Option Plan has been adjusted to account for the split of the Company's common stock and applicable conversion to options to acquire shares of VHC common stock.

Employee Stock Plans

2010 Option Plan

On June 30, 2010, the board of directors approved the 2010 Stock Option Plan. On November 21, 2013 and as discussed above, VHC assumed Kellwood Company's remaining obligations under the 2010 Option Plan; provided that none of the issued and outstanding options (after giving effect to such assumption and the stock split effected as part of the Restructuring Transactions) were exercisable until the consummation of the IPO. Additionally, prior to the consummation of the IPO and after giving effect to the assumption described in this paragraph, VHC and the Vince employees to whom options had been previously granted under the 2010 Option Plan amended the related grant agreements to eliminate, effective as of the consummation of the IPO, restrictions on the exercisability of the subject employees vested options.

Prior to the IPO, the 2010 Option Plan, as amended, provided for the grant of options to acquire up to 2,752,155 shares of Kellwood Company common stock. The options granted pursuant to the 2010 Option Plan (i) vest in five equal installments on the first, second, third, fourth and fifth anniversaries of the grant date, subject to the employee's continued employment, and (ii) expire on the earlier of the tenth anniversary of the grant date or upon termination of employment. The Company will not grant any future awards under the 2010 Option Plan. Future awards will be granted under the Vince 2013 Incentive Plan described further below.

Vince 2013 Incentive Plan

In connection with the IPO, the Company adopted the Vince 2013 Incentive Plan, which provides for grants of stock options, stock appreciation rights, restricted stock and other stock-based awards. The aggregate number of shares of common stock which may be issued or used for reference purposes under the Vince 2013 Incentive Plan or with respect to which awards may be granted may not exceed 3,400,000 shares. The shares available for issuance under the Vince 2013 Incentive Plan may be, in whole or in part, either authorized and unissued shares of the Company's common stock or shares of common stock held in or acquired for the Company's treasury. In general, if awards under the Vince 2013 Incentive Plan are cancelled for any reason, or expire or terminate unexercised, the shares covered by such award may again be available for the grant of awards under the Vince 2013 Incentive Plan. As of April 30, 2016, there were 1,518,222 shares under the Vince 2013 Incentive Plan available for future grants. Options granted pursuant to the Vince 2013 Incentive Plan (i) vest in equal installments over two, three or four years or at 33 1/3% per year beginning in year two, over four years, subject to the employees' continued employment, and (ii) expire on the earlier of the tenth anniversary of the grant

date or upon termination as outlined in the Vince 2013 Incentive Plan. Options granted to the non-employee consultants vest 50% after one year, 25% after 18 months and 25% after two ye ars and expire on the earlier of the tenth anniversary of the grant date or upon termination as outlined in their grant agreements pursuant to the Vince 2013 Incentive Plan. Restricted stock units granted vest in equal installments over a three year period .

Employee Stock Purchase Plan

The Company maintains an employee stock purchase plan ("ESPP") for its employees. Under the ESPP, all eligible employees may contribute up to 10% of their base compensation, up to a maximum contribution of $10 per year. The purchase price of the stock is 90% of the fair market value, with purchases executed on a quarterly basis. The plan is defined as compensatory, and accordingly, a charge for compensation expense is recorded to selling, general and administrative expense for the difference between the fair market value and the discounted purchase price. During the three months ended April 30, 2016, the activity under the ESPP was not significant.

Stock Options

A summary of stock option activity for both employees and non-employees under the plans during the three months ended April 30, 2016 is as follows:

	Stock Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (in thousands)
Outstanding at January 30, 2016	2,879,735	$ 4.61	8.7	$ 2,402
Granted	111,194	$ 5.83		
Exercised	(368,580)	$ 5.84		
Forfeited or expired	(326,546)	$ 4.57		
Outstanding at April 30, 2016	2,295,803	$ 4.43	8.9	$ 4,083
Vested and exercisable at April 30, 2016	448,915	$ 5.84	6.0	$ 189

Of the above outstanding shares, 1,719,813 are vested or expected to vest.

Restricted Stock Units

The Company also issues restricted stock units to its non-employee directors and directors not affiliated with Sun Capital (our controlling shareholder) under the Vince 2013 Incentive Plan. A summary of restricted stock unit activity during the three months ended April 30, 2016 is as follows:

	Restricted Stock Units	Weighted Average Grant Date Fair Value
Nonvested restricted stock units at January 30, 2016	29,532	$ 12.22
Vested	(989)	$ 25.28
Nonvested restricted stock units at April 30, 2016	28,543	$ 11.76

Share-Based Compensation Expense

The Company recognized share-based compensation expense of $514, including $335 of expense related to non-employees, during the three months ended April 30, 2016 and $836 during the three months ended May 2, 2015.

Note 7 . Earnings Per Share

Basic earnings per share is computed by dividing net income by the weighted average number of shares of common stock outstanding for the period. Except when the effect would be anti-dilutive, diluted earnings per share is calculated based on the weighted average number of outstanding shares of common stock plus the dilutive effect of share-based awards calculated under the treasury stock method.

The following is a reconciliation of weighted average basic shares to weighted average diluted shares outstanding:

	Three Months Ended	
	April 30, 2016	May 2, 2015
Weighted-average shares—basic	38,002,774	36,753,114
Effect of dilutive equity securities	—	1,218,498
Weighted-average shares—diluted	38,002,774	37,971,612

Because the Company incurred a net loss for the three months ended April 30, 2016, weighted-average basic shares and weighted-average diluted shares outstanding are equal for this period.

For the three months ended April 30, 2016 and May 2, 2015, 854,428 and 543,530 options to purchase shares of the Company's common stock, respectively, were excluded from the computation of diluted earnings per share as their effect would have been anti-dilutive.

On April 22, 2016, the Company issued an aggregate of 11,818,181 shares in conjunction with the completed Rights Offering and Investment Agreement. See Note 1 "Description of Business and Basis of Presentation" for additional information.

Note 8. Commitments and Contingencies

Restructuring Charges

In the second quarter of 2015, a number of senior management departures occurred. In connection with these departures, the Company had certain obligations under existing employment arrangements with respect to severance and employee related benefits. As a result, the Company recognized a net charge of $3,394 for these departures within selling, general, and administrative expenses on the condensed consolidated statement of operations during fiscal year 2015. This net charge was reflected within the "unallocated corporate expenses" for segment disclosures. These amounts will be paid over a period of six to eighteen months, which began in the third quarter of fiscal 2015.

The following is a reconciliation of the accrued severance and employee related benefits associated with the above charge included within total current liabilities on the condensed consolidated balance sheet:

(in thousands)		
Balance at January 30, 2016	$	1,837
Cash payments		(714)
Balance at April 30, 2016	$	1,123

Litigation

The Company is currently a party to various legal proceedings. Although the outcome of such items cannot be determined with certainty, management currently believes that the ultimate outcome of these proceedings, individually and in the aggregate, will not have a material adverse impact on the Company's financial position, results of operations or cash flows.

Note 9. Recent Accounting Pronouncements

In March 2016, the Financial Accounting Standards Board ("FASB") issued guidance regarding share-based compensation, to simplify the accounting for share-based payment transactions, including income tax consequences, classification of awards as either equity or liabilities and classification on the statement of cash flows. This guidance is effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods . The Company is currently evaluating the impact of adopting this guidance on the consolidated financial statements.

In February 2016, the FASB issued a new lease accounting standard, which requires lessees to recognize right-of-use lease assets and lease liabilities on the balance sheet for those leases currently classified as operating leases. The guidance is require d to be adopted retrospectively by restating all years presented in the Company's financial statements. The guidance is effective for annual periods beginning after December 15, 2018 , and interim periods within those annual periods . The Company is currentl y evaluating the impact of adopting this guidance on the consolidated financial statements.

In November 2015, the FASB issued new accounting guidance on the balance sheet classificat ion of deferred taxes, which requires entities to classify deferred tax assets and liabilities as noncurrent in the consolidated balance sheet. Currently deferred tax assets and liabilities must be classified as current and noncurrent amounts in the consolidated balance sheet. This guidance is effective for financial statements issued for annual periods beginning after December 15, 2016, and interim periods within those annual periods. The guidance may be applied either prospectively to all deferred tax liabilities and assets or retrospectively to all periods presented. The Company will reclassify deferred tax balances, as required.

In July 2015, the FASB issued new accounting guidance on accounting for inventory, which requires entities to measure inventory at the lower of cost and net realizable value. This guidance is effective for interim and annual periods beginning on or after December 15, 2016. The Company is currently evaluating the impact of the adoption of the new accounting guidance on its consolidated financial statements.

In April 2015, the FASB issued new guidance on accounting for cloud computing fees. If a cloud computing arrangement includes a software license, then the customer should account for the license element of the arrangement consistent with the acquisition of other software licenses. If a cloud computing arrangement does not include a software license, the arrangement should be accounted for as a service contract. This guidance is effective for arrangements entered into, or materially modified, in interim and annual periods beginning after December 15, 2015. Retrospective application is permitted but not required. The Company adopted this accounting guidance for any contracts entered into or materially modified after January 30, 2016. The adoption of this guidance did not have a material effect on the Company's consolidated financial statements.

In May 2014, the FASB issued new guidance on revenue recognition accounting, which requires entities to recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Since its issuance, the FASB has amended several aspects of the new guidance. In August 2015, the FASB elected to defer the effective dates. The updated guidance is now effective for interim and annual periods beginning on or after December 15, 2017. Early adoption is permitted for annual periods beginning after December 15, 2016, including interim reporting periods within that reporting period. The Company is currently evaluating the impact of the adoption of the new guidance on its consolidated financial statements.

Note 10. Segment Financial Information

The Company operates and manages its business by distribution channel and has identified two reportable segments, as further described below. Management considered both similar and dissimilar economic characteristics, internal reporting and management structures, as well as products, customers, and supply chain logistics to identify the following reportable segments:

- Wholesale segment—consists of the Company's operations to distribute products to major department stores and specialty stores in the United States and select international markets; and
- Direct-to-consumer segment—consists of the Company's operations to distribute products directly to the consumer through its branded full-price specialty retail stores, outlet stores, and e-commerce platform.

The accounting policies of the Company's segments are consistent with those described in Note 1 to the audited Consolidated Financial Statements of VHC for the fiscal year ended January 30, 2016 included in the 2015 Annual Report on Form 10-K. Unallocated corporate expenses are comprised of selling, general, and administrative expenses attributable to corporate and administrative activities, and other charges that are not directly attributable to the Company's reportable segments. Unallocated corporate assets are comprised of the carrying values of goodwill and unamortized trademark, deferred tax assets, and other assets that will be utilized to generate revenue for both of the Company's reportable segments.

Summary information for the Company's reportable segments is presented below .

(in thousands)	Three Months Ended April 30, 2016	Three Months Ended May 2, 2015
Net Sales:		
Wholesale	$ 44,776	$ 38,287
Direct-to-consumer	22,869	21,555
Total net sales	$ 67,645	$ 59,842
Income (loss) from Operations:		
Wholesale	$ 10,274	$ 14,277
Direct-to-consumer	1,677	2,371
Subtotal	11,951	16,648
Unallocated expenses	(15,499)	(11,547)
Total (loss) income from operations	$ (3,548)	$ 5,101

There were no material changes in assets by reportable segment except for unallocated corporate which increased from $280,378 at January 30, 2016 to $299,104 at April 30, 2016.

Note 11. Related Party Transactions

Shared Services Agreement

In connection with the consummation of the Company's IPO on November 27, 2013, Vince, LLC entered into a Shared Services Agreement pursuant to which Kellwood would provide support services in various operational areas, including, among other things, e-commerce operations, distribution, logistics, information technology, accounts payable, credit and collections and payroll and benefits. Since the IPO, the Company has been working on transitioning certain back office functions performed by Kellwood under the Shared Services Agreement. Among these functions that have transitioned to Vince are certain accounting related functions as well as benefits administration. The Company has also been working on developing its own information technology infrastructure and is now in the process of implementing its own enterprise resource planning ("ERP") system, point-of-sale systems, e-commerce platform and supporting systems. The Company has substantially completed the migration of its U.S. distribution system from Kellwood to a new third party provider. Until those systems are implemented, the Company will continue to utilize the Kellwood information technology infrastructure, including e-commerce platform systems, under the Shared Services Agreement.

The Company is invoiced by Kellwood monthly for the services provided under the Shared Services Agreement and generally is required to pay within 15 business days of receiving such invoice. The payments will be trued-up and can be disputed once each fiscal quarter. For the three months ended April 30, 2016 and May 2, 2015 the Company recognized $2,178 and $2,330, respectively, of expense within the condensed consolidated statement of operations for services provided under the Shared Services Agreement. As of April 30, 2016, the Company has recorded $559 in other accrued expenses to recognize amounts payable to Kellwood under the Shared Services Agreement.

Tax Receivable Agreement

VHC entered into a Tax Receivable Agreement with the Pre-IPO Stockholders on November 27, 2013. The Company and its former subsidiaries have generated certain tax benefits (including NOLs and tax credits) prior to the Restructuring Transactions consummated in connection with the Company's IPO and will generate certain section 197 intangible deductions (the "Pre-IPO Tax Benefits"), which would reduce the actual liability for taxes that the Company might otherwise be required to pay. The Tax Receivable Agreement provides for payments to the Pre-IPO Stockholders in an amount equal to 85% of the aggregate reduction in taxes payable realized by the Company and its subsidiaries from the utilization of the Pre-IPO Tax Benefits (the "Net Tax Benefit").

For purposes of the Tax Receivable Agreement, the Net Tax Benefit equals (i) with respect to a taxable year, the excess, if any, of (A) the Company's liability for taxes using the same methods, elections, conventions and similar practices used on the relevant company return assuming there were no Pre-IPO Tax Benefits over (B) the Company's actual liability for taxes for such taxable year (the "Realized Tax Benefit"), plus (ii) for each prior taxable year, the excess, if any, of the Realized Tax Benefit reflected on an amended schedule applicable to such prior taxable year over the Realized Tax Benefit reflected on the original tax benefit schedule for such prior taxable year, minus (iii) for each prior taxable year, the excess, if any, of the Realized Tax Benefit reflected on the original tax benefit schedule for such prior taxable year over the Realized Tax Benefit reflected on the amended schedule for such prior taxable year; provided, however, that to the extent any of the adjustments described in clauses (ii) and (iii) were reflected in the calculation of

the tax benefit payment for any subsequent taxable year, such adjustments shall not be taken into account in determining the Net Tax Benefit for any subsequent taxable year.

The Company had expected to make a required payment under the Tax Receivable Agreement in the fourth quarter of 2015. As a result of lower than expected cash from operations due to weaker than projected performance, and the level of projected availability under the Company's Revolving Credit Facility, management concluded that the Company would not be able to fund the payment when due. Accordingly, on September 1, 2015, the Company entered into an amendment to the Tax Receivable Agreement with Sun Cardinal, LLC, an affiliate of Sun Capital Partners, Inc., for itself and as a representative of the other stockholders parties thereto. Pursuant to this amendment, Sun Cardinal agreed to postpone payment of the tax benefit with respect to the 2014 taxable year, estimated at $21,762 plus accrued interest, to September 15, 2016. The amendment to the Tax Receivable Agreement also waived the application of a default interest rate at LIBOR plus 500 basis points per annum on the postponed payment. The interest rate on the postponed payment remained at LIBOR plus 200 basis points per annum. As a condition of the Investment Agreement, the Company repaid its current obligation, including accrued interest, totaling $22,258, with respect to the 2014 taxable year under the Tax Receivable Agreement upon the closing of the Rights Offering.

As of April 30, 2016, the Company's total obligation under the Tax Receivable Agreement is estimated to be $148,171, of which $7,317 is included as a component of other accrued expenses and $140,854 is included as a component of other liabilities on the condensed consolidated balance sheet. The tax benefit payment, plus accrued interest, with respect to the 2015 taxable year is expected to be paid in the fourth quarter of 2016. There is a remaining term of eight years under the Tax Receivable Agreement. During the three months ended April 30, 2016, the obligation under the Tax Receivable Agreement was adjusted in connection with the reversal of certain valuation allowances. The adjustment resulted in a net increase of $16 to the liability under the Tax Receivable Agreement with the corresponding net increase accounted for as an adjustment to other expense, net on the Condensed Consolidated Statement of Operations.

Investment Agreement and Rights Offering

On March 15, 2016, the Company entered into an Investment Agreement with the Investors pursuant to which Sun Cardinal and SCSF Cardinal agreed to backstop a rights offering by purchasing at the subscription price of $5.50 per share any and all shares not subscribed through the exercise of rights, including the oversubscription. The Investment Agreement superseded the Rights Offering Commitment Letter, dated December 9, 2015, from Sun Capital Partners V, L.P., which is disclosed in further detail in the Company's 2015 Annual Report on Form 10-K, Note 15 "Related Party Transactions." Additionally, see Note 1 "Description of Business and Basis of Presentation" for additional information.

On March 29, 2016, the Company commenced a Rights Offering, whereby the Company distributed, at no charge, to stockholders of record as of March 23, 2016 (the "Rights Offering Record Date"), rights to purchase new shares of the Company's common stock at $5.50 per share. Each stockholder as of the Rights Offering Record Date ("Rights Holders") received one non-transferrable right to purchase 0.3191 shares for every share of common stock owned on the Rights Offering Record Date (the "subscription right"). Rights Holders who fully exercised their subscription rights were entitled to subscribe for additional shares that remained unsubscribed as a result of any unexercised subscription rights (the "over-subscription right"). The over-subscription right allowed a Rights Holder to subscribe for an additional number of shares equal to up to 20% of the shares of common stock for which such holder was otherwise entitled to subscribe. Subscription rights could only be exercised for whole numbers of shares; no fractional shares of common stock were issued in the Rights Offering. The Rights Offering period expired on April 14, 2016 at 5:00 p.m. New York City time, prior to which payment for all subscription rights required an irrevocable funding of cash to the transfer agent, to be held in an account for the benefit of the Company. The Investors fully subscribed in the Rights Offering and exercised their oversubscription right. The Company received subscriptions and oversubscriptions from its existing stockholders for a total of 11,622,518 shares of its common stock, resulting in aggregate gross proceeds of approximately $63,924. Simultaneous with the closing of the Rights Offering, the Company received $1,076 of gross proceeds from the related Investment Agreement and issued to the Investors 195,663 shares of its common stock in connection therewith. In total, the Company received total gross proceeds of $65,000 as a result of the Rights Offering and related Investment Agreement transactions. As of April 30, 2016, affiliates of Sun Capital owned 58.2% of the Company's outstanding common stock.

The Company used a portion of the net proceeds received from the Rights Offering and related Investment Agreement to (1) repay the amount owed by the Company under the Tax Receivable Agreement (as discussed above) with Sun Cardinal, for itself and as a representative of the other stockholders party thereto, for the tax benefit with respect to the 2014 taxable year including accrued interest, totaling $22,258, and (2) repay all outstanding indebtedness, totaling $20,000, under the Company's Revolving Credit Facility. The Company intends to use the remaining net proceeds for additional strategic investments and general corporate purposes, which may include future amounts owed by the Company under the Tax Receivable Agreement.

Sun Capital Consulting Agreement

On November 27, 2013, the Company entered into an agreement with Sun Capital Management to (i) reimburse Sun Capital Management or any of its affiliates providing consulting services under the agreement for out-of-pocket expenses incurred in providing consulting services to the Company and (ii) provide Sun Capital Management with customary indemnification for any such services.

During the three months ended April 30, 2016 and May 2, 2105, the Company paid Sun Capital Management $25 and $7, respectively, for reimbursement of expenses under the Sun Capital Consulting Agreement.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This discussion summarizes our consolidated operating results, financial condition and liquidity. The following discussion and analysis should be read in conjunction with our condensed consolidated financial statements and related notes included elsewhere in this report on Form 10-Q. All amounts disclosed are in thousands expect door and store counts, countries, share data and percentages.

For purposes of this report on Form 10-Q, "Vince," the "Company," "we," and "our," refer to Vince Holding Corp. ("VHC") and our wholly owned subsidiaries, including Vince Intermediate Holding ("Vince Intermediate"), LLC and Vince, LLC. References to "Kellwood" refer, as applicable, to Kellwood Holding, LLC and its consolidated subsidiaries (including Kellwood Company, LLC) or the operations of the non-Vince businesses after giving effect to the restructuring transactions (the "Restructuring Transactions") that were completed in connection with our initial public offering (the "IPO") on November 27, 2013.

This discussion contains forward-looking statements involving risks, uncertainties and assumptions that could cause our results to differ materially from expectations. While we believe our growth strategy offers significant opportunities, it also presents risks and challenges, including among others, the risks that we may not be able to match inventory purchases with demand, hire and train qualified associates, that our new product offerings and expanded sales channels may not maintain or enhance our brand image and that our distribution facilities and information systems may not be adequate to support our growth plans. For a more complete discussions of risks facing our business see "Item 1A—Risk Factors" of this report on Form 10-Q as well as in our 2015 Annual Report on Form 10-K.

Executive Overview

Vince is a leading contemporary fashion brand best known for modern effortless style and everyday luxury essentials. Founded in 2002, the brand now offers a wide range of women's and men's apparel, women's and men's footwear, and handbags. Vince products are sold in prestige distribution worldwide, including over 2,400 distribution points across 40 countries. While we have recently experienced a slowdown in sales growth, we believe that we can generate growth by improving and expanding our product offering, expanding our selling into international markets, and growing our own branded retail and e-commerce direct-to-consumer businesses.

As of April 30, 2016, our products are sold at 2,345 doors through our wholesale partners in the U.S. and international markets and we operated 51 retail stores, including 37 full price stores and 14 outlet stores, throughout the United States.

The following is a summary of highlights during the three months ended April 30, 2016:

- Our net sales totaled $67,645, reflecting a 13.0% increase over prior year net sales of $59,842.
- Our wholesale net sales increased 16.9% to $44,776 and our direct-to-consumer net sales increased 6.1% to $22,869. Comparable sales including e-commerce declined 12.3% compared to last year.
- We continue to incur costs associated with strategic investments that we believe will facilitate achieving our long-term goals. During the first quarter of 2016, we incurred charges of $2,622 related to (i) the migration of our distribution facilities to a new third party service provider; (ii) the realignment of our supplier base; (iii) the transition of the information technology systems and infrastructure in-house from Kellwood; (iv) the estimated impact of our strategic decision regarding handbags; and (v) our brand update initiatives.
- The Company generated a net loss for the quarter of $1,924, or $0.05 per share, compared to net income of $2,454 million, or $0.06 per diluted share, in the prior year first quarter.
- The Company issued 11,818,181 additional shares of common stock, raising gross proceeds of $65,000 as a result of the closing of a Rights Offering and related Investment Agreement. The Company used a portion of the proceeds received to (1) repay the amount owed by us under the Tax Receivable Agreement with Sun Cardinal, for the tax benefit with respect to the 2014 taxable year including accrued interest, totaling $22,258 (see Note 11 "Related Party Transactions" for additional details), and (2) repay all outstanding indebtedness, totaling $20,000, under our Revolving Credit Facility. The Company intends to use the remaining net proceeds for additional strategic investments and general corporate purposes.
- We opened three new retail stores during the three months ended April 30, 2016.
- As of April 30, 2016, we had $45,000 of total debt principal outstanding, all of which is under our Term Loan Facility. There were no borrowings outstanding on our Revolving Credit Facility.
- We continued to invest in new stores, shop-in-shop build-outs and infrastructure related to our IT migration efforts.

We serve our customers through a variety of channels that reinforce the Vince brand image. Our diversified channel strategy allows us to introduce our products to customers through multiple distribution points that are reported in two segments: wholesale a nd direct-to-consumer.

Results of Operations

The following table presents our operating results as a percentage of net sales as well as earnings per share data for the three months ended April 30, 2016 and May 2, 2015:

	Three Months Ended			
	April 30, 2016		May 2, 2015	
(In thousands, except share data, store and door counts and percentages)				
Statement of Operations:				
Net sales	$ 67,645	100.0%	$ 59,842	100.0%
Cost of products sold	39,387	58.2%	29,101	48.6%
Gross profit	28,258	41.8%	30,741	51.4%
Selling, general and administrative expenses	31,806	47.0%	25,640	42.9%
(Loss) income from operations	(3,548)	(5.2)%	5,101	8.5%
Interest expense, net	881	1.3%	1,316	2.2%
Other expense, net	160	0.3%	141	0.2%
(Loss) income before income taxes	(4,589)	(6.8)%	3,644	6.1%
(Benefit) provision for income taxes	(2,665)	(4.0)%	1,190	2.0%
Net (loss) income	$ (1,924)	(2.8)%	$ 2,454	4.1%
(Loss) Earnings per Share:				
Basic (loss) earnings per share	$ (0.05)		$ 0.07	
Diluted (loss) earnings per share	$ (0.05)		$ 0.06	
Other Operating and Financial Data:				
Total wholesale doors at end of period	2,345		2,471	
Total stores at end of period	51		41	
Comparable sales growth (1) (2)	-12.3%		9.7%	

(1) Comparable sales include our e-commerce sales in order to align with how the Company manages its brick-and-mortar retail stores and e-commerce online store as a combined single direct-to-consumer segment. As a result of our omni-channel sales and inventory strategy as well as cross-channel customer shopping patterns, there is less distinction between our brick-and-mortar retail stores and our e-commerce online store and we believe the inclusion of e-commerce sales in our comparable sales metric is a more meaningful representation of these results and provides a more comprehensive view of our year over year comparable store metric.

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

Three Months En ded April 3 0 , 201 6 Compared to Three Months Ended May 2 , 201 5

Net sales for the three months ended April 30, 2016 were $67,645, increasing $7,803, or 13.0%, versus $59,842 for the three months ended May 2, 2015. Net sales by reportable segment is as follows:

	Three Months Ended	
(in thousands)	April 30, 2016	May 2, 2015
Net Sales:		
Wholesale	$ 44,776	$ 38,287
Direct-to-consumer	22,869	21,555
Total net sales	$ 67,645	$ 59,842

Net sales from our wholesale segment increased $6,489, or 16.9%, to $44,776 in the three months ended April 30, 2016, primarily driven by higher off price orders and higher full price customer orders, partly offset by higher givebacks in the first quarter. The increase in the wholesale business was impacted by a decrease in net wholesale doors of 126 and the addition of 6 shop-in-shops with our wholesale partners since the end of the first quarter of fiscal 2015.

Net sales from our direct-to-consumer segment increased $1,314, or 6.1%, to $22,869 in the three months ended April 30, 2016 from $21,555 in the three months ended May 2, 2015. Non-comparable sales contributed $3,927 of the sales growth. This growth was offset by a decline in comparable sales of $2,613, or 12.3%, including e-commerce, reflecting declines in the number of transactions and average order value driven by the planned reduction in promotional activity and inventory levels. Since the prior year first quarter, 10 new stores have opened, bringing our total retail store count to 51 as of April 30, 2016, compared to 41 as of May 2, 2015.

Gross profit decreased 8.1% to $28,258 for the three months ended April 30, 2016 versus $30,741 in the prior year. As a percentage of sales, gross margin was 41.8%, compared with 51.4% in the prior year first quarter. The total gross margin rate decrease was primarily driven by the following factors:

- The unfavorable impact from increased off price and outlet penetration contributed negatively by 430 basis points;
- The unfavorable impact from markdowns and chargebacks contributed negatively by 150 basis points, including the impact of our change in strategy for handbags; and
- The unfavorable impact from strategic investments related to the migration of our distribution facilities from Kellwood to a new third-party service provider and the realignment of our supplier base contributed negatively by 129 basis points.

Selling, general and administrative expenses for the three months ended April 30, 2016 were $31,806, increasing $6,166, or 24.0%, versus $25,640 for the three months ended May 2, 2015. Selling, general and administrative expenses as a percentage of sales was 47.0% and 42.9% for the three months ended April 30, 2016 and May 2, 2015, respectively. As we continue to invest in initiatives that we believe will drive future growth, our selling, general and administrative expenses as a percent of sales have deleveraged. The increase in selling, general and administrative expenses compared to the prior fiscal year period is primarily due to:

- Increase in compensation expense of $1,903, including severance costs due to certain changes in management as well as employee benefits and related increases due to the hiring of employees to support our growth plans;
- Increase in consulting fees of $1,685 largely driven by expenses associated with the consulting agreements with our co-founders;
- Increase in rent and occupancy costs of $1,294 due primarily to new retail store openings;
- Other strategic investment increases of $1,349 related to the realignment of our supplier base, the transition of the information technology systems and infrastructure in-house from Kellwood, severance and other costs related to handbags and costs related to our brand update initiatives; and
- The above increases were partially offset by $131 of lower costs charged under our Shared Services Agreement as we have transitioned certain back office support functions in-house that were previously performed by Kellwood under the Shared Services Agreement.

(Loss) Income from o perati o n s by segment for the three months ended April 3 0 , 201 6 and May 2 , 201 5 is summarized in the following table :

	Three Months Ended	
	April 30, 2016	May 2, 2015
(in thousands)		
Wholesale	$ 10,274	$ 14,277
Direct-to-consumer	1,677	2,371
Subtotal	11,951	16,648
Unallocated expenses	(15,499)	(11,547)
Total (loss) income from operations	$ (3,548)	$ 5,101

Operating income from our wholesale segment decreased $4,003, or 28.0%, to $10,274 in the three months ended April 30, 2016 from $14,277 in the three months ended May 2, 2015. This decrease was primarily driven by the impact of the lower gross margins due to the unfavorable impact from higher off price orders as well as increased markdowns and chargebacks.

Operating income from our direct-to-consumer segment decreased by $694, or 29.3%, to $1,677 in the three months ended April 30, 2016 from $2,371 in the three months ended May 2, 2015. The decrease resulted primarily from the impact of higher selling, general and administrative expenses associated with the 10 new stores that have opened since the prior year first quarter partly offset by an improvement in gross margins.

Unallocated corporate expenses are comprised of selling, general and administrative expenses attributable to corporate and administrative activities (such as marketing, design, finance, information technology, legal and human resources departments), and other charges that are not directly attributable to our reportable segments.

Interest expense decreased $435, or 33.1%, to $881 in the three months ended April 30, 2016 from $1,316 in the three months ended May 2, 2015. The reduction in interest expense is primarily due to the lower overall debt balances since May 2, 2015 as a result of voluntary prepayments on our Term Loan Facility.

(Benefit) Provision for income taxes for the three months ended April 30, 2016 was $(2,665) as compared to $1,190 for the three months ended May 2, 2015. Our effective tax rate on pretax income for the three months ended April 30, 2016 and May 2, 2015 was 58.1% and 32.7%, respectively. The effective tax rate for the three months ended April 30, 2016 differed from the U.S. statutory rate of 35% primarily due to the impact of certain non-deductible executive compensation as well as state taxes. Our effective tax rate for the three months ended May 2, 2015 differed from the U.S. statutory rate of 35% primarily due to changes to the New York City tax laws that impacted the net operating loss deferred tax assets offset in part by state taxes.

Liquidity and Capital Resources

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

On March 15, 2016, the Company entered into an Investment Agreement with Sun Cardinal, LLC and SCSF Cardinal, LLC, affiliates of Sun Capital Partners, Inc. (collectively the “Investors”) pursuant to which Sun Cardinal and SCSF Cardinal agreed to backstop a rights offering by purchasing at the subscription price of $5.50 per share any and all shares not subscribed through the exercise of rights, including the oversubscription. The Investment Agreement superseded the Rights Offering Commitment Letter, dated December 9, 2015, from Sun Capital Partners V, L.P. See Note 11 “Related Party Transactions” for additional information.

On March 29, 2016, the Company commenced a rights offering (the “Rights Offering”), whereby the Company distributed, at no charge, to stockholders of record as of March 23, 2016 (the “Rights Offering Record Date”), rights to purchase new shares of the Company’s common stock at $5.50 per share. Each stockholder as of the Rights Offering Record Date (“Rights Holders”) received one non-transferrable right to purchase 0.3191 shares for every share of common stock owned on the Rights Offering Record Date (the “subscription right”). Rights Holders who fully exercised their subscription rights were entitled to subscribe for additional shares

that remain ed unsubscribed as a result of any unexercised subscription rights (the “over-subscription right”). Th e over-subscription right allowed a Rights Holder to subscribe for an additional number of shares equal to up to 20% of the shares of common stock for which such holder was otherwise entitled to subscribe. Subscription rights could only be exercised for whole numbers of shares; no fractional shares of common stock were is sued in the Rights Offering. The Rights Offering period expire d on April 14, 2016 at 5:00 p.m. New York City time, prior to which payment for all subscription rights required an irrevocable funding of cash to the transfer agent, to be held in an account fo r the benefit of the Company . The Investors fully subscribed in the Rights Offering and exercised their oversubscription right. The Company received subscriptions and oversubscriptions from its existing stockholders for a total of 11 , 6 22,518 shares of its common stock, resulting in aggregate gross proceeds of approximately $63 , 9 24 . Simultaneous with the closing of the Rights Offering, the Company received $1 ,076 of gross proceeds from the related I nvestment Agreement and issued to the Investors 195,663 shar es of its common stock in connection therewith. In total, the Company received total gross proceeds of $65,000 a s a result of the Rights Offering and related Investment Agreement transactions . As of April 30, 2016, affiliates of Sun Capital owned 58.2% of our outstanding common stock.

The Company used a portion of the net proceeds received from the Rights Offering to (1) repay the amount owed by us under the Tax Receivable Agreement with Sun Cardinal, for itself and as a representative of the other stockholders party thereto, for the tax benefit with respect to the 2014 taxable year including accrued interest, totaling $22,258 (see Note 11 “Related Party Transactions”), and (2) repay all outstanding indebtedness, totaling $20,000, under our Revolving Credit Facility. The Company intends to use the remaining net proceeds for additional strategic investments and general corporate purposes, which may include future amounts owed by us under the Tax Receivable Agreement.

Management believes that our current balances of cash and cash equivalents, cash flow from operations and amounts available under the Revolving Credit Facility will be sufficient to comply with any covenants under the Term Loan Facility and the Revolving Credit Facility, fund our debt service requirements, fund our obligations under our Tax Receivable Agreement, and fund planned capital expenditures and working capital needs for at least the next twelve months. However, there can be no assurance that we will be able to achieve our strategic initiatives in the future and failure to do so would have a significant adverse effect on our operations.

Operating Activities

	Three Months Ended	
	April 30, 2016	May 2, 2015
(in thousands)		
Operating activities		
Net (loss) income	$ (1,924)	$ 2,454
Add (deduct) items not affecting operating cash flows:		
Depreciation and amortization	1,902	1,926
Provision for inventories	388	3,173
Deferred rent	428	869
Deferred income taxes	(2,714)	1,157
Share-based compensation expense	514	836
Other	129	259
Changes in assets and liabilities:		
Receivables, net	(7,752)	16,401
Inventories	12,821	(6,966)
Prepaid expenses and other current assets	(1,414)	629
Accounts payable and accrued expenses	(34,391)	(9,802)
Other assets and liabilities	17	48
Net cash (used in) provided by operating activities	$ (31,996)	$ 10,984

Net cash used in operating activities during the three months ended April 30, 2016 was $31,996, which consisted of a net loss of $1,924, impacted by non-cash items of $647 and cash used in working capital of $30,719. Net cash used in working capital primarily resulted from a cash outflow in accounts payable and accrued expenses of $34,391, primarily due to the payment of $22,258, including accrued interest, under the Tax Receivable Agreement with Sun Cardinal as well as the timing of payments to vendors and a cash outflow of $7,752 in receivables, net primarily driven by off-price sales activity and settlement of vendor allowances. These cash outflows were partially offset by a cash inflow in inventories of $12,821 due to better inventory management partly offset by increased purchases to support new stores and shop-in-shops.

Net cash provided by operating activities during the three months ended May 2 , 201 5 was $ 10,984 , which consisted of net income of $ 2,454 , impacted by non-cash items of $ 8,220 and cash provided by working capital of $ 310 . Net cash provided by working capital primarily resulted from a cash inflow in accounts receivable of $ 16,401 primarily due to the timing o f collections and a cash inflow in prepaid expenses and other current assets of $629 . These cash inflows w ere part ially offset by a cash outflow in accounts payable and accrued expenses of $9,802 primarily due to the timing of payments to vendors and a cash outflow in inventories of $6,966.

Investing Activities

	Three Months Ended	
	April 30, 2016	May 2, 2015
(in thousands)		
Investing activities		
Payments for capital expenditures	$ (3,709)	$ (6,260)
Net cash used in investing activities	$ (3,709)	$ (6,260)

Net cash used in investing activities of $3,709 during the three months ended April 30, 2016 represents capital expenditures related primarily to retail store build-outs, including leasehold improvements and store fixtures, as well as expenditures for our shop-in-shop spaces operated by certain distribution partners and the investment in our new ERP systems and related infrastructure.

Net cash used in investing activities of $6,260 during the three months ended May 2, 2015 represents capital expenditures for construction of additional retail stores, additional build-out of shop-in-shops within selected wholesale partner locations, costs related to the build-out of our new corporate office space and showroom facilities as well as costs related to information technology initiatives.

Financing Activities

	Three Months Ended	
	April 30, 2016	May 2, 2015
(in thousands)		
Financing activities		
Proceeds from borrowings under the Revolving Credit Facility	$ 46,073	$ 22,484
Repayment of borrowings under the Revolving Credit Facility	(61,073)	(24,906)
Repayment of borrowings under the Term Loan Facility	—	(2,500)
Proceeds from common stock issuance, net of certain transaction costs	63,883	—
Stock option exercise	2,155	157
Net cash provided by (used in) financing activities	$ 51,038	$ (4,765)

Net cash provided by financing activities was $51,038 during the three months ended April 30, 2016, primarily consisting of net proceeds received from the issuance of common stock in connection with the completed Rights Offering of $63,883 partially offset by $15,000 of net repayments of borrowing under our Revolving Credit Facility.

Net cash used in financing activities was $4,765 during the three months ended May 2, 2015, primarily consisting of voluntary prepayments totaling $2,500 on the Term Loan Facility and net payments of $2,422 on our Revolving Credit Facility.

Revolving Credit Facility

On November 27, 2013, Vince, LLC entered into a $50,000 senior secured revolving credit facility (as amended from time to time, the "Revolving Credit Facility") with Bank of America, N.A. ("BofA") as administrative agent. Vince, LLC is the borrower and VHC and Vince Intermediate Holding, LLC, a direct subsidiary of VHC and the direct parent company of Vince, LLC ("Vince Intermediate"), are the guarantors under the Revolving Credit Facility. On June 3, 2015, Vince LLC entered into a first amendment to the Revolving Credit Facility, that among other things, increased the aggregate commitments under the facility from $50,000 to $80,000, subject to a loan cap which is the lesser of (i) the Borrowing Base, as defined in the loan agreement, (ii) the aggregate commitments, or (iii) $70,000 until debt obligations under the Company's term loan facility have been paid in full, and extended the

maturity date from November 27, 2018 to June 3, 2020. The Revolving Credit Facility also provides for a letter of credit sublimit of $25 ,00 0 (plus any increase in aggregate commitments) and an accordion option that allows for an increase in aggregate commitments up to $20 ,00 0 . Interest is payable on the loans under the Revolving Credit Facility at either the LIBOR or the Base Rate, in each case, plus an applicable margin of 1.25% to 1.75% for LIBOR loans or 0.25% to 0.75% for Base Rate loans, and in each case subject to a pri cing grid based on an average daily excess availability calculation. The "Base Rate" means, for any day, a fluctuating rate per annum equal to the highest of (i) the rate of interest in effect for such day as publicly announced from time to time by BofA as its prime rate; (ii) the Federal Funds Rate for such day, plus 0.50%; and (iii) the LIBOR Rate for a one month interest period as determined on such day, plus 1.0%. During the continuance of an event of default and at the election of the required lender, interest will accrue at a rate of 2% in excess of the applicable non-default rate.

The Revolving Credit Facility contains a maintenance requirement that, at any point when "Excess Availability" is less than the greater of (i) 15% percent of the adjusted loan cap (without giving effect to item (iii) of the loan cap described above) or (ii) $10,000, and continuing until Excess Availability exceeds the greater of such amounts for 30 consecutive days, during which time, we must maintain a consolidated EBITDA (as defined in the Revolving Credit Facility) equal to or greater than $20,000 measured at the end of each applicable fiscal month for the trailing twelve-month period. We have not been subject to this maintenance requirement as Excess Availability was greater than the required minimum.

The Revolving Credit Facility contains representations and warranties, other covenants and events of default that are customary for this type of financing, including limitations on the incurrence of additional indebtedness, liens, negative pledges, guarantees, investments, loans, asset sales, mergers, acquisitions, prepayment of other debt, the repurchase of capital stock, transactions with affiliates, and the ability to change the nature of its business or its fiscal year. The Revolving Credit Facility generally permits dividends in the absence of any event of default (including any event of default arising from the contemplated dividend), so long as (i) after giving pro-forma effect to the contemplated dividend, for the following six months Excess Availability will be at least the greater of 20% of the adjusted loan cap and $10,000 and (ii) after giving pro forma effect to the contemplated dividend, the "Consolidated Fixed Charge Coverage Ratio" for the 12 months preceding such dividend shall be greater than or equal to 1.0 to 1.0 (provided that the Consolidated Fixed Charge Coverage Ratio may be less than 1.0 to 1.0 if, after giving pro forma effect to the contemplated dividend, Excess Availability for the six fiscal months following the dividend is at least the greater of 35% of the adjusted loan cap and $15,000). We are in compliance with applicable financial covenants.

As of April 30, 2016, the availability under the Revolving Credit Facility was $43,685 net of the amended loan cap and there were $0 of borrowings outstanding and $7,474 of letters of credit outstanding under the Revolving Credit Facility. As of May 2, 2015, the availability on the Revolving Credit Facility was $22,200 and there was $20,578 of borrowings outstanding and $7,222 of letters of credit outstanding under the Revolving Credit Facility. The weighted average interest rate for borrowings outstanding under the Revolving Credit Facility as of May 2, 2015 was 1.6%.

Term Loan Facility

On November 27, 2013, in connection with the closing of the IPO and Restructuring Transactions, Vince, LLC and Vince Intermediate entered into a $175,000 senior secured term loan facility (as amended from time to time, the "Term Loan Facility") with the lenders party thereto, BofA, as administrative agent, JPMorgan Chase Bank and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as joint lead arrangers, and Cantor Fitzgerald as documentation agent. The Term Loan Facility will mature on November 27, 2019. Vince, LLC and Vince Intermediate are borrowers and VHC is a guarantor under the Term Loan Facility.

The Term Loan Facility also provides for an incremental facility of up to the greater of $50,000 and an amount that would result in the consolidated net total secured leverage ratio not exceeding 3.00 to 1.00, in addition to certain other rights to refinance or repurchase portions of the term loan. The Term Loan Facility is subject to quarterly amortization of principal equal to 0.25% of the original aggregate principal amount of the Term Loan Facility (adjusted to reflect any prepayments), with the balance payable at final maturity. Interest is payable on loans under the Term Loan Facility at a rate of either (i) the Eurodollar rate (subject to a 1.00% floor) plus an applicable margin of 4.75% to 5.00% based on a consolidated net total leverage ratio or (ii) the base rate applicable margin of 3.75% to 4.00% based on a consolidated net total leverage ratio. During the continuance of a payment or bankruptcy event of default, interest will accrue (i) on the overdue principal amount of any loan at a rate of 2% in excess of the rate otherwise applicable to such loan and (ii) on any overdue interest or any other outstanding overdue amount at a rate of 2% in excess of the non-default interest rate then applicable to base rate loans. The Term Loan Facility requires Vince, LLC and Vince Intermediate to make mandatory prepayments upon the occurrence of certain events, including additional debt issuances, common and preferred stock issuances, certain asset sales, and annual payments of 50% of excess cash flow, subject to reductions to 25% and 0% if Vince, LLC and Vince Intermediate maintain a Consolidated Net Total Leverage Ratio of 2.50 to 1.00 and 2.00 to 1.00, respectively, and subject to reductions for voluntary prepayments made during such fiscal year .

The Term Loan Facility contains a requirement that Vince, LLC and Vince Intermediate maintain a "Consolidated Net Total Leverage Ratio" as of the last day of any period of four fiscal quarters not to exceed 3.75 to 1.00 for the fiscal quarters ending February 1, 2014 through November 1, 2014, 3.50 to 1.00 for the fiscal quarters ending January 31, 2015, through October 31, 2015, and 3.25 to 1.00 for the fiscal quarter en ding January 30, 2016 and each fiscal quarter thereafter. In addition, the Term Loan Facility contains customary representations and warranties, other covenants, and events of default, including but not limited to, limitations on the incurrence of addition al indebtedness, liens, negative pledges, guarantees, investments, loans, asset sales, mergers, acquisitions, prepayment of other debt, the repurchase of capital stock, transactions with affiliates, and the ability to change the nature of its business or i ts fiscal year, and distributions and dividends. The Term Loan Facility generally permits dividends to the extent that no default or event of default is continuing or would result from the contemplated dividend and the pro forma Consolidated Net Total Leve rage Ratio after giving effect to such contemplated dividend is at least 0.25 lower than the maximum Consolidated Net Total Leverage Ratio for such quarter in an amount not to exceed the excess available amount, as defined in the loan agreement. All obliga tions under the Term Loan Facility are guaranteed by Vince Holding Corp. and any future material domestic restricted subsidiaries of Vince, LLC and secured by a lien on substantially all of the assets of Vince Holding Corp., Vince, LLC and Vince Intermedia te and any future material domestic restricted subsidiaries. We are in compliance with applicable financial covenants.

Through April 30, 2016, on an inception to date basis, we have made voluntary prepayments totaling $130,000 in the aggregate on the original $175,000 Term Loan Facility entered into on November 27, 2013. Of the $130,000 aggregate voluntary prepayments made to date, $0 was paid during the three months ended April 30, 2016. As of April 30, 2016, the Company had $45,000 of debt outstanding under the Term Loan Facility.

Off-Balance Sheet Arrangements

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

Seasonality

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

Inflation

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

Critical Accounting Policies and Estimates

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

A summary of our critical accounting policies is included in the Management's Discussion and Analysis of Financial Condition and Results of Operations section of our 2015 Annual Report on Form 10-K. As of April 30, 2016, there have been no material changes to the critical accounting policies contained therein.

ITEM 3. QUANTITATIVE AND QUALITAT IVE DISCLOSURE ABOUT MARKET RISK

Our principal market risk relates to interest rate sensitivity, which is the risk that changes in interest rates will reduce our net income or net assets. Our variable rate debt consists of borrowings under the Term Loan Facility and Revolving Credit Facility. Our current interest rate on the Term Loan Facility is based on the Eurodollar rate (subject to a 1.00% floor) plus an applicable margin of 4.75% to 5.00%. Our interest rate on the Revolving Credit Facility is based on the Eurodollar rate or the Base Rate (as defined in the Revolving Credit Facility) with applicable margins subject to a pricing grid based on excess availability. As of April 30, 2016, a one percentage point increase in the interest rate on our variable rate debt would result in additional interest expense of approximately $450 for the $45,000 of borrowings outstanding under the Term Loan Facility and Revolving Credit Facility as of such date, calculated on an annual basis.

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

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

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

Under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, management has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) of the Exchange Act) as of April 30, 2016.

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

Limitations on the Effectiveness of Disclosure Controls and Procedures

A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Accordingly, our disclosure controls and procedures are designed to provide reasonable, not absolute, assurance that the objectives of our disclosure system are met. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Changes in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the fiscal quarter ended April 30, 2016 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are a party to legal proceedings, compliance matters and environmental claims that arise in the ordinary course of our business. Except as disclosed on our 2015 Annual Report on Form 10-K, we are not currently a party to any legal proceedings, compliance investigation or environmental claims that we believe would, individually or in the aggregate, have a material adverse effect on our financial position, results of operations, or cash flows although these proceedings and claims are subject to inherent uncertainties.

ITEM 1A. RI SK FACTORS

The risk factors disclosed in our 2015 Annual Report on Form 10-K, in addition to the other information set forth in this report on Form 10-Q, could materially affect our business, financial condition or results. The Company's risk factors have not changed materially from those disclosed in our 2015 Annual Report on Form 10-K other than the following:

We have substantially completed the process of migrating our U.S. distribution system from Kellwood to a new third party provider. Problems with our distribution system, including any disruption caused by the migration, could materially harm our ability to meet customer expectations, manage inventory, complete sale transactions and achieve targeted operating efficiencies.

In the U.S., we historically relied on a distribution facility operated by Kellwood in City of Industry, California as part of the Shared Services Agreement. In November 2015, we entered into a service agreement with a new third-party distribution provider in California and substantially completed the migration of the distribution facility from Kellwood during the first quarter of fiscal year 2016. Our ability to meet the needs of our wholesale partners and our own direct-to-consumer business depends on the proper operation of this distribution facility. The migration of these services from Kellwood required us to implement new system integrations and required Kellwood to assist with the migration. There can be no assurance that we will not encounter problems as a result of such transition, including significant chargebacks from our wholesale partners and delays in shipments of merchandise to our customers, which could have a material adverse effect on our business, financial condition, liquidity and results of operations. We also have a warehouse in Belgium operated by a third-party logistics provider to support our wholesale orders for customers located primarily in Europe.

Because substantially all of our products are distributed from one location, our operations could also be interrupted by labor difficulties, or by floods, fires, earthquakes or other natural disasters near such facility. For example, a majority of our ocean shipments go through the ports in Los Angeles, which were recently subject to significant processing delays due to labor issues involving the port workers. We maintain business interruption insurance. These policies, however, may not adequately protect us from the adverse effects that could result from significant disruptions to our distribution system, including those that may arise from the migration. If we encounter problems with any of our distribution systems, our ability to meet customer expectations, manage inventory, complete sales and achieve targeted operating efficiencies could be harmed. Any of the foregoing factors could have a material adverse effect on our business, financial condition and operating results.

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

On March 15, 2016, the Company entered into an Investment Agreement with Sun Cardinal, LLC and SCSF Cardinal, LLC, affiliates of Sun Capital Partners, Inc. (collectively the "Investors") pursuant to which the Investors agreed to backstop a rights offering by purchasing at the subscription price of $5.50 per share any and all shares not subscribed through the exercise of rights, including the over-subscription. See Note 1 "Description of Business and Basis of Presentation " for additional information regarding the rights offering. Simultaneous with the closing of the rights offering, on April 22, 2016, the Company received $1.1 million of proceeds from the related Investment Agreement and issued to the Investors 195,663 shares of its common stock in connection therewith. The Company intends to use the proceeds for additional strategic investments and general corporate purposes, which may include future amounts owed by us under the Tax Receivable Agreement. The shares issued to the Investors pursuant to the Investment Agreement were sold in reliance on the exemption set forth in Section 4(a)(2) under the Securities Act and/or Regulation D promulgated thereunder.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. E XHIBITS

10.1†	Employment Agreement, dated as of December 18, 2015, between Vince, LLC to Katayone Adeli.
10.2†	Confidential Severance Agreement and General Release, dated as of February 29, 2016, between Vince, LLC and Michele Sizemore.
10.3	Investment Agreement, dated as of March 15, 2016, by and among Vince Holding Corp., Sun Cardinal, LLC and SCSF Cardinal, LLC (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on March 16, 2016)
31.1	CEO Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	CFO Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	CEO Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	CFO Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.1	Financial Statements in XBRL Format

† Indicates exhibits that constitute management contracts or compensatory plans or arrangements

SIGNATURE

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

Signature	Title	Date
/s/ David Stefko David Stefko	Chief Financial Officer (as duly authorized officer and principal financial officer)	June 8, 2016

Exhibit 10.1

VINCE

EMPLOYMENT AGREEMENT

EMPLOYMENT AGREEMENT (this " Agreement ") dated as of December 18, 2015, by and between Vince, LLC, a Delaware limited liability company (the " Company ") and Katayone Adeli (the " Executive ").

W I T N E S S E T H

WHEREAS, the Company desires to employ the Executive as the Creative Director of the Company; and

WHEREAS, the Company and the Executive desire to enter into this Agreement as to the terms of the Executive's employment with the Company.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises contained herein and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. POSITION AND DUTIES.

(a) **GENERAL.** During the Employment Term, the Executive shall serve as the Creative Director of the Company. In this capacity, the Executive shall have the duties, authorities and responsibilities commensurate with the duties, authorities and responsibilities of persons in similar capacities in similarly sized companies, and such other duties, authorities and responsibilities as may reasonably be assigned to the Executive from time to time that are not inconsistent with the Executive's position with the Company. The Executive's principal place of employment with the Company shall be in Los Angeles, California, provided that the Executive understands and agrees that the Executive's position requires travel for business purposes, including to the Company's offices in New York, New York. The Executive shall report directly to the Chief Executive Officer of the Company.

(b) **OTHER ACTIVITIES.** During the Employment Term, the Executive shall devote all of the Executive's business time, energy, business judgment, knowledge and skill and the Executive's best efforts to the performance of the Executive's duties with the Company, provided that the foregoing shall not prevent the Executive from (i) with prior written notice to the Board of Directors of Vince Holding Corp. (such Board of Directors, the " Board " and Vince Holding Corp., the " Parent "), serving on the boards of directors (and board committees) of non-profit organizations, and, with the prior written approval of the Board, other for profit companies, (ii) participating in charitable, civic, educational, professional, community or industry affairs and (iii) managing the Executive's passive personal investments, in each case so long as such activities in the aggregate do not interfere or conflict with the Executive's duties hereunder or create a potential business or fiduciary conflict. The Executive acknowledges that she is subject to, and agrees to comply with, among other policies adopted by the Parent or the Company from time to time which may be applicable to the Executive, (x) any policy regarding

a "clawback" of compensation in certain circumstances, including the clawback provided for in the Vince Holding Corp. 2013 Omnibus Incentive Plan (the " 2013 Incentive Plan "), (y) the Parent's stock ownership policy applicable to senior executives, and (z) the Parent's policy regarding trading in Parent securities.

2. EMPLOYMENT TERM.

(a) The Company agrees to employ the Executive pursuant to the terms of this Agreement, and the Executive agrees to be so employed, for a term commencing on January 25, 2016 (the " Effective Date ") and ending on January 24, 2017 (the " Initial Term "). Following the Initial Term, the term of this Agreement shall be automatically extended for successive one-year periods (each, a " Renewal Term "); provided , however , that either party hereto may elect not to extend this Agreement by giving written notice to the other party at least ninety (90) days prior to the end of the Initial Term or any Renewal Term. In the event that the Executive does not commence employment on the Effective Date, this Agreement shall be null and void in its entirety and shall be automatically cancelled without further action by the Company. Notwithstanding the foregoing, the Executive's employment hereunder may be earlier terminated in accordance with Section 6 hereof, subject to the provisions of Section 7 hereof. The period of time between the Effective Date and the termination of the Executive's employment hereunder shall be referred to herein as the " Employment Term ."

(b) It is acknowledged and agreed that if this Agreement is not renewed by the Company pursuant to Section 2(a) hereof, and not as a result of the Executive's Disability, death or Cause pursuant to Section 6(a) , 6(b) , or 6(c) hereof, such non-renewal by the Company will be deemed a termination without Cause pursuant to Section 6(d) hereof. In the event that the Executive's employment with the Company ceases at the end of any term because the Executive (and not the Company) has given a non-renewal notice set forth in Section 2(a) hereof, and not as a result of the occurrence of Good Reason pursuant to Section 6(e) hereof, then such termination of employment shall be deemed a voluntary termination by the Executive without Good Reason pursuant to Section 6(f) hereof.

3. BASE SALARY. During the Employment Term, the Company agrees to pay the Executive a base salary at an annual rate of $1,500,000, payable in accordance with the regular payroll practices of the Company, but not less frequently than monthly. The Executive's Base Salary shall be subject to annual review by the Board (or a committee thereof), and may be increased from time to time by and at the discretion of the Board, but may not be decreased. The base salary as determined herein shall constitute " Base Salary " for purposes of this Agreement.

4. SIGNING BONUS, ANNUAL BONUS AND LONG TERM INCENTIVES.

(a) **SIGNING BONUS.** On the Effective Date, the Executive shall, by direct deposit or other transfer of immediately available funds, be paid a one-time signing bonus of $3,000,000 (the " Signing Bonus "). In the event that the Executive's employment with the Company and the Employment Term end prior to the second anniversary of the Effective Date for any reason other than a termination by the Company without Cause pursuant to Section 6(d) hereof or a termination by the Executive for Good Reason pursuant to Section 6(e) hereof, the Executive shall be required to promptly repay: (i) if the termination occurs prior to the first anniversary of

the Effective Date, 100% of the Signing Bonus, and (ii) if the termination occurs after the first anniversary of the Effective Date but prior to the second anniversary of the Effective Date, 50% of the Signing Bonus.

(b) **ANNUAL BONUS.** During the Employment Term and with respect to the fiscal year beginning on or around February 1, 2016 (" Fiscal Year 2016 ") and the fiscal year beginning on or around February 1, 2017 (" Fiscal Year 2017 "), the Executive shall be eligible to receive an annual incentive payment equal to $250,000 (each a " Non-Discretionary Bonus "). During the Employment Term and commencing with respect to the fiscal year beginning on or around February 1, 2018 (the " Fiscal Year 2018 "), the Executive shall be eligible to receive an annual discretionary incentive payment under the Company's annual bonus plan as may be in effect from time to time (the " Discretionary Bonus " and, together with the Non-Discretionary Bonuses, the " Annual Bonus "), provided that such Discretionary Bonus shall be subject to certain conditions, including achievement of performance metrics as established by the Compensation Committee of the Board (the " Compensation Committee "), with the target Discretionary Bonus opportunity set at $500,000 (the " Target Bonus ") and the maximum Discretionary Bonus opportunity set at $750,000. For the avoidance of doubt, the Executive shall only be eligible to receive the Non-Discretionary Bonus with respect to Fiscal Year 2016 and Fiscal Year 2017 and the Executive shall only be eligible to receive the Discretionary Bonus with respect to Fiscal Year 2018 and subsequent fiscal years during the Employment Term. Any Annual Bonus payable hereunder shall be paid at the same time annual bonuses are paid to other senior executives of the Company, but in no event later than the first April 30 th following the end of the applicable fiscal year to which the Annual Bonus relates, subject to the Executive's continued employment with the Company through the date of payment (except as otherwise provided in Section 7 hereof).

(c) **INITIAL EQUITY GRANTS.** The Executive shall, subject to the approval of the Compensation Committee, be granted an initial equity grant of options to acquire 150,000 shares of the Parent's common stock, to be granted on the Effective Date, in the form Nonqualified Stock Option Grant Agreement attached hereto as Exhibit A, and shall otherwise be subject to the terms of the 2013 Incentive Plan.

(d) **ANNUAL EQUITY GRANTS** . The Executive shall be eligible to receive additional equity grants at the discretion of the Compensation Committee, with her first eligibility to be on the first anniversary of the Effective Date. Following the first anniversary of the Effective Date, the Executive shall be eligible for equity grants at the same time as other executive officers of the Company, subject at all times to the discretion of the Compensation Committee.

5. EMPLOYEE BENEFITS.

(a) **BENEFIT PLANS.** During the Employment Term, the Executive shall be entitled to participate in any employee benefit plan that the Company has adopted or may adopt, maintain or contribute to for the benefit of its employees generally, subject to satisfying the applicable eligibility requirements, and except to the extent such plans are duplicative of the benefits otherwise provided hereunder. The Executive's participation will be subject to the terms

of the applicable plan documents and generally applicable Company policies. Notwithstanding the foregoing, the Company may modify or terminate any employee benefit plan at any time.

(b) **VACATION TIME.** During the Employment Term, the Executive shall be entitled to four (4) weeks of paid vacation per calendar year (as prorated for partial years) in accordance with the Company's policy on accrual and use applicable to employees as in effect from time to time.

(c) **BUSINESS AND TRAVEL EXPENSES.** Upon presentation of reasonable substantiation and documentation as the Company may specify from time to time, the Executive shall be reimbursed in accordance with the Company's expense reimbursement policy, for all reasonable out-of-pocket business expenses incurred and paid by the Executive during the Employment Term and in connection with the performance of the Executive's duties hereunder.

(d) **INDEMNIFICATION; D&O INSURANCE.** Both during and after the Employment Term, regardless of the reason for termination, the Company hereby agrees to indemnify the Executive and hold the Executive harmless to the maximum extent permitted by the Company's organizational documents against and in respect of any and all actions, suits, proceedings, investigations, claims, demands, judgments, costs, expenses (including reasonable attorney's fees), losses, and damages (collectively, the " Losses ") resulting from the Executive's good faith performance of the Executive's duties and obligations with the Company and Parent hereunder; provided that the foregoing shall not apply to intentional actions or omissions by the Executive that are in violation of Section 9(d) hereof and that the Executive knows or reasonably should have known could cause Losses. The Company shall cover the Executive under directors' and officers' liability insurance both during and, while potential liability exists, after the term of this Agreement in the same amount and to the same extent as the Company covers its other active officers and directors. The foregoing obligations shall survive the termination of the Executive's employment with the Company.

6. TERMINATION. The Executive's employment and the Employment Term shall terminate on the first of the following to occur:

(a) **DISABILITY.** Upon ten (10) days' prior written notice by the Company to the Executive of a termination due to Disability. For purposes of this Agreement, " Disability " shall be defined as the inability of the Executive to have performed the Executive's material duties hereunder after reasonable accommodation due to a physical or mental injury, infirmity or incapacity for one hundred eighty (180) days (including weekends and holidays) in any three hundred, sixty-five (365)-day period as determined by the Board in its reasonable discretion. The Executive shall cooperate in all respects with the Company if a question arises as to whether the Executive has become disabled (including, without limitation, submitting to reasonable examinations by one or more medical doctors and other health care specialists selected by the Company and authorizing such medical doctors and other health care specialists to discuss the Executive's condition with the Company).

(b) **DEATH.** Automatically upon the date of death of the Executive.

(c) **CAUSE.** Immediately upon written notice by the Company to the Executive of a termination for Cause. " Cause " shall mean:

(i) the Executive's willful misconduct or gross negligence in the performance of the Executive's duties to the Company;

(ii) the Executive's willful failure to substantially perform the Executive's duties to the Company or to follow the lawful directives of the Board (other than as a result of death or physical or mental incapacity);

(iii) the Executive's indictment for, conviction of, or pleading of guilty or nolo contendere to, a felony or any crime involving moral turpitude;

(iv) the Executive's performance of any material act of theft, embezzlement, fraud, willful malfeasance, or willful misappropriation of the Company's property; or

(v) the Executive's material breach of this Agreement or any other material agreement with the Company or the Parent, or the Executive's material violation of the Company's or the Parent's code of conduct or other material written policy.

For purposes of this Section 6(c) , an act or failure to act shall be considered "willful" only if done or omitted to be done without a good faith reasonable belief that such act or failure to act was in the best interests of the Company. No determination of Cause may be made hereunder until the Executive has been given written notice detailing the specific Cause event and a period of thirty (30) days following receipt of such notice to cure such event (if susceptible to cure) to the reasonable satisfaction of the Company. Notwithstanding anything to the contrary contained herein, the Executive's right to cure shall not apply if there are habitual breaches by the Executive.

(d) **WITHOUT CAUSE.** Immediately upon written notice by the Company to the Executive of an involuntary termination without Cause (other than for death or Disability).

(e) **GOOD REASON.** Upon written notice by the Executive to the Company of a termination for Good Reason. " Good Reason " shall mean the occurrence of any of the following events, without the express written consent of the Executive, unless such events are fully corrected in all material respects by the Company within thirty (30) days following written notification by the Executive to the Company:

(i) material diminution in the Executive's duties, authorities or responsibilities as in effect on the Effective Date (other than temporarily while physically or mentally incapacitated or as required by applicable law);

(ii) relocation of the Executive's primary work location by more than fifty (50) miles from its then current location; or

(iii) the Company's material breach of the Company's obligations under this Agreement.

The Executive shall provide the Company with a written notice detailing the specific circumstances alleged to constitute Good Reason within ninety (90) days after the Executive first knows, or with the exercise of reasonable diligence would know, of the occurrence of such circumstances, and must actually terminate employment within thirty (30) days following the expiration of the Company's cure period as set forth above. Otherwise, any claim of such circumstances as "Good Reason" shall be deemed irrevocably waived by the Executive.

(f) **WITHOUT GOOD REASON.** Upon sixty (60) days' prior written notice by the Executive to the Company of the Executive's voluntary termination of employment without Good Reason (which the Company may, in its sole discretion, make effective earlier than any notice date).

7. CONSEQUENCES OF TERMINATION.

(a) **DISABILITY OR DEATH.** In the event that the Executive's employment and the Employment Term end on account of the Executive's Disability or death, the Executive or the Executive's estate, as the case may be, shall be entitled to the following (with the amounts due under Sections 7(a)(i) , 7(a)(iii) and 7(a)(iv) hereof to be paid within sixty (60) days following termination of employment, or such earlier date as may be required by applicable law):

(i) any unpaid Base Salary through the date of termination;

(ii) any Annual Bonus earned but unpaid with respect to a fiscal year ending on or preceding the date of termination, payable as provided in Section 4 hereof (without regard to any continued employment requirement); provided , for the avoidance of doubt, that a Non-Discretionary Bonus shall not be deemed earned for purposes hereof until the last day of the fiscal year to which it relates;

(iii) reimbursement for any unreimbursed business expenses incurred through the date of termination;

(iv) any accrued but unused vacation time in accordance with Company policy; and

(v) all other accrued and vested payments, benefits or fringe benefits to which the Executive is entitled in accordance with the terms and conditions of the applicable compensation or benefit plan, program or arrangement of the Company (collectively, Sections 7(a)(i) through 7(a)(v) hereof shall be hereafter referred to as the " Accrued Benefits ").

(b) **TERMINATION FOR CAUSE OR WITHOUT GOOD REASON.** If the Executive's employment is terminated (x) by the Company for Cause, or (y) by the Executive without Good Reason, the Company shall pay to the Executive the Accrued Benefits (other than the benefit described in Section 7(a)(ii) hereof).

(c) **TERMINATION WITHOUT CAUSE OR FOR GOOD REASON.** If the Executive's employment by the Company is terminated (x) by the Company without Cause (and other than, for the avoidance of doubt, on account of the Executive's Disability or death), or (y)

by the Executive for Good Reason, the Company shall pay or provide the Executive with the following:

(i) the Accrued Benefits;

(ii) a pro rata portion of the Executive's Annual Bonus for the fiscal year in which the date of termination occurs, based on final, audited actual results for such fiscal year to the extent the applicable Annual Bonus is a Discretionary Bonus, and pro-rated based on the number of days the Executive was employed during such fiscal year, with any earned amounts to be payable at the same time that any Annual Bonus for such fiscal year would have been paid pursuant to Section 4(b) ; and

(iii) subject to the Executive's continued compliance with the obligations in Sections 8 , 9 and 10 hereof, an amount equal to (x) the Employee's Base Salary at the rate being paid at the termination date, plus (y) the Executive's Target Bonus, payable in equal installments in accordance with the Company's normal payroll schedule during the twelve (12) month period following the termination date (the " Severance Period ").

Notwithstanding the foregoing, to the extent that the payment of any amount under this Section 7 constitutes "nonqualified deferred compensation" for purposes of "Code Section 409A" (as defined in Section 21 hereof), any such payment scheduled to occur during the first sixty (60) days following such termination shall not be paid until the sixtieth (60 th) day following such termination and shall include payment of any amount that was otherwise scheduled to be paid prior thereto; and payments and benefits provided in this Section 7(c) shall be in lieu of any termination or severance payments or benefits for which the Executive may be eligible under any of the plans, policies or programs of the Company or under the Worker Adjustment Retraining Notification Act of 1988 or any similar state statute or regulation.

(d) **OTHER OBLIGATIONS.** Upon any termination of the Executive's employment with the Company, the Executive shall promptly resign from any position as an officer, director or fiduciary of any Company-related entity.

(e) **EXCLUSIVE REMEDY.** The amounts payable to the Executive following termination of employment and the Employment Term hereunder pursuant to Sections 6 and 7 hereof shall be in full and complete satisfaction of the Executive's rights under this Agreement and any other claims that the Executive may have in respect of the Executive's employment with the Company or any of its affiliates, and the Executive acknowledges that such amounts are fair and reasonable, and are the Executive's sole and exclusive remedy, in lieu of all other remedies at law or in equity, with respect to the termination of the Executive's employment hereunder or any breach of this Agreement, other than the Executive's rights as an equity or security holder in the Company or its affiliates, which shall survive the Employment Term in accordance with the terms of the definitive documentation related thereto.

(f) **CODE SECTION 280G.** To the extent that any amount payable to the Executive hereunder, as well as any other "parachute payment," as such term is defined under Section 280G of the Internal Revenue Code of 1986, as amended (the " Code "), payable to the Executive in connection with the Executive's employment by the Company, exceed the limitations of

Section 280G of the Code such that an excise tax will be imposed under Section 4999 of the Code (the " Excise Tax "), then such payments shall be either (x) reduced to the minimum extent necessary to avoid application of the Excise Tax or (y) provided to the Executive in full, whichever of the foregoing amounts, when taking into account applicable federal, state, local and foreign income and employment taxes, the Excise Tax and any other applicable taxes, results in the receipt by the Executive, on an after-tax basis, of the greatest amount of benefits, notwithstanding that all or some portion of such benefits may be taxable under the Excise Tax. In the event of a reduction in benefits hereunder, the reduction shall occur in the following order: (i) benefits valued as parachute payments, (ii) any cash severance based on a multiple of Base Salary or Annual Bonus, (iii) any other cash amounts payable to the Executive, and (iv) acceleration of vesting of any equity awards.

8. RELEASE; MITIGATION; SET-OFFS. Any and all amounts payable and benefits or additional rights provided pursuant to this Agreement in connection with the Executive's termination of employment beyond the Accrued Benefits (other than the benefit described in Section 7(a)(ii) hereof) shall only be payable if the Executive delivers to the Company and does not revoke a general release of claims in favor of the Company substantially in the form of Exhibit B attached hereto. Such release shall be executed and delivered (and no longer subject to revocation, if applicable) within sixty (60) days following termination. In no event shall the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement, and such amounts shall not be offset by any amount received by the Executive from any other source. Subject to the provisions of Section 21(b)(v) hereof and the limitations of applicable wage laws, the Company's obligations to pay the Executive amounts hereunder shall be subject to set-off, counterclaim or recoupment of amounts owed by the Executive to the Company or any of its affiliates.

9. RESTRICTIVE COVENANTS.

(a) **CONFIDENTIALITY .** During the course of the Executive's employment with the Company, the Executive will have access to Confidential Information. For purposes of this Agreement, " Confidential Information " means all data, information, ideas, concepts, discoveries, trade secrets, inventions (whether or not patentable or reduced to practice), innovations, improvements, know-how, developments, techniques, methods, processes, treatments, drawings, sketches, specifications, designs, patterns, models, plans and strategies, and all other confidential or proprietary information or trade secrets in any form or medium (whether merely remembered or embodied in a tangible or intangible form or medium) whether now or hereafter existing, relating to or arising from the past, current or potential business, activities and/or operations of the Company or any of its affiliates, including, without limitation, any such information relating to or concerning finances, sales, marketing, advertising, transition, promotions, pricing, personnel, customers, suppliers, vendors, partners and/or competitors. The Executive agrees that the Executive shall not, directly or indirectly, use, make available, sell, disclose or otherwise communicate to any person, other than in the course of the Executive's assigned duties and for the benefit of the Company, either during the period of the Executive's employment or at any time thereafter, any Confidential Information or other confidential or proprietary information received from third parties subject to a duty on the Company's and its subsidiaries' and affiliates' part to maintain the confidentiality of such information, and to use such information

only for specified limited purposes, in each case, which shall have been obtained by the Executive during the Executive's employment by the Company (or any predecessor). The foregoing shall not apply to information that (i) was known to the public prior to its disclosure to the Executive; (ii) becomes generally known to the public subsequent to disclosure to the Executive through no wrongful act of the Executive or any representative of the Executive; or (iii) the Executive is required to disclose by applicable law, regulation or legal process (provided that the Executive provides the Company with prior notice of the contemplated disclosure and cooperates with the Company at its expense in seeking a protective order or other appropriate protection of such information). Unless this Agreement is otherwise required to be disclosed under applicable law, rule or regulation, the terms and conditions of this Agreement shall remain strictly confidential, and the Executive hereby agrees not to disclose the terms and conditions hereof to any person or entity, other than immediate family members, legal advisors or personal tax or financial advisors, or prospective future employers solely for the purpose of disclosing the limitations on the Executive's conduct imposed by the provisions of this Section 9 who, in each case, agree to keep such information confidential. Notwithstanding anything herein to the contrary, nothing in this Section 9(a) will (x) prohibit the Executive from making reports of possible violations of federal law or regulation to any governmental agency or entity in accordance with the provisions of and rules promulgated under any whistleblower protection provisions of state or federal law or regulation, or (y) require notification or prior approval by the Company of any reporting described in the foregoing clause (x).

(b) **NONSOLICITATION; NONINTERFERENCE.** During the Executive's employment with the Company and for a period of twelve (12) months thereafter, the Executive agrees that the Executive shall not, except in the furtherance of the Executive's duties hereunder, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, (i) solicit, aid or induce any customer of the Company or any of its direct affiliates to purchase goods or services then sold by the Company or any of its direct affiliates from another person, firm, corporation or other entity or assist or aid any other person or entity in identifying or soliciting any such customer, (ii) solicit, aid or induce any employee, representative or agent of the Company or any of its direct affiliates to leave such employment or retention or to accept employment with or render services to or with any other person, firm, corporation or other entity unaffiliated with the Company, or hire or retain any such employee, representative or agent, or take any action to materially assist or aid any other person, firm, corporation or other entity in identifying, hiring or soliciting any such employee, representative or agent, or (iii) interfere, or aid or induce any other person or entity in interfering, with the relationship between the Company or any of its direct affiliates and any of their respective vendors, joint venturers or licensors. An employee, representative or agent shall be deemed covered by this Section 9(b) while so employed or retained and for a period of six (6) months thereafter. Notwithstanding the foregoing, the provisions of this Section 9(b) shall not be violated by general advertising or solicitation not specifically targeted at Company-related persons or entities.

(c) **NONDISPARAGEMENT.** Both during the Employment Term and at all times thereafter, regardless of the reason for termination, the Executive agrees not to make negative comments or otherwise disparage the Company or its officers, directors, employees, shareholders, members, agents or products other than in the good faith performance of the Executive's duties to the Company while the Executive is employed by the Company. The foregoing shall not be violated by truthful statements in response to legal process, required

governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings).

(d) **NO INFRINGEMENT.** The Executive represents and warrants that none of the materials and work product provided by the Executive during the course of her employment with the Company, and no use thereof by the Company, infringes, misappropriates or otherwise violates any copyright, trademark, trade secret, patent right or other proprietary right of any third party.

(e) **INVENTIONS.** (i) The Executive acknowledges and agrees that all ideas, methods, inventions, discoveries, improvements, work products, developments, software, know-how, processes, techniques, methods, works of authorship and other work product, whether patentable or unpatentable, (A) that are reduced to practice, created, invented, designed, developed, contributed to, or improved with the use of any Company resources and/or within the scope of the Executive's work with the Company or that relate to the business, operations or actual or demonstrably anticipated research or development of the Company, and that are made or conceived by the Executive, solely or jointly with others, during the period of the Executive's employment with the Company, or (B) suggested by any work that the Executive performs in connection with the Company, either while performing the Executive's duties with the Company or on the Executive's own time, but only insofar as the Inventions are related to the Executive's work as an employee or other service provider to the Company, shall belong exclusively to the Company (or its designee), whether or not patent or other applications for intellectual property protection are filed thereon (the " Inventions ") . The Executive will keep full and complete written records (the " Records "), in the manner prescribed by the Company, of all Inventions, and will promptly disclose all Inventions completely and in writing to the Company. The Records shall be the sole and exclusive property of the Company, and the Executive will surrender them upon the termination of the Employment Term, or upon the Company's request. The Executive will assign to the Company the Inventions and all patents or other intellectual property rights that may issue thereon in any and all countries, whether during or subsequent to the Employment Term, together with the right to file, in the Executive's name or in the name of the Company (or its designee), applications for patents and equivalent rights (the " Applications "). The Executive will, at any time during and subsequent to the Employment Term, make such applications, sign such papers, take all rightful oaths, and perform all other acts as may be requested from time to time by the Company to perfect, record, enforce, protect, patent or register the Company's rights in the Inventions, all without additional compensation to the Executive from the Company. The Executive will also execute assignments to the Company (or its designee) of the Applications, and give the Company and its attorneys all reasonable assistance (including the giving of testimony) to obtain the Inventions for the Company's benefit, all without additional compensation to the Executive from the Company, but entirely at the Company's expense.

(ii) In addition, the Inventions will be deemed Work for Hire, as such term is defined under the copyright laws of the United States, on behalf of the Company and the Executive agrees that the Company will be the sole owner of the Inventions, and all underlying rights therein, in all media now known or hereinafter devised, throughout the universe and in perpetuity without any further obligations to the Executive. If the Inventions, or any portion thereof, are deemed not to be Work for Hire, or the rights in such Inventions do not otherwise automatically vest in the Company, the Executive hereby irrevocably conveys, transfers and

assigns to the Company, all rights, in all media now known or hereinafter devised, throughout the universe and in perpetuity, in and to the Inventions, including, without limitation, all of the Executive's right, title and interest in the copyrights (and all renewals, revivals and extensions thereof) to the Inventions, including, without limitation, all rights of any kind or any nature now or hereafter recognized, including, without limitation, the unrestricted right to make modifications, adaptations and revisions to the Inventions, to exploit and allow others to exploit the Inventions and all rights to sue at law or in equity for any infringement, or other unauthorized use or conduct in derogation of the Inventions, known or unknown, prior to the date hereof, including, without limitation, the right to receive all proceeds and damages therefrom. In addition, the Executive hereby waives any so-called "moral rights" with respect to the Inventions. To the extent that the Executive has any rights in the results and proceeds of the Executive's service to the Company that cannot be assigned in the manner described herein, the Executive agrees to unconditionally waive the enforcement of such rights. The Executive hereby waives any and all currently existing and future monetary rights in and to the Inventions and all patents and other registrations for intellectual property that may issue thereon, including, without limitation, any rights that would otherwise accrue to the Executive's benefit by virtue of the Executive being an employee of or other service provider to the Company.

(f) **RETURN OF COMPANY PROPERTY.** On the date of the Executive's termination of employment with the Company for any reason (or at any time prior thereto at the Company's request), the Executive shall return all property belonging to the Company or its affiliates (including, but not limited to, any Company-provided laptops, computers, cell phones, wireless electronic mail devices or other equipment, or documents and property belonging to the Company). The Executive may retain the Executive's rolodex and similar address books provided that such items only include contact information.

(g) **REASONABLENESS OF COVENANTS.** In signing this Agreement, the Executive gives the Company assurance that the Executive has carefully read and considered all of the terms and conditions of this Agreement, including the restraints imposed under this Section 9. The Executive agrees that these restraints are necessary for the reasonable and proper protection of the Company and its affiliates and their Confidential Information and that each and every one of the restraints is reasonable in respect of subject matter, length of time and geographic area, and that these restraints, individually or in the aggregate, will not prevent the Executive from obtaining other suitable employment during the period in which the Executive is bound by the restraints. The Executive covenants that the Executive will not challenge the reasonableness or enforceability of any of the covenants set forth in this Section 9, and that the Executive will reimburse the Company and its affiliates for all costs (including reasonable attorneys' fees) incurred in connection with any action to enforce any of the provisions of this Section 9 if either the Company and/or its affiliates prevails on any material issue involved in such dispute or if the Executive challenges the reasonableness or enforceability of any of the provisions of this Section 9. It is also agreed that each of the Company's affiliates will have the right to enforce all of the Executive's obligations to that affiliate under this Agreement, including without limitation pursuant to this Section 9.

(h) **REFORMATION.** If it is determined by a court of competent jurisdiction in any state that any restriction in this Section 9 is excessive in duration or scope or is unreasonable or unenforceable under applicable law, it is the intention of the parties that such restriction may be

modified or amended by the court to render it enforceable to the maximum extent permitted by the laws of that state.

(i) **TOLLING.** In the event of any violation of the provisions of this Section 9, the Executive acknowledges and agrees that the post-termination restrictions contained in this Section 9 shall be extended by a period of time equal to the period of such violation, it being the intention of the parties hereto that the running of the applicable post-termination restriction period shall be tolled during any period of such violation.

(j) **SURVIVAL OF PROVISIONS.** The obligations contained in Sections 9 and 10 hereof shall survive the termination or expiration of the Employment Term and the Executive's employment with the Company and shall be fully enforceable thereafter.

10. COOPERATION. In connection with any termination of the Executive's employment with the Company, the Executive agrees to assist the Company, as reasonably requested by the Company, in its succession planning efforts to facilitate a smooth transition of the Executive's job responsibilities to the Executive's successor. In addition, upon the receipt of reasonable notice from the Company (including outside counsel), the Executive agrees that while employed by the Company and thereafter, the Executive will respond and provide information with regard to matters in which the Executive has knowledge as a result of the Executive's employment with the Company, and will provide reasonable assistance to the Company, its affiliates and their respective representatives in defense of all claims that may be made against the Company or its affiliates, and will assist the Company and its affiliates in the prosecution of all claims that may be made by the Company or its affiliates, to the extent that such claims may relate to the period of the Executive's employment with the Company. The Executive agrees to promptly inform the Company if the Executive becomes aware of any lawsuit involving such claims that may be filed or threatened against the Company or its affiliates. The Executive also agrees to promptly inform the Company (to the extent that the Executive is legally permitted to do so) if the Executive is asked to assist in any investigation of the Company or its affiliates (or their actions), regardless of whether a lawsuit or other proceeding has then been filed against the Company or its affiliates with respect to such investigation, and shall not do so unless legally required. Upon presentation of appropriate documentation, the Company shall pay or reimburse the Executive for all reasonable out-of-pocket travel, duplicating or telephonic expenses incurred by the Executive in complying with this Section 10.

11. EQUITABLE RELIEF AND OTHER REMEDIES. The Executive acknowledges and agrees that the Company's remedies at law for a breach or threatened breach of any of the provisions of Section 9 or Section 10 hereof would be inadequate and, in recognition of this fact, the Executive agrees that, in the event of such a breach or threatened breach, in addition to any remedies at law, the Company shall be entitled to seek equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy which may then be available, without the necessity of showing actual monetary damages or the posting of a bond or other security. In the event of a violation by the Executive of Section 9 or Section 10 hereof, any severance being paid to the Executive pursuant to this Agreement or otherwise shall immediately cease, and any severance previously paid to the Executive shall be immediately repaid to the Company.

12. NO ASSIGNMENTS. This Agreement is personal to each of the parties hereto. Except as provided in this Section 12 hereof, no party may assign or delegate any rights or obligations hereunder without first obtaining the written consent of the other party hereto. The Company may assign this Agreement to any successor to all or substantially all of the business and/or assets of the Company; provided that the Company shall require such successor to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, " Company " shall mean the Company and any successor to its business and/or assets, which assumes and agrees to perform the duties and obligations of the Company under this Agreement by operation of law or otherwise.

13. NOTICE . For purposes of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given (a) on the date of delivery, if delivered by hand, (b) on the date of transmission, if delivered by confirmed facsimile or electronic mail, (c) on the first business day following the date of deposit, if delivered by guaranteed overnight delivery service, or (d) on the fourth business day following the date delivered or mailed by United States registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Executive:

At the address (or to the facsimile number) shown
in the books and records of the Company.

With a copy (which shall not constitute notice to the
Executive) to:

Henry Fields
Morrison & Foerster LLP
707 Wilshire Boulevard
Los Angeles, CA 90017-3543
Facsimile: (323) 210-1154
Email: Hfields@mofo.com

If to the Company:

Vince, LLC
500 Fifth Avenue
New York, NY 10110
Attention: Senior Vice President, Human Resources
Email: mwallace@vince.com

With a copy (which shall not constitute notice to the
Company) to:

Vince, LLC
500 Fifth Avenue
New York, NY 10110
Attention: General Counsel
Facsimile: (646) 224-5733
Email: rschreiber@vince.com

or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

14. SECTION HEADINGS; INCONSISTENCY . The section headings used in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation of this Agreement. In the event of any inconsistency between the terms of this Agreement and any form, award, plan or policy of the Company, the terms of this Agreement shall govern and control.

15. SEVERABILITY . The provisions of this Agreement shall be deemed severable. The invalidity or unenforceability of any provision of this Agreement in any jurisdiction shall not affect the validity, legality or enforceability of the remainder of this Agreement in such jurisdiction or the validity, legality or enforceability of any provision of this Agreement in any other jurisdiction, it being intended that all rights and obligations of the parties hereunder shall be enforceable to the fullest extent permitted by applicable law.

16. COUNTERPARTS . This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

17. GOVERNING LAW; JURISDICTION. This Agreement, the rights and obligations of the parties hereto, and all claims or disputes relating thereto, shall be governed by and construed in accordance with the laws of the State of California, without regard to the choice of law provisions thereof. Each of the parties agrees that any dispute between the parties shall be resolved only in the courts of the State of California or the United States District Court for the Central District of California and the appellate courts having jurisdiction of appeals in such courts. In that context, and without limiting the generality of the foregoing, each of the parties hereto irrevocably and unconditionally (a) submits in any proceeding relating to this Agreement or the Executive's employment by the Company or any affiliate, or for the recognition and enforcement of any judgment in respect thereof (a " Proceeding "), to the exclusive jurisdiction of the courts of the State of California , the court of the United States of America for the Central District of California , and appellate courts having jurisdiction of appeals from any of the foregoing, and agrees that all claims in respect of any such Proceeding shall be heard and determined in such California State court or, to the extent permitted by law, in such federal court, (b) consents that any such Proceeding may and shall be brought in such courts and waives any objection that the Executive or the Company may now or thereafter have to the venue or jurisdiction of any such Proceeding in any such court

or that such Proceeding was brought in an inconvenient court and agrees not to plead or claim the same, (c) agrees that service of process in any such Proceeding may be effected by mailing a copy of such process by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such party at the Executive's or the Company's address as provided in Section 13 hereof, and (d) agrees that nothing in this Agreement shall affect the right to effect service of process in any other manner permitted by the

laws of the State of California . Except as provided in Section 9(g) hereof, the parties acknowledge and agree that in connection with any dispute hereunder, each party shall pay all of its own costs and expenses, including, without limitation, its own legal fees and expenses.

18. MISCELLANEOUS. No provision of this Agreement may be modified, waived or discharged unless such modification, waiver, or discharge is agreed to in writing and signed by the Executive and such officer or director of the Company as may be designated by the Board. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. This Agreement together with all exhibits hereto (if any) sets forth the entire agreement of the parties hereto in respect of the subject matter contained herein and supersedes any and all prior agreements or understandings between the Executive and the Company with respect to the subject matter hereof; provided that the restrictive covenants and other obligations contained in Section 9 are independent of, supplemental to and do not modify, supersede or restrict (and shall not be modified, superseded by or restricted by) any non-competition, non-solicitation, confidentiality or other restrictive covenants in any other current or future agreement unless reference is made to the specific provisions hereof which are intended to be superseded. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement.

19. REPRESENTATIONS. The Executive represents and warrants to the Company that (a) the Executive has the legal right to enter into this Agreement and to perform all of the obligations on the Executive's part to be performed hereunder in accordance with its terms, and (b) the Executive is not a party to any agreement or understanding, written or oral, and is not subject to any restriction, which, in either case, could prevent the Executive from entering into this Agreement or performing all of the Executive's duties and obligations hereunder. In the event that the Executive is subject to any covenant not to compete or similar restriction that prevents the Executive from commencing employment with the Company on the Effective Date or performing all of the Executive's duties and obligations hereunder, this Agreement shall be null and void in its entirety and shall be automatically cancelled without further action by the Company.

20. LEGAL FEES . The Company shall reimburse the Executive for legal fees incurred in connection with the negotiation of this Agreement, provided that evidence of such fees shall be supplied to the Company and the amount of such reimbursement shall be capped at $45,000.

21. TAX MATTERS.

(a) **WITHHOLDING .** The Company may withhold from any and all amounts payable under this Agreement or otherwise such federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation.

(b) **SECTION 409A COMPLIANCE.**

(i) The intent of the parties is that payments and benefits under this Agreement comply with Internal Revenue Code Section 409A and the regulations and guidance promulgated thereunder (collectively " Code Section 409A ") and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith. To the extent that any provision hereof is modified in order to comply with Code Section 409A, such modification shall be made in good faith and shall, to the maximum extent reasonably possible, maintain the original intent and economic benefit to the Executive and the Company of the applicable provision without violating the provisions of Code Section 409A. The Executive agrees and acknowledges that the Company makes no representations with respect to the application of Code Section 409A and other tax consequences to any payments hereunder and, by entering into this Agreement, the Executive agrees to accept the potential application of Code Section 409A and the other tax consequences of any payment made hereunder.

(ii) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amount or benefit upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service." Notwithstanding anything to the contrary in this Agreement, if the Executive is deemed on the date of termination to be a "specified employee" within the meaning of that term under Code Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered "nonqualified deferred compensation" under Code Section 409A payable on account of a "separation from service," such payment or benefit shall not be made or provided until the date which is the earlier of (A) the expiration of the six (6)-month period measured from the date of such "separation from service" of the Executive, and (B) the date of the Executive's death, to the extent required under Code Section 409A. Upon the expiration of the foregoing delay period, all payments and benefits delayed pursuant to this Section 21(b)(ii) (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to the Executive in a lump sum, and all remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.

(iii) To the extent that reimbursements or other in-kind benefits under this Agreement constitute "nonqualified deferred compensation" for purposes of Code Section 409A, (A) all such expenses or other reimbursements hereunder shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by the Executive, (B) any right to such reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (C) no such reimbursement, expenses eligible for reimbursement, or in-kind benefits provided in any taxable year shall in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year.

(iv) For purposes of Code Section 409A, the Executive's right to receive installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment

period with reference to a number of days, the actual date of payment within the specified period shall be within the sole discretion of the Company.

(v) Notwithstanding any other provision of this Agreement to the contrary, in no event shall any payment or benefit under this Agreement that constitutes "nonqualified deferred compensation" for purposes of Code Section 409A be subject to offset by any other amount unless otherwise permitted by Code Section 409A.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

VINCE LLC

By: /s/ Brendan Hoffman

Name: Brendan Hoffman

Title: Chief Executive Officer

EXECUTIVE

/s/ Katayone Adeli

Signature

Employment Agreement Signature Page

EXHIBIT A

NONQUALIFIED STOCK OPTION AGREEMENT
PURSUANT TO THE
VINCE HOLDING CORP. 2013 OMNIBUS INCENTIVE PLAN

* * * * *

Participant: Katayone Adeli

Grant Date: [●], 2016

Per Share Exercise Price: $[●]

Number of Shares subject to this Option: 150,000

* * * * *

FIED STOCK OPTION AWARD AGREEMENT (this " Agreement "), dated as of the Grant Date specified above, is entered into by and between Vince Holding Corp., a corporation organized in the State of Delaware (the " Company "), and the Participant specified above, pursuant to the Vince Holding Corp. 2013 Omnibus Incentive Plan, as in effect and as amended from time to time (the " Plan "), which is administered by the Committee; and

WHEREAS, it has been determined under the Plan that it would be in the best interests of the Company to grant the Non-Qualified Stock Option provided for herein to the Participant.

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth and for other good and valuable consideration, the parties hereto hereby mutually covenant and agree as follows:

1. Incorporation By Reference; Plan Document Receipt . This Agreement is subject in all respects to the terms and provisions of the Plan (including, without limitation, any amendments thereto adopted at any time and from time to time unless such amendments are expressly intended not to apply to the Award provided hereunder), all of which terms and provisions are made a part of and incorporated in this Agreement as if they were each expressly set forth herein. Any capitalized term not defined in this Agreement shall have the same meaning as is ascribed thereto in the Plan. The Participant hereby acknowledges receipt of a true copy of the Plan and that the Participant has read the Plan carefully and fully understands its content. In the event of any conflict between the terms of this Agreement and the terms of the Plan, the terms of the Plan shall control. No part of the Option granted hereby is intended to qualify as an "incentive stock option" under Section 422 of the Code.

2. Grant of Option . The Company hereby grants to the Participant, as of the Grant Date specified above, a Non-Qualified Stock Option (this " Option ") to acquire from

the Company at the Per Share Exercise Price specified above, the aggregate number of shares of Common Stock specified above (the " Option Shares "). Except as otherwise provided by the Plan, the Participant agrees and understands that nothing contained in this Agreement provides, or is intended to provide, the Participant with any protection against potential future dilution of the Participant's interest in the Company for any reason. The Participant shall have no rights as a stockholder with respect to any shares of Common Stock covered by the Option unless and until the Participant has become the holder of record of such shares, and no adjustments shall be made for dividends in cash or other property, distributions or other rights in respect of any such shares, except as otherwise specifically provided for in the Plan or this Agreement.

3. Vesting and Exercise .

(a) Vesting . Subject to the remaining provisions of Section 3 hereof, the Option shall vest and become exercisable as follows, provided that the Participant has not incurred a Termination prior to each such vesting date:

Vesting Date	Number of Shares
[Grant Date], 2017	37,500
[Grant Date], 2018	37,500
[Grant Date], 2019	37,500
[Grant Date], 2020	37,500

There shall be no proportionate or partial vesting in the periods prior to each vesting date and all vesting shall occur only on the appropriate vesting date, subject to the Participant's continued service with the Company or any of its Subsidiaries on each applicable vesting date. Upon expiration of the Option, the Option shall be cancelled and no longer exercisable. Notwithstanding the foregoing, in the event of the Participant's Termination by the Company or any of its Subsidiaries other than for Cause (and other than due to the Participant's death, Disability or voluntary Termination) or by the Participant for Good Reason (in each case, as defined and determined in accordance with the Employment Agreement by and between the Participant and Vince, LLC, dated December 18, 2015) (either such termination referred to herein as a " Qualifying Termination "), the Option, to the extent unvested and outstanding as of such Termination, shall become fully vested upon the occurrence of such Termination.

(b) Committee Discretion to Accelerate Vesting . Notwithstanding the foregoing, the Committee may, in its sole discretion, provide for accelerated vesting of the Option at any time and for any reason.

(c) Expiration . Unless earlier terminated in accordance with the terms and provisions of the Plan and/or this Agreement, all portions of the Option (whether vested or not vested) shall expire and shall no longer be exercisable after the expiration of ten (10) years from the Grant Date.

4. Termination. Subject to the terms of the Plan and this Agreement, the Option, to the extent vested at the time of the Participant's Termination, shall remain exercisable as follows:

(a) Termination due to Death or Disability. In the event of the Participant's Termination by reason of death or Disability, the vested portion of the Option shall remain exercisable until the earlier of (i) one (1) year from the date of such Termination, and (ii) the expiration of the stated term of the Option pursuant to Section 3(c) hereof; provided, however, that in the case of a Termination due to Disability, if the Participant dies within such one (1) year exercise period, any unexercised Option held by the Participant shall thereafter be exercisable by the legal representative of the Participant's estate, to the extent to which it was exercisable at the time of death, for a period of one (1) year from the date of death, but in no event beyond the expiration of the stated term of the Option pursuant to Section 3(c) hereof.

(b) Qualifying Termination. In the event of the Participant's Qualifying Termination, the vested portion of the Option shall remain exercisable until the earlier of (i) one hundred eighty (180) days from the date of such Termination, provided, however, any day during such one hundred eighty (180) day period that occurs during a "black out period" under the Company's Security Trading Policy which would be applicable to the Participant if the Participant remained an employee of the Company, shall not be counted for purposes of calculating such one hundred eighty (180) day period and (ii) the expiration of the stated term of the Option pursuant to Section 3(c) hereof.

(c) Voluntary Resignation. In the event of the Participant's voluntary Termination (other than a Qualifying Termination or a voluntary Termination described in Section 4(d) hereof), the vested portion of the Option shall remain exercisable until the earlier of (i) thirty (30) days from the date of such Termination, provided, however, any day during such thirty (30) day period that occurs during a "black out period" under the Company's Security Trading Policy which would be applicable to the Participant if the Participant remained an employee of the Company, shall not be counted for purposes of calculating such thirty (30) day period and (ii) the expiration of the stated term of the Option pursuant to Section 3(c) hereof.

(d) Termination for Cause. Unless otherwise determined by the Committee, in the event of the Participant's Termination for Cause or in the event of the Participant's voluntary Termination (as provided in Section 4(c) hereof) after an event that would be grounds for a Termination for Cause, the Participant's entire Option (whether or not vested) shall terminate and expire upon such Termination.

(e) Treatment of Unvested Options upon Termination. Any portion of the Option that is not vested as of the date of the Participant's Termination for any reason shall terminate and expire as of the date of such Termination, after taking into account any accelerated vesting provided herein.

5. Method of Exercise and Payment. Subject to Section 8 hereof, to the extent that the Option has become vested and exercisable with respect to a number of shares of Common Stock as provided herein, the Option may thereafter be exercised by the Participant, in whole or in part, at any time or from time to time prior to the expiration of the Option as

provided herein and in accordance with Sections 6.4(c) and 6.4(d) of the Plan, including, without limitation, by the filing of any written form of exercise notice as may be required by the Committee and payment in full of the Per Share Exercise Price specified above multiplied by the number of shares of Common Stock underlying the portion of the Option exercised. Notwithstanding the foregoing, the payment of the Per Share Exercise Price may be made at the election of the Participant either (i) through a "broker-dealer assisted" exercise procedure, to the extent permitted by applicable law, whereby the Participant delivers irrevocable instructions to a broker reasonably acceptable to the Committee to deliver promptly to the Company an amount equal to the Per Share Exercise Price or (ii) through having the Company withhold shares of Common Stock issuable upon exercise of the Option based on the Fair Market Value of the Common Stock on the payment date.

6. Non-Transferability. The Option, and any rights and interests with respect thereto, issued under this Agreement and the Plan shall not be sold, exchanged, transferred, assigned or otherwise disposed of in any way by the Participant (or any beneficiary of the Participant), other than by testamentary disposition by the Participant or the laws of descent and distribution. Notwithstanding the foregoing, the Committee may, in its sole discretion, permit the Option to be Transferred to a Family Member for no value, provided that such Transfer shall only be valid upon execution of a written instrument in form and substance acceptable to the Committee in its sole discretion evidencing such Transfer and the transferee's acceptance thereof signed by the Participant and the transferee, and provided, further, that the Option may not be subsequently Transferred other than by will or by the laws of descent and distribution or to another Family Member (as permitted by the Committee in its sole discretion) in accordance with the terms of the Plan and this Agreement, and shall remain subject to the terms of the Plan and this Agreement. Any attempt to sell, exchange, transfer, assign, pledge, encumber or otherwise dispose of or hypothecate in any way the Option, or the levy of any execution, attachment or similar legal process upon the Option, contrary to the terms and provisions of this Agreement and/or the Plan shall be null and void and without legal force or effect.

7. Governing Law. All questions concerning the construction, validity and interpretation of this Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to the choice of law principles thereof.

8. Withholding of Tax. The Company shall have the power and the right to deduct or withhold, or require the Participant to remit to the Company, an amount sufficient to satisfy any federal, state, local and foreign taxes of any kind (including, but not limited to, the Participant's FICA and SDI obligations) which the Company, in its sole discretion, deems necessary to be withheld or remitted to comply with the Code and/or any other applicable law, rule or regulation with respect to the Option and, if the Participant fails to do so, the Company may otherwise refuse to issue or transfer any shares of Common Stock otherwise required to be issued pursuant to this Agreement. Any minimum statutorily required withholding obligation with regard to the Participant may be satisfied by reducing the amount of cash or shares of Common Stock otherwise deliverable upon exercise of the Option.

9. Entire Agreement; Amendment. This Agreement, together with the Plan, contains the entire agreement between the parties hereto with respect to the subject matter

contained herein, and supersedes all prior agreements or prior understandings, whether written or oral, between the parties relating to such subject matter. The Committee shall have the right, in its sole discretion, to modify or amend this Agreement from time to time in accordance with and as provided in the Plan. This Agreement may also be modified or amended by a writing signed by both the Company and the Participant. The Company shall give written notice to the Participant of any such modification or amendment of this Agreement as soon as practicable after the adoption thereof.

10. Notices. Any notice hereunder by the Participant shall be given to the Company in writing and such notice shall be deemed duly given only upon receipt thereof by the General Counsel of the Company. Any notice hereunder by the Company shall be given to the Participant in writing and such notice shall be deemed duly given only upon receipt thereof at such address as the Participant may have on file with the Company.

11. No Right to Employment. Any questions as to whether and when there has been a Termination and the cause of such Termination shall be determined in the sole discretion of the Committee. Nothing in this Agreement shall interfere with or limit in any way the right of the Company, its Subsidiaries or its Affiliates to terminate the Participant's employment or service at any time, for any reason and with or without Cause.

12. Transfer of Personal Data. The Participant authorizes, agrees and unambiguously consents to the transmission by the Company (or any Subsidiary) of any personal data information related to the Option awarded under this Agreement for legitimate business purposes (including, without limitation, the administration of the Plan). This authorization and consent is freely given by the Participant.

13. Compliance with Laws. The issuance of the Option (and the Option Shares upon exercise of the Option) pursuant to this Agreement shall be subject to, and shall comply with, any applicable requirements of any foreign and U.S. federal and state securities laws, rules and regulations (including, without limitation, the provisions of the Securities Act, the Exchange Act and in each case any respective rules and regulations promulgated thereunder) and any other law or regulation applicable thereto. The Company shall not be obligated to issue the Option or any of the Option Shares pursuant to this Agreement if any such issuance would violate any such requirements.

14. Section 409A. Notwithstanding anything herein or in the Plan to the contrary, the Option is intended to be exempt from the applicable requirements of Section 409A of the Code and shall be limited, construed and interpreted in accordance with such intent.

15. Binding Agreement; Assignment. This Agreement shall inure to the benefit of, be binding upon, and be enforceable by the Company and its successors and assigns. The Participant shall not assign (except in accordance with Section 6 hereof) any part of this Agreement without the prior express written consent of the Company.

16. Headings. The titles and headings of the various sections of this Agreement have been inserted for convenience of reference only and shall not be deemed to be a part of this Agreement.

17. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument.

18. Further Assurances. Each party hereto shall do and perform (or shall cause to be done and performed) all such further acts and shall execute and deliver all such other agreements, certificates, instruments and documents as either party hereto reasonably may request in order to carry out the intent and accomplish the purposes of this Agreement and the Plan and the consummation of the transactions contemplated thereunder.

19. Severability. The invalidity or unenforceability of any provisions of this Agreement in any jurisdiction shall not affect the validity, legality or enforceability of the remainder of this Agreement in such jurisdiction or the validity, legality or enforceability of any provision of this Agreement in any other jurisdiction, it being intended that all rights and obligations of the parties hereunder shall be enforceable to the fullest extent permitted by law.

20. Acquired Rights. The Participant acknowledges and agrees that: (a) the Company may terminate or amend the Plan at any time; (b) the award of the Option made under this Agreement is completely independent of any other award or grant and is made at the sole discretion of the Company; (c) no past grants or awards (including, without limitation, the Option awarded hereunder) give the Participant any right to any grants or awards in the future whatsoever; and (d) any benefits granted under this Agreement are not part of the Participant's ordinary salary, and shall not be considered as part of such salary in the event of severance, redundancy or resignation.

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IN WITNESS WHEREOF , the parties hereto have executed this Agreement as of the date first written above.

VINCE HOLDING CORP.

By: _____

Name: _____

Title: _____

PARTICIPANT

_____

Name: _____

Signature Page to Non-Qualified Stock Option Agreement

EXHIBIT B

GENERAL RELEASE

I, Katayone Adeli, in consideration of and subject to the performance by VINCE LLC (together with its parent subsidiaries, the " Company "), of its obligations under the Employment Agreement dated as of December 18, 2015 (the " Agreement "), do hereby release and forever discharge as of the date hereof the Company and its respective parent, affiliates, subsidiaries and direct or indirect parent entities and all present, former and future directors, officers, agents, representatives, employees, successors and assigns of the Company and/or its respective affiliates, subsidiaries and direct or indirect parent entities (collectively, the " Released Parties ") to the extent provided below (this " General Release "). The Released Parties are intended to be third-party beneficiaries of this General Release, and this General Release may be enforced by each of them in accordance with the terms hereof in respect of the rights granted to such Released Parties hereunder. Terms used herein but not otherwise defined shall have the meanings given to them in the Agreement.

1. I understand that any payments or benefits paid or granted to me under Section 7 of the Agreement represent, in part, consideration for signing this General Release and are not salary, wages or benefits to which I was already entitled. I understand and agree that I will not receive certain of the payments and benefits specified in Section 7 of the Agreement unless I execute this General Release and do not revoke this General Release within the time period permitted hereafter. Such payments and benefits will not be considered compensation for purposes of any employee benefit plan, program, policy or arrangement maintained or hereafter established by the Company or its affiliates.

2. Except as provided in paragraphs 5 and 6 below and except for the provisions of the Agreement which expressly survive the termination of my employment with the Company, I knowingly and voluntarily (for myself, my heirs, executors, administrators and assigns) release and forever discharge the Company and the other Released Parties from any and all claims, suits, controversies, actions, causes of action, cross-claims, counterclaims, demands, debts, compensatory damages, liquidated damages, punitive or exemplary damages, other damages, claims for costs and attorneys' fees, or liabilities of any nature whatsoever in law and in equity, both past and present (through the date that this General Release becomes effective and enforceable) and whether known or unknown, suspected, or claimed against the Company or any of the Released Parties which I, my spouse, or any of my heirs, executors, administrators or assigns, may have, by reason of any matter, cause, or thing whatsoever, from the beginning of my initial dealings with the Company to the date of this General Release, and particularly, but without limitation of the foregoing general terms, any claims arising from or relating in any way to my employment relationship with the Company, the terms and conditions of that employment relationship, and the termination of that employment relationship (including, but not limited to, any allegation, claim or violation, arising under: Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; the Age Discrimination in Employment Act of 1967, as amended (including the Older Workers Benefit Protection Act); the Equal Pay Act of 1963, as amended; the Americans with Disabilities Act of 1990; the Family and Medical Leave Act of 1993; the Worker Adjustment Retraining and Notification Act; the Executive Retirement Income Security Act of 1974; any applicable Executive Order Programs; the Fair Labor Standards Act;

or their state or local counterparts; or under any other federal, state or local civil or human rights law, or under any other local, state, or federal law, regulation or ordinance; or under any public policy, contract or tort, or under common law; or arising under any policies, practices or procedures of the Company; or any claim for wrongful discharge, breach of contract, infliction of emotional distress, defamation; or any claim for costs, fees, or other expenses, including attorneys' fees incurred in these matters) (all of the foregoing collectively referred to herein as the " Claims "). I understand and intend that no reference herein to a specific form of claim, statute or type of relief is intended to limit the scope of this Release.

3. The released claims described in paragraph 2 hereof include all such claims, whether known or unknown by me. Therefore, I waive the effect of California Civil Code Section 1542 and any other analogous provision of applicable law of any jurisdiction. Section 1542 states:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."

4. I represent that I have made no assignment or transfer of any right, claim, demand, cause of action, or other matter covered by paragraph 2 above.

5. I agree that this General Release does not waive or release any rights or claims that I may have under the Age Discrimination in Employment Act of 1967 which arise after the date I execute this General Release. I acknowledge and agree that my separation from employment with the Company in compliance with the terms of the Agreement shall not serve as the basis for any claim or action (including, without limitation, any claim under the Age Discrimination in Employment Act of 1967).

6. I agree that I hereby waive all rights to sue or obtain equitable, remedial or punitive relief from any or all Released Parties of any kind whatsoever in respect of any Claim, including, without limitation, reinstatement, back pay, front pay, and any form of injunctive relief. Notwithstanding the above, I further acknowledge that I am not waiving and am not being required to waive any right that cannot be waived under law, including the right to file an administrative charge or participate in an administrative investigation or proceeding; provided , however , that I disclaim and waive any right to share or participate in any monetary award resulting from the prosecution of such charge or investigation or proceeding. Additionally, I am not waiving (i) any right to the Accrued Benefits or any severance benefits to which I am entitled under the Agreement, (ii) any claim relating to directors' and officers' liability insurance coverage or any right of indemnification under the Company's organizational documents, as provided under Section 5(d) of the Agreement, or otherwise, or (iii) my rights as an equity or security holder in the Company or its affiliates.

7. In signing this General Release, I acknowledge and intend that it shall be effective as a bar to each and every one of the Claims hereinabove mentioned or implied. I expressly consent that this General Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims

(notwithstanding any state or local statute that expressly limits the effectiveness of a general release of unknown, unsuspected and unanticipated Claims), if any, as well as those relating to any other Claims hereinabove mentioned or implied. I acknowledge and agree that this waiver is an essential and material term of this General Release and that without such waiver the Company would not have agreed to the terms of the Agreement. I further agree that in the event I should bring a Claim seeking damages against the Company, or in the event I should seek to recover against the Company in any Claim brought by a governmental agency on my behalf, this General Release shall serve as a complete defense to such Claims to the maximum extent permitted by law. I further agree that I am not aware of any pending claim of the type described in paragraph 2 above as of the execution of this General Release.

8. I agree that neither this General Release, nor the furnishing of the consideration for this General Release, shall be deemed or construed at any time to be an admission by the Company, any Released Party or myself of any improper or unlawful conduct.

9. I agree that if I violate this General Release by suing the Company or the other Released Parties, I will pay all costs and expenses of defending against the suit incurred by the Released Parties, including reasonable attorneys' fees.

10. I agree that, except to the extent that disclosure is otherwise required by applicable law, rule or regulation, this General Release and the Agreement are confidential and agree not to disclose any information regarding the terms of this General Release or the Agreement, except to my immediate family and any tax, legal or other counsel that I have consulted regarding the meaning or effect hereof or as required by law, and I will instruct each of the foregoing not to disclose the same to anyone.

11. Any non-disclosure provision in this General Release does not prohibit or restrict me (or my attorney) from responding to any inquiry about this General Release or its underlying facts and circumstances by the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority (FINRA), any other self-regulatory organization or any governmental entity.

12. I and the Company hereby acknowledge that Sections 5(d), 7 through 13, 15, 17, and 18 through 21 of the Agreement shall survive my execution of this General Release.

13. I represent that I am not aware of any claim by me other than the claims that are released by this General Release. I acknowledge that I may hereafter discover claims or facts in addition to or different than those which I now know or believe to exist with respect to the subject matter of the release set forth in paragraph 1 above and which, if known or suspected at the time of entering into this General Release, may have materially affected this General Release and my decision to enter into it.

14. Notwithstanding anything in this General Release to the contrary, this General Release shall not relinquish, diminish, or in any way affect any rights or claims arising out of any breach by the Company or by any Released Party of the Agreement after the date hereof.

15. Whenever possible, each provision of this General Release shall be interpreted in, such manner as to be effective and valid under applicable law, but if any provision of this

General Release is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this General Release shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

BY SIGNING THIS GENERAL RELEASE, I REPRESENT AND AGREE THAT:

1. I HAVE READ IT CAREFULLY;

2. I UNDERSTAND ALL OF ITS TERMS AND KNOW THAT I AM GIVING UP IMPORTANT RIGHTS, INCLUDING, BUT NOT LIMITED TO, RIGHTS UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967, AS AMENDED, TITLE VII OF THE CIVIL RIGHTS ACT OF 1964, AS AMENDED; THE EQUAL PAY ACT OF 1963, THE AMERICANS WITH DISABILITIES ACT OF 1990, AND THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED;

3. I VOLUNTARILY CONSENT TO EVERYTHING IN IT;

4. I HAVE BEEN ADVISED TO CONSULT WITH AN ATTORNEY BEFORE EXECUTING IT AND I HAVE DONE SO OR, AFTER CAREFUL READING AND CONSIDERATION, I HAVE CHOSEN NOT TO DO SO OF MY OWN VOLITION;

5. I HAVE HAD AT LEAST **[** 21 **][** 45 **]** DAYS FROM THE DATE OF MY RECEIPT OF THIS RELEASE TO CONSIDER IT, AND THE CHANGES MADE SINCE MY RECEIPT OF THIS RELEASE ARE NOT MATERIAL OR WERE MADE AT MY REQUEST AND WILL NOT RESTART THE REQUIRED **[** 21 **][** 45 **]** -DAY PERIOD;

6. I UNDERSTAND THAT I HAVE SEVEN (7) DAYS AFTER THE EXECUTION OF THIS RELEASE TO REVOKE IT AND THAT THIS RELEASE SHALL NOT BECOME EFFECTIVE OR ENFORCEABLE UNTIL THE REVOCATION PERIOD HAS EXPIRED;

7. I HAVE SIGNED THIS GENERAL RELEASE KNOWINGLY AND VOLUNTARILY AND WITH THE ADVICE OF ANY COUNSEL RETAINED TO ADVISE ME WITH RESPECT TO IT; AND

8. I AGREE THAT THE PROVISIONS OF THIS GENERAL RELEASE MAY NOT BE AMENDED, WAIVED, CHANGED OR MODIFIED EXCEPT BY AN INSTRUMENT IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE COMPANY AND BY ME.

SIGNED: _____ DATED: _____

Executive's Signature

Exhibit 10.2

CONFIDENTIAL SEVERANCE AGREEMENT AND GENERAL RELEASE

In consideration of the covenants undertaken and releases contained in this CONFIDENTIAL SEVERANCE AGREEMENT AND GENERAL RELEASE (hereinafter referred to as "Agreement"), Michele Sizemore ("Employee") on the one hand, and Vince, LLC (the "Company") on the other side, agree as follows:

Employee and the Company agree that the following facts are true:

1) Employee and the Company entered into an employment letter, dated April 5, 2013 (the "Employment Letter");

2) Employee was granted stock options pursuant to:

   a. A stock option grant agreement with Kellwood Company, dated July 1, 2013, as assigned to and assumed by the Company (as amended, the "2010 Stock Option Agreement"), pursuant to the 2010 Stock Option Plan of Kellwood Company, as assigned and assumed by the Company; and

   b. Stock option grant agreements with the Company, each dated October 2, 2015 (collectively, the "2013 Stock Option Agreements" and together with the 2010 Stock Option Agreement, the "Stock Option Agreements"), pursuant to the 2013 Omnibus Incentive Plan of the Company.

3) Employee was employed by the Company on an "at-will" basis;

4) Employee's employment with the Company will end effective March 9, 2016;

5) The Company wishes to provide severance compensation to Employee consistent with the terms of the Employment Letter;

6) Employee and the Company each believe that they have dealt fairly and legally with each other, and neither has any intent to pursue any claims against the other. However, in exchange for the severance compensation under this Agreement, Employee and the Company desire to settle fully and settle finally all actual and/or potential claims between them concerning the above-referenced employment relationship including, but in no way limited to, any claims that might arise out of Employee's employment and/or the termination thereof.

NOW THEREFORE, in consideration of the promises herein contained, it is agreed as follows:

1. Facts Incorporated to Agreement. The above-mentioned facts are hereby incorporated into, and made a part of, this Agreement.

2. Denial of Liability. This Agreement shall not in any way be construed as an admission by the Company of any breaches of contract, statutory violations, wrongful acts or acts of discrimination whatsoever against Employee or any other person, and the Company specifically disclaims any liability to, or discrimination against Employee or any other person, on the part of itself, its employees, or its agents.

3. Termination of Employment. Employee's employment with the Company was terminated by the Company effective as of March 9, 2016 (the "Termination Date"). . All salary, compensation, and perquisites of employment will cease as of the Termination Date. Employee will not seek re-employment with the Company. Employee is also hereby removed and terminated from, and hereby resigns, effective as of the Termination Date, from all other positions, titles, duties, authorities and responsibilities (including without limitation from any board positions) with, arising out of or relating to his employment with the Company and its subsidiaries and affiliates and agrees to execute all additional documents and take such further steps as may be required to effectuate such removal and termination.

4. Severance Payment. In exchange for Employee's agreement to the terms of this Agreement and the covenants contained in the Employment Letter, the Company shall provide Employee only with the following payments and benefits (collectively, the "Severance Payment"):

(a) The Company shall continue to pay Employee the Employee's current base salary of $520,000 per annum, less tax withholdings and authorized deductions, pursuant to the Company's normal payroll practices and procedures, for three (3) months (such period, the " Severance Period ").

(b) If Employee makes a timely election of continued health benefit coverage under the Consolidated Omnibus Budget Reconciliation Act ("COBRA"), the Company will continue to pay the employer portion of the associated monthly premium during the Severance Period. Employee will be responsible to pay the associated employee portion of the monthly premium directly to DISCOVERY BENEFITS as directed by the Company in order to be covered by COBRA. Attached as Exhibit A is a summary of the health care continuation obligation for the Company and Employee. Effective the first day of the month following the last date of the Company COBRA subsidy, Employee will be responsible to pay 100% of the COBRA premium to continue healthcare insurance for the remainder of the applicable COBRA period.

Notwithstanding the foregoing, in the event a COBRA premium benefit violates the nondiscrimination rules under the Patient Protection and Affordable Care Act (as amended by the Health Care and Education Reconciliation Act of 2010 and as amended from time to time) (the "Affordable Care Act"), the Company will cease to provide such COBRA premium benefit.

Employee's right to receive any payments described in this Section 4, which are not

already required by law, is expressly conditioned upon: (i) the absence of any breach by Employee of this Agreement and the terms of each of the Employment Letter and the Stock Option Agreements, including but not limited to the non-compete, confidentiality, non-solicit and non-disparagement provisions in the Employment Letter and Annex A of the 2010 Stock Option Agreement and (ii) the absence of any misconduct by Employee on or after the date of termination that is harmful to the Company, its property, its goodwill, or its customers (such as, by way of example but not limitation, vandalism by Employee to Company property).

By signing this Agreement, Employee acknowledges and agrees that Employee shall not accrue or be entitled to any payments or benefits beyond the Termination Date except for the Severance Payment set forth in this Section 4 of the Agreement. Employee acknowledges that the Severance Payment is given in consideration for Employee's promises in this Agreement, the Employment Letter and the Stock Option Agreements, and that such Severance Payment is contingent upon Employee's execution of this Agreement and the satisfaction of the other conditions set forth in this Agreement, the Employment Letter and the Stock Option Agreements. Employee further acknowledges that Employee has not been subjected to any discrimination or retaliation on account of Employee's age and that Employee is unaware of any basis to believe that Employee has any claims under the Age Discrimination in Employment Act of 1967, as amended ("ADEA").

5. Receipt of Compensation Due. Upon the conclusion of Employee's employment, the Company will pay Employee a lump sum less any applicable deductions and withholdings that represent Employee's accrued unused vacation payments due and owing to Employee through the Termination Date. Employee acknowledges and agrees that such payment was not made contingent on the execution of this Agreement. Employee also acknowledges and agrees that Employee has not suffered any on-the-job injury for which Employee has not already filed a claim, that Employee has been reasonably accommodated and provided with the opportunity to engage in the interactive process with respect to any injury or disability the Company has been made aware of, that Employee has been properly provided any leave of absence due to Employee's or a family member's health condition, and that Employee has not been subjected to any improper treatment, conduct or actions due to or related to any request by Employee for or taking of any leave of absence because of Employee's own or a family member's health condition, nor has Employee been denied any leave requested under the Family and Medical Leave Act of 1933, as amended, or the California Family Rights Act. Employee also acknowledges and agrees that Employee has not been retaliated against for reporting any allegations of wrongdoing by the Company or its officers, including any allegations of corporate fraud.

6. Equity Grants.

(a) All of Employee's equity grants vested as of the Termination Date (which consist of options to acquire 20,968 shares of the Company's common stock at an exercise price of $6.64 granted on June 10, 2013 under the 2010 Stock Option Agreement) shall be subject to the terms and conditions of the applicable grant agreement, including the provision that vested options shall be exercisable for only the thirty (30) day period after the Termination Date (or if the Termination Date occurs during a "blackout period" under the Company's

security trading policy, such thirty (30) day period shall commence after such blackout period in accordance with the te r ms of the 2010 Stock Option Agreement), except to the extent expressly set forth in the 2010 Stock Option Agreement.

(b) As provided for in the applicable stock plans and grant agreements, all equity grants that are unvested as of the Termination Date shall expire as of the Termination Date, and Employee shall have no right or claim with respect to such grants.

7. Restrictions . Employee hereby agrees and reaffirms the covenants and agreements set forth in the Employment Letter and in the Stock Option Agreements, including without limitation the confidentiality, non-compete, non-solicitation and non-interference covenants contained in the Employment Letter and in Annex A to the 2010 Stock Option Agreement, provided that to the extent there is any conflict between the covenants and agreements in this Agreement, on the one hand, and the terms of the Employment Letter or any of the Stock Option Agreements, on the other hand, the terms of this Agreement shall apply. Employee acknowledges that such covenants shall survive beyond the Termination Date.

8. Remedies. The Parties acknowledge and agree that Employee's breach or threatened breach of any of the restrictions referenced in Section 7 of this Agreement will result in irreparable and continuing damage to the Company for which there may be no adequate remedy at law and that the Company shall be entitled to equitable relief, including specific performance and injunctive relief as remedies for any such breach or threatened or attempted breach. Employee hereby consents to the grant of a temporary restraining order or an injunction (temporary or otherwise) against Employee or the entry of any other court order against Employee prohibiting and enjoining him from violating, or directing him to comply with, any provision of Section 7. Employee also agrees that such remedies shall be in addition to any and all remedies, including damages, available to the Company and its subsidiaries and affiliates against him for such breaches or threatened or attempted breaches.

9. Neutral Job Reference. The Company agrees to provide Employee with a neutral job reference for all written and telephone requests to include only the following: job title and dates of employment.

10. Return of Company Property. Employee agrees to turn over to the Company by no later than the Termination Date, all Company property, including but not limited to Company laptop and mobile phone, and shall acknowledge such if requested by the Company.

11. Confidentiality. Employee represents and agrees that Employee will keep the terms, amount and fact of this Agreement confidential, and will keep Employee's claims and allegations against the Company or any of its affiliates or subsidiaries, if any, confidential. Employee further represents that Employee will not hereafter disclose any information concerning Employee claims or this Agreement to anyone, including,

but by no means limited to, any past, present or prospective employee or applicant for employment of the Company or any of its affiliates or subsidiaries,. Nothing herein shall prevent Employee from disclosing any part of this Agreement or the information contained herein to Employee's legal counsel, tax advisor, or spouse, so long as such disclosure is accompanied by a warning that the recipient must keep the information confidential.

12. Use of Agreement in Proceedings. This Agreement may not be used in evidence in any proceedings of any kind, except in an action alleging a breach of this Agreement. It shall not be a breach of this Agreement for either party to comply with a valid court order or subpoena requiring the disclosure of any information about this Agreement, so long as, in the case of Employee, Employee notifies the Company of such court order in writing, and allows it the opportunity to move to quash such order.

13. Confidential Information. Employee acknowledges that Employee has been provided with or exposed to confidential and proprietary information and trade secrets of the Releasees (as defined below) and other entities and individuals with which a Releasee does business, including but not limited to non-public information, data and documents relating to the Company's business plans, finances, strategies, processes, procedures, designs, customers, construction plans, photographs, techniques, and other non-public information regarding the Company's business ("Confidential Information"). During and following his or her employment with the Company, Employee agrees not to disclose (without the express written authorization of the Company) any Confidential Information which Employee acquired, learned or developed as an employee of the Company, to any other person or entity, or to use such information in any manner that is detrimental to the interests of the Company or entities or individuals with whom the Company does business, for so long as such Confidential Information may remain confidential.

14. General Release.

(a) Employee understands and agrees that, by signing this Agreement, in exchange for the Severance Payment that Employee will receive under Paragraph 4 above, Employee is irrevocably and unconditionally waiving, releasing and forever discharging, and promising not to sue the Company and each of the Company's owners, shareholders, predecessors, successors, assigns, agents, directors, officers, employees, representatives, attorneys, divisions, subsidiaries, franchisees, affiliates (and agents, directors, officers, employees, representatives and attorneys of such divisions, subsidiaries and affiliates), and all persons acting by, under or in concert with any of them (collectively "Releasees"), and each of them, from any and all claims, wages, demands, actions, class actions, rights, liens, agreements, contracts, covenants, suits, causes of action, charges, grievances, obligations, debts, costs, expenses, penalties, attorneys' fees, damages, judgments, orders and liabilities of any kind, known or unknown, suspected or unsuspected, and whether or not concealed or hidden, arising

out of or in any way connected with Employee's employment relationship with, or the te r mination of Employee's employment with, any of the Released Parties, including but in no way limited to, any act or omission committed or omitted prior to the date of execution of this Agreement. This general release of claims includes, but is in no way limited to, any and all wage and hour claims, claims for wrongful discharge, breach of contract, violation of public policy, tort, or violation of any statute, constitution or regulation, including but not limited to any violation of Title VII of the Civil Rights Act of 1964, as amended; ADEA; the Americans with Disabilities Act, as amended; the Family and Medical Leave Act, as amended; the Fair Labor Standards Act, as amended; Employee Retirement Income Security Act of 1974, as amended; 42 U.S.C. Section 1981; the Older Workers Benefit Protection Act; the Civil Rights Act of 1866, 1871, 1964, and 1991; the Rehabilitation Act of 1973; the Equal Pay Act of 1963; the Vietnam Veteran's Readjustment Assistance Act of 1974; the Occupational Safety and Health Act; and the Immigra tion Reform and Control Act of 1986; the New York Human Rights Law; the New York City Administrative Code (including the New York City Human Rights Law), as amended; California's Constitution; the California Fair Employment and Housing Act; the California Family Rights Act; the California Labor Code (except for section 2802 and the provisions governing workers' compensation), the California Industrial Welfare Commission Wage Orders; and/or any other alleged violations of any federal, state or local law, regulation or ordinance, and/or contract, including without limitation, tort law or public policy claims, having any bearing whatsoever on Employee's employment by and the termination of Employee's employment with the Company, including, but not limited to, any claim for wrongful discharge, back pay, vacation pay, sick pay, wage, commission or bonus payment, attorneys' fees, costs, and/or future wage loss. Nothing herein shall prohibit Employee from filing a Charge of Discrimination or cooperating with the Equal Employment Opportunity Commission (or similar state or local agency) in any investigation, charge or proceeding, provided that Employee agrees that she will accept no monetary compensation in connectio n with any matter brought on Employee's behalf.

Employee, in consideration of the Severance Payment as described in Section 4 of this Agreement, agree and acknowledge that this Agreement constitutes a knowing and voluntary waiver of all rights or claims Employee has or may have against the Company as set forth herein, including, but not limited to, all rights or claims arising under the ADEA, including, but not limited to, all claims of age discrimination in employment and all claims of retaliation in violation of the ADEA; and Employee has no physical or mental impairment of any kind that has interfered with your ability to read and understand the meaning of this Agreement or its terms. Employee acknowledges that Employee has been given a reasonable period of time to consider this Agreement, that Employee has freely, knowingly, and voluntarily decided to accept these benefits, and that this Agreement has binding legal effect, and that Employee is not acting under the influence of any medication or mind-altering chemical of any type in entering into this Agreement.

The foregoing release does not extend to Employee's right to receive (i) indemnification under any statute (including under California Labor Code §2802); (ii) claims under the ADEA that may arise after the date Employee signs this Agreement; or (iii) any other rights or claims under applicable federal, state or local law that cannot be waived

or released by private agreement as a matter of law. Employee understands that nothing in the release shall preclude Employee from filing a claim for unemployment or workers' compensation insurance. Employee understands that nothing in this release shall preclude Em ployee from filing a charge or complaint with any state or federal government agency or to participate or cooperate in such a matter; Employee agrees, however, to waive and release any right to seek or receive monetary damages resulting from any such charge or complaint or any action or proceeding brought by such government agency.

This release applies to claims or rights that Employee may possess either individually or as a class member, and Employee waives and releases any right to participate in or receive money or benefits from any class action settlement or judgment after the date this Agreement is signed that relates in any way to Employee's employment with Company.

This release is binding on Employee's heirs, family members, dependents, beneficiaries, executors, administrators, successors and assigns.

The obligations stated in this release are intended as full and complete satisfaction of any and all claims Employee has now, or has had in the past. By signing this release, Employee specifically represents that Employee has made reasonable effort to become fully apprised of the nature and consequences of this release, and that Employee understands that if any facts with respect to any matter covered by this release are found to be different from the facts Employee now believes to be true, Employee accepts and assumes that risk and agrees that this release shall be effective notwithstanding such differences. Employee expressly agrees that this release shall extend and apply to all unknown, unsuspected and unanticipated injuries and damages.

Employee promises not to pursue any claim that Employee has settled by this release. If Employee breaks this promise, Employee agrees to pay all of Company's costs and expenses (including reasonable attorneys' fees) related to the defense of any claims. Employee understands that nothing in this Agreement shall be deemed to preclude Employee from challenging the knowing and voluntary nature of this release before a court or the Equal Employment Opportunity Commission ("EEOC"), or from filing a charge with the EEOC, the National Labor Relations Board, or any other federal, state or local agency charged with the enforcement of any employment laws. Employee understands, however, that, by signing this release, Employee is waiving the right to monetary recovery based on claims asserted in such a charge or complaint.

(b) Employee hereby expressly waives and relinquishes all rights and benefits under California Civil Code § 1542 to the fullest extent that one may lawfully waive such rights. Section 1542 of the Civil Code of California provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Employee understands that Section 1542 gives Employee the right not to release existing claims of which Employee is not now aware, unless Employee voluntarily chooses to waive this right. Having been so apprised, Employee nevertheless hereby voluntarily elects to and does waive the rights described in Section 1542, and elects to assume all risks for claims that now exist in his or her favor, known or unknown.

15. Voluntary Waiver. Employee further understands and acknowledges that this Agreement constitutes a voluntary waiver of any and all rights and claims Employee has against the Company as of the date of the execution of this Agreement, and Employee has expressly waived rights or claims pursuant to this Agreement in exchange for consideration, the value of which exceeds payment or remuneration to which Employee was already entitled.

16. Workers' Compensation. Employee represents and warrants that Employee has not suffered any workplace injury other than such injuries, if any, that Employee has previously reported to the Company in writing.

(a) Mutual Non-Disparagement Clause. Employee agrees not to make any negative or derogatory remarks or statements, whether orally or in writing, or otherwise engage in any act that is intended or may be reasonably be expected to harm the reputation, business, prospects or other operations of the Company, any member of its management, board of directors, representatives, agents, consultants or any of its subsidiaries or affiliates, or management, board of directors or managers, representatives, agents, consultants of each such subsidiary or affiliate, or any investor or shareholder in the Company, unless as required by law or an order of a court or governmental agency with jurisdiction.

(b) The Company agrees that it will not, and will use reasonable efforts to cause any member of its management, board of directors, representatives, agents, consultants or any of its subsidiaries or affiliates, or management, board of directors or mangers, representatives, agents, consultants of each such subsidiary or affiliate, to not, make any negative or derogatory remarks or statements, whether orally or in writing, or otherwise engage in any act that is intended or may be reasonably be expected to harm the reputation, business, prospects or other interests of Employee, unless as required by law or an order of a court or governmental agency with jurisdiction.

(c) The terms of this Section 17 supersede any other non-disparagement covenant agreed to by Employee.

17. Employee's Cooperation Obligations. Employee agrees to cooperate in the defense of the Company against any threatened or pending litigation or in any investigation or proceeding that relates to any events or actions which occurred during or prior to the term of Employee's employment with the Company. Furthermore, Employee agrees to cooperate in the prosecution of any claims and lawsuits brought by the Company or any of its affiliates that are currently outstanding or that may in the future be brought relating to matters which occurred during or prior to the term of

Employee's employment with the Company. From and after the Termination Date, except as requested by the Company or as required by law, Employee shall not comment upon any (i) threatened or pending claim or litigation (including investigations or arbitrations) involving the Company or (ii) threatened or pending government investigation involving the Company. In addition, Employee shall not disclose any confidential or privileged information in connection with any pending litigation or investigation or proceeding without the consent of the Company and shall give prompt notice to the Company of any request therefor. If Employee is required to cooperate in the defense of the Company in accordance with this Section 18, the Company shall pay Employee a reasonable per diem fee, in addition to any expense reimbursement, for such assistance, based on Employee's annual base salary rate immediately preceding the Termination Date.

18. Compliance with Law. This Agreement is intended to comply with applicable law. Without limiting the foregoing, this Agreement is intended to comply with the requirements of section 409A of the Internal Revenue Code ("409A"), and, specifically, with the separation pay and short term deferral exceptions of 409A. Notwithstanding anything herein to the contrary, separation may only be made upon a "separation from service" under 409A and only in a manner permitted by 409A. In no event may you, directly or indirectly, designate the calendar year of payment. All reimbursements and in-kind benefits provided in this Agreement shall be made or provided in accordance with the requirements of 409A (including, where applicable, the reimbursement rules set forth in the regulations issued under 409A). If under this Agreement an amount is to be paid in installments, each installment shall be treated as a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2)(iii). Notwithstanding any provision of this Agreement to the contrary, to the extent that execution and nonrevocation of this Agreement spans two taxable years, payment of any deferred compensation under this Agreement shall be paid or commence in the second taxable year if required under 409A.

19. Tax Withholding. Each payment under this Agreement is set forth as a gross amount and is subject to all applicable tax withholdings. The Company is hereby authorized to withhold from any payment due hereunder the amount of withholding taxes due any federal, state or local authority in respect of such payment and to take such other action as may be necessary to satisfy all Company obligations for the payment of such withholding taxes.

20. Recoupment. To the extent required under applicable laws rules and regulations, the Company will be entitled to recoup, and Employee will be required to repay, any payments or benefits pursuant to this Agreement.

21. Integration Clause. This document, the Employment Letter and the Stock Option Agreements constitute the complete and entire Agreement between the parties

pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions of their Agreement. Any and all prior agreements, representations, negotiations, and understandings between the parties, oral or written, express or implied, are hereby superseded and merged herein.

22. Modification of Agreement. This Agreement may be amended, changed, or modified only by a written document signed by all parties hereto. No waiver of this Agreement or of any of the promises, obligations, terms, or conditions hereof shall be valid unless it is written and signed by the party against whom the waiver is to be enforced.

23. Warranty Regarding Non-Assignment. Employee represents that Employee has not heretofore assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim or any portion thereof or interest therein. If any Claim should be made or instituted against the Releasees, or any of them, because of any such purported assignment, Employee agrees to indemnify and hold harmless the Releasees, and each of them, against any such Claim, including necessary expenses of investigation, attorneys' fees and costs.

24. Governing Law. This Agreement is made and entered into in the State of New York, and shall in all respects be interpreted, enforced and governed under the laws of said State. The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties, by virtue of the identity, interest or affiliation of its preparer.

25. Warranty Regarding Complaints. Employee represents that Employee has not filed or authorized the filing of any complaints, charges, or lawsuits against the Releasees, or any of them, with any federal, state, or local court, governmental agency or administrative agency, and that if, unbeknownst to Employee, such a complaint, charge or lawsuit has been filed on Employee's behalf, Employee will use Employee's best efforts to cause it immediately to be withdrawn and dismissed with prejudice. Employee further agrees to execute any and all further documents and to perform any and all further acts reasonably necessary or useful in carrying out the provisions and purposes of this Agreement.

26. Severability and Enforceability. Should any provision of this Agreement be declared or be determined by any court to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected thereby and said illegal or invalid part, term or provision shall be deemed not to be part of this Agreement.

27. Singular/Plural. As used in this Agreement, the singular or plural number shall be deemed to include the other whenever the content so indicates or requires.

28. Attorneys' Fees. In any action or other proceeding to enforce rights

hereunder, the prevailing party shall receive an award of costs and expenses related to such proceeding, including attorneys' fees.

29. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Faxed signatures shall be deemed valid as if they were inked originals.

30. No Reliance By Employee. Employee represents and acknowledges that in executing this Agreement Employee does not rely and has not relied upon any representation or statement made by any of the Releasees or by any of the Releasees' agents, representatives or attorneys with regard to the subject matter, basis or effect of this Agreement or otherwise.

31. Advice of Counsel. Employee further states that Employee has carefully read this Agreement; that Employee has had the opportunity to consult an attorney, and has been advised to do so, to have any questions concerning this Agreement explained to Employee; that Employee fully understands the Agreement's final and binding effect; that the only promises made to Employee to sign this Agreement are those stated above; and that Employee is signing this Agreement voluntarily.

32. Employee Review Period. Employee specifically acknowledges that: (i) the Company has advised Employee to retain counsel to have this Agreement reviewed and explained to Employee; (ii) Employee was allowed a period of up to at least twenty-one (21) days to review and consider this Agreement, and has had the opportunity to make counter proposals to the Agreement; (iii) the Company has advised Employee to retain a translator or interpreter as necessary to have this Agreement reviewed and explained to Employee, and has advised Employee that a translator or interpreter can be provided at the Company's expense for the purposes of doing so; and (iv) Employee fully understands the language set forth in this Agreement as written, translated or interpreted, and by signing below, Employee acknowledges that she has taken any steps she believes to be necessary for her to fully comprehend all portions of this Agreement. If Employee should execute it prior to the expiration of the twenty-one day consideration period, knowingly waives Employee's right to consider this Agreement for twenty one days.

33. Seven-Day Revocation Period. Employee acknowledges that Employee may, for a period of seven (7) calendar days following the date of execution of this Agreement by Employee, revoke Employee's acceptance of this Agreement. Employee's execution of this Agreement shall not become effective until after expiration of this seven-day period. Any revocation of Employee's acceptance of this Agreement must be done in writing and delivered to a management employee of the Company before the close of business on the seventh calendar day.

34. Miscellaneous Provisions.

a. The Parties agree irrevocably to submit to the exclusive jurisdiction of the federal courts or, if no federal jurisdiction exists, the state courts, located in the County of New York, NY, for the purposes of any suit, action or other proceeding brought by any Party arising out of any breach of any of the provisions of this Agreement and hereby waive, and agree not to assert by way of motion, as a defense or otherwise, in any such suit, action, or proceeding, any claim that it is not personally subject to the jurisdiction of the above-named courts, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper, or that the provisions of this Agreement may not be enforced in or by such courts. SUBJECT TO APPLICABLE LAW, THE PARTIES HEREBY WAIVE THEIR RIGHT TO A JURY TRIAL WITH RESPECT TO ANY DISPUTE ARISING FROM THIS AGREEMENT.

b. Under no circumstances shall Employee execute this Agreement prior to the Termination Date.

c. Any notice or other communication required or which may be given hereunder shall be in writing and shall be delivered personally, telegraphed, telexed, sent by facsimile transmission or sent by certified, registered or express or overnight mail, postage prepaid, and shall be deemed given when so delivered personally, telegraphed, telexed, or sent by facsimile transmission (with written confirmation received) or, if mailed, four (4) days after the date of mailing or the next day after overnight mail, as follows:

(i) If the Company, to:

Vince, LLC
500 Fifth Avenue, 20 th Floor
New York, NY 10110
Attention: SVP, Human Resources
Telephone: (212) 515-2664
Email: Mwallace@vince.com

With a copy to:

Vince, LLC
500 Fifth Avenue, 20 th Floor
New York, NY 10110
Attention:General Counsel Telephone:212-515-2650

(ii)If Employee, to Employee's home and office addresses reflected in the Company's records

IN WITNESS WHEREOF, the undersigned have read and understand the consequences of this Agreement and voluntarily sign it. The undersigned declare under penalty of perjury under the laws of the State of New York that the foregoing is true and correct.

By: /s/ Michele Sizemore

VINCE, LLC

By: /s/ Melissa Wallace
Senior Vice President, Human Resources

Date: February 29, 2016

EXHIBIT A

HEALTH CARE CONTINUATION

- Medical benefits will terminate on March 31, 2016
- COBRA administrators will reach out to you with documentation needed to elect COBRA
- COBRA continuation coverage will begin on April 1, 2016, if Employee timely elects COBRA:
    - **The Company** will continue to pay the **employer portion** of the monthly premium for up to the duration of the Severance Period (three (3) months)
        > Medical Premium Plan (employee + one) - **Employer monthly portion: $428.60**
        > Dental Premier Plan (employee + one) - **Employer monthly portion: $7.81**
    - **Employee** will be responsible for paying the **employee portion** of the monthly premium
        > Medical Premium Plan (employee + one) - **Employee monthly portion: $256.53**
        > Dental Premier Plan (employee + one) - **Employee monthly portion: $67.72**
        > Vision (employee + one) - **Employee responsible for full monthly premium: $14.33**

Exhibit 31.1

CEO CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002
(15 U.S.C. SECTION 1350)

I, Brendan Hoffman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Vince Holding Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Brendan Hoffman
Brendan Hoffman
Chief Executive Officer
(principal executive officer)
June 8, 2016

Exhibit 31.2

CFO CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002
(15 U.S.C. SECTION 1350)

I, David Stefko, certify that:

1. I have reviewed this annual report on Form 10-Q of Vince Holding Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ David Stefko
David Stefko
Chief Financial Officer
(principal financial and accounting officer)
June 8, 2016

Exhibit 32.1

CERTIFICATIONS OF CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002 (18 U.S.C. SECTION 1350)

In connection with the Quarterly Report of Vince Holding Corp. (the "Company"), on Form 10-Q for the quarter ended April 30, 2016 as filed with the Securities and Exchange Commission (the "Report"), Brendan Hoffman, Chief Executive Officer of the Company, does hereby certify, pursuant to § 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. § 1350), that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company at the dates and for the periods indicated in the Report.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The undersigned expressly disclaims any obligation to update the foregoing certification except as required by law.

/s/ Brendan Hoffman
Brendan Hoffman
Chief Executive Officer
(principal executive officer)
June 8, 2016

Exhibit 32.2

CERTIFICATIONS OF CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002 (18 U.S.C. SECTION 1350)

In connection with the Quarterly Report of Vince Holding Corp. (the "Company"), on Form 10-Q for the quarter ended April 30, 2016 as filed with the Securities and Exchange Commission (the "Report"), David Stefko, Chief Financial Officer of the Company, does hereby certify, pursuant to § 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. § 1350), that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company at the dates and for the periods indicated in the Report.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The undersigned expressly disclaims any obligation to update the foregoing certification except as required by law.

/s/ David Stefko
David Stefko
Chief Financial Officer
(principal financial and accounting officer)
June 8, 2016