

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

SCHEDULE 13D

Under the Securities Exchange Act of 1934

Phillips-Van Heusen Corporation

(Name of Issuer)

Common Stock, par value \$1.00 per share

(Title of Class of Securities)

718592 10 8

(CUSIP Number)

Morris Orens, Esq.
Swidler Berlin Shereff Friedman, LLP
The Chrysler Building
405 Lexington Avenue
New York, New York 10174
(212) 973-0111

(Name, Address and Telephone Number of
Person Authorized to Receive Notices and Communications)

February 12, 2003
(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box. []

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

(Page 1 of 13 Pages)

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

 CUSIP No. 718592 10 8

1 NAME OF REPORTING PERSON
 S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
 Apax Partners Europe Managers Limited

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) /x/ (b) / /

3 SEC USE ONLY

4 SOURCE OF FUNDS*
 AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) / /

6 CITIZENSHIP OR PLACE OF ORGANIZATION
 England

NUMBER OF	7	SOLE VOTING POWER
SHARES		0
BENEFICIALLY	-----	-----
OWNED BY	8	SHARED VOTING POWER
EACH		13,809,519
REPORTING	-----	-----
PERSON WITH	9	SOLE DISPOSITIVE POWER
		0
	-----	-----
	10	SHARED DISPOSITIVE POWER
		13,809,519

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
 13,809,519

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*
 N/A

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
 33.2%

14 TYPE OF REPORTING PERSON*
 CO

*SEE INSTRUCTIONS BEFORE FILLING OUT!

SCHEDULE 13D

 CUSIP No. 718592 10 8

1 NAME OF REPORTING PERSON
 S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
 Apax Europe V GP Co. Limited

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) /x/ (b) / /

3 SEC USE ONLY

4 SOURCE OF FUNDS*
 AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) / /

6 CITIZENSHIP OR PLACE OF ORGANIZATION
 Guernsey

	7	SOLE VOTING POWER 0
NUMBER OF SHARES	8	SHARED VOTING POWER 13,809,519
BENEFICIALLY OWNED BY EACH	9	SOLE DISPOSITIVE POWER 0
REPORTING PERSON WITH	10	SHARED DISPOSITIVE POWER 13,809,519

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
 13,809,519

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*
 N/A

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
 33.2%

14 TYPE OF REPORTING PERSON*
 CO

*SEE INSTRUCTIONS BEFORE FILLING OUT!

SCHEDULE 13D

 CUSIP No. 718592 10 8

1 NAME OF REPORTING PERSON
 S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
 Apax Managers, Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) /x/ (b) / /

3 SEC USE ONLY

4 SOURCE OF FUNDS*
 AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
 ITEMS 2(d) or 2(e) / /

6 CITIZENSHIP OR PLACE OF ORGANIZATION
 New York

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 4,047,617
	8	SHARED VOTING POWER 0
	9	SOLE DISPOSITIVE POWER 4,047,617
	10	SHARED DISPOSITIVE POWER 0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
 4,047,617

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*
 N/A

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
 12.7%

14 TYPE OF REPORTING PERSON*
 CO

*SEE INSTRUCTIONS BEFORE FILLING OUT!

ITEM 1. SECURITY AND ISSUER.

This Schedule 13D relates to the shares of common stock, par value \$1.00 per share (the "Common Stock"), of Phillips-Van Heusen Corporation, a Delaware corporation (the "Company"). The principal executive offices of the Company are located at 200 Madison Avenue, New York, New York 10016.

ITEM 2. IDENTITY AND BACKGROUND.

This statement is being filed by Apax Partners Europe Managers Limited ("Apax Europe Managers"), Apax Europe V GP Co. Limited ("Apax Europe V GP") and Apax Managers, Inc. ("Apax Managers" and, together with Apax Europe Managers and the Apax Europe V GP, the "Filing Persons").(1)

Apax Europe Managers is a company organized under the laws of England the purpose of which is to serve as the discretionary investment manager of the Europe V Funds (as defined below). Apax Europe V GP is a Guernsey company the purpose of which is to act as the general partner of Apax Europe V GP, L.P. (the "General Partner of the Europe V Funds"). The General Partner of the Europe V Funds is a Delaware limited partnership the purpose of which is to act as the general partner of certain private equity funds, including: (i) Apax Europe V-A, L.P., a Delaware limited partnership ("Europe V-A"), (ii) Apax Europe V-B, L.P., an English limited partnership ("Europe V-B"), (iii) Apax Europe V C GmbH & Co. KG, a German limited partnership ("Europe V-C"), (iv) Apax Europe V-D, L.P., an English limited partnership ("Europe V-D"), (v) Apax Europe V-E, L.P., an English limited partnership ("Europe V-E"), (vi) Apax Europe V-F, C.V., a Dutch limited partnership ("Europe V-F"), (vii) Apax Europe V-G, C.V., a Dutch limited partnership ("Europe V-G"), (viii) Apax Europe V-1, L.P., an English limited partnership ("Europe V-1"), and (ix) Apax Europe V-2, L.P., an English limited partnership ("Europe V-2" and, together with Europe V-A, Europe V-B, Europe V-C, Europe V-D, Europe V-E, Europe V-F, Europe V-G and Europe V-1, the "Europe V Funds"). The principal business address of Apax Europe Managers is 15 Portland Place, London, England W1B 1PT, United Kingdom. The principal business address of each of Apax Europe V GP, the General Partner of the Europe V Funds and the Europe V Funds is 13-15 Victoria Road, St. Peter Port, Guernsey, Channel Islands GY1 3ZD.

Apax Managers is a New York corporation the purpose of which is to act as the general partner of Apax Excelsior VI Partners, L.P. (the "General Partner of the Excelsior VI Funds"). The General Partner of the Excelsior VI Funds is a Delaware limited partnership the purpose of which is to act as the general partner of certain private equity funds, including: (i) Apax Excelsior VI, L.P., a Delaware limited partnership ("Excelsior VI"), (ii) Apax Excelsior VI-A C.V., a Dutch limited partnership ("Excelsior VI-A"), (iii) Apax Excelsior VI-B C.V., a Dutch limited partnership ("Excelsior VI-B"), and (iv) Patricof Private Investment Club III, L.P., a Delaware limited partnership ("Patricof Private Investment Club III" and, together with Excelsior VI, Excelsior VI-A and Excelsior VI-B, the "Excelsior VI Funds"). The principal business address of each of Apax Managers, the General Partner of the Excelsior VI Funds and the Excelsior VI Funds is 445 Park Avenue, New York, New York 10022.

The name, business address, present principal occupation or employment and citizenship of each executive officer and director of Apax Europe Managers are set forth in Schedule A hereto and are incorporated herein by reference. The name, business address, present principal occupation or employment and citizenship of each executive officer and director of Apax Europe V GP are set forth in

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(1) Neither the present filing nor anything contained herein will be construed as an admission that any Filing Person constitutes a "person" for any purpose other than for compliance with Section 13(d) of the Act.

Schedule B hereto and are incorporated herein by reference. The name, business address, present principal occupation or employment and citizenship of each executive officer and director of Apax Managers are set forth in Schedule C hereto and are incorporated herein by reference.

During the last five years, none of the Filing Persons, nor, to the knowledge of each of the Filing Persons, any of (w) the Purchasers (as defined below), (x) the General Partners of the Funds (as defined below), or (y) the persons listed on Schedules A, B or C hereto, has been (i) convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree, or final order enjoining future violations of, or prohibiting or mandating activities subject, to federal or state securities laws or finding any violation with respect to such laws.

The General Partner of the Europe V Funds and the General Partner of the Excelsior VI Funds are referred to herein collectively as the "General Partners of the Funds." The Europe V Funds and the Excelsior VI Funds are referred to herein collectively as the "Purchasers."

The Filing Persons have entered into a Joint Filing Agreement, dated as of February 12, 2003, a copy of which is attached hereto as Exhibit 1.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

On February 12, 2003 (the "Closing Date"), pursuant to a Securities Purchase Agreement, dated as of December 16, 2002, by and among the Company, Lehman Brothers Inc. and the Purchasers (the "Purchase Agreement"), the Purchasers purchased 10,000 shares (the "Series B Shares") of Series B Convertible Preferred Stock of the Company (the "Series B Stock") for an aggregate purchase price of \$250,000,000 in cash. In addition, on the Closing Date, pursuant to a Term Loan Agreement, dated as of December 16, 2002 as subsequently amended on the Closing Date, by and among the Company, the Purchasers and Apax Managers, the Purchasers provided the Company with a loan in the amount of \$125,000,000, \$100,000,000 of which will be provided on the Closing Date and \$25,000,000 of which will be provided at the option of the Company at any time prior to June 30, 2003. The loan (w) is secured, (x) matures in two years and (y) bears interest at a rate of 10% per annum for the first year and at 15% per annum for the second year.

The funds used by the Purchasers to purchase the Series B Shares were obtained by such entities from capital contributions by their respective partners.

None of the General Partners of the Funds, the Filing Persons or the individuals listed on Schedules A, B or C hereto has contributed any funds or other consideration towards the purchase of the securities of the Company except insofar as they may have partnership interests in any of the Purchasers and have made capital contributions to any of the Purchasers.

ITEM 4. PURPOSE OF TRANSACTION.

GENERAL

The purpose of the acquisition of the Series B Shares by the Purchasers pursuant to the Purchase Agreement was to acquire a significant equity interest in the Company and to provide the Company with financing for the Company's acquisition of Calvin Klein, Inc. and its affiliates.

The Purchase Agreement is filed as Exhibit 2 hereto and is incorporated herein by reference.

CERTIFICATE OF DESIGNATIONS

On the Closing Date, the Company filed the Certificate of Designations governing the Series B Stock (the "Certificate of Designations") with the Secretary of State of the State of Delaware and issued to the Purchasers the Series B Shares having the terms set forth in the Certificate of Designations. The following discussion provides a description of certain provisions of the Certificate of Designations that may relate to or result in a transaction event or action enumerated in paragraphs (a) through (j) of Item 4 of the form of Schedule 13D promulgated under the Act.

Rank. The Series B Stock ranks, as to dividends and upon Liquidation (as defined below), senior and prior to the Common Stock, the Company's Series A Cumulative Participating Preferred Stock and to all other classes or series of stock issued by the Company. All equity securities of the Company to which the Series B Stock ranks prior, with respect to dividends and upon Liquidation, including, without limitation, the Common Stock and the Series A Stock, are collectively referred to herein as "Junior Securities." The Company is prohibited from having or creating any class of stock ranking on parity with, or senior to, the Series B Stock, without the affirmative vote of the holders of a majority of the Series B Shares, voting separately as a class.

Dividends. The holders of the Series B Shares are entitled to receive cash dividends at the rate of 8% per annum (the "Dividend Rate") of the Series B Issue Price (as defined below). Dividends are cumulative and compound at the Dividend Rate as of each Dividend payment date. Dividends with respect to any quarter may be paid in cash at the discretion of the board of directors of the Company (the "Board") on the related Dividend payment date (hereinafter referred to as the "Dividends"). Dividends not so paid in cash may not be paid in cash until (i) Liquidation as part of the Liquidation Preference (as defined below) or (ii) the Series B Shares have been redeemed.

Liquidation. Upon any liquidation, dissolution or winding up of the Company, whether voluntary or involuntary (a "Liquidation"), the holders of the Series B Shares will be entitled, before any distribution or payment is made upon any Junior Securities, to be paid an amount equal to (i) \$25,000 per Series B Share, representing the liquidation preference per Series B Share (as adjusted for any combinations, divisions or similar recapitalizations affecting the shares of Series B Stock) (the "Series B Issue Price"), plus (ii) all accrued and unpaid Dividends on such Series B Share to such date (together with the Series B Issue Price, the "Liquidation Preference"). If upon Liquidation, the assets to be distributed among the holders of Series B Stock will be insufficient to permit payment in full to the holders of Series B Stock of the Liquidation Preference, then the entire assets of the Company will be distributed ratably among such holders in proportion to the full respective Liquidation Preference to which they are entitled.

Voting. On all matters put to a vote to the holders of Common Stock, each holder of Series B Shares is entitled to the number of votes equal to the number of shares of Common Stock into which such Series B Shares could be converted.

Board Representation. For so long as at least sixty-five percent (65%) of the Series B Shares issued on the Closing Date remain outstanding, the holders of the Series B Stock, voting as a separate series, are entitled to elect three (3) directors of the Company ("Series B Designees"); (B) if more than thirty-five percent (35%) but less than sixty-five percent (65%) of the shares of Series B Stock issued on the Closing Date remain outstanding, the holders of the Series B Stock, voting as a separate series, will be entitled to elect two (2) Series B Designees; and (C) if more than ten percent (10%) but less than thirty-five percent (35%) of the shares of Series B Stock issued on the Closing Date remain outstanding, the holders of the Series B Stock, voting as a separate series, will be entitled to elect one (1) Series B Designee.

Conversion. Each Series B Share is convertible at any time after the Closing Date, at the option of the holder of record thereof, into the number of fully paid and nonassessable shares of Common Stock equal to the quotient of (x) the Liquidation Preference of such Series B Share being converted divided by the conversion price per Series B Share. The initial conversion price per Series B Share is \$14.00 and is subject to adjustment from time to time as provided in the Certificate of Designations.

Redemption. On or after the later of (A) the sixth month anniversary of the Refinancing (as defined in the Certificate of Designations), or (B) November 1, 2008, the holders holding a majority of the Series B Shares have the right to require the Company to redeem all or any portion of the Series B Stock owned by such holder or holders at a price per share equal to one hundred percent of the Liquidation Preference.

Protective Provisions. For so long as any of the Series B Shares are outstanding, the Company will not, without first obtaining the written consent or affirmative vote of holders of at least a majority of the Series B Shares then outstanding, voting separately as a class, take any action with respect to any of the following matters: (i) materially amend, alter, repeal, impair or change, in any respect, the rights, preferences, powers, privileges, restrictions, qualifications or limitations of the Series B Stock; (ii) authorize, establish, create or issue any additional series of preferred stock or any other new class or series of equity securities or any securities convertible into equity securities of the Company, in each case which would have a preference over, or be on a parity with, the Series B Stock with respect to dividends or upon Liquidation; (iii) authorize or agree to authorize any increase in the number of Series B Shares or issue any additional Series B Shares; (iv) amend, alter or repeal any provision of the Company's Certificate of Incorporation or bylaws which would adversely affect any right, preference, privilege or voting power of the Series B Stock or the holders thereof; (v) increase the number of directors of the Company above fourteen (14); (vi) incur or assume Indebtedness (as defined in the Certificate of Designations), on a consolidated basis, to an amount that exceeds 4.5 times the Consolidated EBITDA (as defined in the Certificate of Designations) of the Corporation; (vii) except for the Dividends, declare or pay any dividends (other than dividends payable solely in shares of its Common Stock) on or declare or make any other distribution, purchase, redemption or acquisition, directly or indirectly, on account of any shares of the Company's preferred stock or Common Stock now or hereafter outstanding; provided, however, that the Company is permitted to: (A) purchase shares of Common Stock held by former employees of the Company, provided, that such purchase occurs within 120 days of the date on which such employee's employment with the Company ceased, and the aggregate amount of such purchases do not exceed \$5,000,000 in any 12 month period, (B) pay or declare cash dividends on the shares of Common Stock in the same aggregate amount as was paid in fiscal 2002, (C) declare or pay cash dividends on the shares of Common Stock in excess of the 2002 aggregate amount, provided, that such cash dividends do not exceed the average percentage of net income which dividends paid on the Common Stock for the preceding three fiscal years; and (viii) redeem all of the issued and outstanding Rights.

The foregoing description of the Certificate of Designations is not intended to be complete and is qualified in its entirety by the complete text of the Certificate of Designations, which is filed as Exhibit 3 hereto and is incorporated herein by reference.

INVESTORS' RIGHTS AGREEMENT

On the Closing Date, the Company and the Purchasers entered into the Investors' Rights Agreement (the "Investors' Rights Agreement"). The following discussion provides a description of certain relevant provisions of the Investors' Rights Agreement that may relate to or result in a transaction event or action enumerated in paragraphs (a) through (j) of Item 4 of the form of Schedule 13 D promulgated under the Act.

Key Committees. For so long as any Series B Designee is a Director, the Holders (as defined in the Investors' Rights Agreement) may require that at least one Series B Designee be appointed, subject to compliance with applicable law, to each or any of the following committees of the Board: (i) the Audit Committee; (ii) the Compensation Committee; (iii) the Executive Committee; (iv) the Nominating Committee; and (v) any other committee performing similar functions of any of the foregoing committees.

Right to Participate in Sale and Third-Party Bid. Any Holder that beneficially owns in excess of 10% of the voting securities of the Company will be given the reasonable opportunity to participate in any bidding process in connection with a Sale (as defined in the Investors' Rights Agreement) or Third-Party Bid (as defined in the Investors' Rights Agreement).

Purchase Rights. For so long as at least 50% of the originally issued Series B Shares remain outstanding, prior to the issuance or sale of any shares of voting securities or derivative securities of the Company (other than Excluded Shares (as defined in the Investors' Rights Agreement)), the Company will first give to each Holder holding Series B Shares the opportunity to purchase its ratable portion of such securities.

Restrictions. The Investors' Rights Agreement contains certain restrictions on the Holders ability to (i) acquire (A) beneficial ownership of any voting securities, derivative securities or any other securities of the Company, or (B) the Company or any of its subsidiaries or all or substantially all of the assets of the Company or any of its subsidiaries; (ii) engage in any "solicitation" (within the meaning of Rule 14a-1 under the Act) of proxies or consents relating to the election of directors with respect to the Company, or become a "participant" in any "election contest" (within the meaning of the Act) seeking to elect directors not nominated by the Board; (iii) induce or attempt to induce any other person to initiate any stockholder proposal to seek election to or seek to place a representative on the Board or seek the removal of any member of the Board; (iv) deposit any voting securities, derivative securities or any other securities of the Company in any voting trust or similar arrangement (v) form or join in the formation of a 13D Group (as defined in the Investors' Rights Agreement) with respect to any voting securities; and (vi) sell, assign, transfer, pledge, hypothecate, grant any option with respect to or otherwise dispose of any interest in any voting securities of the Company.

Termination. The Investors' Rights Agreement may be terminated by the Purchasers at any time when the Purchasers beneficially own in the aggregate less than 10% of the total voting power of the Company.

The foregoing description of the Investors' Rights Agreement is not intended to be complete and is qualified in its entirety by the complete text of the Investors' Rights Agreement, which is filed as Exhibit 4 hereto and is incorporated herein by reference.

RIGHTS AGREEMENT AMENDMENT

In connection with the transactions contemplated by the Purchase Agreement, the Board approved Amendment No. 5, dated as of February 12, 2003, to the Rights Agreement, dated as of June 10, 1986, as amended (the "Rights Agreement"), between the Company and The Bank of New York (successor to The Chase Manhattan Bank, N.A., as rights agent). This amendment made the provisions of the Rights Agreement inapplicable to the transactions contemplated by the Purchase Agreement.

OTHER PLANS AND PROPOSALS

Except as described above or otherwise described in this Schedule 13D, the Filing Persons currently have no plans or proposals which relate to or would result in any transaction, event or action enumerated in paragraphs (a) through (j) of Item 4 of the form of Schedule 13D promulgated under the Act. Each of the Filing Persons reserves the right, in light of its ongoing evaluation of the Company's financial condition, business, operations and prospects, the market price of the Common Stock, conditions in the securities markets generally, general economic and industry conditions, its business objectives and other relevant factors, to change its plans and intentions at any time, as it deems appropriate. In particular, any one or more of the Filing Persons (and their respective affiliates) reserves the right, in each case subject to (x) the restrictions contained in the Transaction Documents (as defined in the Purchase Agreement) and (y) any applicable limitations imposed on the sale of any of their securities of the Company by the Securities Act of 1933, as amended (the "Securities Act"), or other applicable law, to (i) purchase securities of the Company, (ii) sell or transfer securities of the Company beneficially owned by them from time to time in public or private transactions, and (iii) cause any of the Purchasers to distribute in kind to their respective partners securities of the Company. To the knowledge of each Filing Person, each of (w) the Purchasers, (x) the General Partners of the Funds and (y) the persons listed on Schedules A, B or C hereto may make similar evaluations from time to time or on an ongoing basis.

ITEM 5. INTERESTS IN SECURITIES OF THE ISSUER.

(a) As of the Closing Date, each of Apax Europe Managers and Apax Europe V GP may be deemed to beneficially own an aggregate of 13,809,519 shares of Common Stock, representing in the aggregate approximately 33.2% of the outstanding Common Stock, based on calculations made in accordance with Rule 13d-3(d) of the Act, which are represented by 7,733.33332 Series B Shares acquired by the Europe V Funds pursuant to the Purchase Agreement.

As of the Closing Date, Apax Managers may be deemed to beneficially own an aggregate of 4,047,617 shares of Common Stock, representing in the aggregate approximately 12.7% of the outstanding Common Stock, based on calculations made in accordance with Rule 13d-3(d) of the Act, which are represented by 2,266.66668 Series B Shares acquired by the Excelsior VI Funds pursuant to the Purchase Agreement.

The number of Series B Shares acquired by each of the Purchasers pursuant to the Purchase Agreement, the number of shares of Common Stock that such Series B Shares are convertible into and the percentage of the outstanding Common Stock such shares represent are set forth in Schedule D hereto and are incorporated herein by reference.(2)

None of the Filing Persons or, to the knowledge of the Filing Persons, (w) the Purchasers, (x) the General Partners of the Funds and (y) the persons listed on Schedules A, B or C hereto beneficially owns any shares of Common Stock other than as set forth herein.

(b) Each of Apax Europe Managers (who is responsible for making all investment and management decisions for the Europe V Funds) and Apax Europe V GP shares the power to vote or direct the vote and to dispose or to direct the disposition of all 13,809,519 shares of Common Stock deemed beneficially owned by it.

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(2) Neither the present filing nor anything contained herein shall be deemed an admission that any of the Purchasers beneficially owns any Series B Shares or shares of Common Stock.

Apax Managers has the sole power to vote or direct the vote and to dispose or to direct the disposition of all 4,047,617 shares of Common Stock deemed beneficially owned by it.

(c) Except as described above, no transactions in the securities of the Company were effected by the Filing Persons, or, to their knowledge, any of (w) the Purchasers, (x) the General Partners of the Funds and (y) the persons listed on Schedules A, B or C hereto, during the past sixty days.

(d) Except for the Purchasers who may have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, any securities of the Company, no other person is known by any Filing Person to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, any securities of the Company beneficially owned by any Filing Person.

(e) Not applicable.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER.

The responses set forth in Items 3 and 4 of this Schedule 13D are incorporated herein by reference in their entirety.

INVESTMENT MANAGEMENT AGREEMENTS

Pursuant to the investment management agreements by and among Apax Europe Managers, Apax Europe V GP and the General Partner of the Europe V Funds (the "Investment Management Agreements"), Apax Europe Managers serves as the discretionary investment manager of the portfolio of each of the Europe V Funds with full power and authority to act as manager of the portfolio of each of the Europe V Funds (including the exercise of all of the powers granted to the General Partner of the Europe V Funds pursuant to the partnership agreements of each of the Europe V Funds) and as such manager to manage the portfolio of each of the Europe V Funds to the total exclusion of any other person (but in each case acting under the supervision of the General Partner of the Europe V Funds). Each of the Investment Management Agreements may be terminated by the General Partner of the Europe V Funds at any time.

REGISTRATION RIGHTS AGREEMENT

On the Closing Date, the Company and the Purchasers entered into the Registration Rights Agreement (the "Registration Rights Agreement"). Pursuant to the Registration Rights Agreement, the Company granted the Purchasers the right, subject to certain limitations and restrictions, (i) to require the Company, on or prior to the 180th day following the Closing Date, to effect a registration of shares of Registrable Securities (defined below), (ii) to require the Company, at the request of the Purchasers, on three separate occasions to effect a registration of shares of Registrable Securities and (iii) to require the Company to include shares of Registrable Securities then held by the Purchasers in any other registration by the Company of its equity securities under the Securities Act. The Company agreed to pay certain expenses of the Purchasers in connection with such registrations as provided for in the Registration Rights Agreement. "Registrable Securities" means the shares of Common Stock into which the Series B Shares are convertible and any additional shares of Common Stock acquired by a Purchaser by way of a dividend, stock split, preemptive rights, recapitalization or other distribution in respect of the Series B Shares.

The foregoing description of the Registration Rights Agreement is not intended to be complete and is qualified in its entirety by the complete text of the Registration Rights Agreement, which is filed as Exhibit 5 hereto and is incorporated herein by reference.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS.

- Exhibit 1 Joint Filing Agreement, dated as of February 12, 2003.
- Exhibit 2 Securities Purchase Agreement, dated as of December 16, 2002, by and among the Company, Lehman Brothers Inc. and the Purchasers.
- Exhibit 3 Series B Convertible Preferred Stock Certificate of Designations.
- Exhibit 4 Investors Rights Agreement, dated as of February 12, 2003.
- Exhibit 5 Registration Rights Agreement, dated as of February 12, 2003, by and among the Company, Calvin Klein 2001 Revocable Trust, Barry Schwartz, Trust for the Benefit of the Issue of Calvin Klein, Trust for the Benefit of the Issue of Barry Schwartz, Stephanie Schwartz-Ferdman, Jonathan Schwartz, and each of the Investors signatory thereto.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

APAX PARTNERS EUROPE MANAGERS LIMITED

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V GP CO. LIMITED

By: /s/ Constance A. E. Helyar

Name: Constance A. E. Helyar
Title: Managing Director

APAX MANAGERS, INC.

By: /s/ David Landau

Name: David Landau
Title: Vice President

SCHEDULE A

The name, title and present principal occupation of each director of Apax Partners Europe Managers Limited ("Apax Europe Managers") are set forth below. There are no executive officers of Apax Europe Managers.

The principal business address of each director of Apax Europe Managers is c/o Apax Partners, Ltd., 15 Portland Place, London, England W1B 1PT, United Kingdom.

Each director of Apax Europe Managers is a citizen of the United Kingdom.

NAME -----	TITLE -----	PRINCIPAL OCCUPATION -----
Ronald Mourad Cohen	Director	Chairman of Apax Europe Managers and Apax Partners Holdings Ltd., a company organized under the laws of England, and its subsidiaries (the "Apax Group")
Paul Adrian Barlow Beecroft	Director	Director of Apax Europe Managers and the Apax Group
Peter David Englander	Director	Director of Apax Europe Managers and the Apax Group
Clive Richard Sherling	Director	Director of Apax Europe Managers and the Apax Group
John Phillips McMonigall	Director	Director of Apax Europe Managers and the Apax Group
Andrew Tobias Michael Wyles	Director	Director of Apax Europe Managers and the Apax Group

SCHEDULE B

The name, title and present principal occupation of each director of Apax Europe V GP Co. Limited (the "Apax Europe V GP") are set forth below. There are no executive officers of Apax Europe V GP.

The principal business address of each director of Apax Europe V GP, except for Clive Sherling, is c/o International Private Equity Services, 13-15 Victoria Road, St. Peter Port, Guernsey, Channel Islands GY1 3ZD. Mr. Sherling's principal business address is c/o Apax Partners Ltd., 15 Portland Place, London, England W1B 1PT, United Kingdom.

Each director of Apax Europe V GP is a citizen of the United Kingdom.

NAME ----	TITLE -----	PRINCIPAL OCCUPATION -----
Clive Richard Sherling	Director	Director of Apax Europe Managers and the Apax Group
Constance A. E. Helyar	Director	Director of International Private Equity Services
Denise Jane Banks	Director	Director of International Private Equity Services
Arthur Jeremy Arnold	Director	Director of International Private Equity Services

SCHEDULE C

The name, title and present principal occupation of each director and executive officer of Apax Managers, Inc. (the "Apax Managers") are set forth below.

The principal business address of each director and executive officer of Apax Managers is c/o Apax Partners, Inc., 445 Park Avenue, 11th Floor, New York, New York 10022 ("Apax Partners").

Each director and executive officer of Apax Managers is a citizen of the United States.

NAME	TITLE	PRINCIPAL OCCUPATION
----	-----	-----
Alan J. Patricof	Director, Chairman of the Board and President	Co-Chairman and General Partner of Apax Partners
George M. Jenkins	Director and Vice President	General Partner of Apax Partners
Gregory M. Case	Director and Vice President	General Partner of Apax Partners
Salem D. Shuchman	Director and Vice President	General Partner of Apax Partners
David Landau	Vice President	General Partner of Apax Partners
Lori Rafield	Vice President	General Partner of Apax Partners
Ted Schell	Vice President	General Partner of Apax Partners
Paul Vais	Vice President	General Partner of Apax Partners

SCHEDULE D

PURCHASER -----	NUMBER OF SERIES B SHARES -----	NUMBER OF SHARES OF COMMON STOCK THAT SUCH SERIES B SHARES ARE CONVERTIBLE INTO -----	PERCENTAGE OF OUTSTANDING COMMON STOCK -----
Apax Europe V-A, L.P.	4,833.61884	8,631,462	23.7%
Apax Europe V-B, L.P.	869.414	1,552,525	5.3%
Apax Europe V C GmbH & Co. KG	494.2742	882,632	3.1%
Apax Europe V-D, L.P.	651.42416	1,163,257	4.0%
Apax Europe V-E, L.P.	648.7906	1,158,554	4.0%
Apax Europe V-F, L.P.	114.13076	203,804	.7%
Apax Europe V-G, L.P.	114.13076	203,804	.7%
Apax Europe V-1, L.P.	3.68736	6,584	.02%
Apax Europe V-2, L.P.	3.86264	6,897	0.02%
Apax Excelsior, VI, L.P.	1,936.640	3,458,285	11.1%
Apax Excelsior VI-A C.V.	158.21332	282,523	1.0%
Apax Excelsior VI-B C.V.	105.62668	188,619	.7%
Patricof Private Investment Club III, L.P.	66.18668	118,190	.4%

EXHIBIT INDEX

- Exhibit 1 Joint Filing Agreement, dated as of February 12, 2003.
- Exhibit 2 Securities Purchase Agreement, dated as of December 16, 2002, by and among the Company, Lehman Brothers Inc. and the Purchasers.
- Exhibit 3 Series B Convertible Preferred Stock Certificate of Designations.
- Exhibit 4 Investors Rights Agreement, dated as of February 12, 2003, by and among the Purchasers and the Company.
- Exhibit 5 Registration Rights Agreement, dated as of February 12, 2003, by and among the Company, Calvin Klein 2001 Revocable Trust, Barry Schwartz, Trust for the Benefit of the Issue of Calvin Klein, Trust for the Benefit of the Issue of Barry Schwartz, Stephanie Schwartz-Ferdman, Jonathan Schwartz, and each of the Investors signatory thereto.

JOINT FILING AGREEMENT

The undersigned hereby agree that the Statement on Schedule 13D filed herewith (and any amendments thereto), relating to the common stock, par value \$1.00 per share, of Phillips-Van Heusen Corporation, is being filed jointly with the Securities and Exchange Commission pursuant to Rule 13d-1(k)(1) under the Securities Exchange Act of 1934, as amended, on behalf of each such person.

February 12, 2003

APAX PARTNERS EUROPE MANAGERS LIMITED

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V GP CO. LIMITED

By: /s/ Constance A. E. Helyar

Name: Constance A. E. Helyar
Title: Managing Director

APAX MANAGERS, INC.

By: /s/ David Landau

Name: David Landau
Title: Vice President

=====

SECURITIES PURCHASE AGREEMENT

AMONG

PHILLIPS-VAN HEUSEN CORPORATION,

LEHMAN BROTHERS INC.

AND

THE INVESTORS

DATED AS OF DECEMBER 16, 2002

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SECURITIES PURCHASE AGREEMENT

THIS SECURITIES PURCHASE AGREEMENT, dated as of December 16, 2002 (this "Agreement"), is by and among Phillips-Van Heusen Corporation, a Delaware corporation (the "Company"), Lehman Brothers Inc., as initial purchaser (the "Initial Purchaser") and each investor executing a signature page hereto (each an "Investor" and collectively, the "Investors").

RECITALS:

A. The Company, on or prior to closing will, authorize a new series of Preferred Stock designated the "Series B Convertible Preferred Stock" (the "Series B Stock"), which will be convertible into shares of Common Stock in accordance with the terms of the Certificate of Designations governing the Series B Stock, in the form attached hereto as Exhibit A (the "Certificate of Designations").

B. The Initial Purchaser desires to purchase from the Company, and the Company desires to sell to the Investors, upon the terms and subject to the conditions of this Agreement, the Series B Shares.

C. The Investors have agreed to purchase from the Initial Purchaser, and the Initial Purchaser has agreed to sell to the Investors, subject to the terms and conditions of this Agreement, the Series B Shares.

D. The Company, the Initial Purchaser and the Investors desire to set forth certain agreements herein.

AGREEMENT:

NOW, THEREFORE, in consideration of the foregoing and of the respective covenants and undertakings hereunder and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, intending to be legally bound, the parties hereto do hereby agree as follows:

ARTICLE I DEFINITIONS

Section 1.01. Definitions. As used in this Agreement, the following terms have the meanings set forth below.

"AAA" shall have the meaning set forth in Section 9.02(b).

"Accredited Investor" shall mean any Person that is an "accredited investor" within the definition contained in Rule 501(a) under the Securities Act.

"Affiliate" shall mean (a) with respect to an individual, any member of such individual's family residing in the same household; (b) with respect to an entity: (i) any executive officer, director, partner or Person that owns ten percent (10%) or more of the outstanding beneficial interest of or in such entity, or (ii) any brother, sister, brother-in-law, sister-in-law, lineal

descendant or ancestor of any executive officer, director, partner or Person that owns ten percent (10%) or more of the outstanding beneficial interest of or in such entity; and (c) with respect to a Person, any Person which directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with such Person or entity; provided, however, that for purposes of the definition of "Affiliate," no Investor shall be deemed an "Affiliate" of the Company.

"Agreement" shall have the meaning set forth in the preamble.

"Audited Financial Statements" shall have the meaning set forth in Section 3.07.

"Balance Sheet" shall have the meaning set forth in Section 3.07.

"Basket" shall have the meaning set forth in Section 9.04(a).

"Break-up Fee" shall mean any "break-up fee," "termination fee," or similar fee that the Company will receive pursuant to the CK Purchase Agreement or that certain letter agreement, dated September 26, 2002, between the Company and CKI reduced by the amount that the Company's Expenses exceed the amount by which the Company has been, or will be, reimbursed by CKI or any of its Affiliates for such expenses.

"Board of Directors" shall mean the Board of Directors of the Company.

"Business Day" shall mean any day other than (i) a Saturday, (ii) a Sunday or (iii) any other day on which banks in the City of New York are authorized or required to close.

"By-Laws" shall mean, when used with respect to a specified Person, the by-laws of a Person, as the same may be amended from time to time.

"Capital Stock" shall mean, with respect to any Person, any and all shares, interests, participations, rights in or other equivalents (however designated and whether voting or non-voting) of such Person's capital stock or any form of membership, ownership or participation interests, as applicable, including partnership interests, whether now outstanding or hereafter issued and any and all securities, debt instruments, rights, warrants or options exercisable or exchangeable for or convertible into such capital stock.

"Certificate of Designations" shall have the meaning set forth in the recitals.

"Certificate of Incorporation" shall mean, when used with respect to a specified Person, the Articles or Certificate of Incorporation or other applicable organizational document of such Person, as currently in effect.

"CK Acquisition" shall mean the acquisition by the Company of all of the Capital Stock of the CK Companies pursuant to the CK Purchase Agreement.

"CK Recovery" shall mean any amounts received by the Company or any Company Subsidiary paid by the CK Companies or Sellers (or any insurer thereof) by reason of the failure of the closing pursuant to the CK Purchase Agreement in excess of (i) the Company Expenses, (ii) Fees and Expenses of the Investors paid by the Company, and (iii) any out-of-pocket third party expense incurred by the Company in obtaining the CK Recovery (i.e., legal fees in any action by the Company against Sellers).

"CK Companies" shall have the meaning set forth in the CK Purchase Agreement.

"CK Companies Material Adverse Effect" shall mean any event, condition or contingency that has had, or is reasonably likely to have, a material adverse effect on the business, assets, liabilities, results of operations or financial condition of the CK Companies, taken as a whole. For the purposes of this Agreement, a CK Companies Material Adverse Effect shall not include any event, condition or contingency, or the effect thereof, resulting from (i) the entering into of any transaction consented to by PVH pursuant to Section 5.1(b) of the CK Purchase Agreement, (ii) the announcement, negotiation, or contemplation of the closing of the transactions contemplated by the CK Purchase Agreement or any actions taken in furtherance of the transactions contemplated by the CK Purchase Agreement, (iii) events of war impacting the economy in general, and (iv) changes in general economic conditions or in the fashion, apparel, accessories, home furnishings or fragrance industries, in general.

"CK Purchase Agreement" shall mean that certain Stock Purchase Agreement, by the Company, each CK Company, Mr. Calvin Klein, Mr. Barry Schwartz, Trust for the Benefit of the Issue of Calvin Klein, Trust for the Benefit of the Issue of Barry Schwartz, Stephanie Schwartz-Ferdman and Jonathan Schwartz.

"CK Transaction Documents" shall mean the CK Purchase Agreement and the Related Agreements (as such term is defined in the CK Purchase Agreement).

"CKI" shall mean Calvin Klein, Inc., a New York corporation.

"Closing" shall have the meaning set forth in Section 2.02(a).

"Closing Date" shall have the meaning set forth in Section 2.02(a).

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

"Commission Filings" shall have the meaning set forth in Section 3.08.

"Common Stock" shall mean the common stock, \$1 par value per share, of the Company, including any associated Right.

"Company" shall have the meaning set forth in the preamble.

"Company Employee Plan" shall have the meaning set forth in Section 3.16(a).

"Company's Expenses" shall mean all of the fees and out-of-pocket expenses incurred by the Company in connection with the Contemplated Transactions.

"Company Group Member" shall mean each of the Company and its Affiliates and their respective directors, officers, employees, agents and attorneys and their respective successors and assigns.

"Company Subsidiaries" and "Company Subsidiary" shall have the meaning set forth in Section 3.03.

"Competing Offer" shall mean any offer or proposal for, or indication of interest in, acquiring more than 10% of the Capital Stock or other equity securities or securities convertible into or exchangeable for equity securities of the Company or any of the Company Subsidiaries or any debt financing (other than as contemplated by the CK Transaction Documents) intended to replace the amounts committed pursuant to this Agreement.

"Consents" shall mean all governmental and third party consents, approvals, authorizations, qualifications and waivers necessary to be received by a Person for the consummation of the Contemplated Transactions.

"Contemplated Transactions" shall mean the transactions contemplated by each of this Agreement, the other Transaction Documents, the CK Purchase Agreement and the other CK Transactions Documents.

"Contract" shall mean any legally binding contract, agreement, mortgage, deed of trust, bond, loan, indenture, lease, license, note, option, warrant, right, instrument, commitment or other similar document, arrangement or agreement, whether written or oral.

"Credit Facility" shall mean the Revolving Credit Agreement dated as of October 17, 2002 among the Company, certain of the Company Subsidiaries, as co-borrowers, the lenders identified therein (or that may thereafter become party thereto), and JPMorgan Chase Bank, as agent for such lenders.

"DGCL Section 203" shall have the meaning set forth in Section 3.26.

"Employee" shall mean any current, former or retired officers, directors, consultants, employees, independent contractors, agents and other Persons who render services to the Company or any Company Subsidiary.

"Employee Program" shall mean any "employee benefit plan", within the meaning of Section 3(3) of ERISA, whether or not it is subject to ERISA.

"Environment" shall mean soil, surface waters, ground waters, land, stream, sediments, surface or subsurface strata and ambient air.

"Environmental Laws" shall mean all Laws relating to the pollution of or protection of the Environment, from contamination by, or relating to injury to, or the protection of, real or personal property or human health or the Environment, including, without limitation, all valid and lawful requirements of courts and other Governmental Bodies pertaining to reporting, licensing, permitting, investigation, remediation and removal of, emissions, discharges, releases or threatened releases of Hazardous Materials, chemical substances, pesticides, petroleum or petroleum products, pollutants, contaminants or hazardous or toxic substances, materials or wastes, into the Environment, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, pollutants, contaminants or hazardous or toxic substances, materials or wastes.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" shall mean any entity which at any time during the six-year period ending on the date of this Agreement has been considered a single employer with the Company or any Company Subsidiary under Section 4001(b) of ERISA or Section 414(b), (c), (m) or (o) of the Code.

"Excess Amount" shall have the meaning set forth in Section 10.01(d).

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

"Fees and Expenses" shall have the meaning set forth in Section 10.01(a).

"Fifth Amendment" shall have the meaning set forth in Section 7.01(m).

"Foreign Plan" shall mean any plan which is described in Section 4(b)(4) of ERISA, and which is maintained, sponsored or contributed to by, or covers any employee of, the Company or any Company Subsidiary.

"GAAP" shall mean generally accepted accounting principles applied on a consistent basis as used in the United States of America.

"Governmental Body" shall mean any government or governmental or quasi-governmental authority including, without limitation, any federal, state, territorial, county, municipal or other governmental or quasi-governmental agency, board, branch, bureau, commission, court, arbitral body (public or private), department or other instrumentality or political unit or subdivision, whether located in the United States or abroad, the National Association of Securities Dealers, Inc., the New York Stock Exchange, the Nasdaq National Market, the Nasdaq SmallCap Market or the American Stock Exchange.

"Hazardous Materials" shall mean any substance whether solid, liquid or gaseous in nature: (i) the presence of which requires or may hereafter require notification, investigation, or remediation under any Environmental Law; (ii) which is or becomes defined as "toxic", a

"hazardous waste", "hazardous material" or "hazardous substance" or "pollutant" or "contaminant" under any present or future Environmental Laws; (ii) the presence of which adversely affects or is injurious to human health or the Environment; (iv) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous and is or becomes regulated by any Governmental Body; (v) which contains gasoline, diesel fuel or other petroleum hydrocarbons or volatile organic compounds; (vi) which contains polychlorinated biphenyls (PCBs) or asbestos or urea formaldehyde foam insulation; or (vii) which contains or emits radioactive particles, waves or materials, including radon gas.

"HSR Act" shall mean the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder.

"Indemnitee" shall have the meaning set forth in Section 9.01.

"Indemnitor" shall have the meaning set forth in Section 9.01.

"Initial Purchase Price" shall have the meaning set forth in Section 2.01.

"Initial Purchaser" shall have the meaning set forth in the preamble.

"Initial Purchaser Group Members" shall mean the Initial Purchaser and its Affiliates and their respective directors, officers, employees, agents and attorneys and their respective successors and assigns.

"Intellectual Property" shall have the meaning set forth in Section 3.14(a).

"Investors" shall have the meaning set forth in the preamble.

"Investor Group Member" shall mean the Investors and each of their respective partners, officers, employees, agents and attorneys and their respective successors and permitted assigns.

"Investor Representatives" shall mean each of Apax Managers, Inc. and Apax Partners Europe Managers Ltd.

"Investors' Rights Agreement" shall have the meaning set forth in Section 7.01(1).

"IRS" shall mean the Internal Revenue Service.

"Law" shall mean any treaty, statute, ordinance, code, rule, regulation, Order or other legal requirement enacted, adopted, promulgated, applied or followed by any Governmental Body.

"Leased Real Property" shall have the meaning set forth in Section 3.12(b).

"Legal Proceeding" shall mean any judicial, administrative or arbitral actions, suits, proceedings (public or private) or governmental proceedings.

"Legend" shall mean the Legend set forth in Section 4.02(e).

"Liability" shall mean any debt, liability or obligation, whether known or unknown, asserted or unasserted, accrued, absolute, contingent or otherwise, whether due or to become due.

"Lien" shall mean any mortgage, pledge, lien (statutory or otherwise), security interest, hypothecation, conditional sale agreement, encumbrance or similar restriction or agreement.

"Loan Documents" shall mean the Term Loan Agreement between the Company, as borrower, and the Investors, as lenders, of even date herewith and the various instruments and agreements described therein.

"Loss" shall have the meaning set forth in Section 9.01.

"Marks" shall mean all of the trademarks, service marks and trade names throughout the entire world licensed to or used by the Company or any Company Subsidiary and/or owned by the Company or any Company Subsidiary including, but not limited to, Van Heusen, Bass, G.H. Bass & Co., Izod, cKCalvin Klein, Geoffrey Beene, Arrow, DKNY, Kenneth Cole New York and Reaction by Kenneth Cole.

"Material Adverse Effect" shall mean any event, condition or contingency that has had, or is reasonably likely to have, a material adverse effect on the business, assets, liabilities (including contingent liabilities), results of operations, financial condition or, to the knowledge of the Company, prospects of the Company and the Company Subsidiaries, taken as a whole. For the purposes of this Agreement, a Material Adverse Effect shall not be deemed to arise by reason of (i) the entering into of any transaction consented to by the Investor Representatives pursuant to Section 6.02, (ii) the Contemplated Transactions, (iii) events of war impacting the economy in general, and (iv) changes in general economic conditions or in the fashion, apparel, accessories, home furnishings or fragrance industries, in general.

"Material Employee" shall mean any Person, including any employee, officer or director of the Company or any Company Subsidiary, that earned or was paid in any twelve (12) month period two hundred and fifty thousand dollars (\$250,000) or more, for services rendered in any capacity to the Company or any Company Subsidiary during the past two (2) years.

"Maximum Amount" shall mean an amount equal to all of the Fees and Expenses plus all of the Monitor Expenses.

"Minimum Amount" shall mean an amount equal to 50% of the Fees and Expenses plus all of the Monitor Expenses.

"Monitor Expenses" shall have the meaning set forth in Section 10.01(a).

"Multiemployer Plan" shall have the meaning set forth in Section 3.16(a).

"Notice" shall have the meaning set forth in Section 9.02(a).

"NYSE" shall mean the New York Stock Exchange.

"Off-Balance Sheet Arrangement" shall mean any transaction, agreement or other contractual arrangement to which an entity that is not consolidated with the Company is a party, under which the Company, whether or not a party to the arrangement, has, or in the future may have: (i) any obligation under a direct or indirect guarantee or similar arrangement; (ii) a retained or contingent interest in assets transferred to an unconsolidated entity or similar arrangement; (iii) derivatives, to the extent that the fair value thereof is not fully reflected as a liability or asset in the financial statements of the Company; or (iv) any obligation or liability in excess of \$5,000,000, including a contingent obligation or liability, not incurred in the ordinary course of business to the extent that such obligation or liability is not fully reflected in the financial statements of the Company (excluding the footnotes thereto).

"Order" shall mean any order, injunction, judgment, decree, ruling, writ, assessment or arbitration award.

"Owned Real Property" shall have the meaning set forth in Section 3.12(a).

"PBGC" shall mean the Pension Benefit Guaranty Corporation.

"Partial Reimbursement" shall have the meaning set forth in Section 10.01(d).

"Percentage" shall mean that percentage of the Company's Expenses paid by CKI or any of its Affiliates.

"Permits" shall mean any approvals, authorizations, licenses, permits or certificates by or of any Governmental Body.

"Permitted Liens" shall mean (a) easements, restrictions, covenants, rights of way or minor irregularities of title currently of record against any of the Real Property, (b) real and personal property leases, (c) Liens for Taxes not yet due and payable, or for Taxes being contested in good faith, provided that in each such case, adequate reserves are maintained in accordance with GAAP on the Balance Sheet, and (d) any Lien created by statute of carriers, warehousemen, vendors, mechanics, laborers or materialmen incurred in the ordinary course of business for sums not yet due and payable.

"Person" shall mean any individual, corporation, partnership, firm, limited liability company, joint venture, trust, association, unincorporated organization, group, joint-stock company, Governmental Body or other entity.

"Preferred Stock" shall mean the preferred stock, \$100 par value per share, of the Company.

"Purchase Price" shall mean \$250,000,000 in the aggregate, payable as set forth in Section 2.02.

"Real Property" shall have the meaning set forth in Section 3.12(b).

"Registration Rights Agreement" shall have the meaning set forth in Section 7.01(k).

"Reportable Event" shall mean a reportable event as defined in Section 4043 of ERISA and the regulations issued under such section, excluding, however, such events as to which the PBGC has by regulation waived the requirement of Section 4043 of ERISA that it be notified within 30 days of the occurrence of such event.

"Retiree" shall mean any Employee who has retired or terminated employment from the Company or any Company Subsidiary.

"Right" shall have the meaning set forth in the Rights Agreement.

"Rights Agreement" shall mean the Rights Agreement, dated as of June 10, 1986, as amended, by and between the Company and The Bank of New York (successor to The Chase Manhattan Bank, N.A.), as Rights Agent, and each amendment and extension thereof (including, without limitation, the Fifth Amendment).

"SEC" shall mean the U.S. Securities and Exchange Commission.

"Securities Act" shall mean the Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

"Sellers" shall have the meaning set forth in the CK Purchase Agreement.

"Series A Stock" shall mean the Series A Cumulative Participating Preferred Stock, \$100 par value per share, of the Company.

"Series B Designees" shall mean the directors elected by the Investors to the Board of Directors pursuant to the Certificate of Designations.

"Series B Shares" shall have the meaning set forth in Section 2.01.

"Series B Stock" shall have the meaning set forth in the recitals.

"Specified Purchase Price" shall have the meaning set forth in Section 2.01.

"Subsidiary" shall mean, as to any Person, any other Person more than 50% of the shares of the voting stock or other voting interests of which are owned or controlled, or the ability to select or elect more than 50% of the directors or similar managers is held, directly or indirectly, by such first Person or one or more of its Subsidiaries or by such first Person and one or more of its Subsidiaries.

"Tax Return" shall have the meaning set forth in Section 3.11(a).

"Taxes" shall mean all U.S. federal, state, local and foreign income, gross income, corporation, advance corporation, gross receipts, estimated, import, customs, duties, transfer, excise, property, sales, use, value-added, license, payroll, pay as you earn, withholding, social security and franchise or other governmental taxes, imposed by any Governmental Body and any interest, penalties or additions to tax with respect thereto.

"Termination Fee" shall have the meaning set forth in Section 11.03.

"Termination Warrants" shall mean ten-year warrants to purchase an aggregate amount of shares of Common Stock equal to ten percent (10%) of the Common Stock of the Company determined on a fully-diluted basis at an exercise price per share equal to the volume weighted average price of the shares Common Stock as reported by Bloomberg (or if such information is not available from Bloomberg, from another nationally recognized independent pricing source) on the date of execution of this Agreement, in the form annexed hereto as Exhibit B.

"Transaction Documents" shall mean this Agreement, the schedules and exhibits hereto, the Certificate of Designations, the Registrations Rights Agreement, the Investors' Rights Agreement, the Fifth Amendment and the Loan Documents and any certificate or other document delivered by or on behalf of the Company or the Investors pursuant to this Agreement or in connection with the transactions contemplated by this Agreement, but does not include the CK Transaction Documents.

"Unaudited Financial Statements" shall have the meaning specified in Section 3.07.

"Warrants" shall have the meaning set forth in the CK Purchase Agreement.

"2002 Budget" shall mean the annual operating budget for the Company, for the fiscal year commencing on February 4, 2002 and ending on February 2, 2003, previously delivered to each of the Investor Representatives.

Section 1.02. Rules of Construction. Unless the context otherwise requires:

- (a) an accounting term defined by GAAP that is not otherwise defined herein has the meaning assigned to it in accordance with GAAP;
- (b) "or" is not exclusive;
- (c) words in the singular include the plural, and words in the plural include the singular;
- (d) the words "include" and "including" shall be deemed to mean "include, without limitation," and "including, without limitation";
- (e) "herein," "hereof," "hereto," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular article, section, paragraph or clause where such terms may appear;

(f) references to sections mean references to such section in this Agreement, unless stated otherwise; and

(g) the use of any gender shall be applicable to all genders.

ARTICLE II
ISSUANCE, SALE AND PURCHASE OF THE SERIES B STOCK

Section 2.01. Sale and Purchase of the Series B Stock. Upon the terms and subject to the conditions of this Agreement, the Company will sell to the Initial Purchaser, and the Initial Purchaser will purchase from the Company, an aggregate of 10,000 shares of the Series B Stock (the "Series B Shares") for an aggregate purchase price of \$249,250,000 (the "Initial Purchase Price"). The Initial Purchaser will then immediately sell the Shares to the Investors, and the Investors will purchase from the Initial Purchaser, an aggregate of 10,000 shares of the Series B Shares for an aggregate purchase price of \$250,000,000 (the "Purchase Price"). The number of Series B Shares to be purchased by each Investor at the Closing and the portion of the aggregate purchase price to be paid by each Investor at the Closing in the exchange therefor, shall be as specified in Schedule 2.01 (with respect to each such Investor, such Investor's "Specified Purchase Price").

Section 2.02. Closing.

(a) Subject to the satisfaction or waiver of the conditions set forth in this Agreement, the closing of the transactions contemplated by Section 2.01 (the "Closing") shall take place immediately prior to or concurrently with the closing of the CK Acquisition, or at such other time as may be mutually agreed upon by the Investor Representatives and the Company (the "Closing Date"). The Closing shall occur on the Closing Date at the offices of Katten Muchin Zavis Rosenman, 575 Madison Avenue, New York, New York.

(b) At the Closing: (i) the Company will deliver to the Initial Purchaser certificates for the Series B Shares to be sold in accordance with the provisions of Section 2.01 registered in the name of the Initial Purchaser; (ii) the Initial Purchaser, in full payment for the Series B Shares, will deliver to the Company immediately available funds, by wire transfer to such account as the Company shall specify, the Initial Purchase Price; and (iii) each party shall take or cause to happen such other actions, and shall execute and deliver such other instruments or documents, as shall be required under Article VII.

(c) At the Closing: (i) the Initial Purchaser will deliver to the Investor Representatives certificates for the Series B Shares to be sold in accordance with the provisions of Section 2.01 registered in the respective names of the Investors and proportions set forth in Schedule 2.01; (ii) each Investor, in full payment for the Series B Shares, will deliver to the Initial Purchaser immediately available funds, by wire transfer to such account as the Initial Purchaser shall specify, such Investor's Specified Purchase Price; and (iii) each party shall take or cause to happen such other actions, and shall execute and deliver such other instruments or documents, as shall be required under Article VII.

Section 2.03. Use of Proceeds. The Company shall use the proceeds from the sale of the Series B Stock solely to (i) pay a portion of the purchase price for the Capital Stock of the CK Companies and (ii) pay the fees and out-of-pocket expenses relating to the Contemplated Transactions.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants to the Initial Purchaser and to each of the Investors as follows:

Section 3.01. Organization and Good Standing. The Company is a corporation duly incorporated, validly existing and in good standing under the Laws of the jurisdiction of its incorporation, has full corporate power and authority to own, lease and operate its properties, and carry on its business as presently conducted. The Company is duly qualified, registered or licensed as a foreign corporation to do business and is in good standing in each jurisdiction in which the ownership or leasing of its properties or the character of its present operations makes such qualification, registration or licensing necessary, except where the failure to so qualify or be in good standing could not reasonably have a Material Adverse Effect. The Company has heretofore delivered or made available to the Initial Purchaser and to the Investors complete and correct copies of the Certificate of Incorporation and By-Laws of the Company, as in effect as of the date of this Agreement.

Section 3.02. Authority; Binding Effect. The Company has full corporate power and authority to execute and deliver this Agreement, the other Transaction Documents and the CK Transaction Documents and to consummate the Contemplated Transactions. The execution and delivery of this Agreement and the other Transaction Documents and the consummation by the Company of the transactions contemplated hereby and by the other Transaction Documents have been duly and validly approved by all necessary corporate action on the part of the Company. This Agreement has been duly executed and delivered by the Company and constitutes the legal, valid and binding obligation of the Company, enforceable in accordance with its terms, except as such enforceability may be subject to the effects of any applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or similar Laws affecting creditors' rights generally and subject to the effects of general equitable principles. The other Transaction Documents and the CK Transaction Documents, when executed and delivered by the Company, will be duly executed and delivered by the Company and constitute legal, valid and binding obligations of the Company, enforceable in accordance with their respective terms, except as such enforceability may be subject to the effects of any applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or similar Laws affecting creditors' rights generally and subject to the effects of general equitable principles.

Section 3.03. Organization and Good Standing of Company Subsidiaries. Schedule 3.03 lists all Subsidiaries of the Company and their respective jurisdictions of incorporation (collectively, the "Company Subsidiaries" and each, a "Company Subsidiary"). Except as set forth in Schedule 3.03, the Company owns, directly or indirectly, all the shares of outstanding

Capital Stock of each Company Subsidiary. There are no outstanding securities or rights convertible into or exchangeable for shares of any Capital Stock of any Company Subsidiary and there are no Contracts by which any Company Subsidiary is bound to issue additional shares of Capital Stock. All of the shares of Capital Stock of each of the Company Subsidiaries are duly and validly authorized, fully paid and non-assessable and, except for the Liens created by the security agreement entered into in connection with the Credit Facility, are owned by the Company free and clear of any Lien with respect thereto. Each Company Subsidiary is a corporation duly organized, validly existing and, where recognized, in good standing under the Laws of its jurisdiction of organization, and has all requisite corporate power and authority to own, operate and lease its properties and to carry on its business as it is now being conducted, and is duly licensed or qualified to do business in each other jurisdiction in which it owns or leases properties, or conducts any business, so as to require such qualification, except where the failure to be so licensed or qualified in any such jurisdiction could not reasonably have a Material Adverse Effect.

Section 3.04. Capitalization.

(a) Schedule 3.04(a) sets forth, in each case as of the date hereof, (i) the authorized Capital Stock of the Company, the number of shares of each class of Capital Stock issued and outstanding and the number of shares of Common Stock reserved for issuance in connection with the Company's stock option plans, and (ii) all options, warrants, rights to subscribe to, calls, contracts, undertakings, arrangements and commitments to issue which may result in the issuance of Capital Stock of the Company, other than (x) options to purchase 615,887, 1,886,878 and 2,387,564 shares of Common Stock issued and outstanding under the Company's 1987, 1997 and 2000 stock option plans, respectively and (y) the Rights. All of the issued and outstanding shares of the Company's Capital Stock have been duly and validly authorized and issued and are fully paid and non-assessable and are not subject to any preemptive rights. Except pursuant to this Agreement, the Company's stock option plans, the Rights Agreement and the Certificate of Designations, (i) no equity securities of the Company are or may be required to be issued by reason of any options, warrants, rights to subscribe to, calls or commitments of any character whatsoever, (ii) there are outstanding no securities or rights convertible into or exchangeable for shares of any Capital Stock of the Company, and (iii) there are no contracts, commitments, understandings or arrangements by which the Company is bound to issue additional shares of its Capital Stock or securities or rights convertible into or exchangeable for shares of any Capital Stock of the Company, or options, warrants or rights to purchase or acquire any additional shares of its Capital Stock. Neither the Company nor any Company Subsidiary is subject to any obligation (contingent or otherwise) to repurchase or otherwise acquire or retire any of its Capital Stock. Except as contemplated by the Registration Rights Agreement, there are no Contracts between the Company and any Person granting such Person the right to require the Company to file a registration statement under the Securities Act with respect to any securities of the Company owned or to be owned by such Person or to require the Company to include such securities in any other registration statement filed by the Company under the Securities Act.

(b) The Series B Shares will have the voting powers, designations, preferences and rights, and the qualifications, limitations and restrictions thereof, set forth in the Certificate of Designations which will be filed with the Secretary of State of the State of Delaware on or prior to the Closing. The Company has reserved, or will on or before Closing reserve, for issuance the shares of Common Stock issuable upon conversion of the Series B Shares. When paid for by, and issued to, the Initial Purchaser, the Series B Shares will be duly authorized, validly issued, fully paid and non-assessable and will be free and clear of any Liens. When paid for by, and sold to, each of the Investors the Series B Shares will be duly authorized, validly issued, fully paid and non-assessable and will be free and clear of any Liens. The issuance and sale of the Series B Shares is not subject to any preemptive rights. Except for the restrictions set forth, or referred to, in the Legend, the Series B Shares when issued and sold will not be subject to any restriction on use, voting or transfer; and the shares of Common Stock issuable to each such Investor upon conversion of the Series B Shares, when issued in accordance with the Company's Certificate of Incorporation, will be duly authorized, validly issued, fully paid and non-assessable, and will be free and clear of any Liens and except for the restrictions set forth, or referred to, in the Legend, will not be subject to any restriction on use, voting or transfer or to any preemptive rights.

(c) Without limiting the generality of subsection (b) above, the terms and conditions of the Rights to be associated with the Series B Shares will be set forth in the Rights Agreement, substantially in the form provided to the Initial Purchaser and to each of the Investors. The Company has reserved, or will on or before Closing reserve, for issuance the shares of Series A Stock issuable upon exercise of the Rights. The shares of Series A Stock issuable to each such Investor upon exercise of the Rights, when issued in accordance with the Rights Agreement, will be duly authorized, validly issued, fully paid, non-assessable, and free of preemptive rights and will be free and clear of any Liens and except for the restrictions set forth, or referred to, in the Legend, will not be subject to any restriction on use, voting or transfer or to any preemptive rights.

Section 3.05. No Violations; Consents. Except as set forth on Schedule 3.05, neither the execution, delivery or performance by the Company of this Agreement, the other Transaction Documents or the CK Transaction Documents nor the consummation of the Contemplated Transactions, will (a) conflict with, or result in the breach of, any provision of the Certificate of Incorporation or By-Laws of the Company or any Company Subsidiary, (b) conflict with, violate, result in the breach or termination of, or constitute a default or give rise to any right of termination or acceleration or right to increase the obligations or otherwise modify the terms thereof under any Contract, Permit or Order to which the Company or any Company Subsidiary is a party or by which the Company or any Company Subsidiary or any of the properties or assets of the Company or any Company Subsidiary is bound, (c) constitute a violation of any Law applicable to the Company or any Company Subsidiary; or (d) result in the creation of any Lien upon the properties or assets of the Company or any Company Subsidiary, other than with respect to the foregoing clauses (b), (c) and (d), such requirements, conflicts, violations, breaches or rights which could not reasonably have a Material Adverse Effect. Except as set forth on Schedule 3.05, other than those which have been obtained or made or which could not reasonably have a Material Adverse Effect, no Consent is required on the part of the Company or

the Company Subsidiaries in connection with the execution and delivery of this Agreement or the Transaction Documents, or the compliance by the Company with any of the provisions hereof or thereof.

Section 3.06. Listing. The Company is not in violation of the listing requirements of the NYSE in any material respect. The Company has not received any written notice from the NYSE that the Common Stock is to be delisted by the NYSE. The transactions contemplated under this Agreement constitute a bona fide private financing under paragraph 312.03 of the NYSE Listed Company Manual and stockholder approval is not required under the rules and regulations of the NYSE in order to authorize the issuance of the Series B Shares pursuant to this Agreement or the listing of the Common Stock into which the Series B Stock is convertible.

Section 3.07. Financial Statements. The Company has previously delivered to the Initial Purchaser and to the Investors copies of (i) the consolidated balance sheet of the Company and the Company Subsidiaries as of February 3, 2002 and February 4, 2001 and the related consolidated income statements, changes in stockholders' equity and cash flows for the fiscal years ended February 3, 2002, February 4, 2001 and January 30, 2000, as reported in the Company's Annual Report on Form 10-K for the fiscal year ended February 3, 2002, filed by the Company with the SEC under the Exchange Act, and accompanied by the audit report of Ernst & Young LLP, independent public accountants, (collectively, the "Audited Financial Statements"), and (ii) the unaudited consolidated balance sheet of the Company and the Company Subsidiaries as of August 4, 2002 (the "Balance Sheet") and the related unaudited consolidated income statements and cash flows for the thirteen weeks and twenty-six weeks ended August 4, 2002, as reported in the Company's Quarterly Report on Form 10-Q for the quarterly period ended August 4, 2002, filed with the SEC under the Exchange Act (the "Unaudited Financial Statements"). The Audited Financial Statements accurately reflect the books and records of the Company and present fairly, in all material respects, the consolidated financial position of the Company and the Company Subsidiaries and the consolidated results of their operations and their cash flows for the periods and dates covered thereby, in conformity with GAAP. The Unaudited Financial Statements accurately reflect the books and records of the Company and present fairly, in all material respects, the consolidated financial position of the Company and the Company Subsidiaries and the consolidated results of their operations and their cash flows for the period and date covered thereby, in conformity with GAAP, except for changes resulting from year-end adjustments (none of which will be material in amount) and the absence of footnote disclosures thereto. The Company and the Company Subsidiaries have no liabilities or obligations of a type that GAAP would require to be on the Balance Sheet (absolute, accrued, contingent or otherwise) which are not fully reflected or reserved against in the Balance Sheet, except for liabilities and obligations that may have arisen in the ordinary and usual course of business and consistent with past practice since August 4, 2002 and that, individually or in the aggregate, could not reasonably have a Material Adverse Effect. Neither the Company nor any Company Subsidiary is currently a party to any Off-Balance Sheet Arrangement, which is not reflected in the financial statements (or the footnotes thereto) referred to in this Section 3.07. During the past three years, the Company has not restated any of its published financial results and the Company is not aware of any facts which may require such restatement.

Section 3.08. Commission Filings. The Company has filed all reports, registration statements, proxy statements and other materials, together with any amendments required to be made with respect thereto, that were required to be filed with the SEC under the Securities Act or the Exchange Act from and after January 30, 2000 (all such reports and statements are collectively referred to herein as the "Commission Filings"). As of their respective dates, the Commission Filings, including the financial statements contained therein, complied in all material respects with all of the statutes and published rules and regulations enforced or promulgated by the regulatory authority with which the Commission Filings were filed, and, except to the extent the information in any Commission Filing has been revised or superseded by a later filed Commission Filing, did not and do not as of the date hereof contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Section 3.09. Absence of Certain Developments.

(a) Except as set forth on Schedule 3.09(a), since August 4, 2002 and through the date hereof:

(i) no event occurred which could reasonably have a Material Adverse Effect;

(ii) there has not been any declaration, setting a record date, setting aside or authorizing the payment of, any dividend or other distribution in respect of any shares of Capital Stock of the Company or any repurchase, redemption or other acquisition by the Company, of any of the outstanding shares of Capital Stock of the Company other than the Company's regular quarterly dividends to its stockholders paid on September 13, 2002 and December 16, 2002;

(iii) neither the Company nor any Company Subsidiary has transferred, issued, sold or disposed of any shares of their Capital Stock or granted any options, warrants, calls or other rights to purchase or otherwise acquire shares of their Capital Stock other than under the Company's employee stock option plans and the dissolution of former Company Subsidiaries;

(iv) neither the Company nor any Company Subsidiary, except in the ordinary course of business and consistent with past practice, has (x) awarded or paid any material bonuses to any senior executive, or (y) entered into any Plan, material employment, deferred compensation, severance or similar agreement (nor amended or terminated any such agreement) or agreed to increase materially the compensation payable or to become payable to any senior executive or agreed to increase materially the coverage or benefits available under any material severance pay, deferred compensation, bonus or other incentive compensation, pension or other employee benefit plan, payment or arrangement made to, for or with such senior executive;

(v) except in connection with the CK Acquisition, neither the Company nor any Company Subsidiary has made, or agreed to, make any material acquisition of any business or assets other than in the ordinary course of business;

(vi) neither the Company nor any Company Subsidiary has made, or agreed to make, any loans or investments in any business of any Affiliate of the Company other than a Company Subsidiary;

(vii) there has not been any damage, destruction or loss, whether or not covered by insurance, with respect to the property of the Company or any Company Subsidiary having a material adverse impact on the business of the Company or the Company Subsidiaries, taken as a whole;

(viii) except as granted under the Credit Facility or the Transaction Documents, neither the Company nor any Company Subsidiary has mortgaged, pledged or subjected to any Lien (other than Permitted Liens) any of its assets, or sold, assigned, transferred, conveyed or otherwise disposed of any material assets of the Company or any Company Subsidiary, except for assets sold, assigned, transferred, conveyed or otherwise disposed of in the ordinary course of business;

(ix) except for the CK Purchase Agreement, neither the Company nor any Company Subsidiary has entered into any Contract to make any capital expenditures obligating the Company or any Company Subsidiary to pay an amount which together with amounts already expended or committed during its 2002 fiscal year would exceed the amount budgeted for capital expenditures in the 2002 Budget;

(x) except in connection with the Credit Facility and the CK Acquisition, neither the Company nor any Company Subsidiary has created, incurred, assumed or guaranteed any debt for borrowed money, whether due or to become due, other than in the ordinary course of business and consistent with past practice;

(xi) except in connection with the Contemplated Transactions, neither the Company nor any Company Subsidiary has entered into any material transaction other than in the ordinary course of business consistent with past practice;

(xii) neither the Company nor any Company Subsidiary has made any change in the accounting principles, methods or practices followed by it (including, without limitation, its method of accounting for stock options) other than a change which was required by reason of a concurrent change in Law or GAAP;

(xiii) neither the Company nor any Company Subsidiary has amended its Certificate of Incorporation or By-Laws except as contemplated by this Agreement;

(xiv) neither the Company nor any Company Subsidiary has had any material disagreements with its independent public accountants regarding any matter of

accounting principles or practices, financial statement disclosure, or auditing scope or procedure which has not been resolved;

(xv) neither the Company nor any Company Subsidiary has sold, assigned or transferred, or allowed any rights to lapse with respect to, Intellectual Property, other than in the ordinary course of business and consistent with past practice and which could reasonably have a Material Adverse Effect;

(xvi) neither the Company nor any Company Subsidiary has entered into, modified, amended or terminated any material Contract, other than in the ordinary course of business and consistent with past practice and which could reasonably have a Material Adverse Effect; and

(xvii) neither the Company nor any Company Subsidiary has agreed, whether in writing or otherwise, to do any of the foregoing.

Section 3.10. Litigation. There are no Legal Proceedings pending or, to the knowledge of the Company, threatened, that question the validity of this Agreement or the Transaction Documents or any action taken or to be taken by the Company or any Company Subsidiary in connection with the consummation of the Contemplated Transactions. Except as otherwise disclosed herein or on Schedule 3.10, there are no Legal Proceedings pending or, to the knowledge of the Company, threatened, against or involving the Company or any Company Subsidiary or any of their respective properties or assets, at Law or in equity, involving claims of more than \$1,000,000 by stockholders of the Company, or claims involving more than \$1,000,000 for product liability, infringement of trademark, patent or intellectual property, violations of health and safety laws covering Employees, violations of Environmental Laws, violations of customs laws, sexual harassment or discrimination, or racial discrimination. There is no outstanding or, to the knowledge of the Company, threatened, Order of any Governmental Body against the Company or any Company Subsidiary or any of their respective properties or assets, which Order could reasonably have a Material Adverse Effect.

Section 3.11. Tax Matters.

(a) For the periods since January 1, 1999, the Company and each Company Subsidiary has timely filed or caused to be timely filed any and all returns, declarations, reports (including any consolidated, combined or unitary returns), claims for refund, information returns, or other documents or statements relating to Taxes, including any schedule or attachment thereto and any amendment or supplement thereof (each, a "Tax Return") required to be filed by it under applicable federal, state, local or foreign Law, except to the extent that any failure to do so could not reasonably have a Material Adverse Effect. The reserves for Taxes contained in the financial statements of the Company or carried on the books and records of the Company and the Company Subsidiaries, as applicable, are in the aggregate adequate to cover all Tax liabilities and deferred Taxes of the Company and the Company Subsidiaries as of the date of this Agreement, except to the extent that any inadequacy could not reasonably have a Material Adverse Effect.

(b) For the periods since January 1, 1999, all Taxes shown as being due and owing by the Company or any Company Subsidiary on any Tax Return have been paid.

(c) The Company and each Company Subsidiary has timely withheld and paid all Taxes required to have been withheld and paid in connection with any amounts paid or owing to any employee, independent contractor, creditor, stockholder, or third party, except to the extent that any failure to do so could not reasonably have a Material Adverse Effect.

(d) None of the Company nor any Company Subsidiary has waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency, in each case except as to Taxes that are disclosed on Schedule 3.11(d) or in the financial statements of the Company and the Company Subsidiaries, as applicable, or that, if assessed could not reasonably have a Material Adverse Effect.

(e) The Company has not been a "United States real property holding corporation" within the meaning of Section 897 of the Code during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code.

Section 3.12. Real Property.

(a) Except as disclosed in Schedule 3.12(a), each of the Company and the Company Subsidiaries has fee simple title to the material real property that it owns (the "Owned Real Property"), free and clear of all Liens (other than Permitted Liens).

(b) Schedule 3.12(b) contains a description of all real property leased by the Company and the Company Subsidiaries as lessee (the "Leased Real Property;" the Leased Real Property and the Owned Real Property are collectively referred to as the "Real Property"), other than properties leased for retail store operations. Except as disclosed in Schedule 3.12(b), each of the Company and the Company Subsidiaries has a subsisting leasehold estate in the Leased Real Property identified on Schedule 3.12(b), free and clear of all Liens (other than Permitted Liens), and is in sole possession of each parcel of Leased Real Property that it leases.

(c) There are no condemnation or appropriation proceedings pending or, to the knowledge of the Company, threatened, against the Real Property.

(d) The buildings, structures, facilities, fixtures and other improvements constituting a portion of the Owned Real Property are in good operating condition and in a state of good maintenance and repair, ordinary wear and tear excepted, and are adequate and suitable for the purposes for which they are presently being used.

Section 3.13. Inventory. The Company does not now intend to write-down more than \$5,000,000 in inventory.

Section 3.14. Intellectual Property.

(a) For the purposes of this Agreement, "Intellectual Property" shall mean (i) all Marks, trade dress, logos, trade names, domain names, web-sites, brand names and corporate names (and all licenses or other rights relating to any of the foregoing), together with all goodwill associated therewith, and all applications, registrations and renewals in connection therewith, (ii) all inventions and designs (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all patents, patent applications, and patent disclosures, together with all reissues, continuations, continuations-in-part, revisions, extensions and reexaminations thereof, and (iii) all copyrightable works, all copyrights and all applications, registrations and renewals in connection therewith, in each case which is owned by or licensed to the Company and the Company Subsidiaries.

(b) Each of the Company and the Company Subsidiaries owns, or is licensed to use, all Intellectual Property material to its business, and to the knowledge of the Company, the use thereof by the Company and the Company Subsidiaries does not infringe upon the trademark, copyright or proprietary rights of any other Person, except for any such infringements that, individually or in the aggregate, could not reasonably have a Material Adverse Effect.

(c) Except as set forth on Schedule 3.14(c), no Mark licensed to or used by the Company or any Company Subsidiary is scheduled to expire (without the right of extension on the part of the Company) within 12 months from the date hereof, which such expiration could reasonably have a Material Adverse Effect.

Section 3.15. Material Contracts.

(a) Except as set forth on Schedule 3.15(a) or in the Commission Filings or for the CK Transaction Documents, neither the Company, the Company Subsidiaries nor any of their properties or assets is a party to or bound by any (i) Contract involving a commitment or payment by the Company or the Company Subsidiaries in excess of \$5,000,000 in any twelve-month period (whether or not in the ordinary course of business); (ii) Contract among stockholders that beneficially own five percent (5%) or more of the Common Stock; (iii) Contract (other than a contract for any Leased Real Property) which contains any provision that may require payments to be made by the Company or any Company Subsidiary upon or following a "change of control" (as such term is defined by such Contract) or similar event. The Company has delivered or otherwise made available to the Initial Purchaser and the Investors complete and correct copies of the Contracts listed on Schedule 3.15(a), together with all amendments, modifications, supplements or side letters to such Contracts.

(b) There is no default and the Company has received no written notice of default under any Contract listed on Schedule 3.15(a) or a Contract listed in the Commission Filings by the Company, the Company Subsidiaries or, to the knowledge of the Company, by any other party thereto, in each case which could reasonably have a Material Adverse Effect, and no event has occurred that with the lapse of time or the giving of notice or both would constitute a default thereunder by the Company, the Company Subsidiaries or, to the knowledge of the Company, by any other party thereto, that could reasonably have a Material Adverse Effect.

Section 3.16. Company Employee Plans.

(a) Schedule 3.16(a) sets forth a complete and correct list of every Employee Program which is maintained, administered, sponsored or contributed to by the Company or any Company Subsidiary, which covers any Employee of the Company or any Company Subsidiary or with respect to which an obligation of the Company or any Company Subsidiary to make any contribution exists, other than a Foreign Plan. Any Employee Program listed in such schedule (other than any employee Program that is a multiemployer plan, as defined in Section 3(37) of ERISA (a "Multiemployer Plan") is referred to below as a "Company Employee Plan."

(b) The Company has made available to the Initial Purchaser and the Investors with respect to each Company Employee Plan complete and correct copies of (i) all written documents comprising such Company Employee Plan (including amendments, individual agreements, service agreements, trusts and other funding agreements), (ii) the three most recent annual returns in the Federal Form 5500 series (including all schedules thereto) filed with respect to such Company Employee Plan, (iii) the three most recent audited financial statements and actuarial reports, if any, pertaining to such Company Employee Plan, (iv) the summary plan description currently in effect and all material modifications thereto, if any, for such Company Employee Plan, (v) any employee handbook which includes a description of such Company Employee Plan, (vi) the most recent IRS determination letter, if any, for such Company Employee Plan, and (vii) any other written communications to any Employee, to the extent that the provisions of such Company Employee Plan described therein differ materially from such provisions as set forth or described in the other information or materials furnished under this subsection (b).

(c) Each Company Employee Plan which is intended to qualify under Section 401(a) of the Code has received a determination letter from the IRS which states that such plan is so qualified, and on which any employer which has adopted such plan may currently rely.

(d) Each Company Employee Plan and Foreign Plan has been maintained in accordance with its terms and with all applicable Laws, except to such extent as could not reasonably have a Material Adverse Effect. Neither the Company nor any Company Subsidiary has any unsatisfied liability, or any unpaid fine, penalty or tax, with respect to any Company Employee Plan, any Foreign Plan or any other Employee Program, which could reasonably have a Material Adverse Effect. To the knowledge of the Company, there has been no "prohibited transaction" (within the meaning of Section 406 of ERISA or Section 4975 of the Code), or any breach of any duty under ERISA, any other applicable Law or any agreement, with respect to any Company Employee Plan or Foreign Plan which could subject the Company or any Company Subsidiary to material liability either directly or indirectly (including, without limitation, through any obligation of indemnification or contribution) for any damages, penalties, taxes or any other loss or expense which could reasonably have a Material Adverse Effect. The Company and each Company Subsidiary has made full and timely payment of all contributions required to be made by it to each Company Employee Plan and

Foreign Plan by the terms of any such plan or under the applicable Law, except that all contributions which are so required to be made by the Company or any Company Subsidiary to each Company Employee Plan and Foreign Plan for any period ending prior to the Closing, but which are not due by the date of the Closing, shall be properly reserved or accrued in the appropriate financial statements. There have been no material violations of any reporting or disclosure requirements under ERISA or the Code with respect to any Company Employee Plan, including any requirement to file an annual return.

(e) No litigation or claim (other than routine claims for benefits), and no governmental administrative proceeding, audit or investigation, is pending or, to the knowledge of the Company or any of the Company Subsidiaries, threatened with respect to any Company Employee Plan or Foreign Plan which could reasonably have a Material Adverse Effect.

(f) With respect to each Company Employee Plan which is a defined benefit pension plan, (i) such Company Employee Plan has not incurred an "accumulated funding deficiency", within the meaning of Section 412 of the Code or Section 302 of ERISA, whether or not waived, (ii) such Company Employee Plan has not been terminated, (iii) no notice of intent to terminate such Company Employee Plan has been issued to participants or filed with the PBGC, (iv) the PBGC has not instituted any proceeding to terminate, or to appoint a trustee or administrator of, such Company Employee Plan, and no circumstances exist that are reasonably likely to constitute grounds under Section 4042 of ERISA which may allow the PBGC to institute any such proceeding, (v) except as set forth on Schedule 3.16(f), if such Company Employee Plan is intended to be a "qualified plan" within the meaning of Section 401(a) of the Code, as of the most recent valuation date for such Company Employee Plan, the present value of benefit liabilities, when computed on a termination basis using actuarial assumptions which are reasonable under the circumstances, does not exceed the value of assets, (vi) neither the Company nor any Company Subsidiary (x) has incurred any liability to the PBGC or any other Person, or has become subject to any lien, under Title IV of ERISA in connection with such Company Employee Plan (other than PBGC premiums), or (y) has knowledge of any facts or transactions that might reasonably be anticipated to result in the imposition of any liability on, or the imposition of any lien on the assets of, the Company or any of the Company Subsidiaries to, or in favor of, the PBGC or any other Person under Title IV of ERISA in connection with such Company Employee Plan (other than PBGC premiums), and (vii) no Reportable Event has occurred with respect to such Company Employee Plan.

(g) Except as set forth on Schedule 3.16(g), no Employee Program which has been maintained, administered or contributed to by the Company or any Company Subsidiary, which has covered any Employee of the Company or any Company Subsidiary, or to which the Company or any Company Subsidiary has had any obligation to make a contribution, during the six-year period ending on the date of this Agreement, is (i) a "multiemployer plan", as defined in Section 3(37) of ERISA, (ii) a "multiple employer plan", as described in Section 413(c) of the Code, (iii) a "multiple employer welfare arrangement", as defined in Section 3(40) of ERISA, (iv) a "voluntary employees' beneficiary association" within the meaning of Section 501(c)(9) of the Code, or (v) a Foreign Plan other than a plan which does not provide benefits materially greater than any benefits which may be required by applicable law. Neither the Company nor any Company Subsidiary has, within the past six years, incurred any withdrawal liability to a Multiemployer Plan.

(h) Except as set forth on Schedule 3.16(h), all health and medical benefit coverage, and all death benefit coverage, under each Company Employee Plan is provided solely through insurance, and no Company Employee Plan provides health or medical coverage, life insurance coverage, or coverage for any other welfare benefit to any Retiree, except for continuation coverage required by Section 4980B of the Code, Sections 601 to 608 of ERISA or any applicable State Law.

(i) No Employee of the Company or any Company Subsidiary shall accrue or receive additional benefits, additional credit for service, accelerated vesting or accelerated rights to payment of any benefit under any Company Employee Plan, or become entitled to any severance, termination allowance or similar payments or to the forgiveness of any indebtedness, solely as a result of the execution and delivery of, or the transactions contemplated by this Agreement. Such execution and delivery, or the occurrence of such transactions, shall not result in any increase in the contributions required to be made to any Company Employee Plan. Except as set forth on Schedule 3.16(i), no payment made or contemplated under any Company Employee Plan, or by the Company or any Company Subsidiary, in connection with the Contemplated Transactions, constituted, or would constitute, either (i) an "excess parachute payment" within the meaning of Section 280G of the Code or (ii) a payment which is not deductible by reason of Section 404 of the Code.

(j) Except as set forth on Schedule 3.16(j), (i) except for the adoption of a plan amendment which is needed to bring the plan documents into conformity with statutory changes enacted in recent years, neither the Company nor any Company Subsidiary is under any obligation (express or implied) to modify any Company Employee Plan, or to establish any new Employee Program which will cover any Employee of the Company or any Company Subsidiary, (ii) the Company or a Company Subsidiary has expressly reserved to itself the right to amend, modify or terminate each Company Employee Plan (and any service or funding agreement or arrangement for each Company Employee Plan), at any time without material liability or penalty to itself (other than routine expenses), and (iii) no Company Employee Plan requires the Company or any of the Company Subsidiaries to continue to employ or use the services of any Employee.

(k) Except as set forth on Schedule 3.16(k), there has been no amendment, interpretation or announcement by the Company or any of the Company Subsidiaries relating to any Company Employee Plan which would materially increase the expense of maintaining such plan above the level of expense incurred with respect to that plan, as indicated in the applicable financial statements, for its most recent fiscal year.

(l) No ERISA Affiliate has any unpaid liability, fine, penalty or tax with respect to any Employee Program for which the Company or any of the Company Subsidiaries could be liable, and which could reasonably have a Material Adverse Effect.

Section 3.17. Labor Relations. Except as set forth on Schedule 3.17(a):

(a) the Company and the Company Subsidiaries are in compliance in all material respects with all applicable Laws respecting employment and employment practices, terms and conditions of employment, wages, hours, collective bargaining, safety and health, work authorization, equal employment opportunity, immigration, withholding, unemployment compensation, worker's compensation and employee privacy and right to know, other than any such failure to comply that could not reasonably have a Material Adverse Effect;

(b) there is no pending, or to the knowledge of the Company, any threatened, charge or complaint, against the Company or any of the Company Subsidiaries before the National Labor Relations Board or any other comparable Governmental Body, which could reasonably have a Material Adverse Effect;

(c) there is, and for the past three years have been, (i) no labor strike, union-related slowdown, work stoppage or other union-related labor controversy pending, or to the knowledge of the Company, threatened in writing, against or otherwise affecting or involving the Company or the Company Subsidiaries or (ii) no lawsuits (other than grievance proceedings) pending, or to the knowledge of the Company, threatened, between any of the Company or the Company Subsidiaries and any employee of the Company or the Company Subsidiaries or any union or other collective bargaining unit representing any employees of the Company or the Company Subsidiaries, which could reasonably have a Material Adverse Effect;

(d) none of the employees of the Company or the Company Subsidiaries are covered by any collective bargaining agreements (other than as disclosed in the Commission Filings) and, to the knowledge of the Company, no solicitation of the employees of the Company or any of the Company Subsidiaries is currently being made by any union to organize any of such employees; and

(e) no Material Employee has given notice to the Company or any Company Subsidiary of his intent to terminate his employment with the Company or any Company Subsidiary.

Section 3.18. Compliance with Laws; Permits.

(a) The Company and the Company Subsidiaries are in compliance in all material respects with all material Laws (including, without limitation, the Sarbanes-Oxley Act of 2002) and material Orders promulgated by any Governmental Body applicable to the Company and the Company Subsidiaries or to the conduct of the business or operations of the Company and the Company Subsidiaries or the use of their properties (including any leased properties) and assets. Since January 1, 1999, neither the Company nor any Company Subsidiary has received any written notice of violation or alleged material violation of any such Law or Order by any Governmental Body in any material respect that has not been resolved. Since January 1, 1999, neither the Company nor any Company Subsidiary has received written notice that it is the subject of an investigation by any Governmental Body which could reasonably have a Material Adverse Effect.

(b) To the knowledge of the Company, except as set forth on Schedule 3.18(b), the Company and the Company Subsidiaries have all Permits necessary for the conduct of their business, except where the failure to have such Permits could not reasonably have a Material Adverse Effect. The Company and the Company Subsidiaries have complied in all material respects with all conditions of such Permits applicable to it.

Section 3.19. Preferred Stock Exemption.

(a) Assuming the representations and warranties of the Initial Purchaser and of the Investors contained in Article IV are true, the offer and sale of the Series B Shares (and the issuance of the Common Stock to such Investors upon the conversion of such Series B Shares) are exempt from the registration requirements of the Securities Act. The Company has not taken and will not take any actions which would cause the offers and sales contemplated hereunder to become ineligible for exemption under the Securities Act.

(b) Neither the Company nor any Person acting on its behalf has offered the Series B Stock to any Person by means of general or public solicitation or general or public advertising, such as by newspaper or magazine advertisements, by broadcast media, or at any seminar or meeting whose attendees were solicited by such means.

Section 3.20. Environmental Protection.

(a) Each of the Company and the Company Subsidiaries is in compliance in all material respects with all limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules and timetables contained in any applicable Environmental Laws, or in any plan, Order, notice or demand letter issued, entered, promulgated or approved thereunder.

(b) Except as set forth on Schedule 3.20(b), to the knowledge of the Company, as a result of activities of the Company or the Company Subsidiaries or any of their employees, no Hazardous Material has been incorporated in, used on, stored on or under, released from, treated on, transported to or from, or disposed of on or from, any property owned or during the period of the Company's or any of the Company Subsidiaries' lease(s), or to the knowledge of the Company without any investigation, any prior period, leased by the Company or any Company Subsidiary such that, under applicable Environmental Laws (i) any such Hazardous Material would be required to be removed, cleaned-up or remediated before the property could be altered, renovated, demolished or transferred, or (ii) the owner or lessee of the property could be subjected to liability for the removal, clean-up or remediation of such Hazardous Material, except, under circumstances that could not reasonably have a Material Adverse Effect; and, except as set forth on Schedule 3.20(b), the Company has not received any written notification from any Governmental Body or other third parties relating to Hazardous Material on or affecting any property owned or leased by the Company or the Company Subsidiaries or relating to any potential or known liability under applicable Environmental Laws arising from the ownership or leasing of any property, which could reasonably have a Material Adverse Effect

Section 3.21. Investment Company Act. The Company and the Company Subsidiaries are not, nor are they directly or indirectly controlled by or acting on behalf of any Person that is, an investment company within the meaning of the Investment Company Act of 1940, as amended.

Section 3.22. Transactions with Affiliates. Except: (i) for transactions between the Company and any wholly-owned Company Subsidiary, (ii) for expenses in the ordinary course of business, and (iii) as disclosed in the Company's reports filed with the SEC pursuant to the Exchange Act (including transactions related to the Gant Company), neither the Company nor any Company Subsidiary has made any payment to, or received any payment from, or made or received any investment in, or entered into any transaction with, any Affiliate, including without limitation, the purchase, sale or exchange of property or the rendering of any service, where the amount involved is material to the business of the Company.

Section 3.23. Insurance. There is in full force and effect certain policies of insurance issued by insurers of recognized responsibility, including, without limitation, fire and casualty insurance, insuring the Company and each Company Subsidiary and their properties against such losses and risks, and in such amounts, as are usual and customary in the case of companies engaged in the same or similar business and similarly situated.

Section 3.24. Customers. Except as set forth in Schedule 3.24, neither the Company nor any Company Subsidiary has received any written notice that any customer has ceased, or will cease, or has substantially reduced, or will substantially reduce, their overall purchases of the products or goods of the Company or Company Subsidiary, in each case which could reasonably have a Material Adverse Effect.

Section 3.25. Financial Advisors. Except as set forth on Schedule 3.25, no agent, broker, investment banker, finder, financial advisor or other Person is or will be entitled to any broker's or finder's fee or any other commission or similar fee from the Company, directly or indirectly, in connection with the Contemplated Transactions.

Section 3.26. DGCL Section 203 and Rights Agreement. The Board of Directors has taken all action necessary to exempt from the provisions of Section 203 of the Delaware General Corporation Law ("DGCL Section 203") and from being deemed an "Acquiring Person" under the Rights Agreement, to the extent applicable, this Agreement, any acquisition by the Investors or their Affiliates of the Series B Stock pursuant to this Agreement, and the Certificate of Designations and any conversion or exercise by the Investors or their Affiliates of the Series B Stock into Common Stock. No agreement or instrument to which the Company or any of the Company Subsidiaries is a party or by which any of them is bound, and no state statute similar to DGCL Section 203 that is applicable to the Company or any of the Company Subsidiaries imposes any restrictions on business combinations or similar transactions with interested stockholders of a nature similar to those set forth in DGCL Section 203.

Section 3.27. D&O Insurance. The Company maintains director and officer liability insurance coverage in the aggregate amount of \$20 million, which policy has a \$5,000 per individual deductible up to \$50,000 in the aggregate.

Section 3.28. Solvency. The Company is not, and after giving effect to the Contemplated Transactions, will not be, insolvent within the meaning of Title 11 of the United States Code, the General Corporation Law of the State of Delaware, or the General Laws of the State of New York.

Section 3.29. Full Disclosure. No representation or warranty made by the Company in this Agreement or any other Transaction Document contains or will contain any untrue statement of a material fact, or omits to state a material fact necessary to make the statements contained herein or therein not misleading.

Section 3.30. No General Solicitation. None of the Company or any of its "affiliates" (as defined in Rule 501(b) of Regulation D under the Securities Act ("Regulation D")), has, directly or through an agent, engaged in any form of general solicitation or general advertising in connection with the offering of the Series B Shares (as those terms are used in Regulation D) under the Securities Act or in any manner involving a public offering within the meaning of Section 4(2) of the Securities Act; and the Company has not entered into any contractual arrangement with respect to the distribution of the Series B Shares except for this Agreement and the Registration Rights Agreement, and the Company will not enter into any such arrangement.

Section 3.31. No Integration. None of the Company or any of its Affiliates (other than the Initial Purchaser in connection with the transactions contemplated by this Agreement about which no representation is made by the Company) has, directly or through any agent, sold, offered for sale, solicited offers to buy or otherwise negotiated in respect of, any "security" (as defined in the Securities Act) which is or will be integrated with the sale of the Series B Shares or the Common Stock in a manner that would require the registration under the Securities Act of the Series B Shares or the Common Stock. The Company has not sold or issued any Series B Shares, shares of Common Stock, any security convertible into Series B Shares or shares of Common Stock, or any security of the same class as the Series B Shares or Common Stock during the six-month period prior to the Closing Date, including any sales pursuant to Rule 144A, Regulation D or Regulation S under the Securities Act, other than shares issued pursuant to employee benefit plans, qualified stock options plans or other employee compensation plans or pursuant to outstanding options, rights or warrants.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF THE INITIAL PURCHASER AND THE INVESTORS

Section 4.01. Initial Purchaser Representations.

(a) The Initial Purchaser represents and warrants to and agrees with the Company that it is an institutional accredited investor, as defined in Rule 501(a)(1), (2), (3) or

(7) under the Securities Act, as the case may be, with such knowledge and experience in financial and business matters as is necessary in order to evaluate the merits and risks of an investment in the Series B Shares, and (ii) it is not acquiring the Series B Shares with any present intention of offering or selling any of the Series B Shares in a transaction that would violate the Securities Act or the securities laws of any state of the United States or any other applicable jurisdiction

(b) The Initial Purchaser hereby represents and warrants to the Company that it (i) has not solicited offers for, or offered or sold, the Series B Shares by means of any form of general solicitation or general advertising or in any manner involving a public offering within the meaning of Section 4(2) of the Securities Act and (ii) has only solicited offers for the Series B Shares from persons whom the Initial Purchaser reasonably believed to be accredited investors.

Section 4.02. Investors Representations. Each of the Investors represents and warrants, severally and not jointly, to the Company as follows:

(a) Authorization. Such Investor is a limited partnership duly organized and validly existing under the Laws of the state or country of its jurisdiction of formation. Such Investor has the full power and authority to enter into this Agreement and the other Transaction Documents and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and the other Transaction Documents and the consummation by the Investors of the transactions contemplated hereby and thereby have been duly and authorized by all necessary action on the part of the Investors. This Agreement and the other Transaction Documents have been and will be, as the case may be, duly executed and delivered by the Investors and constitute legal, valid and binding obligations of the Investors, enforceable in accordance with their respective terms, except as such enforceability may be subject to the effects of any applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or similar Laws affecting creditors' rights generally and subject to the effects of general equitable principles.

(b) Investment Representations. Such Investor is an Accredited Investor and is acquiring the Series B Shares allocated to such Investor for such Investor's own account, for investment, and not with a view to, or for sale in connection with, the distribution thereof or of any interest therein. Such Investor has adequate net worth and means of providing for its current needs and contingencies and is able to sustain a complete loss of the investment in such Series B Shares, and has no need for liquidity in such investment. Such Investor, itself or through its officers, employees or agents, has sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of an investment such as an investment in the Series B Shares, and such Investor, either alone or through its officers, employees or agents, has evaluated the merits and risks of the investment in such Series B Shares. Such Investor understands that the Series B Stock has not been registered under the Securities Act by reason of its issuance in a transaction exempt from the registration requirements of the Securities Act pursuant to the exemption provided in Section 4(2), and that the Series B Stock may not be sold or otherwise disposed of unless registered under the Securities Act or exempted from such registration.

(c) Investors' Acknowledgment. Each Investor has had the opportunity, directly or through its representatives, to ask questions of and receive answers from Persons acting on behalf of the Company concerning the transactions contemplated by this Agreement.

(d) Financial Advisors. No agent, broker, investment banker, finder, financial advisor or other Person is or will be entitled to any broker's or finder's fee or any other commission or similar fee from any of the Investors, directly or indirectly, in connection with any of the transactions contemplated by this Agreement or any of the Transaction Documents.

(e) Legend.

(i) The certificates evidencing the Series B Stock and the Common Stock issuable upon conversion of the Series B Stock will bear a legend (the "Legend") substantially similar to the following:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. NO INTEREST IN THESE SECURITIES MAY BE PLEDGED, HYPOTHECATED, SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF EXCEPT WHILE A REGISTRATION STATEMENT IS IN EFFECT UNDER SAID ACT OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER SAID ACT. THIS CERTIFICATE IS ISSUED PURSUANT TO AND SUBJECT TO THE RESTRICTIONS ON TRANSFER AND OTHER PROVISIONS OF THE INVESTORS' RIGHTS AGREEMENT BETWEEN THE COMPANY, AND THE INVESTORS REFERRED TO THEREIN, A COPY OF WHICH IS ON FILE WITH THE COMPANY. EXCEPT AS PROVIDED IN SUCH AGREEMENT, THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE NOT TRANSFERABLE AND ANY PURPORTED TRANSFER IN VIOLATION OF THE PROVISIONS OF SUCH AGREEMENT SHALL BE VOID AND OF NO FORCE AND EFFECT.

(ii) The legend endorsed on the certificates pursuant to Section 4.02(e) hereof shall be removed and the Company shall issue a certificate without such legend to the holder thereof at such time as the securities evidenced thereby cease to be restricted securities upon the earliest to occur of (i) a registration statement with respect to the sale of such securities shall have become effective under the Securities Act and such securities shall have been disposed of in accordance with such registration statement, (ii) the securities shall have been sold to the public pursuant to Rule 144 (or any successor provision) under the Securities Act, and (iii) such securities may be sold by the holder without restriction or registration under Rule 144(k) under the Securities Act (or any successor provision).

(f) No Reliance. Each Investor acknowledges that the Company is not making any representation, warranty, covenant or agreement, other than as set forth in this Agreement and the other Transaction Documents.

ARTICLE V
COVENANTS OF THE COMPANY

The Company covenants and agrees that for so long as the Series B Shares are outstanding:

Section 5.01. Accounting System. The Company will maintain a system of accounting and proper books of record and account, in accordance with GAAP.

Section 5.02. Taxes. The Company will, and will cause each Company Subsidiary to, pay when due (a) all Taxes imposed upon it or any of its properties or income, other than Taxes which could not reasonably have a Material Adverse Effect, Taxes which are being contested in good faith by appropriate proceedings and Taxes which are subject to filings that are on valid extensions, and (b) all claims or demands of materialmen, mechanics, carriers, warehousemen, landlords and other like Persons which, if unpaid, might result in the creation of a Lien upon any of its properties other than claims or demands which are being contested in good faith or could not reasonably have a Material Adverse Effect.

Section 5.03. Corporate Existence. The Company will preserve and keep in full force and effect its corporate existence and the corporate existence of each Company Subsidiary (unless merged into the Company) and all rights and franchises of the Company and the Company Subsidiaries unless, in the good faith judgment of the Company, the termination of or failure to preserve or keep in full force and effect such corporate existence, right or franchise could not reasonably have a Material Adverse Effect.

Section 5.04. Maintenance of Properties. The Company will, and will cause each Company Subsidiary to, maintain all of its properties necessary for the conduct of its business in good condition, repair and working order (normal wear and tear excepted) and cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of the Company may be necessary so that the business carried on in connection therewith may be conducted at all times.

Section 5.05. Insurance. Each of the Company and the Company Subsidiaries will maintain insurance with insurers of recognized responsibility, insuring the Company, the Company Subsidiaries and their respective properties, assets, business and projects against such losses and risks, and in such amounts, as the Company reasonably determines.

Section 5.06. Compliance with Law. The Company will, and will cause each Company Subsidiary to, comply, in all material respects, with all material Laws which it reasonably believes are applicable with respect to the conduct of their respective businesses and the ownership of their respective properties, provided that the Company shall not be deemed to be in

violation of this Section 5.06 as a result of any failure to comply with any provisions of such Laws, the noncompliance with which would not result in enforceable fines, penalties, injunctive relief or other civil or criminal liabilities which, in the aggregate, could reasonably have a Material Adverse Effect.

Section 5.07. Maintain Listing. The Company will use commercially reasonable efforts to (x) maintain the listing and trading of its Common Stock on the NYSE, for so long as the Company qualifies for such listing under the rules and regulations of the NYSE and (y) comply in all material respects with the Company's reporting, filing, and other obligations, under the rules and regulations of the NYSE. In the event that the Common Stock is no longer eligible for listing and trading on the NYSE, the Company will use commercially reasonable efforts to secure the listing or quotation of the Common Stock on the Nasdaq National Market, the Nasdaq SmallCap Market or the American Stock Exchange (if such listing is permitted by the bylaws, rules or regulations of any of the foregoing) and to comply in all material respects with the Company's reporting, filing and other obligations under the bylaws or rules of such exchanges or the National Association of Securities Dealers, Inc., as applicable. The Company will promptly provide to the Initial Purchaser and each of the Investor Representatives copies of any notices it receives from the NYSE and any other exchange or quotation system on which the Common Stock is then listed regarding the continued eligibility of the Common Stock for listing on such exchanges or quotation systems.

Section 5.08. Secure Listing. The shares of Common Stock issuable upon conversion of the Series B Stock shall have been duly listed, pending notice of issuance, on the NYSE and the Company shall maintain such listing in accordance with Section 5.07.

Section 5.09. Transfer Taxes. The Company shall be responsible for any Liability with respect to any transfer, stamp or similar non-income Taxes that may be payable in connection with the execution, delivery and performance of this Agreement including, without limitation, any such Taxes with respect to the issuance of the Series B Shares or shares of Common Stock issuable upon conversion thereof.

ARTICLE VI ACTIONS PRIOR TO CLOSING

Section 6.01. Access to Information. Until the Closing Date or the earlier termination of this Agreement:

(a) The Company shall provide the Initial Purchaser and each of the Investor Representatives with (i) monthly reports, as soon as practicable and in any event within 20 calendar days after the close of each such month, (ii) copies of: (A) the unaudited balance sheet of the Company as of the end of such month, (B) the unaudited statements of operations of the Company for such month, and (C) the unaudited statements of changes in cash flows of the Company for such month setting forth in each case in comparative form the corresponding figures for the preceding month and, with respect to statements relating to the Company's 2002 fiscal year, for the 2002 Budget, for the year to date and for the comparable periods in the

preceding year; and (iii) such other financial and operating data as the Initial Purchaser and any Investor Representative may reasonably request.

(b) The Company will permit the Initial Purchaser and representatives of the Investors to visit and inspect any of the properties of the Company or any of the Company Subsidiaries, to examine the corporate books, records, agreements and files of the Company and make copies or extracts therefrom and to request information at reasonable times and intervals concerning the general status of the Company's financial condition and operations, all upon reasonable notice and at such reasonable times and as often as the Initial Purchaser and such Investor may reasonably request. The Investors will, and will instruct each of their respective Affiliates and advisors to, hold in confidence all "Information" as provided in the letter agreement between Apax Partners, Inc., an Affiliate of the Investors, and the Company, dated January 17, 2002.

Section 6.02. Conduct of Business.

(a) Except as set forth in Schedule 6.02(a), or as otherwise agreed to in writing by the Initial Purchaser and the Investors, from the date hereof to the Closing Date, the Company shall, and shall cause each Company Subsidiary to (i) use its commercially reasonable efforts to maintain all of the material assets it owns or uses in the ordinary course of business consistent with past practice (subject to the good faith judgement of management of the Company); (ii) use its commercially reasonable efforts to preserve the goodwill and ongoing operations of its business; (iii) maintain its books and records in the usual, regular and ordinary manner, on a basis consistent with past practice; (iv) use its commercially reasonable efforts to maintain insurance in full force and effect with respect to its business with responsible companies, comparable in amount, scope and coverage to that in effect on the date of this Agreement; and (v) comply in all material respects with applicable material Laws.

(b) Without limiting the generality of the foregoing, except as expressly contemplated by this Agreement or as set forth on Schedule 6.02(b), between the date hereof and the Closing Date, the Company shall not, and shall cause each Company Subsidiary not to, do any of the following without the prior written consent of the Investors:

(i) engage in any act, other than in the ordinary course of business and consistent with past practice, which could reasonably have a Material Adverse Effect or in any way prevent the consummation of the Contemplated Transactions;

(ii) declare, set a record date, set aside or authorize the payment of, any dividend or other distribution in respect of any shares of Capital Stock of the Company or repurchase, redeem or acquire any of the outstanding shares of Capital Stock of the Company, except for the Company's regular dividends;

(iii) transfer, issue, sell or dispose of any shares of its Capital Stock or grant any option, warrant, call or other right to purchase or otherwise acquire shares of its Capital Stock, except for (x) grants of options (and the issuance of any shares of its Capital Stock upon

exercise of such options) under the Company's employee option plans, and (y) the issuance of the Warrants;

(iv) except with respect to the CK Acquisition, mortgage or pledge (other than pursuant to the Credit Agreement or with respect to Permitted Liens) any of its assets, or acquire any material assets or sell, assign, transfer, convey or otherwise dispose of any material assets of the Company or the Company Subsidiaries, except in the ordinary course of business;

(v) except for the CK Purchase Agreement, enter into any Contract to make any capital expenditures for the Company's fiscal year ending February 2, 2003 obligating the Company or any Company Subsidiary to pay an amount in excess of \$1,000,000 or an amount which together with amounts already expended or committed during its 2002 fiscal year would exceed the amount budgeted for capital expenditures in the 2002 Budget;

(vi) except with respect to the CK Acquisition or under the Credit Facility, create, incur, assume or guarantee any debt for borrowed money in excess of \$5,000,000, whether due or to become due, except debt incurred in the ordinary course of business;

(vii) change its accounting principles, methods or practices (including, without limitation, its method of accounting for stock options) other than a change which is required by reason of a concurrent change in Law or GAAP;

(viii) cancel or terminate any material insurance policy naming it as a beneficiary or a loss payee without obtaining substitute insurance coverage except where such cancellation or termination could not reasonably have a Material Adverse Effect;

(ix) amend its Certificate of Incorporation or By-Laws; or

(x) agree, whether in writing or otherwise, to do any of the foregoing.

Section 6.03. No Solicitation. From the date hereof to the Closing Date, the Company agrees that neither it nor the Company Subsidiaries shall, and shall not permit any of their respective directors, officers, Employees, representatives or agents to, directly or indirectly, solicit or initiate any discussions or negotiations with, participate in any negotiations with, provide any information to or otherwise cooperate in any other way with, or facilitate or encourage any effort or attempt by, any Person, other than the Initial Purchaser, the Investors and their respective, partners, directors, officers, employees, representatives and agents, respecting any Competing Offer. The Company will promptly advise the Initial Purchaser and each Investor Representative of any proposal or inquiry made to it, the Company Subsidiaries or any of their respective directors, officers, Employees, representatives, or agents with respect to any of the foregoing transactions.

Section 6.04. Consent. Each of the parties hereto will use its reasonable best efforts and shall fully cooperate with each other party to make promptly all registrations, filings and

applications, give all notices and obtain all Consents in connection with the transactions contemplated hereby.

Section 6.05. HSR. The Company and the Investors shall, as promptly as practicable following the execution and delivery of this Agreement, submit all filings required by the HSR Act to the Federal Trade Commission and the Department of Justice and thereafter provide any supplemental information requested in connection therewith pursuant to the HSR Act and make any similar filing within, to the extent reasonably practicable, a similar time frame with any other Governmental Body for which such filing is required. Any such notification and report form and supplemental information will be in substantial compliance with the requirements of the HSR Act or other applicable antitrust regulation. The Company and the Investors shall furnish to each other such necessary information and reasonable assistance as the other may request in connection with its preparation of any filing or submission which is necessary under the HSR Act or other applicable antitrust regulation. The Company and the Investors shall request early termination of the applicable waiting period under the HSR Act and any other applicable antitrust regulation; shall respond with reasonable diligence and dispatch to any request for additional information made in response to such filings or information requests made by any other Governmental Body and shall keep each other apprised of any communications with, and inquiries or requests for additional information from the Federal Trade Commission, Department of Justice or any other Governmental Body and shall comply with any inquiry or request made thereby. Notwithstanding anything to the contrary contained herein, the Company will pay the filing fees of the Investors with respect to the notification and report forms required by the HSR Act.

Section 6.06. Notice of Breach. From the date hereof through the Closing Date, as promptly as practicable, and in any event not later than five Business Days after the Company becomes aware thereof, the Company shall provide the Initial Purchaser and each Investor Representative with written notice of (a) any representation or warranty of the CK Companies or the Sellers contained in the CK Purchase Agreement being untrue or inaccurate in any material respect, or (b) any failure of the CK Companies or the Sellers to comply with or satisfy in any material respect any covenant, condition or agreement to be complied with or satisfied by such Person under any of the CK Transaction Documents.

Section 6.07. Other Transaction Documents. The Company shall keep the Initial Purchaser, each Investor Representative and their respective counsel fully informed of, provide the Initial Purchaser, each Investor Representative and their respective counsel with copies of all drafts of, and, at the request of the Initial Purchaser or any Investor Representative, discuss with the Initial Purchaser, each Investor Representative and their respective counsel on a timely basis, each of the CK Transaction Documents and shall not, without the prior consent of the Initial Purchaser and each Investor Representative (which consent shall not be unreasonably withheld or delayed), (i) execute any of the CK Transaction Documents to be executed after the date hereof or (ii) amend, waive, supplement or modify any material provisions of any of the CK Transaction Documents executed on or prior to the date hereof.

Section 6.08. Publicity. The parties agree not to issue any announcement, press release, public statement or other information to the press or any third party with respect to this Agreement or the Contemplated Transactions without obtaining the prior written approval of the other parties hereto (which approval shall not be unreasonably withheld); provided, however, that nothing contained herein shall prevent any party hereto, at any time, from furnishing any required information to any Governmental Body or from issuing any announcement, press release, public statement or other information to the press or any third party with respect to this Agreement or the Contemplated Transactions if required by Law, although, the parties agree to consult with each other as to the content of any release so required and consider in good faith the comments of the other thereon.

ARTICLE VII
CONDITIONS TO CLOSING

Section 7.01. Conditions to Obligations of the Initial Purchaser and the Investors. The obligation of the Initial Purchaser and the Investors to consummate the transactions contemplated hereby shall be subject to the fulfillment on or prior to the Closing Date of the following conditions, any or all of which may be waived by the Initial Purchaser and the Investors, in whole or in part (except with respect to conditions 7.01 (n)(i) and (r) which may be waived only by the Initial Purchaser and except with respect to condition 7.01 (n)(ii) which may be waived only by the Investors) to the extent permitted by applicable Law:

(a) Consents. The Company shall have obtained the consents set forth in Schedule 3.05, in form and substance reasonably satisfactory to the Initial Purchaser and the Investors.

(b) Material Adverse Effect. Between the date hereof and the Closing Date, none of the CK Companies shall have suffered or experienced a CK Companies Material Adverse Effect.

(c) No Governmental Order or Other Proceeding or Litigation. No Order of any Governmental Body shall be in effect that restrains or prohibits the Contemplated Transactions.

(d) CK Transaction Documents. (i) The CK Transaction Documents executed prior to or simultaneously with this Agreement shall not have been amended, modified, supplemented, or provisions thereof waived, in violation of Section 6.07, and (ii) the CK Transaction Documents executed subsequent to this Agreement shall have been entered into in accordance with Section 6.07.

(e) CK Acquisition. The transactions contemplated by the CK Transaction Documents that by their terms are to be completed concurrently with, or immediately after, the Closing shall be capable of being completed at the Closing and the closing of the

CK Acquisition in accordance with the terms and provisions of the applicable CK Transaction Document and all conditions required in the CK Transaction Documents to be satisfied on or prior to closing of the CK Acquisition shall have been satisfied or capable of being satisfied without waiver, amendment or modification unless otherwise approved in writing by the Initial Purchaser and each of the Investor Representatives. The closing of the CK Acquisition shall occur substantially simultaneous with the Closing hereunder.

(f) HSR Act. All filing and other requirements under the HSR Act shall have been satisfied, and the applicable waiting period with respect to the Contemplated Transactions under the HSR Act shall have expired or been terminated.

(g) Closing Fees. The Company shall have paid or reimbursed the Investors for all of the expenses specified in Section 10.01(a).

(h) Legal Opinion. The Initial Purchaser and the Investors shall have received, dated the Closing Date and addressed to each of the Initial Purchaser and the Investors, an opinion of Katten Muchin Zavis Rosenman, counsel to the Company, substantially in the form attached hereto as Exhibit C.

(i) Certificate of Designations. The Certificate of Designations shall have been duly filed with the Secretary of State of Delaware and shall be in full force and effect.

(j) Directors. The Series B Designees shall have been appointed to the Board of Directors, effective as of the Closing and the Board of Directors shall consist of no more than 14 directors.

(k) Registration Rights Agreement. The Registration Rights Agreement shall have been executed and delivered by the parties thereto and shall be in full force and effect, in substantially the form attached hereto as Exhibit D (the "Registration Rights Agreement").

(l) Investors' Rights Agreement. The Investors Rights Agreement shall have been executed and delivered by the parties thereto and shall be in full force and effect, in substantially the form attached hereto as Exhibit E (the "Investors' Rights Agreement").

(m) Amendment to the Rights Agreement. The Fifth Amendment to the Rights Agreement shall have been executed and delivered by the parties thereto and shall be in full force and effect, in substantially the form attached hereto as Exhibit F (the "Fifth Amendment").

(n) Stock Certificates.

(i) The Company shall have delivered to the Initial Purchaser a certificate or certificates representing the Series B Shares, duly registered in the name of the Initial Purchaser.

(ii) The Initial Purchaser shall have delivered to the Investor Representatives certificates representing the Series B Shares in the amounts specified on Schedule 2.01, duly registered by the Company in the respective names of the Investors as set forth in Schedule 2.01.

(o) NYSE Listing. The shares of Common Stock issuable upon conversion of the Series B Stock shall have been listed, pending notice of issuance, on the NYSE and the NYSE shall not have withdrawn its advice that the transactions contemplated under this Agreement constitute a bona fide private financing under paragraph 312.03 of the NYSE Listed Company Manual.

(p) Loan Documents. Each of the Loan Documents shall have been executed and delivered by the parties thereto and shall be in full force and effect and the closing of the loan transaction contemplated therein shall occur substantially simultaneously with the Closing hereunder.

(q) Good Standing; Company Certificates. The Company shall have delivered to the Initial Purchaser and the Investor Representatives:

(i) a certificate issued by the appropriate Governmental Body evidencing, as of a recent date, the good standing of the Company in its jurisdiction of incorporation;

(ii) a certificate, dated the Closing Date, executed by the Secretary of the Company which certifies that (A) attached to such certificate is a complete and correct copy of the Certificate of Incorporation of the Company certified by the Secretary of State of the State of Delaware, and that there has been no amendment to the Certificate of Incorporation of the Company since that the date of such certification, and (B) attached to such certificate is a complete and correct copy of the By-Laws of the Company, as in full force and effect at the Closing Date; and

(iii) a certificate, dated the Closing Date, executed by the Secretary of the Company, which certifies as complete and correct resolutions of the Board of Directors: (A) authorizing the execution, delivery and performance of this Agreement and each of the other Transaction Documents, the issuance and sale of the Series B Stock and the issuance of the shares of Common Stock issuable upon conversion of the Series B Stock, the reservation of such shares of Common Stock and the performance of the transactions contemplated by this Agreement and the other Transaction Documents, (B) electing the Series B Designees, (C) implementing the actions with respect to DGCL Section 203 and the Rights Agreement set forth in Section 3.26, and (D) authorizing the issuance of the Rights and the issuance of the shares of Series A Stock issuable upon exercise of the Rights.

(r) Comfort Letter. The Initial Purchaser shall have received from Ernst & Young LLP a letter addressed to it, in form and substance reasonably satisfactory to the Initial Purchaser, and dated as of the date hereof, (i) confirming that they are independent public accountants within the meaning of the Securities Act and are in compliance with the applicable requirements relating to the qualification of accountants under Rule 2-01 of Regulation S-X and (ii) stating, as of the date hereof (or, with respect to matters involving changes or developments since the respective dates as of which specified financial information is given in the Commission Filings filed in 2002, as of a date not more than five days prior to the date hereof), the

conclusions and findings of such firm with respect to the financial information and other matters ordinarily covered by accountants' "comfort letters" to underwriters.

Section 7.02. Conditions to Obligations of the Company. The obligation of the Company to consummate the transactions contemplated hereby shall be subject to the fulfillment on or prior to the Closing Date of the following conditions, any or all of which may be waived by the Company:

(a) No Governmental Order or Other Proceeding or Litigation. No Order of any Governmental Body shall be in effect that restrains or prohibits the Contemplated Transactions.

(b) CK Acquisition. The transactions contemplated by the CK Transaction Documents that by their terms are to be completed concurrently with, or immediately after, the Closing shall be capable of being completed at the Closing and the closing of the CK Acquisition in accordance with the terms and provisions of the applicable CK Transaction Document.

(c) HSR Act. All filing and other requirements under the HSR Act shall have been satisfied, and the applicable waiting period with respect to the transactions described herein together with any extensions thereof, under the HSR Act, shall have expired or been terminated.

(d) NYSE Listing. The shares of Common Stock issuable upon conversion of the Series B Stock shall have been listed, pending notice of issuance on the NYSE and the NYSE shall not have withdrawn its advice that the transactions contemplated under this Agreement constitute a bona fide private financing under paragraph 312.03 of the NYSE Listed Company Manual.

(e) Registration Rights Agreement. The Registration Rights Agreement shall have been executed and delivered by the parties thereto and shall be in full force and effect.

(f) Investors' Rights Agreement. The Investors Rights Agreement shall have been executed and delivered by the parties thereto and shall be in full force and effect.

(g) Purchase Price. The Initial Purchaser shall have delivered to the Company the Initial Purchase Price.

ARTICLE VIII SURVIVAL

Section 8.01. Survival. The representations, warranties and covenants to be performed at or prior to Closing of the parties set forth in this Agreement shall survive for a period of 24 months following the execution and delivery of this Agreement and thereafter shall be of no further force or effect, provided that the representations and warranties set forth in Sections 3.11 (Taxes), 3.16 (ERISA) and 3.20 (Environmental Protection) shall survive for the applicable period of the statute of limitations and the representations and warranties set forth in Sections 3.01 (Organization), 3.02 (Authorization) and 3.04 (Capitalization) shall survive indefinitely (or

if indefinite survival is not permitted by Law, then for the maximum period permitted by applicable Law). No representations, warranties or covenants of the Company in this Agreement shall be affected by any examination made for or on behalf of the Initial Purchaser or the Investors, the knowledge of the Initial Purchaser or the Investors, or the acceptance by the Initial Purchaser or the Investors of any certificate or opinion. Following the expiration of the periods set forth above with respect to any particular representation or warranty, no party hereto shall have any further liability with respect to such representation or warranty. Except as set forth herein, all of the covenants, agreements and obligations of the parties hereto shall survive the Closing indefinitely (or if indefinite survival is not permitted by Law, then for the maximum period permitted by applicable Law). Anything herein to the contrary notwithstanding, any claim for indemnification that is asserted by written notice which notice specifies in reasonable detail the facts upon which such claim is made as provided in this Section 8.01 within the survival period shall survive until resolved pursuant to a final non-appealable judicial determination or otherwise.

ARTICLE IX INDEMNIFICATION

Section 9.01. Generally. Subject to the limitations and other provisions of this Article IX, the Company covenants and agrees to indemnify, defend and hold harmless the Investor Group Members and the Initial Purchaser Group Members from and against (but only to the extent of) any and all Losses resulting from, incurred in connection with or arising out of (but only to the extent of) (a) any breach of any representation, warranty, covenant or agreement of the Company contained herein or in any other Transaction Document, (b) the failure of the Company to perform any of the agreements, covenants or obligations contained herein or in any other Transaction Documents, or (c) any claims by the Sellers relating to the CK Acquisition (other than if any such claim was a result of a breach by the Investors under this Agreement). Subject to the limitations and other provisions of this Article IX, each Investor, severally and not jointly, covenants and agrees to indemnify, defend and hold harmless the Company Group Members from and against (but only to the extent of) any and all Losses resulting from, incurred in connection with or arising out of (but only to the extent of) (a) any breach of any representation, warranty, covenant or agreement of such Investor contained herein or in any other Transaction Document, or (b) the failure of such Investor to perform any of the agreements, covenants or obligations of such Investor contained herein or in any other Transaction Document. The term "Loss" or any similar term shall mean any and all damages, reduction in value of the original investment in the Series B Shares, deficiencies, costs, claims, fines, judgments, amounts paid in settlement, expenses of investigation, interest, penalties, assessments, out-of-pocket expenses (including reasonable attorneys' and auditors' fees and disbursements, witness fees and court costs). The party or parties being indemnified are referred to herein as the "Indemnitee" and the indemnifying party is referred to herein as the "Indemnitor."

Section 9.02. Indemnification Procedure.

(a) Any party who receives notice of a potential claim that may, in the judgment of such party, result in a Loss shall use all reasonable efforts to provide the parties hereto notice thereof, provided that failure or delay or alleged delay in providing such notice shall not adversely affect such party's right to indemnification hereunder, unless and then only to the extent that such failure or delay or alleged delay has resulted in actual prejudice to the Indemnitor, including, without limitation, by the expiration of a statute of limitations. In the event that any party shall incur or suffer any Losses in respect of which indemnification may be sought by such party hereunder, the Indemnitee shall assert a claim for indemnification by written notice (a "Notice") to the Indemnitor stating the nature and basis of such claim. In the case of Losses arising by reason of any third party claim, the Notice shall be given within thirty (30) days of the filing or other written assertion of any such claim against the Indemnitee, but the failure of the Indemnitee to give the Notice within such time period shall not relieve the Indemnitor of any liability that the Indemnitor may have to the Indemnitee, except to the extent that the Indemnitor demonstrates that the defense of such action has been materially prejudiced by the Indemnitee's failure to timely give such Notice.

(b) In the case of third party claims for which indemnification is sought, the Indemnitor shall, if necessary, retain counsel reasonably satisfactory to the Indemnitee, and have the option (i) to conduct any proceedings or negotiations in connection therewith, (ii) to take all other steps to settle or defend any such claim (provided that the Indemnitor shall not settle any such claim without the consent of the Indemnitee which consent shall not be unreasonably withheld) and (iii) to employ counsel to contest any such claim or liability in the name of the Indemnitee or otherwise. In any event, the Indemnitee shall be entitled to participate at its own expense and by its own counsel in any proceedings relating to any third party claim. The Indemnitor shall, within 15 Business Days of receipt of the Notice, notify the Indemnitee of its intention to assume the defense of such claim. If (i) the Indemnitor shall decline to assume the defense of any such claim, (ii) the Indemnitor shall fail to notify the Indemnitee within 15 Business Days after receipt of the Notice of the Indemnitor's election to defend such claim, (iii) the Indemnitee shall have reasonably concluded that there may be defenses available to it which are different from or in addition to those available to the Indemnitor (in which case the Indemnitor shall not have the right to direct the defense of such action on behalf of the Indemnitee), or (iv) a conflict exists between the Indemnitor and the Indemnitee which the Indemnitee has reasonably concluded would prejudice the Indemnitor's defense of such action, then in each such case the Indemnitor shall not have the right to direct the defense of such action on behalf of the Indemnitee and the Indemnitee shall, at the sole expense of the Indemnitor, defend against such claim and (x) in the event of a circumstance described in clause (i) and (ii), the Indemnitee may settle such claim without the consent of the Indemnitor (and the Indemnitor may not challenge the reasonableness of any such settlement) and (y) in the event of a circumstance described in clause (iii) and (iv), the Indemnitee may not settle such claim without the consent of the Indemnitor (which consent will not be unreasonably withheld or delayed). The reasonable expenses of all proceedings, contests or lawsuits in respect of such claims shall be borne and paid by the Indemnitor if the Indemnitee is entitled to indemnification hereunder and the Indemnitor shall pay the Indemnitee, in immediately available funds, the amount of any

Losses, within a reasonable time of the incurrence of such Losses. Regardless of which party shall assume the defense or negotiation of the settlement of the claim, the parties agree to cooperate fully with one another in connection therewith. In the event that any Losses incurred by the Indemnitee do not involve payment by the Indemnitee of a third party claim, then, the Indemnitor shall, within 20 days after written notice from the Indemnitee specifying the amount of Losses, pay to the Indemnitee, in immediately available funds, the amount of such Losses. Any disagreement between the Indemnitor and Indemnitee relating to the amount of the Losses shall be resolved by arbitration in accordance with the rules of the American Arbitration Association (the "AAA") then pertaining in the City of New York, New York, by a single arbitrator to be mutually agreed upon by the parties or, if they are unable to so agree, by an arbitrator selected by the AAA. Anything in this Article X to the contrary notwithstanding, the Indemnitor shall not, without the Indemnitee's prior written consent, settle or compromise any claim or consent to entry of any judgment in respect thereof which imposes any future obligation on the Indemnitee or which does not include, as an unconditional term thereof, the giving by the claimant or plaintiff to the Indemnitee, a release from all liability in respect of such claim.

Section 9.03. Certain Qualifications. The Material Adverse Effect and other materiality (or correlative meaning) qualifications included in the representations, warranties, covenants and agreements contained herein shall have no effect on any provisions in this Article IX concerning the indemnities of the Company with respect to such representations, warranties, covenants and agreements, each of which shall be read as though there were no Material Adverse Effect or other materiality qualification for purposes of such indemnities. All knowledge qualifications included in the representations, warranties, covenants and agreements contained herein shall have no effect on any provisions of this Article IX concerning the indemnities of the Company with respect to such representations, warranties, covenants and agreements, each of which shall be read as though there were no such knowledge qualifications for purposes of such indemnities.

Section 9.04. Limitations on Indemnification.

(a) No Investor Group Member shall be entitled to be indemnified hereunder unless and until the aggregate of all Losses incurred by Investor Group Members shall exceed \$7,000,000 (the "Basket"); provided, however, that the Basket shall not apply to any Losses incurred by the Investor Group Members with respect to any third party claim against any Investor Group Member for which the Investor Group Members are entitled to indemnity pursuant to Section 9.01. Notwithstanding anything to the contrary contained herein, the liability of (i) the Company under this Article IX shall be limited to an amount equal to the Purchase Price; and (ii) the Investors in the aggregate under this Article IX and under the Loan Documents shall be limited to an amount equal to \$100,000,000.

(b) The parties acknowledge and agree that the indemnification provisions contained herein shall be the sole and exclusive remedy for Losses arising out of or caused by the breach of any of the representations, warranties, covenants or agreements of the parties contained in this Agreement, except (i) with respect to claims arising out of fraud, or (ii) for the amounts payable pursuant to Articles X and XI hereof.

ARTICLE X
FEES, EXPENSES AND COSTS

Section 10.01. Reimbursement.

(a) In the event that the transactions contemplated by this Agreement are consummated, the Company agrees to pay at the Closing and hold the Investors harmless against liability for the payment of (i) all reasonable legal fees and expenses owed by the Investors to their counsel, incurred in connection with this Agreement, (ii) stamp and other transfer Taxes which may be payable in respect of (A) the execution and delivery of this Agreement or (B) the issuance of the Series B Stock and the Common Stock issuable upon the conversion of the Series B Stock, (iii) all other reasonable costs and expenses (including, without limitation, accounting expenses and consultants' fees) incurred by the Investors in connection with this Agreement (clauses (i), (ii) and (iii) of this subsection (a) are referred to collectively as, the "Fees and Expenses"), and (iv) all reasonable fees and expenses owed by the Investors to Monitor Company incurred in connection with this Agreement (the "Monitor Expenses").

(b) In the event that the transactions contemplated by the CK Purchase Agreement or a similar transaction in which the Company acquires voting control of the CK Companies or substantially all of their assets are consummated within one year from the date of termination of this Agreement and the transactions contemplated by this Agreement are not consummated (other than by reason of a material breach hereunder by the Investors), the Company agrees to pay on demand the Maximum Amount.

(c) In the event that none of the Contemplated Transactions are consummated and the Company has been, or will be, reimbursed by CKI or any of its Affiliates for all of the Company's Expenses relating to the CK Acquisition, the Company agrees to pay on demand the Maximum Amount.

(d) In the event that none of the Contemplated Transactions are consummated and the Company has been, and will only be, partially reimbursed by CKI or any of its Affiliates for the Company's Expenses relating to the CK Acquisition (the "Partial Reimbursement"), the Company agrees to pay on demand the Minimum Amount. In addition to the foregoing, if the aggregate amount of the Partial Reimbursement exceeds the Minimum Amount (the "Excess Amount"), the Company shall pay to the Investors an amount equal to the Percentage of the Excess Amount; provided, however, that in no event shall the Company pay to the Investors an amount in excess of the Maximum Amount or less than the Minimum Amount.

(e) In the event that none of the Contemplated Transactions are consummated and Company has not been, and will not be, reimbursed by CKI or any of its Affiliates for any of the Company's Expenses, the Company agrees to pay on demand the Minimum Amount.

(f) Notwithstanding anything to the contrary contained herein, the Company agrees to reimburse the Initial Purchaser and Investors on demand for the Initial Purchaser's and

the Investors' reasonable out-of-pocket fees and expenses incurred in connection with any amendment to, or waiver of, this Agreement and the other Transaction Documents.

(g) The Company shall pay and hold the Initial Purchaser harmless against liability for the payment of (i) all reasonable legal fees and expenses owed by the Initial Purchaser to its counsel, incurred in connection with this Agreement, (ii) stamp and other transfer Taxes which may be payable in respect of (A) the execution and delivery of this Agreement, (B) the issuance of the Series B Stock and the Common Stock issuable upon the conversion of the Series B Stock, or (C) the transfer of the Series B Stock to the Investors, and (iii) all other reasonable costs and expenses (including, without limitation, accounting expenses and consultants' fees) incurred by the Initial Purchaser in connection with this Agreement.

ARTICLE XI TERMINATION

Section 11.01. Termination. This Agreement may be terminated on or any time prior to the Closing:

(a) by the mutual written consent of each of the Investors and the Company; or

(b) by either the Company or the Investors if the CK Purchase Agreement shall have been terminated pursuant to its terms; or

(c) by the Investors if the Closing shall not have occurred (unless the failure of such occurrence shall be due to the failure of the Investors to perform or observe any material agreement set forth herein required to be performed or observed by the Investors on or before the Closing) on or before March 31, 2003; provided that if the Company and the Investors agree to extend the period within which the Closing must occur beyond March 31, 2003, the Initial Purchaser shall also agree to extend beyond March 31, 2003 (but in any event not beyond June 30, 2003).

Section 11.02. Effect Of Termination. In the event of the termination of this Agreement as provided in Section 11.01, all obligations and agreements of the parties set forth in this Agreement shall forthwith become void except for the obligations set forth in: (i) the last sentence of Section 6.05 (HSR) (which shall remain in full force and effect) (ii) Section 6.08 (Publicity), (iii) Article IX (Indemnification), (iv) Section 10.01(b), (c), (d), (e) and (g) (Fees and Expenses) (as applicable), (v) Section 11.03 (Termination Fee) and (vi) Section 11.04 (Break-up Fee), and there shall be no liability or obligation on the part of the parties hereto except as otherwise provided in this Agreement. Notwithstanding the foregoing, the termination of this Agreement under Section 11.01 shall not relieve either party of any liability for breach of this Agreement prior to the date of termination.

Section 11.03. Termination Fee. The Company shall pay to the Investors (pro rata at their respective commitments) a termination fee of (a) cash in the amount of \$22,500,000, and

(b) the Termination Warrants (referred to collectively as the "Termination Fee"), in the event that:

(i) the transactions contemplated by the CK Purchase Agreement are consummated and the transactions contemplated by this Agreement are not consummated; or

(ii) the Company consummates a similar transaction, within one year of the termination of this Agreement, in which the Company acquires voting control of CKI or substantially all of its assets and the Investors do not participate in the financing of such similar transaction.

Notwithstanding the foregoing, the Investors shall not be entitled to a Termination Fee in the event that the transactions contemplated by this Agreement are not consummated (x) by reason of a default hereunder by the Investors or (y) due to the waiting period with respect to Investors' filing not having expired by the Termination Date by reason of competitive issues raised by the Federal Trade Commission or the Department of Justice regarding the Investors investment in the Company.

Section 11.04. Break-up Fee. In the event that the Contemplated Transactions are not consummated and the Break-up Fee is paid, the Company agrees to pay to the Investors an amount equal to 33% of the Break-up Fee.

Section 11.05. CK Recovery. The Company shall pay to the Investors 33% of any CK Recovery.

ARTICLE XII MISCELLANEOUS

Section 12.01. Notices and Addresses. Any notice, demand, request, waiver, or other communication under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service, if personally served or sent by facsimile; on the Business Day after notice is delivered to a courier or mailed by express mail, if sent by courier delivery service or express mail for next day delivery; and on the third day after mailing, if mailed to the party to whom notice is to be given, by first class mail, registered, return receipt requested, postage prepaid and addressed as follows:

If to the Company:

Phillips-Van Heusen Corporation
200 Madison Avenue
New York, New York 10016
Attention: Vice President, General Counsel and Secretary
Facsimile: (212) 381-3970
Telephone: (212) 381-3509

with a copy to:

Katten Muchin Zavis Rosenman
575 Madison Avenue
New York, New York 10022
Attention: David H. Landau, Esq.
Facsimile: (212) 940-8776
Telephone: (212) 940-8800

If to the Initial Purchaser:

Lehman Brothers Inc.
745 Seventh Avenue
New York, New York 10019
Attention: Global Retailing/Consumer Group
Facsimile: (212) 520-9602

with a copy to Office of the General Counsel

Lehman Brothers Inc.
399 Park Avenue
10th Floor
New York, New York 10022
Attention: Director of Litigation
Facsimile: (212) 526-3633; and

Simpson Thacher & Bartlett
425 Lexington Avenue
New York, New York 10017
Attention: Andrew Keller, Esq.
Facsimile: (212) 455-2502

If to any Investor, to the Investor Representatives:

Apax Managers, Inc.
445 Park Avenue, 11th Floor
New York, NY 10022
Attention: David H. Landau
Facsimile: (212) 753-6300
Telephone: (212) 319-6155

Apax Partners Europe Managers Ltd.
15 Portland Place
London W1B 1PT

United Kingdom
Attention: Adrian Beecroft and Clive Sherling
Facsimile: 44-20-7872-6475
Telephone: 44-20-7872-6300

With a copy to:

Swidler Berlin Shereff Friedman, LLP
The Chrysler Building
405 Lexington Avenue
New York, New York 10174
Attention: Morris Orens, Esq.
Facsimile: (212) 891-9598

Section 12.02. Captions. The captions in this Agreement are for convenience of reference only and shall not be given any effect in the interpretation of this Agreement.

Section 12.03. No Waiver. The failure of a party to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement. Any waiver must be in writing. Any of the covenants or agreements contained in this Agreement may be waived only by the written consent of the Initial Purchaser and the Investor Representative.

Section 12.04. Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable Law, such provision(s) shall be excluded from this Agreement and the balance of this Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms so long as the economic or legal substance of the transactions contemplated by this Agreement are not affected in any manner materially adverse to any party.

Section 12.05. Exclusive Agreement; Amendment. This Agreement supersedes all prior agreements among the parties with respect to its subject matter, other than the letter agreement dated January 17, 2002 with respect to the non-disclosure of confidential information, is intended (with the documents referred to herein) as a complete and exclusive statement of the terms of the agreement among the parties with respect thereto and cannot be changed or terminated except by a written instrument executed by the party or parties against whom enforcement thereof is sought, except that, with respect to the Investors, this Agreement may be amended by a written instrument executed by the Investor Representative.

Section 12.06. Limitation on Assignment; Parties in Interest.

(a) No assignment of this Agreement or of any rights or obligations hereunder may be made by the Company or the Investors (by operation of Law or otherwise) without the prior written consent of the other parties hereto and any attempted assignment without the

required consents shall be void; provided, however, that each Investor may validly assign any of its rights and obligations hereunder to an Affiliate of such Investor without the prior written consent of the other parties hereto; provided, that such Investor shall remain liable for any and all obligations assigned to such Affiliate.

(b) This Agreement shall be binding upon, and shall inure to the benefit of, and be enforceable by, the parties and their respective successors, transferees and assigns.

Section 12.07. Obligations of Investors Several. The obligations of the Investors hereunder shall be several and not joint. No Investor shall be responsible for the breach of any provision of this Agreement by any other Investor.

Section 12.08. Governing Law. This Agreement and (unless otherwise provided) all amendments hereof and waivers and consents hereunder shall be governed by the internal Laws of the State of New York, without regard to the conflicts of Law principles thereof which would specify the application of the Law of another jurisdiction.

Section 12.09. Jurisdiction. Each of the Investors and the Company (a) hereby irrevocably and unconditionally submits to the exclusive jurisdiction of any state or federal court sitting in New York County, New York for the purposes of any suit, action or other proceeding arising out of this Agreement or the subject matter hereof brought by the Company, or any Investor and (b) hereby waives and agrees 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 subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, 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 this Agreement or the subject matter hereof may not be enforced in or by such court.

Section 12.10. No Third Party Beneficiary. The terms and provisions of this Agreement are intended solely for the benefit of each party hereto and their respective successors or permitted assigns, and it is not the intention of the parties to confer third-party beneficiary rights upon any other Person other than any Person entitled to indemnity under Article IX.

Section 12.11. Injunctive Relief. In the event that any party threatens to take any action prohibited by this Agreement, the parties agree that there may not be an adequate remedy at law. Accordingly, in such an event, a party may seek and obtain preliminary and permanent injunctive relief (without the necessity of posting any bond or undertaking). Such remedies shall, however, be cumulative and not exclusive and shall be in addition to any other remedies which any party may have under this Agreement or otherwise.

Section 12.12. Counterparts. This Agreement may be executed via facsimile and in any number of counterparts, each of which shall be deemed to be an original instrument and all of which together shall constitute one and the same instrument.

Section 12.13. Actions Simultaneous. All actions to be taken and all documents to be executed and delivered by all parties at the Closing shall be deemed to have been taken and executed and delivered simultaneously and no actions shall be deemed to have been taken nor shall any documents be deemed to have been executed and delivered until all actions have been taken and all documents have been executed and delivered.

[Signature Pages Follow]

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

PHILLIPS-VAN HEUSEN CORPORATION

By: /s/ Mark D. Fischer

Name: Mark D. Fischer
Title: Vice President

APAX EXCELSIOR VI, L.P.
By: Apax Excelsior VI Partners, L.P.,
Its General Partner
By: Apax Managers, Inc.
Its General Partner

By: /s/ David Landau

Name: David Landau
Title: Vice President

APAX EXCELSIOR VI-A C.V.
By: Apax Excelsior VI Partners, L.P.,
Its General Partner
By: Apax Managers, Inc.
Its General Partner

By: /s/ David Landau

Name: David Landau
Title: Vice President

APAX EXCELSIOR VI-B C.V.
By: Apax Excelsior VI Partners, L.P.,
Its General Partner
By: Apax Managers, Inc.
Its General Partner

By: /s/ David Landau

Name: David Landau
Title: Vice President

PATRICOF PRIVATE INVESTMENT CLUB III, L.P.
By: Apax Excelsior VI Partners, L.P.,
Its General Partner
By: Apax Managers, Inc.
Its General Partner

By: /s/ David Landau

Name: David Landau
Title: Vice President

APAX EUROPE V - A, L.P.

By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - B, L.P.

By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - C GMBH & CO. KG

By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - D, L.P.
By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - E, L.P.
By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - F, C.V.
By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - G, C.V.
By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - 1, L.P.
By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - 2, L.P.
By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

LEHMAN BROTHERS INC.

By: /s/ Dominic Rispoli

Authorized Representative

CERTIFICATE OF DESIGNATIONS, PREFERENCES
AND RIGHTS OF SERIES B CONVERTIBLE PREFERRED STOCK
OF
PHILLIPS-VAN HEUSEN CORPORATION

PHILLIPS-VAN HEUSEN CORPORATION, a corporation organized and existing under the General Corporation Law of the State of Delaware (the "Corporation"), DOES HEREBY CERTIFY THAT:

A. Pursuant to authority conferred upon the Board of Directors (the "Board") by Article FOURTH of the Certificate of Incorporation of the Corporation (the "Certificate of Incorporation") and pursuant to the provisions of (section)151 of the Delaware General Corporation Law, the Board adopted and approved the following resolution providing for the designations, preferences and relative, participating, optional and other rights, and the qualifications, limitations and restrictions of the Series B Convertible Preferred Stock.

WHEREAS, the Certificate of Incorporation provides for two classes of shares known as common stock, \$1.00 par value per share (the "Common Stock"), and preferred stock, \$100 par value per share (the "Preferred Stock"); and

WHEREAS, the Board is authorized by the Certificate of Incorporation to provide for the issuance of the shares of Preferred Stock in series, and by filing a certificate pursuant to the applicable law of the State of Delaware, to establish from time to time the number of shares to be included in such series and to fix the designations, preferences and rights of the shares of each such series and the qualifications, limitations and restrictions thereof.

NOW, THEREFORE, BE IT RESOLVED, that the Board deems it advisable to, and hereby does, designate a Series B Convertible Preferred Stock and fixes and determines the preferences, rights, qualifications, limitations and restrictions relating to the Series B Convertible Preferred Stock as follows:

1. DESIGNATION. The shares of such series of Preferred Stock shall be designated "Series B Convertible Preferred Stock" (referred to herein as the "Series B Stock").

2. AUTHORIZED NUMBER. The number of shares constituting the Series B Stock shall be 10,000.

3. RANKING. The Series B Stock shall rank, as to dividends and upon Liquidation (as defined in Section 5(a) hereof), senior and prior to the Common Stock, the Corporation's Series A Cumulative Participating Preferred Stock (the "Series A Stock") and to all other classes or series of stock issued by the Corporation. All equity securities of the Corporation to which the Series B Stock ranks prior, with respect to dividends and upon Liquidation, including, without limitation, the Common Stock and the Series A Stock, are collectively referred to herein as "Junior Securities." The Corporation shall not have or create any class of stock ranking on parity with, or senior to, the Series B Stock, without the affirmative vote of the holders of a majority of the shares of Series B Stock, voting separately as a class.

4. DIVIDENDS.

(a) Dividend Accrual and Payment. The holders of the Series B Stock shall be entitled to receive, if, as and when declared by the Board out of funds legally available for the payment therefor, cash dividends at the rate of 8% per annum (the "Dividend Rate") of the Series B Issue Price. Dividends shall accrue daily but shall be payable quarterly in equal installments on the first day immediately following the end of the Corporation's fiscal quarter, or, if any such date is a Saturday, Sunday or legal holiday, then on the next day which is not a Saturday, Sunday or legal holiday (each a "Dividend Payment Date"). If any shares of Series B Stock are issued on a date which does not coincide with the Dividend Payment Date, then the initial dividend accrual period applicable to such shares shall be the period from the date of issuance thereof (the "Original Issue Date") through the last day of the Corporation's fiscal quarter in which such shares are issued. If the date fixed for redemption of or payment of a final liquidating distribution on any shares of Series B Stock, or the date on which any shares of Series B Stock are converted into Common Stock, does not coincide with the Dividend Payment Date, then subject to the provisions hereof relating to such redemption, payment or conversion, the final dividend accrual period applicable to such shares shall be the period from the first day of the Corporation's fiscal quarter during which such redemption, payment or conversion occurs through the redemption, payment or conversion date. Dividends shall be cumulative and shall compound at the Dividend Rate as of each Dividend Payment Date (hereinafter referred to as the "Dividends"). Dividends with respect to any quarter may be paid in cash at the discretion of the Board on the related Dividend Payment Date. Dividends not so paid in cash may not be paid in cash until (i) a Liquidation as part of the Liquidation Preference or (ii) a Redemption pursuant to Article 7 hereof.

(b) Dividend Limitation on Junior Securities. Except for the Annual Cash Dividend (as defined in Section 10(g) hereof), for so long as any shares of Series B Stock are outstanding, the Corporation shall not declare, pay or set apart for payment, any dividend on any Junior Securities or make any payment on account of, or set apart for payment, money for a sinking or other similar fund for, the purchase, redemption or other retirement of, any Junior Securities or any warrants, rights, calls or options exercisable or exchangeable for or convertible into any Junior Securities, or make any distribution in respect thereof, either directly or indirectly, and whether in cash, obligations or shares of the Corporation or other property (other than distributions or dividends in Junior Securities to the holder of Junior Securities).

(c) Dividends on Fractional Shares. Each fractional share of Series B Stock outstanding shall be entitled to a ratably proportionate amount of all Dividends accruing with respect to each outstanding share of Series B Stock pursuant to Section 4(a) hereof, and all such Dividends with respect to such outstanding fractional shares shall be payable in the same manner and at such times as provided for in Section 4(a) hereof with respect to Dividends on each outstanding share of Series B Stock.

5. LIQUIDATION.

(a) Liquidation Procedure. Upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary (a "Liquidation"), the holders of the shares of Series B Stock shall be entitled, before any distribution or payment is made upon

any Junior Securities, to be paid an amount equal to (i) \$25,000 per share of Series B Stock, representing the liquidation preference per share of the Series B Stock (as adjusted for any combinations, divisions or similar recapitalizations affecting the shares of Series B Stock) (the "Series B Issue Price"), plus (ii) all accrued and unpaid Dividends on the Series B Stock to such date (together with the Series B Issue Price, the "Liquidation Preference"). If upon Liquidation, the assets to be distributed among the holders of Series B Stock shall be insufficient to permit payment in full to the holders of Series B Stock of the Liquidation Preference, then the entire assets of the Corporation shall be distributed ratably among such holders in proportion to the full respective Liquidation Preference to which they are entitled.

(b) Remaining Assets. Upon Liquidation, after the holders of Series B Stock shall have been paid in full the Liquidation Preference, the remaining assets of the Corporation legally available for distribution shall be distributed ratably among the holders of the Junior Securities then outstanding.

(c) Fractional Shares. The Liquidation Preference with respect to each outstanding fractional share of Series B Stock shall be equal to a ratably proportionate amount of the Liquidation Preference with respect to each outstanding share of Series B Stock.

(d) Mergers, Reorganizations, Etc. The holders of at least a majority of the then outstanding shares of Series B Stock, may elect to deem the merger, reorganization or consolidation of the Corporation into or with another corporation or other similar transaction or series of related transactions in which more than 50% of the voting power of the Corporation is disposed of in exchange for property, rights or securities distributed to holders thereof by the acquiring person, firm or other entity, or the sale of all or substantially all the assets of the Corporation (the foregoing being referred to collectively as an "Acquisition"), as a Liquidation for purposes of this Section 5.

6. CONVERSION. The rights of the holders of shares of the Series B Stock to convert such shares into shares of Common Stock of the Corporation (the "Conversion Rights"), and the terms and conditions of such conversion, shall be as follows:

(a) Right to Convert.

(i) By the Holders of the Series B Stock.

(A) Each share of Series B Stock shall be convertible, at the option of the holder thereof, at any time after the Original Issue Date, at the office of the Corporation or its transfer agent, into that number of the fully paid and nonassessable shares of Common Stock determined in accordance with the provisions of Section 6(c) below. In order to convert shares of the Series B Stock into shares of Common Stock, the holder thereof shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Corporation or its transfer agent, together with written notice to the Corporation stating that it elects to convert the same and setting forth the name or names it wishes the certificate or certificates for Common Stock to be issued, and the number of shares of Series B Stock being converted.

(B) The Corporation shall, as soon as practicable after the surrender of the certificate or certificates evidencing shares of Series B Stock for conversion at the office of the Corporation or its transfer agent, issue to each holder of such shares, or its nominee or nominees, a certificate or certificates evidencing the number of shares of Common Stock to which it shall be entitled and, in the event that only a part of the shares evidenced by such certificate or certificates are converted, a certificate evidencing the number of shares of Series B Stock which are not converted. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the shares of Series B Stock to be converted, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock at such date and shall, with respect to such shares, have only those rights of a holder of Common Stock of the Corporation.

(b) By the Corporation.

(A) If at any time after the fourth anniversary of the Original Issue Date, the Market Price (as defined below) on the New York Stock Exchange of the Common Stock for any 60 consecutive trading days equals or exceeds 225% of the Conversion Price then in effect, all of the Series B Stock, at the election of the Corporation (the "Company Conversion"), will convert into that number of the fully paid and nonassessable shares of Common Stock determined in accordance with the provisions of Section 6(c) below, without any action on the part of the holders of the Series B Stock. The Corporation will give written notice of such election to the holders of Series B Stock, which notice shall be given at least 10 business days prior to such conversion (the "Conversion Notice"). The Company Conversion is deemed to occur on the date the Conversion Notice is given.

(c) Conversion of the Series B Stock.

(i) Each share of Series B Stock shall be convertible at any time after the Original Issue Date, at the option of the holder of record thereof, into the number of fully paid and nonassessable shares of Common Stock equal to the quotient of (x) the Liquidation Preference of such share of Series B Stock being converted divided by (y) the Conversion Price (as defined below).

(ii) No fractional shares of Common Stock shall be issued upon conversion of the Series B Stock. All shares of Common Stock (including fractions thereof) issuable upon conversion of more than one share of Series B Stock by a holder thereof shall be aggregated for purposes of determining whether the conversion would result in the issuance of any fractional share. If, after the aforementioned aggregation, the conversion would result in the issuance of any fractional share, the Corporation shall, in lieu of issuing any fractional share, pay cash equal to the product of such fraction multiplied by the Market Price on the date of conversion.

As used herein, "Market Price" for any day means, with respect to the shares of Common Stock, the volume weighted average price as reported by Bloomberg (or if such information is not available from Bloomberg, from another nationally recognized independent pricing source). If there is no publicly traded market for the shares of Common Stock, pricing information will be obtained directly from broker/dealers and active market makers such as banks and securities firms. In instances where there is no readily available pricing information, the Board shall determine in good faith the fair value of the Common Stock, which determination shall be set forth in a certificate by the Secretary of the Corporation.

(d) Conversion Price. The conversion price per share for the Series B Stock shall initially be \$14.00 (the "Conversion Price") and shall be subject to adjustment from time to time as provided herein.

(e) Adjustment for Stock Splits and Combinations. If outstanding shares of the Common Stock of the Corporation shall be subdivided into a greater number of shares, or a dividend in Common Stock or other securities of the Corporation convertible into or exchangeable for Common Stock (in which latter event the number of shares of Common Stock issuable upon the conversion or exchange of such securities shall be deemed to have been distributed) shall be paid in respect to the Common Stock of the Corporation, the Conversion Price in effect immediately prior to such subdivision or at the record date of such dividend shall, simultaneously with the effectiveness of such subdivision or immediately after the record date of such dividend, be proportionately reduced, and conversely, if outstanding shares of the Common Stock of the Corporation shall be combined into a smaller number of shares, the Conversion Price in effect immediately prior to such combination shall simultaneously with the effectiveness of such combination, be proportionately increased. Any adjustment to the Conversion Price under this Section 6(e) shall become effective at the close of business on the date the subdivision or combination referred to herein becomes effective.

(f) Reorganizations, Mergers, Consolidations or Reclassifications. In the event of any capital reorganization, any reclassification of the Common Stock (other than a change in par value), or the consolidation or merger of the Corporation with or into another Person (collectively referred to hereinafter as "Reorganizations"), the holders of the Series B Stock shall thereafter be entitled to receive, and provision shall be made therefor in any agreement relating to a Reorganization, upon conversion of the Series B Stock the kind and number of shares of Common Stock or other securities or property (including cash) of the Corporation, or other corporation resulting from such consolidation or surviving such merger to which a holder of the number of shares of the Common Stock of the Corporation which the Series B Stock entitled the holder thereof to convert to immediately prior to such Reorganization would have been entitled to receive with respect to such reorganization; and in any such case appropriate adjustment shall be made in the application of the provisions herein set forth with respect to the rights and interests thereafter of the holders of the Series B Stock, to the end that the provisions set forth herein (including the specified changes and other adjustments to the Conversion Price) shall thereafter be applicable, as nearly as reasonably may be, in relation to any shares, other securities or property thereafter receivable upon conversion of the Series B Stock. The provisions of this Section 6(f) shall similarly apply to successive Reorganizations.

(g) Sale of Additional Shares.

(i) If at any time or from time to time the Corporation shall issue or sell Additional Shares of Common Stock (as hereinafter defined), or is deemed by the express provisions of this subsection (g) to issue or sell Additional Shares of Common Stock, other than as a subdivision or combination of shares of Common Stock as provided in Section 6(e) above, for a consideration per share less than the then existing Conversion Price, then the existing Conversion Price shall be reduced, as of the opening of business on the date of such issuance or sale, to a price determined by dividing (A) an amount equal to the sum of (1) the applicable Conversion Price immediately prior to such issuance or sale multiplied by the number of shares of Common Stock deemed outstanding at the close of business on the day before the date of such issuance or sale, plus (2) the aggregate consideration, if any, received or to be received by the Corporation upon such issuance or sale, by (B) an amount equal to the sum of (1) the number of shares of Common Stock deemed outstanding immediately prior to such issuance or sale, plus (2) the total number of Additional Shares of Common Stock so issued. For the purposes of the preceding sentence, the number of shares of Common Stock deemed to be outstanding as of a given date shall be the sum of (i) the number of shares of Common Stock actually outstanding, and (ii) the number of shares of Common Stock into which the then outstanding shares of Series B Stock could be converted if fully converted on the day immediately preceding the given date.

(ii) For the purpose of making any adjustment in the Conversion Price or number of shares of Common Stock issuable upon conversion of the Series B Stock, as provided above, the following provisions shall be applicable:

(A) In case of the issuance of Common Stock for consideration in whole or in part for cash, the consideration shall be deemed to be the amount of cash paid therefor, plus the value of any property other than cash received by the Corporation as determined in accordance with clause (B) below.

(B) In case of the issuance of Common Stock for consideration in whole or in part in property or consideration other than cash, the value of such property or consideration other than cash shall be deemed to be the fair value thereof as determined in good faith by the Board.

(C) In case of the issuance of (x) options, warrants, or other rights to acquire or to purchase or to subscribe for Common Stock (whether or not at the time exercisable), (y) securities convertible into or exchangeable for Common Stock or (z) options to purchase or rights to subscribe for such convertible or exchangeable securities (whether or not at the time so convertible or exchangeable): (1) the aggregate maximum number of shares of Common Stock deliverable upon exercise of such options, warrants, or other rights to acquire or to purchase, or to subscribe for Common Stock (whether or not at the time exercisable) shall be deemed to have been issued at the time such options or rights were issued and for a consideration equal to the consideration (determined in the manner provided in clauses (A) and (B) above), if any, received by the Corporation upon the issuance of such options, warrants or rights plus the

purchase price provided in such options, warrants or rights for the shares of Common Stock covered thereby; (2) the aggregate maximum number of shares of Common Stock deliverable upon conversion of, or in exchange for, any such convertible or exchangeable securities or upon the exercise of options to purchase, or to subscribe for, such convertible or exchangeable securities and subsequent conversion or exchange thereof shall be deemed to have been issued at the time such securities were issued or such options, warrants or rights were issued and for a consideration equal to the consideration received by the Corporation for any such securities and related options or rights, plus the additional consideration, if any, to be received by the Corporation upon the conversion or exchange of such securities or the exercise of any related options, warrants or rights (determined in the manner provided in clauses (A) and (B) above); and (3) on the expiration of any warrant, right or option or on the termination of any right to convert or exchange any convertible or exchangeable securities, (whether or not at the time so convertible or exchangeable): the Conversion Price then in effect shall thereupon be readjusted to the Conversion Price as would have been in effect had the adjustment made upon the granting or issuance of such warrants, rights or options or convertible or exchangeable securities (whether or not at the time so convertible or exchangeable): been made upon the basis of the issuance or sale of only the number of shares of Common Stock actually issued upon the exercise of such options, warrants or rights or upon the conversion or exchange of such convertible or exchangeable securities. No readjustment pursuant to clause (3) above shall have the effect of increasing the Conversion Price to an amount which exceeds the lower of (x) the Conversion Price on the original adjustment date or (y) the Conversion Price that would have resulted from any issuance of Additional Shares of Common Stock between the original adjustment date and such readjustment date.

(h) Additional Shares of Common Stock. "Additional Shares of Common Stock" shall mean all shares of Common Stock issued or deemed to be issued or issuable by the Corporation, whether or not subsequently reacquired or retired by the Corporation, other than (i) shares of Common Stock issued upon the conversion of the Series B Stock, (ii) shares of Common Stock issued in connection with any stock split, stock dividend or recapitalization of the Corporation, (iii) shares of Common Stock issued upon exercise of the Warrants (as defined below), (iv) shares of Common Stock issuable upon the exercise of stock options or other awards made or denominated in shares of Common Stock under any of the Company's stock plans including any stock option, stock purchase, restricted stock or similar plan hereafter adopted by the Board of Directors and, if required by applicable Law or stock exchange requirement, approved by the stockholders of the Company, and (v) shares of Common Stock issued pursuant to an acquisition of a business (including, without limitation, by way of an acquisition of capital stock) or the assets of a business (which assets do not consist primarily of cash or cash equivalents) approved by the Board of Directors. "Warrants" shall mean the warrants exercisable to purchase an aggregate of 320,000 shares of Common Stock, issued in connection with that certain Stock Purchase Agreement, dated as of December 17, 2002 (the "CK Purchase Agreement"), by and among the Corporation, Calvin Klein Inc., a New York corporation., Calvin Klein (Europe), Inc., a Delaware corporation, Calvin Klein (Europe II), Corp., a Delaware corporation, Calvin Klein Europe S.R.L., an Italian limited partnership, CK

Service Corp., a Delaware corporation, Calvin Klein, Barry Schwartz, Trust for the Benefit of the Issue of Calvin Klein, Trust for the Benefit of the Issue of Barry Schwartz, Stephanie Schwartz-Ferdman and Jonathan Schwartz.

(i) Certificate of Adjustment. In each case of an adjustment or readjustment of the Conversion Price or the number of shares of Common Stock or other securities issuable upon conversion of the Series B Stock, the Corporation, at its expense, shall cause the Chief Financial Officer of the Corporation to compute such adjustment or readjustment in accordance with this Certificate of Incorporation and prepare a certificate showing such adjustment or readjustment, and shall mail such certificate, by first-class mail, postage prepaid, to each registered holder of the Series B Stock at the holder's address as shown on the Corporation's stock transfer books. The certificate shall set forth such adjustment or readjustment, showing in detail the facts upon which such adjustment or readjustment is based, including a statement of (i) the consideration received or to be received by the Corporation for any Additional Shares of Common Stock issued or sold or deemed to have been issued or sold, (ii) the Conversion Price at the time in effect for the Series B Stock, and (iii) the number of Additional Shares of Common Stock and the type and amount, if any, of other property which at the time would be received upon conversion of the Series B Stock.

(j) Reservation of Stock Issuable Upon Conversion. The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the shares of Series B Stock, such number of its shares of Common Stock as shall from time to time be sufficient to effect a conversion of all outstanding shares of the Series B Stock, and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Series B Stock, the Corporation shall promptly seek such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purpose.

(k) Payment of Taxes. The Corporation shall pay all taxes and other governmental charges (other than any income or other taxes imposed upon the profits realized by the recipient) that may be imposed in respect of the issue or delivery of shares of Common Stock or other securities or property upon conversion of shares of Series B Stock; provided that, the Corporation shall not pay any taxes or other governmental charge, imposed in connection with any transfer involved in the issue and delivery of shares of Common Stock or other securities in a name other than that of which the shares of Series B Stock so converted were registered.

(l) No Impairment. The Corporation shall not amend its Certificate of Incorporation or participate in any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, for the purpose of avoiding or seeking to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Corporation, but shall at all times in good faith use its best efforts, and assist in carrying out all such action as may be reasonably necessary or appropriate in order to protect the conversion rights of the holders of the Series B Stock against dilution or other impairment.

(m) Minimum Adjustment. No adjustment of the Conversion Price shall be made if the amount of any such adjustment would be an amount less than one percent (1%) of the Conversion Price then in effect, but any such amount shall be carried forward and an adjustment in respect thereof shall be made at the time of and together with any subsequent adjustment which, together with such amount and any other amount or amounts so carried forward, shall aggregate an increase or decrease of one percent (1%) or more.

(n) Certain Adjustments. The Conversion Price shall not be adjusted upward except in the event of a combination of the outstanding shares of Common Stock into a smaller number of shares of Common Stock or in the event of a readjustment of the Conversion Price pursuant to Section 6(g)(ii)(C).

7. REDEMPTION.

(a) Redemption. On or after the later of (A) the sixth month anniversary of the maturity date of any notes, bonds or debentures issued to refinance (the "Refinancing") the notes issued pursuant to the CK Purchase Agreement, provided that such Refinancing occurs within two years of the Original Issue Date, or (B) November 1, 2008, the holders holding a majority of the shares of Series B Stock shall have the right, by written notice delivered to the Corporation (the "Holders' Redemption Demand"), to require the Corporation to redeem, no later than thirty (30) days after the Corporation's receipt of the Holders' Redemption Demand, all or any portion of the Series B Stock owned by such holder or holders at a price per share equal to one hundred percent (100%) of the Liquidation Preference on the Redemption Date. The date on which the Corporation redeems the Series B Stock at the option of any holder of Series B Stock pursuant to this Section 7(a) is referred to herein as the "Redemption Date."

(b) Redemption Procedure. On or prior to the Redemption Date, the Corporation shall deposit the aggregate Series B Stock Issue Price plus an aggregate amount equal to all accrued and unpaid Dividends on all outstanding shares of Series B Stock to be so redeemed to the Redemption Date (the "Redemption Price") with a bank or trust corporation having aggregate capital and surplus in excess of \$500,000,000 as a trust fund for the benefit of the holders of the shares of Series B Stock, with irrevocable instructions and authority to the bank or trust corporation to pay the allocable portion of the Redemption Price for such shares to their respective holders on or after the Redemption Date upon receipt of the certificate or certificates of the shares of Series B Stock to be redeemed. From and after the Redemption Date, unless there shall have been a default in payment of the Redemption Price, all rights of the holders of shares of Series B Stock as holders of Series B Stock (except the right to receive the Redemption Price upon surrender of their certificate or certificates) shall cease as to those shares of Series B Stock redeemed, and such shares shall not thereafter be transferred on the books of the Corporation or be deemed to be outstanding for any purpose whatsoever. If on the Redemption Date the funds of the Corporation legally available for redemption of shares of Series B Stock are insufficient to redeem the total number of shares of Series B Stock to be redeemed on such date, then the Corporation will use those funds which are legally available therefor to redeem the maximum possible number of shares of Series B Stock ratably among the holders of such shares to be redeemed based upon their holdings of Series B Stock. Payments shall first be applied against accrued and unpaid Dividends and thereafter against the remainder of the Redemption Price. The shares of Series B Stock not redeemed shall remain outstanding

and entitled to all the rights and preferences provided herein. At any time thereafter when additional funds of the Corporation are legally available for the redemption of shares of Series B Stock such funds will immediately be used to redeem the balance of the shares of Series B Stock to be redeemed. No dividends or other distributions shall be declared or paid on, nor shall the Corporation redeem, purchase or acquire any shares of, the Common Stock or any other class or series of stock of the Corporation unless the Redemption Price per share of all shares elected to be redeemed shall have been paid in full. Until the Redemption Price for each share of Series B Stock elected to be redeemed shall have been paid in full, such share of Series B Stock shall remain outstanding for all purposes and entitle the holder thereof to all the rights and privileges provided herein, including, without limitation, that Dividends and interest thereon shall continue to accrue and, if unpaid prior to the date such shares are redeemed, shall be included as part of the Redemption Price as provided in this Section 7(b).

(c) Prohibited Redemption. The Corporation shall not have the right to redeem any shares of the Series B Stock, including any fractional share of the Series B Stock.

8. THE RIGHTS.

(a) General. Each share of Series B Stock shall also represent the number of Rights equal to the number of shares of Common Stock into which such share of Series B Stock and Dividends thereon are convertible at any time.

(b) Terms. The terms and conditions of the Rights are set forth in that certain Rights Agreement, dated as of June 10, 1986, as amended, by and between the Corporation and The Bank of New York (successor to The Chase Manhattan Bank, N.A.) (as amended, the "Rights Agreement").

(c) Reservation of Stock Issuable Upon Exercise. The Corporation shall, at all times, reserve and keep available out of its authorized but unissued shares of Series A Stock, such number of its shares of Series A Stock as shall, from time to time, be sufficient upon exercise of the Rights and, if at any time the number of authorized but unissued shares of Series A Stock shall not be sufficient to effect the exercise of all then outstanding Rights, the Corporation shall promptly seek such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Series A Stock to such number of shares as shall be sufficient for such purpose.

The terms "Right" and "Distribution Date" shall have the respective meanings given to such terms in the Rights Agreement.

9. VOTING RIGHTS.

(a) General. Subject to the other provisions contained herein, each holder of Series B Stock shall have full voting rights and powers equal to the voting rights and powers of the holders of Common Stock, and shall be entitled to notice of any stockholders' meeting in accordance with the bylaws of the Corporation (as in effect at the time in question) and applicable law, and shall be entitled to vote, together with the holders of Common Stock, with respect to any question upon which the holders of Common Stock have the right to vote, except as may be otherwise provided by applicable law. Except as otherwise expressly provided

herein or as required by law, the holders of Series B Stock and the holders of Common Stock shall vote together and not as separate classes.

(b) Series B Stock. On all matters put to a vote to the holders of Common Stock, each holder of shares of Series B Stock shall be entitled to the number of votes equal to the number of shares of Common Stock into which such shares of Series B Stock could be converted pursuant to the provisions of Section 6 above at the record date for the determination of the stockholders entitled to vote or, if no such record date is established, the date such vote is taken or any written consent of stockholders is solicited.

(c) Board Size. The authorized number of directors of the Board shall be fourteen (14). The Corporation shall not alter the authorized number of directors in its Certificate of Incorporation, bylaws or otherwise, without first obtaining the written consent, or affirmative vote at a meeting, of the holders of a majority of the then outstanding shares of the Series B Stock, consenting or voting (as the case may be) separately as a class.

(d) Board of Directors Election and Removal.

(i) Election of Directors. (A) For so long as at least sixty-five percent (65%) of the shares of Series B Stock issued on the Original Issue Date remain outstanding, the holders of the Series B Stock, voting as a separate series, shall be entitled to elect three (3) directors of the Corporation ("Series B Directors"); (B) if more than thirty-five percent (35%) but less than sixty-five percent (65%) of the shares of Series B Stock issued on the Original Issue Date remain outstanding, the holders of the Series B Stock, voting as a separate series, shall be entitled to elect two (2) Series B Directors; and (C) if more than ten percent (10%) but less than thirty-five percent (35%) of the shares of Series B Stock issued on the Original Issue Date remain outstanding, the holders of the Series B Stock, voting as a separate series, shall be entitled to elect one (1) Series B Director.

(ii) Quorum; Required Vote.

(A) Quorum. At any meeting held for the purpose of electing directors, the presence in person or by proxy of the holders of a majority of the shares of the Series B Stock shall constitute a quorum for the election of directors to be elected solely by the holders of the Series B Stock.

(B) Required Vote. With respect to the election of any Series B Director or Directors by the holders of the outstanding shares of Series B Stock, that candidate or those candidates (as applicable) shall be elected who either: (i) in the case of any such vote conducted at a meeting of the holders of the Series B Stock, receive the highest number of affirmative votes of the outstanding shares of the Series B Stock, up to the number of directors to be elected by the Series B Stock; or (ii) in the case of any such vote taken by written consent without a meeting, are elected by the written consent of the holders of a majority of outstanding shares of the Series B Stock.

(C) Removal. Subject to Section 141(k) of the DGCL, any director who shall have been elected to the Board by the holders of the Series B

Stock may be removed during his or her term of office, without cause, by, and only by, the affirmative vote of shares representing a majority of the voting power of all the outstanding shares of the Series B Stock entitled to vote, given either at a meeting of such stockholders duly called for that purpose or pursuant to a written consent of stockholders without a meeting.

(D) Procedures. Any meeting of the holders of the Series B Stock, and any action taken by the holders of the Series B Stock by written consent without a meeting, in order to elect or remove a director under this Section 11(d), shall be held in accordance with the procedures and provisions of the Corporation's bylaws, the DGCL and applicable law regarding stockholder meetings and stockholder actions by written consent, as such are then in effect (including but not limited to procedures and provisions for determining the record date for shares entitled to vote).

(E) Termination. Notwithstanding anything to contrary contained in this Section 9(d), the provisions of this Section 9(d) shall cease to be of any further force or effect upon the date on which less than ten percent (10%) of the shares of Series B Stock issued on the Original Issue Date remain outstanding.

10. PROTECTIVE PROVISIONS. For so long as any shares of Series B Stock are outstanding, the Corporation will not, without first obtaining the written consent or affirmative vote of holders of at least a majority of the shares of Series B Stock then outstanding, voting separately as a class, take any action with respect to any of the matters set forth in Sections 10(a) through 10(h).

(a) Change the Series B Stock. Materially amend, alter, repeal, impair or change, in any respect, the rights, preferences, powers, privileges, restrictions, qualifications or limitations of the Series B Stock.

(b) Create New Stock. Authorize, establish, create or issue any additional series of Preferred Stock or any other new class or series of equity securities or any securities convertible into equity securities of the Corporation, in each case which would have a preference over, or be on a parity with, the Series B Stock with respect to dividends or upon Liquidation.

(c) Increase the Series B Stock. Authorize or agree to authorize any increase in the number of shares of Series B Stock or issue any additional shares of Series B Stock.

(d) Amend Charter or Bylaws. Amend, alter or repeal any provision of the Certificate of Incorporation of the Corporation or bylaws of the Corporation which would adversely affect any right, preference, privilege or voting power of the Series B Stock or the holders thereof.

(e) Increase Directors. Increase the number of directors of the Corporation above fourteen (14).

(f) Increase Debt.

(i) Generally. Incur or assume Indebtedness, on a consolidated basis, to an amount that exceeds 4.5 times the Consolidated EBITDA of the Corporation. In the case of Indebtedness incurred or assumed in connection with the acquisition of a business, Consolidated EBITDA will be determined on a pro forma basis in accordance with Article 11 of Regulation S-X promulgated by the SEC and shall take into account EBITDA of the acquired entity as well as debt incurred, assumed or refinanced in connection with such acquisition.

"Consolidated EBITDA" shall mean, for any twelve-month period, the sum, determined on a consolidated basis, of (A) net income (or net loss), (B) interest expense, (C) income tax expense, (D) depreciation expense and (E) amortization, determined in accordance with GAAP.

"Indebtedness" means all obligations, contingent and otherwise, for money borrowed or for the purchase of capital assets which in accordance with GAAP should be classified on the obligor's balance sheet as liabilities, or to which reference should be made by footnotes thereto, including without limitation, in any event and whether or not so classified: (A) all debt and similar monetary obligations, whether direct or indirect; (B) all liabilities secured by any mortgage, pledge, security interest, lien, charge or other encumbrance existing on property owned or acquired subject thereto, whether or not the liability secured thereby shall have been assumed; (C) all guaranties, endorsements and other contingent obligations whether direct or indirect in respect of Indebtedness or performance of others, including any obligation to supply funds to or in any manner to invest in, directly or indirectly, the debtor, to purchase Indebtedness, or to assure the owner of Indebtedness against loss, through an agreement to purchase goods, supplies or services for the purpose of enabling the debtor to make payment of the Indebtedness held by such owner or otherwise; and (D) obligations to reimburse issuers of any letters of credit.

(g) Pay Dividends. Except for the Dividends, declare or pay any dividends (other than dividends payable solely in shares of its Common Stock) on or declare or make any other distribution, purchase, redemption or acquisition, directly or indirectly, on account of any shares of Preferred Stock or Common Stock now or hereafter outstanding; provided, however, that the Corporation shall be permitted to: (i) purchase shares of Common Stock held by former employees of the Corporation, provided, that such purchase occurs within 120 days of the date on which such employee's employment with the Corporation ceased, and the aggregate amount of such purchases do not exceed \$5,000,000 in any 12 month period, (ii) pay or declare cash dividends on the shares of Common Stock in the same aggregate amount as was paid in fiscal 2002 (the "2002 Aggregate Amount"), (iii) declare or pay cash dividends on the shares of Common Stock in excess of the 2002 aggregate amount, provided, that such cash dividends do not exceed the average percentage of net income which dividends paid on the Common Stock for the preceding three fiscal years (the "Annual Cash Dividend") represented, and (iv) redeem all of the issued and outstanding Rights.

(h) Material Actions. Agree to take any of the foregoing actions.

11. NOTICES OF RECORD DATE. Upon (i) any taking by the Corporation of a record of the holders of any class of securities (including the Series B Stock) for the purpose of determining the holders thereof who are entitled to receive any dividend or other distribution (other than the Annual Cash Dividend), or (ii) any Acquisition (as defined in Section 2(d)), or other capital reorganization of the Corporation, any reclassification or recapitalization of the capital stock of the Corporation, any merger or consolidation of the Corporation with or into, any other corporation, or any Liquidation, or any other action of the type or types requiring an adjustment to the Conversion Price or the number or character of the Series B Stock as set forth herein, the Corporation shall mail to each holder of Series B Stock at least twenty (20) days prior to the record date specified therein a notice specifying (A) the date on which any such record is to be taken for the purpose of such dividend (other than the Annual Cash Dividend) or distribution and a description of such dividend (other than the Annual Cash Dividend) or distribution, (B) the date on which any such Acquisition, reorganization, reclassification, transfer, consolidation, merger, Liquidation, or other action is expected to become effective, and (C) the date, if any, that is to be fixed as to when the holders of record of Common Stock (or other securities) shall be entitled to exchange their shares of Common Stock (or other securities) for securities or other property deliverable upon such Acquisition, reorganization, reclassification, transfer, Liquidation, or other action. Such notice shall also set forth such facts with respect thereto as shall be reasonably necessary to indicate the effect of such action (to the extent such effect may be known at the date of such notice) on the Conversion Price and the number, kind, or class of shares or other securities or property which shall be deliverable upon the occurrence of such action or deliverable upon the conversion of Series B Stock.

12. TAX TREATMENT. The Corporation shall not treat accrued and unpaid Dividends as "dividends" under Sections 301 or 305 of the Internal Revenue Code until such time as the Dividends are actually paid in cash or converted into shares of Common Stock.

13. HEADINGS OF SUBDIVISIONS. The headings of the various subdivisions hereof are for convenience of reference only and shall not affect the interpretation of any of the provisions hereof.

14. NO REISSUANCE OF SERIES B STOCK. No share or shares of Series B Stock acquired by the Corporation by reason of redemption, purchase, conversion or otherwise shall be reissued, and all such shares of Series B Stock shall be canceled, retired and eliminated from the shares of Series B Stock which the Corporation shall be authorized to issue. Any such shares of Series B Stock acquired by the Corporation shall have the status of authorized and unissued shares of Preferred Stock issuable in undesignated Series and may be redesignated and reissued in any series other than as Series B Stock.

IN WITNESS WHEREOF, the undersigned has executed this Certificate this
10th day of February, 2003.

PHILLIPS-VAN HEUSEN CORPORATION

By: /s/ Mark D. Fischer

Name: Mark D. Fischer
Title: Vice President

INVESTORS' RIGHTS AGREEMENT

Dated as of February 12, 2003

by and among Phillips-Van Heusen Corporation and
the Other Signatories Hereto

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INVESTORS' RIGHTS AGREEMENT

THIS INVESTORS' RIGHTS AGREEMENT, dated as of February 12, 2003 (this "Agreement"), by and among Phillips-Van Heusen Corporation, a Delaware corporation (the "Company"), and each of the Investors that signs a signature page annexed hereto (referred to hereinafter collectively as the "Investors" and individually as an "Investor").

RECITALS:

A. The Investors and the Company have entered into that certain Securities Purchase Agreement, dated as of December 16, 2002 (the "Purchase Agreement"), by and among the Company and the Investors pursuant to which the Investors will purchase, contemporaneously with the execution and delivery of this Agreement, 10,000 shares of Series B Convertible Preferred Stock of the Company (the "Series B Stock"), which will constitute all of the issued and outstanding shares of Series B Stock.

B. It is a condition precedent to the purchase of such Series B Stock that the Company enter into this Agreement with the Investors to provide for certain agreements and obligations of the parties following the Closing.

AGREEMENT:

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, intending to be legally bound, the parties hereto agree as follows:

ARTICLE I DEFINITIONS

SECTION 1.1 Definitions. The following terms shall have the meanings ascribed to them below:

"Additional Securities" shall have the meaning set forth in Section 4.3(a).

"Affiliate" of a Person shall have the meaning set forth in Rule 12b-2 under the Exchange Act. Notwithstanding anything to the contrary set forth in this Agreement, no limited partner or similar participant of an Investor shall be deemed an Affiliate of such Investor.

"Agreement" shall mean this Agreement, as amended, modified or supplemented from time to time, in accordance with the terms hereof, together with any exhibits, schedules or other attachments thereto.

"Beneficially Own" with respect to any securities shall mean having "beneficial ownership" of such securities (as determined pursuant to Rule 13d-3 under the Exchange Act without limitation by the 60-day provision in paragraph (d)(1)(i) thereof). The terms "Beneficial Ownership" and "Beneficial Owner" have correlative meanings.

"Board" or "Board of Directors" shall mean the Board of Directors of the Company.

"Budget" shall have the meaning set forth in Section 4.1.

"CK Purchase Agreement" shall have the meaning set forth in the Purchase Agreement.

"Closing" shall mean the closing of the transactions contemplated by the Purchase Agreement.

"Closing Date" shall mean the date of the Closing.

"Certificate of Designations" shall mean the Company's Certificate of Designations governing the Series B Stock.

"Commission" shall mean the United States Securities and Exchange Commission, or any other federal agency at the time administering the Securities Act.

"Common Stock" shall mean the common stock, \$1.00 par value per share, of the Company.

"Company" shall have the meaning set forth in the preamble of this Agreement.

"Competitor" shall mean any Person whose principal business is developing, designing, merchandising, licensing, manufacturing or causing the manufacture of, men's, women's, children's or infants wearing apparel, footwear, accessories, luggage, watches, jewelry, fragrances, eyewear and optical products, home furnishing products and accessories, table top housewares, silverware, floor and wall coverings, furniture or leather goods.

"Declining Preemptive Purchaser" shall have the meaning set forth in Section 4.3(c).

"Derivative Securities" shall mean any subscriptions, options, conversion rights, warrants, phantom stock rights or other agreements, securities or commitments of any kind obligating the Company or any of its Subsidiaries to issue, grant, deliver or sell, or cause to be issued, granted, delivered or sold (i) any Voting Securities of the Company, (ii) any securities convertible into, exercisable for or exchangeable for any Voting Securities of the Company, or (iii) any obligations measured by the price or value of any shares of capital stock of the Company.

"Disposition" shall have the meaning set forth in Section 3.3.

"DGCL Section 203" shall have the meaning set forth in Section 3.2.

"Director" shall mean a director of the Company.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, or any successor statute, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time.

"Excluded Shares" shall mean (i) shares of Common Stock issuable upon conversion of, or distributions with respect to, any shares of Series B Stock; (ii) shares of Common Stock issuable upon exercise of the Warrants; (iii) shares of Common Stock issuable upon the exercise of stock options or other awards made or denominated in shares of Common Stock under any of the Company's stock plans including any stock option, stock purchase, restricted stock or similar plan hereafter adopted by the Board of Directors and, if required by applicable Law or stock exchange requirement, approved by the stockholders of the Company; and (iv) shares of Common Stock issued pursuant to an acquisition of a business (including, without limitation, by way of an acquisition of capital stock) or the assets of a business (which assets do not consist primarily of cash or cash equivalents) approved by the Board of Directors.

"Governmental Body" shall mean any government or governmental or quasi-governmental authority including, without limitation, any federal, state, territorial, county, municipal or other governmental or quasi-governmental agency, board, branch, bureau, commission, court, arbitral body (public or private), department or other instrumentality or political unit or subdivision, whether located in the United States or abroad, the NYSE, the Nasdaq National Market, the Nasdaq SmallCap Market or the American Stock Exchange.

"Holder" shall mean any Investor and any Person to whom an Investor has transferred shares of Series B Stock during the term of this Agreement pursuant to Section 3.3(b)(iii) or Section 3.3(c).

"Institutional Investor" shall mean any of the following Persons: (i) a bank, (ii) an insurance company, (iii) a pension fund, (iv) a hedge fund, (v) a venture capital fund, (vi) a mutual fund, (vii) a leveraged buyout fund, (viii) an investment bank, (ix) a savings association, (x) an investment fund whose principal investors are Institutional Investors, or (xi) any Person that is an Affiliate of any Person named in clauses (i) through (x).

"Investors" shall have the meaning set forth in the preamble of this Agreement.

"Key Committees" shall have the meaning set forth in Section 2.3.

"Law" shall mean any treaty, statute, ordinance, code, rule, regulation, Order or other legal requirement enacted, adopted, promulgated, applied or followed by any Governmental Body.

"NYSE" shall mean the New York Stock Exchange.

"Observer" shall have the meaning set forth in Section 2.5.

"Order" shall mean any order, injunction, judgment, decree, ruling, writ, assessment or arbitration award.

"Overallotment Right" shall have the meaning set forth in Section 4.03(a).

"Other Transferee" shall have the meaning set forth in Section 3.3(b).

"Permitted Acquisitions" shall have the meaning set forth in Section 3.1(a).

"Permitted Disposition" shall have the meaning set forth in Section 3.3.

"Person" shall mean any natural person, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or other agency or political subdivision thereof.

"Preemptive Acceptance Notice" shall have the meaning set forth in Section 4.3(b).

"Preemptive Acceptance Period" shall have the meaning set forth in Section 4.3(b).

"Preemptive Notice" shall have the meaning set forth in Section 4.3(b).

"Preemptive Right" shall have the meaning set forth in Section 4.3(a).

"Public Stockholders" shall mean the stockholders of the Company other than (a) the Investors, (b) any Person who has made a Third-Party Offer, (c) any Affiliate of any Person included in the foregoing clause (b), and (d) any Person with whom any Person included in the foregoing clauses (b) or (c) is part of a 13D Group.

"Purchase Agreement" shall have the meaning ascribed thereto in the recitals.

"Redemption Date" shall have the meaning set forth in the Certificate of Designations.

"Registration Rights Agreement" shall mean that certain Registration Rights Agreement, dated as of the date hereof, by and among the Company and the Investors.

"Rights Agreement" shall mean the Rights Agreement, dated as of June 10, 1986, as amended, by and between the Company and The Bank of New York (successor to The Chase Manhattan Bank, N.A.), as Rights Agent, and each amendment and extension thereof.

"Sale" shall mean the sale of the Company by way of stock sale, merger or comparable transaction, or the sale of all of substantially all of the assets of the Company.

"Securities Act" shall mean the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder, all as the same shall be in effect at the time.

"Series B Designees" shall mean the directors elected by the Investors to the Board of Directors pursuant to the Certificate of Designations.

"Series B Stock" shall have the meaning ascribed thereto in the recitals.

"Standstill Period" shall mean the period commencing on the Closing Date and ending on the termination of this Agreement pursuant to Section 5.1.

"Subsidiary" shall mean, as to any Person, any other Person more than 50% of the shares of the voting stock or other voting interests of which are owned or controlled, or the ability to select or elect more than 50% of the directors or similar managers is held, directly or indirectly, by such first Person or one or more of its Subsidiaries or by such first Person and one or more of its Subsidiaries.

"Third-Party Bid" shall mean a bid or a proposal made by any Person (with whom the Board of Directors has participated in discussions or negotiations concerning such bid or proposal) to acquire the Company by way of (i) a stock acquisition, (ii) merger or comparable transaction, or (iii) the purchase of all of substantially all of the assets of the Company.

"Third-Party Offer" shall mean a written offer by a Third-Party Person to acquire some, all or no shares of Voting Securities held by the Investors and at least 35% of the outstanding shares of Common Stock held by the Public Stockholders, through stock acquisition, merger or similar transaction.

"Third-Party Person" shall mean any Person other than (a) any Investor, (b) any Subsidiary or Affiliate of an Investor, or (c) any Affiliate of any Person included in the foregoing clauses (a) or (b).

"13D Group" shall mean any group of Persons who, with respect to those acquiring, holding, voting or disposing of Voting Securities would, assuming ownership of the requisite percentage thereof, be required under Section 13(d) of the Exchange Act to file a statement on Schedule 13D with the Commission as a "person" within the meaning of Section 13(d)(3) of the Exchange Act.

"Total Voting Power" shall mean, calculated at a particular point in time, the aggregate Votes represented by all then outstanding Voting Securities then entitled to vote.

"Votes" shall mean, at any time, with respect to any Voting Securities, the total number of votes that would be entitled to be cast by the holders of such Voting Securities generally (by the terms of such Voting Securities, the Certificate of Incorporation of the Company or any certificate of designations for such Voting Securities) at a meeting held for the election of Directors.

"Voting Securities" shall mean the shares of Common Stock, Series B Stock and any other securities of the Company entitled to vote generally for the election of directors, and any securities which are convertible into, or exercisable or exchangeable for, Voting Securities.

"Warrants" shall have the meaning set forth in the Purchase Agreement.

SECTION 1.2 General Interpretive Principles. Whenever used in this Agreement, except as otherwise expressly provided or unless the context otherwise requires, any noun or pronoun shall be deemed to include the plural as well as the singular and to cover all genders. The name assigned this Agreement and the section captions used herein are for convenience of reference only and shall not be construed to affect the meaning, construction or effect hereof.

Unless otherwise specified, the terms "hereof," "herein" and similar terms refer to this Agreement as a whole (including the exhibits hereto), and references herein to Sections refer to Sections of this Agreement.

ARTICLE II
GOVERNANCE

SECTION 2.1 Board Meetings. For so long as any Series B Designee is a Director, the Board of Directors shall conduct at least four Board meetings during each fiscal year of the Company.

SECTION 2.2 Expenses. The Company agrees to reimburse each of the Series B Designees elected to the Board for their reasonable expenses incurred attending meetings of the Board and/or any committee of the Board.

SECTION 2.3 Committees; Board Requirements; Resignation Obligation. For so long as any Series B Designee is a Director, the Holders of Series B Stock may require that at least one Series B Designee be appointed, subject to compliance with applicable Law, to each or any of the following committees of the Board of Directors: (i) the Audit Committee; (ii) the Compensation Committee; (iii) the Executive Committee; (iv) the Nominating Committee; and (v) any other committee performing similar functions of any of the foregoing committees (referred to collectively as the "Key Committees"). Notwithstanding the foregoing, the Holders of Series B Stock shall not be entitled to designate an individual to the Board of Directors in the event that such individual would not be qualified under any applicable Law to serve as a director of the Company or if the Company objects to such individual because such individual has been involved in any of the events enumerated in Item 2(d) or (e) of Schedule 13D or such individual is currently the target of an investigation by any Governmental Body relating to felonious criminal activity or is subject to any Order of any Governmental Body prohibiting service as a director of any public company or providing investment or financial advisory services and, in any such event, the Holders shall withdraw the designation of such individual and designate a replacement therefor (which replacement Series B Designee shall also be subject to the requirements of this Section 2.3). Upon any decrease in outstanding Series B Stock below the Beneficial Ownership thresholds set forth in Section 9(d) of the Certificate of Designations and at the request of the Board of Directors, the Investors shall use all commercially reasonable efforts to cause a number of Series B Designees to offer to resign from the Board of Directors such that the number of Series B Designees serving on the Board of Directors immediately thereafter will be equal to the number of Series B Designees which the Investors would then be entitled to designate under Section 9(d) of the Certificate of Designations.

SECTION 2.4 Appointment of the Chief Executive Officer. For so long as the Investors continue to own at least 50% of the outstanding shares of Series B Stock, if a new Chief Executive Officer of the Company is to be appointed, the Investors shall have the right to designate one of the Series B Designees to be involved in any search or evaluation process established by the Board of Directors to interview candidates and recommend to the Board of Directors a new Chief Executive Officer of the Company, including, without limitation, by way of serving on any committee formed to oversee the search for and hiring of such new Chief Executive Officer.

SECTION 2.5 Observers. If the number of Series B Designees appointed to the Board by the Investors is fewer than the number of Series B Designees the Investors are entitled to appoint to the Board as holders of the Series B Stock, the Investors shall be entitled to designate one observer ("Observer") for each Series B Designee the Investors are entitled to appoint to the Board but have not so appointed; provided, however, that in no event shall the Investors be entitled to appoint more than two Observers. Each Observer shall be entitled to receive notice of all meetings of the Board and Key Committees of the Board and shall have the right to attend such meetings. The Company shall reimburse each Observer for his or her reasonable expenses incurred attending such meetings. None of the Observers shall have the right to vote on any matter presented to the Board or Key Committees of the Board.

ARTICLE III
ADDITIONAL AGREEMENTS

SECTION 3.1 Standstill. During the Standstill Period and unless otherwise approved by the Board of Directors (other than the Series B Designees), each Holder will not, and will cause each of its Affiliates not to, directly or indirectly:

(a) acquire, offer or propose to acquire or agree to acquire, whether by purchase, tender or exchange offer, by joining a partnership, limited partnership, syndicate or other 13D Group or otherwise, (A) Beneficial Ownership of any Voting Securities, Derivative Securities or any other securities of the Company or any rights to acquire (whether currently, upon lapse of time, following the satisfaction of any conditions, upon the occurrence of any event or any combination of the foregoing) any Voting Securities, Derivative Securities or any other securities of the Company, other than (i) the acquisition of the shares of the Series B Stock pursuant to the Purchase Agreement, (ii) shares of Common Stock and other securities, if any, issuable upon the conversion of the Series B Stock, (iii) the acquisition of Voting Securities pursuant to Sections 4.2 and 4.3 hereof, (iv) the acquisition of Voting Securities and Derivative Securities as a result of any stock splits, stock dividends or other distributions, recapitalizations or offerings made available by the Company to holders of Voting Securities or Derivative Securities generally, but only to the extent any such securities are owned by a Holder, (v) in a transaction in which any Holder acquires an interest in an entity that owns shares of Voting Securities of the Company representing 2% or less of the Total Voting Power, or (vi) any acquisition of Voting Securities approved by a majority of the Directors (other than the Series B Designees) (clauses (i) through (vi) are referred to collectively as "Permitted Acquisitions") or (B) the Company or any of its Subsidiaries or all or substantially all of the assets of the Company or any of its Subsidiaries except pursuant to Section 4.2 hereof or as approved by a majority of the Directors (other than the Series B Designees);

(b) engage in any "solicitation" (within the meaning of Rule 14a-1 under the Exchange Act) of proxies or consents relating to the election of directors with respect to the Company, or become a "participant" in any "election contest" (within the meaning of the Exchange Act) seeking to elect directors not nominated by the Board of Directors, other than nominees for director who are to be elected by the Holders of Series B Stock in accordance with the Certificate of Designations;

(c) induce or attempt to induce any other Person to initiate any stockholder proposal to seek election to or seek to place a representative on the Board of Directors (except pursuant to the Certificate of Designations) or seek the removal of any member of the Board of Directors of the Company);

(d) in any manner, agree, attempt, seek or propose to deposit any Voting Securities, Derivative Securities or any other securities of the Company or any rights to acquire (whether currently, upon lapse of time, following the satisfaction of any conditions, upon the occurrence of any event or any combination of the foregoing) any Voting Securities, Derivative Securities or other securities of the Company in any voting trust or similar arrangement (other than any such voting trust or similar arrangement among two or more Holders);

(e) publicly announce any intention, plan or arrangement inconsistent with the foregoing; or

(f) form or join in the formation of a 13D Group with respect to any Voting Securities, other than any such "group" consisting exclusively of Holders and any Affiliates of the Holders;

(g) except as provided in Section 4.2, finance (or arrange financing for) any Person in connection with any of the foregoing; provided, however, that nothing in this Section 3.1 shall (i) limit any rights of the Investors under each of the Purchase Agreement, Certificate of Designations, and Registration Rights Agreement, (ii) prohibit any individual who is serving as a Director, solely in his or her capacity as a Director, from (x) exercising his or her fiduciary duties, (y) taking any action or making any statement at any meeting of the Board of Directors or of any committee thereof, or (z) making any statement or disclosure required under federal securities Laws or other applicable Law, (iii) restrict any disclosure or statements required to be made by any Investor under applicable Law, or (iv) limit the rights of the Investors pursuant to Section 4.2 hereof.

SECTION 3.2 Anti-Takeover Provisions and Permitted Acquisitions. The Board of Directors shall take all action necessary to: (a) exempt from the provisions of Section 203 of the Delaware General Corporation Law ("DGCL Section 203") any Permitted Acquisition, and (b) exempt any Holder who acquires securities in accordance with Section 3.1(a) from being deemed an "Acquiring Person" under the Rights Agreement.

SECTION 3.3 Dispositions. So long as the Holders Beneficially Own Voting Securities representing in the aggregate at least 10% of the Total Voting Power of the Company, the Holders shall not, directly or indirectly (including, without limitation, through the disposition or transfer of any equity interest in another Person), sell, assign, transfer, pledge, hypothecate, grant any option with respect to or otherwise dispose of any interest in (or enter into an agreement or understanding with respect to the foregoing) any Voting Securities (a "Disposition"), except as set forth below in this Section 3.3 (each such exception being hereinafter referred to as a "Permitted Disposition"):

(a) Pro rata Dispositions of Common Stock may be made to any direct or indirect partner, investor or participant of any Holder pursuant to the terms of the limited partnership agreement, operating agreement or similar agreement of such Holder.

(b) Dispositions of Voting Securities may be made to any Person pursuant to (i) a public offering effected in accordance with the Registration Rights Agreement, (ii) in open market "brokers' transactions" or transactions directly with a "market maker" as permitted by the provisions of Rule 144 as currently promulgated under the Securities Act, and (iii) in privately-negotiated transactions to (A) an Institutional Investor or (B) any other Person if such Disposition is approved by the Board ("Other Transferee") (which such approval shall not be unreasonably withheld, provided that such Disposition is not made to a Competitor); provided, that no Disposition shall be made pursuant to clause (iii) of this Section 3.3(b) unless such Institutional Investor or Other Transferee agrees in writing to be bound by the terms of this Agreement.

(c) Dispositions of Voting Securities may be made to any Affiliate of an Investor, provided that such Affiliate agrees to be bound by the terms of this Agreement.

(d) Dispositions of Voting Securities may be made pursuant to a Third-Party Offer, tender offer, exchange offer, merger, consolidation or any other transaction (x) which is recommended to stockholders of the Company by the Board of Directors (or, in the case of a tender or exchange offer, which is not within 10 business days of the commencement thereof opposed by the Board of Directors) or (y) in the case of a merger or other business combination transaction, which has been approved by the stockholders of the Company.

SECTION 3.4 Anti-Takeover Provisions and Permitted Disposition. The Board of Directors shall take all action necessary to: (a) exempt from the provisions of DGCL Section 203 any Permitted Disposition made to any Institutional Investor or Other Transferee pursuant to Section 3.3 (b)(iii), and (b) exempt any Institutional Investor or Other Transferee who acquires Voting Securities pursuant to Section 3.3 (b)(iii) from being deemed an "Acquiring Person" under the Rights Agreement.

ARTICLE IV ADDITIONAL COVENANTS

SECTION 4.1 Certain Information. For so long as any Series B Designee is a Director, upon the request of any Investor, the Company will deliver to a Series B Designee on behalf of such Investor: (a) for each calendar month, as soon as practicable and in any event within 30 calendar days after the close of each such month copies of (i) (A) the balance sheet of the Company as of the end of such month, (B) statements of operations of the Company for such month, and (C) statements of changes in cash flows of the Company for such month, setting forth in each case in comparative form the corresponding figures for the Budget, for the year-to-date and for the comparable periods in the preceding year (month and year-to-date); (b) as soon as practicable and in any event not less than 30 calendar days prior to the end of each fiscal year of the Company, a proposed annual operating budget for the Company for the succeeding fiscal year, containing forecasts of profit and loss and cash flow with monthly and quarterly breakdowns and management's reasonably estimated projections of indebtedness and commitments for the succeeding fiscal year (the "Budget"); (c) on a quarterly basis, within 45 calendar days after the close of each quarter, the

report in the form annexed hereto as Exhibit A, and (d) any and all other information as any Investor may, from time to time, reasonably request.

SECTION 4.2 Right to Participate in Sale and Third-Party Bid. During the Standstill Period, any Holder that Beneficially Owns in excess of 10% of the Voting Securities shall be given the reasonable opportunity to participate in any bidding process in connection with a Sale or Third-Party Bid. Nothing contained herein requires that the Board of Directors accept any offer by the Holders in connection with a Sale or Third-Party Bid.

SECTION 4.3 Preemptive Rights.

(a) For so long as at least 50% of the originally issued shares of Series B Stock remain outstanding, prior to the issuance or sale of any shares of Voting Securities or Derivative Securities (other than Excluded Shares) (all such securities, other than Excluded Shares, are referred to collectively herein as "Additional Securities"), the Company shall first give to each Holder holding shares of Series B Stock the opportunity (such opportunity being herein referred to as the "Preemptive Right") to purchase (on the same terms as such Additional Securities are proposed to be sold) the same percentage of such Additional Securities proposed to be sold by the Company as equals the percentage equal to the quotient of (i) the number of shares of Common Stock into which the shares held by such Holder of Series B Stock could be converted, divided by (ii) the sum of (A) all the outstanding shares of Common Stock of the Company and (B) the number of shares of Common Stock into which all the shares of Series B Stock held by all Holders could be converted.

(b) At least 15 days prior to the issuance by the Company of any Additional Securities, the Company shall give written notice thereof (the "Preemptive Notice") to each Holder. The Preemptive Notice shall specify (i) the name and address of the bona fide investor (if known) to whom the Company proposes to issue or sell Additional Securities, (ii) the total amount of capital to be raised by the Company pursuant to the issuance or sale of Additional Securities, (iii) the number of such Additional Securities proposed to be issued or sold, (iv) the price and other terms of their proposed issuance or sale, (v) the number of such Additional Securities which such Holder is entitled to purchase (determined as provided in Section 4.3(a)), and (vi) the period during which such Holder may elect to purchase such Additional Securities, which period shall extend for at least 15 days following the receipt by such Holder of the Preemptive Notice (the "Preemptive Acceptance Period"). Each Holder who desires to purchase Additional Securities shall notify the Company within the Preemptive Acceptance Period of the number of Additional Securities he wishes to purchase, as well as the number, if any, of extra Additional Securities he would be willing to purchase in the event that all of the Additional Securities subject to the Preemptive Right are not subscribed for by the other Holders (the "Preemptive Acceptance Notice").

(c) In the event a Holder declines to subscribe for all or any part of its pro rata portion of any Additional Securities which are subject to the Preemptive Right (the "Declining Preemptive Purchaser") during the Preemptive Acceptance Period, then the other Holders shall have the right to subscribe for all (or any declined part) of such Declining Preemptive Purchaser's pro rata portion of such Additional Securities (to be divided among the other Holders desiring to exercise such right on a ratable basis) (the "Overallotment Right"). Each Holder's Overallotment Right, if any, shall be deemed to be exercised on the date the Preemptive Acceptance Notice is given.

(d) After the conclusion of the Preemptive Acceptance Period, any Additional Securities, less any Additional Securities for which Preemptive Rights or Overallotment Rights are exercised, may be sold by the Company, within a period of 4 months after the expiration of the Preemptive Acceptance Period, to any other Person or Persons at not less than the price and upon other terms and conditions not less favorable to the Company than those set forth in the Preemptive Notice.

(e) Notwithstanding anything to the contrary contained herein, if the Company issues, pursuant to a rights offering, rights to acquire shares of Common Stock or other securities to holders of Common Stock, then the Holders of Series B Stock shall be entitled to receive that kind and number of rights which such Holder would have been entitled to receive if the Holder had held the Common Stock issuable upon conversion of its Series B Stock as of the date a record is taken of the holders of Common Stock for the purpose of receiving such distribution (or if no such record is taken, the earlier of the date of such declaration, payment or other distribution).

SECTION 4.4 Restricted Actions.

(a) The Company shall not amend, modify or supplement any provision of the Rights Agreement in a manner that adversely affects the rights and benefits of any Holder under any such provision.

(b) Notwithstanding anything to the contrary contained herein, for so long as at least 50% of the originally issued shares of Series B Stock is held by the Investors, the Company shall not, and shall not permit any of its Subsidiaries to, directly or indirectly, without the prior written consent of at least a majority of the then-outstanding shares of Series B Stock: (i) take any action, or fail to take any action, that would have the effect of substantially altering the business of the Company and its Subsidiaries as such businesses are conducted as of the Closing Date after giving effect to the transactions contemplated by the CK Purchase Agreement; or (ii) effect any sale, conveyance or other disposition of, or encumbrance upon, all or substantially all of the property, assets or business of the Company or merge with or into or consolidate with any other corporation or entity or entities, or effect any transaction or series of related transactions in which more than 50% of the capital stock or Total Voting Power is transferred or disposed of, or effect any voluntary dissolution or liquidation or effect a reorganization in any form of transaction (including, without limitation, any reorganization into a limited liability company, a partnership or any other non-corporate entity which is treated as a partnership for federal income tax purposes).

ARTICLE V TERMINATION

SECTION 5.1 Termination. Without limiting any liability of the Company or the Holders for any breach of its obligations hereunder, this Agreement may be terminated: (i) if the Company and the Holders holding a majority of the Voting Securities mutually agree in writing; (ii) with respect to the Investors, by notice in writing at any time when the Investors Beneficially Own in the aggregate less than 10% of the Total Voting Power of the Company, and with respect to any other Holder, by notice in writing at any time by such Holder, when such Holder has ceased to Beneficially Own at least 10% of the Total Voting Power of the Company; (iii) at any time on or

after the Redemption Date; or (iv) if the Company causes the conversion of all of the shares of Series B Stock into shares of Common Stock pursuant to Section 6(b) of the Certificate of Designations; provided, however, that, for purposes of this clause (iv), the restrictions set forth in Section 3.1 shall continue to be in full force and effect unless, or until, this Agreement has been, or is, terminated pursuant to clause (i), (ii) or (iii) of this Section 5.1.

ARTICLE VI
MISCELLANEOUS

SECTION 6.1 Amendment and Modification. This Agreement may be amended, modified and supplemented, and any of the provisions contained herein may be waived, only by a written instrument signed by the Company and by the Holders owning at least a majority of the outstanding Voting Securities owned by all Holders. No course of dealing between or among any Persons having any interest in this Agreement will be deemed effective to modify, amend or discharge any part of this Agreement or any rights or obligations of any Person under or by reason of this Agreement.

SECTION 6.2 Assignment; No Third Party Beneficiaries.

(a) Neither this Agreement, nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto (whether by operation of Law or otherwise) without the prior written consent of the other parties; provided, however that (i) each Investor may assign its rights, interests and obligations under this Agreement to any other Investor and to (except for Sections 2.4, 4.1 and 4.4(b)) any Institutional Investor, Other Transferee, or Affiliate of such Investor in connection with a transfer of Voting Securities to such Person, and (ii) in the event of such assignment, the assignee shall agree in writing to be bound by the provisions of this Agreement.

(b) This Agreement shall not confer any rights or remedies upon any Person other than the parties to this Agreement and their respective successors and permitted assigns.

SECTION 6.3 Binding Effect; Entire Agreement. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns and executors, administrators and heirs. This Agreement sets forth the entire agreement and understanding between the parties as to the subject matter hereof and merges and supersedes all prior discussions, agreements and understandings of any and every nature among them.

SECTION 6.4 Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable Law, such provision(s) shall be excluded from this Agreement and the balance of this Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms so long as the economic or legal substance of the transactions contemplated by this Agreement are not affected in any manner materially adverse to any party.

SECTION 6.5 Notices and Addresses. Any notice, demand, request, waiver, or other communication under this Agreement shall be in writing and shall be deemed to have been

duly given on the date of service, if personally served or sent by facsimile; on the business day after notice is delivered to a courier or mailed by express mail, if sent by courier delivery service or express mail for next day delivery; and on the third day after mailing, if mailed to the party to whom notice is to be given, by first class mail, registered, return receipt requested, postage prepaid and addressed as follows:

If to the Company:
Phillips-Van Heusen Corporation
200 Madison Avenue
New York, New York 10016
Attention: Vice President, General Counsel and Secretary
Facsimile: (212) 381-3970
Telephone: (212) 381-3509

with a copy (which shall not constitute notice) to:

Katten Muchin Zavis Rosenman
575 Madison Avenue
New York, New York 10022
Attention: David H. Landau, Esq.
Facsimile: (212) 940-8776
Telephone: (212) 940-8800

If to any Investor, at the most current address, and with a copy to be sent to each additional address, given by such Investor to the Company in writing, and copies (which shall not constitute notice) sent to:

Swidler Berlin Shereff Friedman, LLP
The Chrysler Building
405 Lexington Avenue
New York, New York 10174
Attention: Morris Orens, Esq.
Fax: (212) 891-9598

SECTION 6.6 Governing Law. This Agreement and (unless otherwise provided) all amendments hereof and waivers and consents hereunder shall be governed by the internal Laws of the State of New York, without regard to the conflicts of Law principles thereof which would specify the application of the Law of another jurisdiction.

SECTION 6.7 Headings. The headings in this Agreement are for convenience of reference only and shall not constitute a part of this Agreement, nor shall they affect their meaning, construction or effect.

SECTION 6.8 Counterparts. This Agreement may be executed via facsimile and in any number of counterparts, each of which shall be deemed to be an original instrument and all of which together shall constitute one and the same instrument.

SECTION 6.9 Further Assurances. Each party shall cooperate and take such action as may be reasonably requested by another party in order to carry out the provisions and purposes of this Agreement and the transactions contemplated hereby.

SECTION 6.10 Remedies. In the event of a breach or a threatened breach by any party to this Agreement of its obligations under this Agreement, any party injured or to be injured by such breach will be entitled to specific performance of its rights under this Agreement or to injunctive relief, in addition to being entitled to exercise all rights provided in this Agreement and granted by Law, it being agreed by the parties that the remedy at Law, inducing monetary damages, for breach of any such provision will be inadequate compensation for any loss and that any defense or objection in any action for specific performance or injunctive relief that a remedy at Law would be adequate is waived.

SECTION 6.11 Jurisdiction. Each of the Investors and the Company (a) hereby irrevocably and unconditionally submits to the exclusive jurisdiction of any state or federal court sitting in New York County, New York for the purposes of any suit, action or other proceeding arising out of this Agreement or the subject matter hereof brought by the Company, or any Investor and (b) hereby waives and agrees 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 subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, 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 this Agreement or the subject matter hereof may not be enforced in or by such court.

[SIGNATURE PAGES FOLLOWS.]

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

PHILLIPS-VAN HEUSEN CORPORATION

By: /s/ Mark D. Fischer

Name: Mark D. Fischer
Title: Vice President

APAX EXCELSIOR VI, L.P.

By: Apax Excelsior VI Partners, L.P.,
Its General Partner
By: Apax Managers, Inc.
Its General Partner

By: /s/ David Landau

Name: David Landau
Title: Vice President

APAX EXCELSIOR VI-A C.V.

By: Apax Excelsior VI Partners, L.P.,
Its General Partner
By: Apax Managers, Inc.
Its General Partner

By: /s/ David Landau

Name: David Landau
Title: Vice President

APAX EXCELSIOR VI-B C.V.

By: Apax Excelsior VI Partners, L.P.,
Its General Partner
By: Apax Managers, Inc.
Its General Partner

By: /s/ David Landau

Name: David Landau
Title: Vice President

PATRICOF PRIVATE INVESTMENT CLUB III, L.P.

By: Apax Excelsior VI Partners, L.P.,
Its General Partner
By: Apax Managers, Inc.
Its General Partner

By: /s/ David Landau

Name: David Landau
Title: Vice President

APAX EUROPE V - A, L.P.

By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - B, L.P.

By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - C GMBH & CO. KG

By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - D, L.P.

By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - E, L.P.

By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - F, C.V.

By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - G, C.V.

By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - 1, L.P.

By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - 2, L.P.

By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

REGISTRATION RIGHTS AGREEMENT

Dated as of February 12, 2003

by and among Phillips-Van Heusen Corporation and
the Other Signatories Hereto

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REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT, dated as of February 12, 2003 (this "Agreement"), by and among Phillips-Van Heusen Corporation, a Delaware corporation (the "Company"), Calvin Klein 2001 Revocable Trust (the "Klein Revocable Trust"), Barry Schwartz ("Mr. Schwartz"), Trust for the Benefit of the Issue of Calvin Klein (the "Klein Trust"), Trust for the Benefit of the Issue of Barry Schwartz (the "Schwartz Trust"), Stephanie Schwartz-Ferdman ("Schwartz-Ferdman"), Jonathan Schwartz ("J. Schwartz" and, together with the Klein Revocable Trust, Mr. Schwartz, the Klein Trust, the Schwartz Trust and Schwartz-Ferdman, and their transferees, heirs, successors and assigns, collectively the "CK Sellers"), and each of the Investors that signs a signature page annexed hereto (referred to hereinafter collectively as the "Investors" and individually as an "Investor").

RECITALS:

A. The Investors and the Company have entered into that certain Securities Purchase Agreement, dated as of December 16, 2002 (the "Purchase Agreement"), by and among the Company and the Investors pursuant to which the Investors will purchase, contemporaneously with the execution and delivery of this Agreement, 10,000 shares of Series B Convertible Preferred Stock of the Company (the "Series B Stock"), which will constitute all of the issued and outstanding shares of Series B Stock.

B. It is a condition precedent to the purchase of such Series B Stock that the Company grant to the Investors registration rights with respect to the shares of Common Stock of the Company issuable on the conversion of the Series B Stock.

C. The CK Sellers and the Company have entered into that certain Securities Purchase Agreement, dated as of December 17, 2002 (the "CK Purchase Agreement"), pursuant to which, among other things, the CK Sellers will acquire the PVH Shares.

AGREEMENT:

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, intending to be legally bound, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS

SECTION 1.1 Definitions. The following terms shall have the meanings ascribed to them below:

"Affiliate" has the meaning set forth in the Investors' Rights Agreement.

"Agreement" means this Agreement, as amended, modified or supplemented from time to time, in accordance with the terms hereof, together with any exhibits, schedules or other attachments thereto.

"Board" or "Board of Directors" shall mean the Board of Directors of the Company.

"CK Registrable Securities" means the PVH Shares and any additional shares of Common Stock acquired by a CK Seller by way of a dividend, stock split, preemptive rights, recapitalization or other distribution in respect of the PVH Shares. As to any particular CK Registrable Securities, such securities shall cease to be CK Registrable Securities when (i) a Registration Statement with respect to the sale of such shares of Common Stock has been declared effective by the Commission and such shares of Common Stock have been disposed of pursuant to such effective Registration Statement, (ii) such shares of Common Stock shall have been or could be sold under circumstances in which all of the applicable conditions of Rule 144(k) (or any similar provisions then in force) under the Securities Act are met, (iii) such shares of Common Stock have been otherwise transferred and the Company has delivered a new certificate or other evidence of ownership for such Common Stock not bearing a restrictive legend and not subject to any stop order and such Common Stock may be publicly resold by the Person receiving such certificate without complying with the registration requirements of the Securities Act, or (iv) such shares of Common Stock shall have ceased to be outstanding.

"CK Purchase Agreement" has the meaning set forth in the recitals.

"CK Sellers" has the meaning set forth in the preamble to this Agreement.

"Commission" means the United States Securities and Exchange Commission, or any other federal agency at the time administering the Securities Act.

"Common Stock" means the common stock, par value \$1.00 per share, of the Company or other publicly traded securities into which the Series B Stock is now or hereafter convertible.

"Company" has the meaning set forth in the preamble to this Agreement.

"Demand Period" means the period commencing on the date hereof and ending on the date on which each of the Holders no longer owns Registrable Securities; provided, that during the Shelf Effective Period, the Company shall be obligated to effect an underwritten Demand Registration only if the managing underwriters of the Registrable Securities sought to be included in the Demand Registration are not willing to manage an underwritten offering of the Registrable Securities pursuant to the Shelf Registration Statement.

"Demand Registration" has the meaning set forth in Section 2.2(a).

"Exchange Act" means the Securities Exchange Act of 1934, as amended, or any successor statute, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time.

"Holder" has the meaning set forth in the Investors' Rights Agreement.

"Holders' Counsel" has the meaning set forth in Section 2.4.

"Indemnified Party" has the meaning set forth in Section 3.1(c).

"Indemnifying Party" has the meaning set forth in Section 3.1(c).

"Institutional Investor" has the meaning set forth in the Investors' Rights Agreement.

"Investor" has the meaning set forth in the preamble of this Agreement.

"Investors' Rights Agreement" shall mean that certain Investors' Rights Agreement, dated as of the date hereof, by and among the Company and the Investors.

"J. Schwartz" has the meaning set forth in the preamble to this Agreement.

"Klein Revocable Trust" has the meaning set forth in the preamble to this Agreement.

"Klein Trust" has the meaning set forth in the preamble to this Agreement.

"Mr. Schwartz" has the meaning set forth in the preamble to this Agreement.

"Other Transferee" has the meaning set forth in the Investors' Rights Agreement.

"Person" means any natural person, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or other agency or political subdivision thereof.

"Piggy-Back Registration" has the meaning set forth in Section 2.3(a).

"Purchase Agreement" has the meaning set forth in the recitals.

"PVH Holders" means each of the Holders and CK Sellers.

"PVH Securities" means each of the Registrable Securities and CK Registrable Securities.

"PVH Shares" has the meaning set forth in the CK Purchase Agreement.

"Registration Expenses" has the meaning set forth in Section 3.2.

"Registrable Securities" means the shares of Common Stock into which the Series B Stock (now owned or hereafter acquired) are convertible and any additional shares of Common Stock acquired by a Holder of Series B Stock by way of a dividend, stock split, preemptive rights, recapitalization or other distribution in respect of the Series B Stock. As to any particular Registrable Securities, once issued such securities shall cease to be Registrable Securities when (i) a Registration Statement with respect to the sale of such shares of Common Stock has been declared

effective by the Commission and such shares of Common Stock have been disposed of pursuant to such effective Registration Statement, (ii) such shares of Common Stock shall have been or could be sold under circumstances in which all of the applicable conditions of Rule 144(k) (or any similar provisions then in force) under the Securities Act are met, (iii) such shares of Common Stock have been otherwise transferred and the Company has delivered a new certificate or other evidence of ownership for such Common Stock not bearing a restrictive legend and not subject to any stop order and such Common Stock may be publicly resold by the Person receiving such certificate without complying with the registration requirements of the Securities Act, or (iv) such shares of Common Stock shall have ceased to be outstanding.

"Registration Statement" means any registration statement of the Company which covers any of the PVH Securities pursuant to the provisions of this Agreement, including the prospectus, amendments and supplements to such Registration Statement, including post-effective amendments, all exhibits and all material incorporated by reference in such Registration Statement.

"Schwartz-Ferdman" has the meaning set forth in the preamble to this Agreement.

"Schwartz Trust" has the meaning set forth in the preamble to this Agreement.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder, all as the same shall be in effect at the time.

"Selling Holder" means a Holder who is selling Registrable Securities pursuant to a Registration Statement under the Securities Act and, as applicable, any CK Seller who is selling CK Registrable Securities pursuant to a Registration Statement under the Securities Act.

"Series B Stock" has the meaning set forth in the recitals.

"Shelf Effective Period" has the meaning set forth in Section 2.1.

"Shelf Registration Statement" has the meaning set forth in Section 2.1.

"Underwriter" means a securities dealer who purchases any Registrable Securities as principal in an underwritten offering and not as part of such dealer's market-making activities.

"Violation" has the meaning set forth in Section 3.1(a).

ARTICLE II REGISTRATION RIGHTS

SECTION 2.1 Shelf Registration.

(a) Shelf Registration. On or prior to the 90th day following the date hereof, the Company shall prepare and file with the Commission a Registration Statement for an offering to be made on a continuous basis pursuant to Rule 415 under the Securities Act, as such rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission, covering all of the PVH Securities held by each of the PVH Holders (the "Shelf

Registration Statement"). The Shelf Registration Statement shall be on Form S-3 (or any successor form then in effect) under the Securities Act (or another appropriate form reasonably acceptable to the Holders) permitting registration of such PVH Securities for resale by each of the PVH Holders in the manner or manners designated by them; provided, however that the CK Sellers shall not have the right to participate in any underwritten offering of Registrable Securities pursuant to Section 2.1(b) below. In no event shall the Company's obligation to effect an underwriting offering pursuant to Section 2.1(b) below reduce or relieve the Company of any obligation to effect and maintain the Shelf Registration Statement for the benefit of the other PVH Holders. The Company shall use its commercially reasonable efforts to effect such registration (including, without limitation, appropriate qualification under applicable blue sky or other state securities laws and appropriate compliance with applicable regulations issued under the Securities Act and any other governmental requirements or regulations) as promptly as possible after the filing thereof, but in any event prior to the 180th day following the date hereof, and shall use its commercially reasonable efforts to keep such Shelf Registration Statement continuously effective under the Securities Act until such time as when all of the PVH Securities covered by such Shelf Registration Statement have been sold or may be sold without volume restrictions pursuant to Rule 144(k) as determined by counsel to the Company pursuant to a written opinion letter to such effect, addressed and acceptable to the Company's transfer agent and each of the affected PVH Holders (the "Shelf Effective Period").

(b) Underwriting. If, from time to time, the Holders owning Registrable Securities equal to at least 25% of the originally issued Series B Stock so elect, the prospectus relating to such Shelf Registration Statement shall be supplemented so that the offering of all or part of the Registrable Securities included therein shall be in the form of an underwritten public offering. Upon receipt of the request to supplement the prospectus relating to such Shelf Registration Statement, the Company will promptly give written notice of such underwritten offering to all other Holders holding Registrable Securities included in such Shelf Registration Statement. The right of any Holder to include Registrable Securities in such underwritten registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. The Company shall (together with all Holders proposing to distribute their securities through such underwriting) enter into an underwriting agreement in customary form with the managing Underwriter selected for such underwriting by the Company and reasonably acceptable to a majority of the Holders proposing to distribute their securities through such underwriting. Notwithstanding any other provision of this Section 2.1, if the managing Underwriter advises the Company in writing that marketing factors require a limitation of the number of shares to be underwritten, then the Company shall so advise all Holders of Registrable Securities to be included in such underwritten offering and the Company shall include in such underwritten offering only the aggregate amount of Registrable Securities that the Underwriter believes may be sold and shall reduce the amount of Registrable Securities held by the Holders to be included in such underwritten offering pro rata based on the Registrable Securities held by such Holders at the time of filing such supplement to the prospectus relating to the Shelf Registration Statement. The Registrable Securities excluded from, or not included in, such underwritten offering shall remain available for resale pursuant to such Shelf Registration Statement.

(c) Limitations. No securities other than the PVH Securities shall be included among the securities covered by the Shelf Registration Statement unless all of the Holders of Registrable Securities covered by such Shelf Registration Statement shall have consented in

writing to the inclusion of securities to be issued by the Company or securities held by other stockholders of the Company.

SECTION 2.2 Demand Registration.

(a) Demand Registration. At any time during the Demand Period, the Holders shall have the right to require the Company to file a Registration Statement under the Securities Act (a "Demand Registration") covering all or any part of their respective Registrable Securities by delivering a written request therefor to the Company specifying the number of Registrable Securities to be included in such registration by such Holder or Holders and the intended method of distribution thereof. In no event shall the Company's obligation to effect a Demand Registration reduce or relieve the Company of any obligation to effect and maintain the Shelf Registration Statement for the benefit of the other PVH Holders. Upon the receipt of such demand, the Company will (i) within ten days, give written notice of the Demand Registration to all other Holders and (ii) as soon as practicable, use its commercially reasonable efforts to effect such registration (including, without limitation, appropriate qualification under applicable blue sky or other state securities laws and appropriate compliance with applicable regulations issued under the Securities Act and any other governmental requirements or regulations) of the Registrable Securities which the Company has been so requested to register, for distribution in accordance with such intended method of distribution, together with all or such portion of the Registrable Securities of any Holder or Holders joining in such request as are specified in a written request received by the Company within 20 days after receipt of such written notice from the Company; provided, however, that the Company shall not be obligated to take any action to effect any such Demand Registration, pursuant to this Section 2.2(a):

(i) after the Company has effected three Demand Registrations pursuant to this Section 2.2(a), which registrations are deemed effective pursuant to Section 2.2(d) hereof;

(ii) if Registrable Securities equal to at least 25% of the originally issued Series B Stock or having an aggregate market value of at least \$25,000,000 (which market value shall be determined by multiplying the number of Registrable Securities to be included in the Demand Registration by the proposed per share offering price) are not included in such Demand Registration;

(iii) if the Company shall have furnished to the Holders requesting a registration pursuant to this Section 2.2(a) a certificate signed by the Chairman of the Board of Directors or President of the Company stating that in the good faith judgment of the Board of Directors it would be detrimental to the Company and its stockholders for such registration statement to be filed at such time, then the Company's obligation to make such filing shall be deferred for a period not to exceed 180 days from the date of receipt of written request in respect of such Demand Registration; provided, however, that the Company shall not exercise such right more than once in any 12-month period;

(iv) during the period of time starting with the date 60 days immediately prior to the Company's estimated date of filing of, and ending on the date 90 days (or

180 days in the case of an underwritten public offering) immediately following the effective date of any registration statement pertaining to securities issued for the account of the Company (other than a registration of securities in a Rule 145 transaction or with respect to an employee benefit plan); provided that the Company is actively employing in good faith all reasonable efforts to cause such registration statement to become effective; provided, further, that the Company shall not exercise such right more than once in any 12-month period; or

(v) of any Registrable Securities if such Registrable Securities are then covered by an effective Registration Statement.

(b) Limitations. Except as provided in Section 2.2 (c)(i) below, whenever the Company shall effect a Demand Registration pursuant to Section 2.2(a), no securities other than the Registrable Securities requested to be included shall be included among the securities covered by such registration unless all Holders of Registrable Securities to be covered by such registration shall have consented in writing to the inclusion of securities to be issued by the Company or securities held by other stockholders of the Company.

(c) Underwriting. If Holders of a majority of the Registrable Securities to be included in such Demand Registration so elect, the offering of the Registrable Securities pursuant to such Demand Registration shall be in the form of an underwritten public offering and the Company shall so advise the other Holders as part of the notice given pursuant to Section 2.2(a) hereof. In such event, the right of any Holder to include Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. The Company shall (together with all Holders proposing to distribute their securities through such underwriting) enter into an underwriting agreement in customary form with the managing Underwriter selected for such underwriting by the Company and reasonably acceptable to a majority of the Holders proposing to distribute their securities through such underwriting.

(i) Right to Include Additional Shares in an Underwritten Demand Registration. The Company, subject to this Section 2.2(c), may elect to include in any Demand Registration in the form of an underwritten public offering, securities of the Company for its own account and/or any other shares of Common Stock which are requested to be included in such registration pursuant to the exercise of piggyback registration rights granted by the Company after the date hereof in accordance with the terms of this Agreement; provided, however, that such inclusion shall be permitted only to the extent that it is pursuant to and subject to the terms of the underwriting agreement or arrangements, if any, entered into by the Holder or Holders making underwritten such Demand Registration.

(ii) Reduction. Notwithstanding any other provision of this Section 2.2, if the managing Underwriter advises the Company in writing that marketing factors require a limitation of the number of shares to be underwritten, then the Company shall so advise all Holders of Registrable Securities to be included in such Demand Registration and the Company shall include in such registration only the aggregate amount of Registrable Securities that the Underwriter believes may be sold and shall reduce the amount of securities to be included in such registration, (i) first by eliminating those securities of any holders exercising piggyback registration rights granted by the

Company after the date hereof in accordance with the terms of this Agreement, (ii) second by eliminating securities offered by the Company, and (iii) third, by eliminating Registrable Securities, pro rata based on the Registrable Securities held by such Holders at the time of filing the Registration Statement

(d) Effective Registration. A registration will not be deemed to have been effected as a Demand Registration unless it has been declared effective by the Commission and the Company has complied in all material respects with its obligations under this Agreement with respect thereto; provided that if, after it has become effective, such registration or the related, offer, sale or distribution of Registrable Securities thereunder is or becomes the subject of any stop order, injunction or other order or requirement of the Commission or any other governmental or administrative agency, or if any court prevents or otherwise limits the sale of the Registrable Securities pursuant to the registration, and, as a result thereof, two-thirds of the Registrable Securities covered thereby have not been sold, then such registration will be deemed not to have been effected. If (i) a registration requested pursuant to this Section 2.2 is deemed not to have been effected or (ii) the registration requested pursuant to this Section 2.2 does not remain effective until such time as when two-thirds of the Registrable Securities covered thereby have been sold or, with respect to an underwritten offering of Registrable Securities, until 45 days after the commencement of the distribution by the Holders of the Registrable Securities included in such Registration Statement, then the Company shall continue to be obligated to effect such registration pursuant to this Section 2.2 without giving effect to such requested registration. Each Holder of Registrable Securities shall be permitted to withdraw all or any part of its Registrable Securities from a Demand Registration at any time prior to the effective date of such Demand Registration, provided that such registration shall nonetheless count as a Demand Registration under Section 2.2(a) hereof unless such withdrawing Holder(s) agree(s) to be responsible for all reasonable fees and expenses (including reasonable fees and expenses of counsel) incurred by the Company prior to such withdrawal.

(e) Withdrawal. The Company agrees to supplement the prospectus relating to the Shelf Registration Statement to withdraw any shares of the Registrable Securities on the Shelf Registration Statement in the event that such shares are to be sold pursuant to a Demand Registration.

SECTION 2.3 Piggy-Back Registration.

(a) Notice of Registration. If at any time the Company proposes to file a registration statement under the Securities Act with respect to an offering by the Company for its own account (other than a registration statement on Form S-4 or S-8 (or any substitute form that may be adopted by the Commission)) or for the account of any of its security holders, the Company will give to each PVH Holder written notice of such filing at least 20 days prior to filing such registration statement and such notice shall offer the PVH Holders the opportunity to register the number of PVH Securities as each such PVH Holder may request in writing. Upon the written request of such PVH Holder made within ten days after receipt of such notice by the Company (which request shall specify the PVH Securities intended to be disposed of by such PVH Holder), the Company shall include in such registration all of the PVH Securities specified in such request or requests in accordance with the provisions of this Section 2.3 (a "Piggy-Back Registration").

(b) Underwriting. If the registration of which the Company gives notice is for a registered public offering involving an underwriting, the Company shall so advise the PVH Holders as a part of the written notice given pursuant to Section 2.3(a) hereof. In such event, the right of any PVH Holder to registration pursuant to Section 2.3(a) hereof shall be conditioned upon such PVH Holder's participation in such underwriting and the inclusion of PVH Securities in the underwriting to the extent provided herein. All PVH Holders proposing to distribute their securities through such underwriting shall (together with the Company) enter into an underwriting agreement in customary form with the managing Underwriter selected for such underwriting by the Company. The Company shall use its commercially reasonable efforts to cause the managing Underwriter to permit the PVH Securities requested to be included in a Piggy-Back Registration to be included on the same terms and conditions as any similar securities of the Company (whether sold by the Company or a security holder other than a PVH Holder) included therein and to permit the sale or other disposition of such PVH Securities in accordance with the intended method of distribution thereof. Notwithstanding anything to the contrary contained herein, if the managing underwriter advises the Company in writing that in its reasonable opinion the number of equity securities requested to be included in such Piggy-Back Registration exceeds the number which can be sold in such offering, the Company will include in such Piggy-Back Registration: (i) first, the number of shares to be offered by the Company; (ii) second, the number of shares of Common Stock requested to be included by the security holders of the Company exercising their demand registration rights; and (iii) third, that number of other shares of Common Stock proposed to be included in such Piggy-Back Registration, pro rata among all other security holders of the Company (including the PVH Holders) exercising their respective piggy-back registration rights thereof based upon the aggregate number which such holders (including the PVH Holders) propose to include in such Piggy-Back Registration; and the Company shall so advise all Holders and CK Sellers of such limitation (or exclusion, if applicable).

(c) Right to Terminate Registration.

(i) The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 2.3 prior to the effectiveness of the related Registration Statement and shall have no obligation to register any PVH Securities in connection with such registration, except to the extent provided herein. The Registration Expenses of such withdrawn Piggy-Back Registration shall be borne by the Company in accordance with Section 2.4 hereof.

(ii) Any PVH Holder shall have the right to withdraw its request for inclusion of its PVH Securities in any Piggy-Back Registration by giving written notice to the Company of its request to withdraw prior to the planned effective date of the related Registration Statement.

(d) Failure to Effect. No registration effected under this Section 2.3, and no failure to effect a registration under this Section 2.3, shall relieve the Company of its obligation to effect and maintain a Demand Registration upon the request of Holders pursuant to Section 2.2 hereof or the Shelf Registration pursuant to Section 2.1 hereof, and no failure to effect a registration under this Section 2.3 and to complete the sale of the PVH Securities in connection therewith, shall relieve the Company of any other obligation under this Agreement (including, without limitation, the Company's obligations under Sections 2.4 and 3.1).

SECTION 2.4 Registration Expenses. In connection with registrations pursuant to Sections 2.1, 2.2 and 2.3 hereof, the Company shall pay all of the registration expenses incurred in connection with the registration thereunder (the "Registration Expenses"), including, without limitation, all: (i) reasonable registration and filing fees, (ii) reasonable fees and expenses of compliance with securities or blue sky laws (including reasonable fees and disbursements of counsel in connection with blue sky qualifications of the Registrable Securities and the CK Registrable Securities, as applicable), (iii) reasonable processing, duplicating and printing expenses, (iv) of the Company's internal expenses (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), (v) fees and expenses incurred in connection with the listing of the Registrable Securities and the CK Registrable Securities, as applicable, (vi) fees and disbursements of counsel for the Company and fees and expenses for independent certified public accountants retained by the Company (including the expenses of any comfort letters or costs associated with the delivery by independent certified public accountants of a comfort letter or comfort letters requested but not the cost of any audit other than a year end audit), (vii) fees and expenses of any special experts retained by the Company in connection with such registration, and (viii) reasonable fees and expenses of one firm of counsel for the Holders to be selected by the Holders of a majority of the Registrable Securities to be included in such registration ("Holders' Counsel"). Notwithstanding the foregoing, each Selling Holder shall be responsible for any underwriting fees, discounts or commissions attributable to the sale of Registrable Securities of such Selling Holder.

SECTION 2.5 Registration Procedures. In the case of each registration effected by the Company pursuant to this Agreement, the Company will keep each PVH Holder who is entitled to registration rights hereunder advised in writing as to the initiation of each registration and as to the completion thereof. In connection with any such registration:

(a) The Company will promptly prepare and file with the Commission a Registration Statement on Form S-3 (or any successor form then in effect) under the Securities Act (or another appropriate form reasonably acceptable to the Holders) and use its commercially reasonable efforts to cause such Registration Statement to become and remain effective until the completion of the distribution contemplated thereby; provided, however, the Company shall not be required to keep such Registration Statement effective for more than (i) 180 days in the case of registrations effected pursuant to Sections 2.2 and 2.3 hereof (or such shorter period which will terminate when all Registrable Securities covered by such Registration Statement have been sold, or (ii) the Shelf Effective Period in the case of a Shelf Registration Statement.

(b) The Company will promptly prepare and file with the Commission such amendments and post-effective amendments to each Registration Statement as may be necessary to keep such Registration Statement effective for as long as such registration is required to remain effective pursuant to the terms hereof; cause the prospectus to be supplemented by any required prospectus supplement, and, as so supplemented, to be filed pursuant to Rule 424 under the Securities Act; and comply with the provisions of the Securities Act applicable to it with respect to the disposition of all Registrable Securities covered by such Registration Statement during the applicable period in accordance with the intended methods of disposition by the Selling Holders set forth in such Registration Statement or supplement to the prospectus.

(c) The Company, at least 10 days prior to filing a Registration Statement or at least five days prior to filing a prospectus or any amendment or supplement to such Registration Statement or prospectus, will furnish to (i) each Selling Holder, (ii) Holders' Counsel and (iii) each Underwriter, if any, of the Registrable Securities covered by such Registration Statement copies of such Registration Statement and each amendment or supplement as proposed to be filed, together with exhibits thereto, which documents will be subject to reasonable review and approval (which approval may not be unreasonably withheld) by each of the foregoing within five days after delivery (except that such review and approval of any prospectus or any amendment or supplement to such Registration Statement or prospectus must be within three days), and thereafter, furnish to such Selling Holders, Holders' Counsel and Underwriters, if any, such number of copies of such Registration Statement, each amendment and supplement thereto (in each case including all exhibits thereto and documents incorporated by reference therein), the prospectus included in such Registration Statement (including each preliminary prospectus) and such other documents or information as such Selling Holders, Holders' Counsel or Underwriters may reasonably request in order to facilitate the disposition of the Registrable Securities and/or CK Registrable Securities (as applicable); provided, however, that notwithstanding the foregoing, if the Company intends to file any prospectus, prospectus supplement or prospectus sticker which does not make any material changes in the documents already filed (including, without limitation, any prospectus under Rule 430A or 424(b)), then Holders' Counsel will be afforded such opportunity to review such documents prior to filing consistent with the time constraints involved in filing such document, but in any event no less than one day.

(d) The Company will promptly notify each Selling Holder of any stop order issued or threatened by the Commission and take all reasonable actions required to prevent the entry of such stop order or to remove it at the earliest possible moment if entered.

(e) On or prior to the date on which the Registration Statement is declared effective by the Commission, the Company will use all commercially reasonable efforts to (i) register or qualify the Registrable Securities and/or CK Registrable Securities (as applicable) under such other securities or blue sky laws of such jurisdictions in the United States as any Selling Holder reasonably (in light of such Selling Holder's intended plan of distribution) requests, and (ii) file all of the documents required to register such Registrable Securities and/or CK Registrable Securities (as applicable) with or approved by such other governmental agencies or authorities in the United States as may be necessary by virtue of the business and operations of the Company and do any and all other acts and things that may be reasonably necessary or advisable to enable such Selling Holder to consummate the disposition of the Registrable Securities and/or CK Registrable Securities (as applicable) owned by such Selling Holder; provided that the Company will not be required to (A) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this paragraph (e), (B) subject itself to taxation in any such jurisdiction or (C) consent to general service of process in any such jurisdiction.

(f) The Company will notify each Selling Holder, Holders' Counsel and any Underwriter promptly and (if requested by any such Person) confirm such notice in writing, (i) when a prospectus or any prospectus supplement or post-effective amendment has been filed and, with respect to a Registration Statement or any post-effective amendment, when the same has become effective, (ii) of any request by the Commission or any other federal or state governmental

authority for amendments or supplements to a Registration Statement or prospectus or for additional information to be included in any Registration Statement or prospectus or otherwise, (iii) of the issuance by any state securities commission or other regulatory authority of any order suspending the qualification or exemption from qualification of any of the Registrable Securities and/or CK Registrable Securities (as applicable) under state securities or "blue sky" laws or the initiation of any proceedings for that purpose, and (iv) of the happening of any event which makes any statement made in a Registration Statement or related prospectus or any document incorporated or deemed to be incorporated by reference therein untrue or which requires the making of any changes in such Registration Statement, prospectus or documents so that they will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements in the Registration Statement and prospectus not misleading in light of the circumstances in which they were made; and, as promptly as practicable thereafter, prepare and file with the Commission and furnish a supplement or amendment to such prospectus so that, as thereafter deliverable to the purchasers of such Registrable Securities and/or CK Registrable Securities, such prospectus will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. Each Selling Holder hereby agrees to keep any disclosures under subsection (v) above confidential until such time as a supplement or amendment is filed.

(g) The Company will make generally available an earnings statement satisfying the provisions of Section 11(a) of the Securities Act no later than 90 days after the end of the 12-month period beginning with the first day of the Company's first fiscal quarter commencing after the effective date of a Registration Statement, which earnings statement shall cover said 12-month period, and which requirement will be deemed to be satisfied if the Company timely files complete and accurate information on Forms 10-Q, 10-K and 8-K under the Exchange Act and otherwise complies with Rule 158 under the Securities Act.

(h) The Company will enter into customary agreements reasonably satisfactory to the Company (including, if applicable, an underwriting agreement in customary form and which is reasonably satisfactory to the Company) and take such other actions as are reasonably required in order to expedite or facilitate the disposition of such Registrable Securities and/or CK Registrable Securities.

(i) The Company, during the period when the prospectus is required to be delivered under the Securities Act, promptly will file all documents required to be filed with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act.

(j) The Company will furnish to each Selling Holder a signed counterpart, addressed to such Selling Holder, of (i) an opinion of counsel for the Company, dated the effective date of the Registration Statement, and (ii) "comfort" letters signed by the Company's independent public accountants who have examined and reported on the Company's financial statements included in the Registration Statement, covering substantially the same matters with respect to the Registration Statement (and the prospectus included therein) and (in the case of the accountants' "comfort" letters, with respect to events subsequent to the date of the financial statements), in each case as are customarily covered in opinions of issuer's counsel and in accountants' "comfort" letters delivered to the Underwriters in underwritten public offerings of securities.

(k) The Company shall cause all such Registrable Securities and/or CK Registrable Securities (as applicable) registered pursuant hereunder to be listed on each securities exchange on which similar securities of the same class issued by the Company are then listed.

(l) The Company shall otherwise comply with all applicable rules and regulations of the Commission.

The Company may require each Selling Holder to promptly furnish in writing to the Company such information regarding the distribution of such Person's PVH Securities as the Company may from time to time reasonably request and such other information as may be legally required in connection with such registration including, without limitation, all such information as may be requested by the Commission. The Company may exclude from such Registration Statement any Selling Holder who fails to provide such information.

Each Selling Holder agrees that, upon receipt of any notice from the Company of the happening of any event of the kind described in Section 2.5(f) hereof, such Selling Holder will forthwith discontinue the disposition of such Person's PVH Securities pursuant to the Registration Statement covering such PVH Securities until such Selling Holder's receipt of the copies of the supplemented or amended prospectus contemplated by Section 2.5(f) hereof, and, if so directed by the Company, such Selling Holder will deliver to the Company all copies, other than permanent file copies then in such Selling Holder's possession, of the most recent prospectus covering such Person's PVH Securities at the time of receipt of such notice. In the event the Company shall give such notice, the Company shall extend the period during which such Registration Statement shall be maintained effective (including the period referred to in Section 2.5(a) hereof) by the number of days during the period from and including the date of the giving of notice pursuant to Section 2.5(f) hereof to the date when the Company shall make available to the Selling Holders covered by such Registration Statement a prospectus supplemented or amended to conform with the requirements of Section 2.5(f) hereof.

ARTICLE III
INDEMNIFICATION

SECTION 3.1 In the event any PVH Securities are included in a Registration Statement under Article II:

(a) The Company will indemnify and hold harmless each Selling Holder, each of its officers, directors, partners and trustees, and each person controlling such Selling Holder within the meaning of Section 15 of the Securities Act, with respect to which registration, qualification or compliance has been effected pursuant to Article II, and each Underwriter, if any, and each Person who controls such Underwriter within the meaning of Section 15 of the Securities Act, against all expenses (including reasonable costs of investigation), claims, losses, damages or liabilities, or actions in respect thereof, including any of the foregoing incurred in settlement of any litigation, commenced or threatened, arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in any Registration Statement, prospectus, or any amendment or supplement thereto, or based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the

circumstances in which they were made, not misleading, or any violation or alleged violation by the Company of the Securities Act, the Exchange Act or any state securities law or any rule or regulation promulgated under the Securities Act, the Exchange Act or any state securities law in connection with any such registration, qualification or compliance ("Violation"), and the Company will reimburse each such Selling Holder, each of its officers, directors, and partners and each Person controlling such Selling Holder, each such Underwriter and each Person who controls any such Underwriter, for any legal and any other expenses (as such legal or other expenses are incurred) reasonably incurred in connection with investigating, preparing or defending any such claim, loss, damage, liability or action, provided that the Company will not be liable in any such case to the extent that any such claim, loss, damage, liability or expense arises out of or is based on any untrue statement or omission or alleged untrue statement or omission, made in reliance upon and in conformity with written information furnished to the Company by an instrument duly executed by such Selling Holder, controlling Person or Underwriter and stated to be specifically for use therein and provided further that the Company will not be liable for the failure of any Selling Holder to send a copy of a final prospectus, amendment or supplement to the claimant if copies of such final prospectus, amendment or supplement were made available to the Selling Holder by the Company and the claim would not have arisen if the final prospectus, amendment or supplement had been delivered to the claimant.

(b) Each Selling Holder will, if such Person's PVH Securities are included in the securities as to which such registration, qualification or compliance is being effected, indemnify the Company, each of its directors and officers, each Underwriter, if any, of the Company's securities covered by such a Registration Statement, each Person who controls the Company or such Underwriter within the meaning of Section 15 of the Securities Act, and each other Selling Holder, each of its officers, directors and partners and each Person controlling such Selling Holder within the meaning of Section 15 of the Securities Act, against all expenses (including reasonable costs of investigation), claims, losses, damages or liabilities, or actions in respect thereof, arising out of or based on any Violation, and will reimburse the Company, such other Selling Holders, such directors, officers, Persons, Underwriters or control Persons for any legal or any other expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability or action, in each case to the extent, but only to the extent, that such Violation is made in such Registration Statement, prospectus, amendment or supplement in reliance upon and in conformity with written information furnished to the Company by an instrument duly executed by such Selling Holder and stated to be specifically for use therein. A Selling Holder will not be required to enter into any agreement or undertaking in connection with any registration under Article II providing for any indemnification or contribution on the part of such Selling Holder greater than the Selling Holder's obligations under this Section 3.1(b). Notwithstanding anything in this Section 3.1(b), the aggregate amount which may be recovered from any Selling Holder pursuant to the indemnification provided for in this Section 3.1(b) shall be limited to the total proceeds received by such Selling Holder from the sale of such Selling Holder's PVH Securities (net of underwriting discounts and commissions) and the obligations of each Selling Holder pursuant to this Section 3.1 shall be individual and not several or joint and several.

(c) Each party entitled to indemnification under this Article III (the "Indemnified Party") shall give notice to the party required to provide indemnification (the "Indemnifying Party") promptly after such Indemnified Party has actual knowledge of any claims as

to which indemnity may be sought and the Indemnifying Party shall assume the defense thereof, including the employment of counsel and payment of all fees and expenses. The failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations under this Section 3.1, except to the extent that the Indemnifying Party is actually prejudiced by such failure to give notice. Such Indemnified Party shall have the right to retain separate counsel with respect to the defense of a claim, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party unless (i) the Indemnifying Party has agreed in writing to pay such fees and expenses, (ii) the Indemnifying Party has failed to assume the defense and retain counsel within a reasonable time after notice of such claim, or (iii) the Indemnified Party shall have reasonably concluded that a conflict of interest between such Indemnified Party and Indemnifying Party may exist in respect of such claim. It is understood, however, that the Company shall, in connection with any one such claim, be liable for the fees and expenses of only one separate firm of attorneys (in addition to local counsel) at any time for all such Selling Holders not having actual or potential differing interests, which firm shall be designated in writing by a majority of the Selling Holders, and all such fees and expenses shall be reimbursed within 30 days after such fees and expenses are incurred. The Indemnifying Party will not, without the prior written consent of each Indemnified Party, settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action, suit or proceeding in respect of which indemnification may be sought hereunder (whether or not such Indemnified Party or any Person who controls such Indemnified Party is a party to such claim, action, suit or proceeding), if such settlement, compromise or consent (i) does not include an unconditional release of such Indemnified Party from all liability arising out of such claim, action, suit or proceeding or (ii) requires anything from the Indemnified Party other than the payment of money damages which the Indemnifying Party has agreed to pay in full.

(d) If the indemnification provided for in this Section 3.1 is held by a court of competent jurisdiction to be unavailable to an Indemnified Party with respect to any losses, claims, damages or liabilities referred to herein, the Indemnifying Party, in lieu of indemnifying such Indemnified Party thereunder, shall to the extent permitted by applicable law contribute to the amount paid or payable by such Indemnified Party as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party on the one hand and of the Indemnified Party on the other in connection with the Violation(s) that resulted in such loss, claim, damage or liability, as well as any other relevant equitable considerations. The relative fault of the Indemnifying Party and of the Indemnified Party shall be determined by a court of law by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission to state a material fact relates to information supplied by the Indemnifying Party or by the Indemnified Party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. Notwithstanding anything in this Section 3.1(d), the aggregate amount which may be recovered from any Selling Holder pursuant to the contribution provided for in this Section 3.1(d) shall be limited to the total proceeds received by such Selling Holder from the sale of such Selling Holder's PVH Securities (net of underwriting discounts and commissions), less any amounts recovered from such Selling Holder under Section 3.1(b).

ARTICLE IV
OTHER REGISTRATION RIGHTS

SECTION 4.1 Best Registration Rights. The Company shall not in the future grant to any owner or purchaser of shares of capital stock of the Company registration rights that would provide for terms that are in any manner more favorable to the holder of such registration rights than the terms granted to the PVH Holders herein other than the number of demand registrations or the minimum amount of shares required to exercise demand registration rights (and the Company shall not amend or waive any provision of any agreement providing registration rights to others or take any other action whatsoever to provide for terms that are more favorable to other holders than the terms granted to the PVH Holders herein other than the number of demand registrations or the minimum amount of shares required to exercise demand registration rights).

SECTION 4.2 Assignment of Registration Rights. Each Investor may assign its rights, interests and obligations under this Agreement to any: (i) direct or indirect partner, investor or participant of such Investor; (ii) other Investor; (iii) Institutional Investor; (iv) Other Transferee; or (v) Affiliate of such Investor, in connection with a transfer of shares of Series B Stock and/or Common Stock to such Person in accordance with the Investors' Rights Agreement; provided, that in the event of such assignment, the assignee shall agree in writing to be bound by the provisions of this Agreement. The CK Sellers may not assign their rights, interests and obligations under this Agreement without the prior written consent of the Company and a majority of the Holders; provided, that, notwithstanding the foregoing, the CK Sellers shall be allowed to assign their rights, interests and obligations under this Agreement to family members, entities either controlled by or under common control with such CK Seller, financial institutions or institutional investors.

ARTICLE V
MISCELLANEOUS

SECTION 5.1 Rule 144 Reporting. With a view to making available the benefits of certain rules and regulations of the Commission which may at any time permit the sale of the PVH Securities to the public without registration, the Company agrees, so long as there are outstanding PVH Securities, to use its commercially reasonable efforts to:

(a) to file with the Commission in a timely manner all reports and other documents as the Commission may prescribe under Section 13(a) or 15(d) of the Exchange Act at any time while the Company is subject to such reporting requirements of the Exchange Act; and

(b) furnish to the Holders forthwith upon a reasonable request a written statement by the Company as to its compliance with the reporting requirements of Rule 144 and of the Securities Act and the Exchange Act.

SECTION 5.2 Holdback Agreement. Subject to the provisions hereof, in the event the Company proposes to enter into an underwritten public offering, each Holder agrees to enter into a customary agreement with the managing Underwriters not to effect any sale or distribution of equity securities of the Company, or any securities convertible, exchangeable or exercisable for or into such securities, during the period beginning on the date of such offering and

extending for up to 180 days if so requested by the Company and the Underwriters; provided that such Holders shall not be so obligated unless the Company and each other selling stockholder owning 5% or more of the Company's outstanding Common Stock participating in such offering enter into the same or comparable lock-up agreement for the same period and further shall not be so obligated if such Holder then owns less than 5% of the outstanding Series B Stock; provided, further, that the Holders shall not be obligated to enter into more than one such agreement in any twelve-month period.

SECTION 5.3 Termination of Registration Rights. The rights granted under this Agreement shall terminate, as to any Selling Holder, on the date on which such Selling Holder no longer owns PVH Securities.

SECTION 5.4 Amendment and Modification. This Agreement may be amended, modified and supplemented, and any of the provisions contained herein may be waived, only by a written instrument signed by the Company and the Holders holding a majority of the Registrable Securities; provided, that no amendment, modification or supplement that adversely affects the rights of the CK Sellers hereunder may be made without the consent of a majority of the CK Sellers. No course of dealing between or among any Persons having any interest in this Agreement will be deemed effective to modify, amend or discharge any part of this Agreement or any rights or obligations of any Person under or by reason of this Agreement.

SECTION 5.5 Limitations on the CK Sellers. In any three month period, the CK Sellers shall only be permitted to sell in the aggregate, pursuant to the Shelf Registration Statement, that number of shares of Common Stock equal to the greater of: (i) 15% of the average reported trading volume of the shares of Common Stock on the New York Stock Exchange Composite Transaction Reporting System (if the Common Stock is not so listed on any national securities exchange, on the Nasdaq National Market or the Nasdaq SmallCap Market, then on the domestic over-the-counter market as reported by the National Quotation Bureau Incorporated, or any similar successor organization) as reported in the Wall Street Journal for the three month period immediately preceding such sale or sales or (ii) the maximum such CK Seller would be eligible to sell in accordance with Rule 144.

SECTION 5.6 Binding Effect; Entire Agreement. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns and executors, administrators and heirs. This Agreement sets forth the entire agreement and understanding between the parties as to the subject matter hereof and merges and supersedes all prior discussions, agreements and understandings of any and every nature among them.

SECTION 5.7 Severability. In the event that any provision of this Agreement or the application of any provision hereof is declared to be illegal, invalid or otherwise unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall not be affected except to the extent necessary to delete such illegal, invalid or unenforceable provision unless that provision held invalid shall substantially impair the benefits of the remaining portions of this Agreement.

SECTION 5.8 Notices and Addresses. Any notice, demand, request, waiver, or other communication under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service, if personally served or sent by facsimile; on the business day after notice is delivered to a courier or mailed by express mail, if sent by courier delivery service or express mail for next day delivery; and on the third day after mailing, if mailed to the party to whom notice is to be given, by first class mail, registered, return receipt requested, postage prepaid and addressed as follows:

If to the Company:

Phillips-Van Heusen Corporation
200 Madison Avenue
New York, New York 10016
Attention: Vice President, General Counsel and Secretary
Facsimile: (212) 381-3970
Telephone: (212) 381-3509

with a copy (which shall not constitute notice) to:

Katten Muchin Zavis Rosenman
575 Madison Avenue
New York, New York 10022
Attention: David H. Landau, Esq.
Facsimile: (212) 940-8776
Telephone: (212) 940-8800

If to any Holder, at the most current address, and with a copy to be sent to each additional address, given by such Holder to the Company in writing, and copies (which shall not constitute notice) sent to:

Swidler Berlin Shereff Friedman, LLP
The Chrysler Building
405 Lexington Avenue
New York, New York 10174
Attention: Morris Orens, Esq.
Fax: (212) 891-9598

If to any CK Seller

at the address set forth in the CK Purchase Agreement

with copies to:

Grubman, Indursky & Schindler, P.C.
152 West 57th Street
New York, New York 10019
Attention: Arthur Indursky, Esq.
Facsimile: (212) 554-0444
Telephone: (212) 554-0400

and

Paul, Weiss, Rifkind, Wharton & Garrison
1285 Avenue of the Americas
New York, New York 10019
Attention: James H. Schwab, Esq.
Facsimile: (212) 757-3900
Telephone: (212) 373-3000

SECTION 5.9 Governing Law. This Agreement and (unless otherwise provided) all amendments hereof and waivers and consents hereunder shall be governed by the internal Laws of the State of New York, without regard to the conflicts of Law principles thereof which would specify the application of the Law of another jurisdiction.

SECTION 5.10 Headings. The headings in this Agreement are for convenience of reference only and shall not constitute a part of this Agreement, nor shall they affect their meaning, construction or effect.

SECTION 5.11 Counterparts. This Agreement may be executed via facsimile and in any number of counterparts, each of which shall be deemed to be an original instrument and all of which together shall constitute one and the same instrument.

SECTION 5.12 Further Assurances. Each party shall cooperate and take such action as may be reasonably requested by another party in order to carry out the provisions and purposes of this Agreement and the transactions contemplated hereby.

SECTION 5.13 Remedies. In the event of a breach or a threatened breach by any party to this Agreement of its obligations under this Agreement, any party injured or to be injured by such breach will be entitled to specific performance of its rights under this Agreement or to injunctive relief, in addition to being entitled to exercise all rights provided in this Agreement and granted by law, it being agreed by the parties that the remedy at law, inducing monetary damages, for breach of any such provision will be inadequate compensation for any loss and that any defense or objection in any action for specific performance or injunctive relief that a remedy at law would be adequate is waived.

SECTION 5.14 Pronouns. Whenever the context may require, any pronouns used herein shall be deemed also to include the corresponding neuter, masculine or feminine forms.

SECTION 5.15 Jurisdiction. Each of the PVH Holders and the Company (a) hereby irrevocably and unconditionally submits to the exclusive jurisdiction of any state or federal court sitting in New York County, New York for the purposes of any suit, action or other proceeding arising out of this Agreement or the subject matter hereof brought by the Company, or any PVH Holder and (b) hereby waives and agrees 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 subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, 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 this Agreement or the subject matter hereof may not be enforced in or by such court.

[SIGNATURE PAGES FOLLOW]

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

PHILLIPS-VAN HEUSEN CORPORATION

By: /s/ Mark D. Fischer

Name: Mark D. Fischer
Title: Vice President

APAX EXCELSIOR VI, L.P.

By: Apax Excelsior VI Partners, L.P.,
Its General Partner
By: Apax Managers, Inc.
Its General Partner

By: /s/ David Landau

Name: David Landau
Title: Vice President

APAX EXCELSIOR VI-A C.V.

By: Apax Excelsior VI Partners, L.P.,
Its General Partner
By: Apax Managers, Inc.
Its General Partner

By: /s/ David Landau

Name: David Landau
Title: Vice President

APAX EXCELSIOR VI-B C.V.

By: Apax Excelsior VI Partners, L.P.,
Its General Partner
By: Apax Managers, Inc.
Its General Partner

By: /s/ David Landau

Name: David Landau
Title: Vice President

PATRICOF PRIVATE INVESTMENT CLUB III, L.P.

By: Apax Excelsior VI Partners, L.P.,
Its General Partner
By: Apax Managers, Inc.
Its General Partner

By: /s/ David Landau

Name: David Landau
Title: Vice President

APAX EUROPE V - A, L.P.

By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - B, L.P.

By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - C GMBH & CO. KG

By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - D, L.P.

By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - E, L.P.

By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - F, C.V.

By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - G, C.V.

By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - 1, L.P.

By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

APAX EUROPE V - 2, L.P.

By: Apax Partners Europe Managers Ltd.
Its Investment Manager

By: /s/ Adrian Beecroft

Name: Adrian Beecroft
Title: Managing Director

By: /s/ Clive Sherling

Name: Clive Sherling
Title: Managing Director

By: /s/ Barry Schwartz

Barry Schwartz

By: /s/ Stephanie Schwartz-Ferdman

Stephanie Schwartz-Ferdman

By: /s/ Jonathan Schwartz

Jonathan Schwartz

CALVIN KLEIN 2001 REVOCABLE TRUST

By: /s/ Calvin Klein

Calvin Klein, as trustee

TRUST F/B/O ISSUE OF CALVIN KLEIN

By: /s/ Flore Klein

Flore Klein, as trustee

By: /s/ Deirdre Miles-Graeter

Deirdre Miles-Graeter, as trustee

TRUST F/B/O ISSUE OF BARRY SCHWARTZ

By: /s/ Sheryl Rona Schwartz

Sheryl Rona Schwartz, as trustee