

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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported)
January 28, 2011

PHILLIPS-VAN HEUSEN CORPORATION
(Exact name of registrant as specified in its charter)

Delaware

001-07572

13-1166910

(State or other jurisdiction of
incorporation)

(Commission File
Number)

(IRS Employer Identification
No.)

200 Madison Avenue, New York, New York

10016

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code (212) 381-3500

Not Applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers; Compensatory Arrangements of Certain Officers

On January 28, 2011, Phillips-Van Heusen Corporation (the “Company”) entered into amendments to the employment agreements with Emanuel Chirico, the Company’s Chief Executive Officer, Michael Shaffer, the Company’s Executive Vice President and Chief Financial Officer, and Francis K. Duane, the Company’s Vice Chairman, Wholesale Apparel, and the Company’s subsidiary Calvin Klein, Inc. (“Calvin Klein”) entered into an amendment to the employment agreement with Paul Thomas Murry, the President and Chief Executive Officer of Calvin Klein (each, an “Amendment,” and collectively, the “Amendments”).

The Amendments (i) eliminate the tax “gross-up” that would otherwise be payable to Messrs. Shaffer, Duane and Murry if they become subject to the excise tax on excess parachute payments under Section 4999 of the Internal Revenue Code of 1986, as amended (the “Code”); and (ii) simplifies the severance formula used to determine payouts to Messrs. Chirico, Duane and Murry in the event that they are terminated without “cause” or they terminate their employment for “good reason”. Mr. Chirico’s tax gross-up was eliminated in a prior amendment to his employment agreement. Mr. Shaffer’s Amendment also includes a clerical change to conform the language of his severance formula (which is substantively the same as in the other Amendments) to the language in the other Amendments.

To mitigate the potential adverse effect of having to pay the excise tax as a result of the elimination of the tax gross-up, the Amendments also provide that if the severance (payments and benefits) to be received by either Messrs. Shaffer, Duane or Murry would subject him to the excise tax, his severance would be reduced by the amount required to avoid the imposition of the excise tax, if such a reduction would give him a better after-tax result than if he had received the full severance amount and paid the excise tax.

In the event that either Messrs. Chirico’s, Duane’s or Murry’s employment is terminated without “cause” or either terminates his employment for “good reason,” he will be entitled to receive an amount equal to a multiple (which varies among each executive and whether the termination occurs during the two-year period after a change in control) of the sum of his base salary plus an amount equal to the bonus that would be payable if “target” level performance were achieved under the Company’s annual bonus plan (if any) in respect of the fiscal year during which the termination occurs (or the prior fiscal year, if bonus levels have not yet been established for the year of termination). Previously, each was entitled to an amount equal to the sum of his applicable multiple of his salary plus an amount equal to the percentage of his salary that his “target” level payout was set at under the Company’s annual bonus plan (if any) in respect of the fiscal year prior to the year during which the termination occurs.

The Amendments are attached as Exhibits 10.1 through 10.4 to this Report.

The following is a summary of the material terms and conditions of the employment agreements of each of the executives (as the same may have been previously amended), as amended by his applicable Amendment (the “Amended Agreements”):

Emanuel Chirico

The Amended Agreement with Mr. Chirico outlines the compensation and benefits to be paid to him, as well as sets forth his rights to severance upon termination of employment and the restrictive covenants in the Company’s favor to which he has agreed.

Generally, Mr. Chirico is entitled to severance only if his employment is terminated by the Company without “cause” or if he terminates his employment for “good reason.” “Cause” is generally defined as (1) gross negligence or willful misconduct in Mr. Chirico’s performance of the material responsibilities of his position, which results in material economic harm to the Company or its affiliates or in reputational harm causing demonstrable injury to the Company or its affiliates; (2) Mr. Chirico’s willful and continued failure to perform substantially his duties (other than any such failure resulting from incapacity due to physical or mental illness); (3) Mr. Chirico’s conviction of, or plea of guilty or *nolo contendere* to, a felony within the meaning of U.S. Federal, state or local law (other than a traffic violation); (4) Mr. Chirico’s having willfully divulged, furnished or made accessible any confidential information (as defined); or (5) any act or failure to act by Mr. Chirico, which, under the provisions of applicable law, disqualifies him from acting in his position. “Good reason” is generally defined as (i) the assignment to Mr. Chirico of any duties inconsistent in any material respect with his position or any other action that results in a material diminution in such position; (ii) a reduction of his base salary; (iii) the taking of any action that substantially diminishes (A)

the aggregate value of Mr. Chirico's total compensation opportunity, and/or (B) the aggregate value of the employee benefits provided to him; (iv) requiring that Mr. Chirico's services be rendered primarily at a location or locations more than 35 miles from the Company's principal executive offices; (v) solely after a change in control of the Company, a change in the Chairman of the Board of Directors such that neither the person holding such position immediately prior to the change in control nor Mr. Chirico is serving as the Chairman at any time during the one-year period following such change in control (other than as a result of such person's cessation of service due to death or disability); or (vi) the Company's failure to require any successor to assume expressly and agree to perform Mr. Chirico's employment agreement.

In the event of a termination of employment without cause or for good reason (other than during the two-year period after a change in control), Mr. Chirico is entitled, subject to executing a release of claims in the Company's favor, to two times the sum of his base salary plus an amount equal to the bonus that would be payable if "target" level performance were achieved under the Company's annual bonus plan (if any) in respect of the fiscal year during which the termination occurs (or the prior fiscal year, if bonus levels have not yet been established for the year of termination). All such payments are payable in accordance with the Company's payroll schedule in 48 substantially equal installments. The Amended Agreement provides that during the two-year period following Mr. Chirico's termination of employment without cause or for good reason (other than during the two-year period after a change in control), medical, dental, life and disability insurance coverages are continued for Mr. Chirico (and his family, to the extent participating prior to termination of employment), subject to cessation if he obtains replacement coverage from another employer (although there is no duty to seek employment or mitigate damages). Mr. Chirico is required to pay the active employee rate, if any, for such coverage.

Mr. Chirico also is entitled, subject to executing a release of claims in the Company's favor, to severance upon the termination of his employment by the Company without cause or by him for good reason within two years after a "change in control" of the Company (as defined in the Amended Agreement). In either such case, he will receive an aggregate amount equal to three times the sum of his base salary plus an amount equal to the bonus that would be payable if "target" level performance were achieved under the Company's annual bonus plan (if any) in respect of the fiscal year during which the termination occurs (or the prior fiscal year, if bonus levels have not yet been established for the year of termination). This amount will be paid in a lump sum, if the change in control constitutes a "change in the ownership" or a "change in the effective control" of the Company or a "change in the ownership of a substantial portion of a corporation's assets" (each within the meaning of Section 409A of the Code). This amount will be paid in 72 substantially equal payments, if the change in control does not constitute a "change in the ownership" or a "change in the effective control" of the Company or a "change in the ownership of a substantial portion of a corporation's assets" under Section 409A. Mr. Chirico also receives comparable medical, dental, life and disability insurance coverage for himself and his family for the three-year period immediately following such a termination.

Notwithstanding the foregoing, the Amended Agreement provides that if Mr. Chirico's receipt of the foregoing severance would subject him to the excise tax on excess parachute payments under Section 4999 of the Code, his severance would be reduced by the amount required to avoid the excise tax if such a reduction would give Mr. Chirico a better after-tax result than if he had received the full severance amount.

The Amended Agreement also includes certain restrictive covenants in favor of the Company. The covenants include prohibitions during and following employment against Mr. Chirico's use of confidential information and soliciting the Company's employees for employment by himself or anyone else and, other than following a termination without cause or for good reason, competing against the Company or accepting employment with a competitor and interfering with the Company's business relationships.

Michael Shaffer

The Amended Agreement with Mr. Shaffer outlines the compensation and benefits to be paid to him, as well as sets forth his rights to severance upon termination of employment and the restrictive covenants in the Company's favor to which he has agreed.

Generally, Mr. Shaffer is entitled to severance only if his employment is terminated by the Company without "cause" or if he terminates his employment for "good reason." The definition of "cause" under Mr. Shaffer's agreement is substantially the same as under Mr. Chirico's employment agreement. "Good reason" is generally defined as (i) the assignment to

Mr. Shaffer of any duties inconsistent in any material respect with his position or any other action that results in a material diminution in such position; (ii) a reduction of his base salary; (iii) the taking of any action that substantially diminishes (A) the aggregate value of Mr. Shaffer's total compensation opportunity, and/or (B) the aggregate value of the employee benefits provided to him; or (iv) requiring that Mr. Shaffer's services be rendered primarily at a location or locations more than 75 miles from the Company's principal executive offices.

In the event of a termination of employment without cause or for good reason (other than during the two-year period after a change in control), Mr. Shaffer is entitled, subject to executing a release of claims in the Company's favor, to one and a half times the sum of his base salary plus an amount equal to the bonus that would be payable if "target" level performance were achieved under the Company's annual bonus plan (if any) in respect of the fiscal year during which the termination occurs (or the prior fiscal year, if bonus levels have not yet been established for the year of termination). All such payments are payable in accordance with the Company's payroll schedule in 36 substantially equal installments. The Amended Agreement provides that during the 18-month period following Mr. Shaffer's termination of employment without cause or for good reason (other than during the two-year period after a change in control), medical, dental, life and disability insurance coverages are continued for Mr. Shaffer (and his family, to the extent participating prior to termination of employment), subject to cessation if he obtains replacement coverage from another employer (although there is no duty to seek employment or mitigate damages). Mr. Shaffer is required to pay the active employee rate, if any, for such coverage.

Mr. Shaffer also is entitled, subject to executing a release of claims in the Company's favor, to severance upon the termination of his employment by the Company without cause or by him for good reason within two years after a "change in control" of the Company (as defined in the Amended Agreement). In either such case, he will receive an aggregate amount equal to two times the sum of his base salary plus an amount equal to the bonus that would be payable if "target" level performance were achieved under the Company's annual bonus plan (if any) in respect of the fiscal year during which the termination occurs (or the prior fiscal year, if bonus levels have not yet been established for the year of termination). This amount will be paid in a lump sum, if the change in control constitutes a "change in the ownership" or a "change in the effective control" of the Company or a "change in the ownership of a substantial portion of a corporation's assets" (each within the meaning of Section 409A of the Code). This amount will be paid in 48 substantially equal payments, if the change in control does not constitute a "change in the ownership" or a "change in the effective control" of the Company or a "change in the ownership of a substantial portion of a corporation's assets" under Section 409A. Mr. Shaffer also receives comparable medical, dental, life and disability insurance coverage for himself and his family for the two-year period immediately following such a termination.

Notwithstanding the foregoing, the Amended Agreement provides that if Mr. Shaffer's receipt of the foregoing severance would subject him to the excise tax on excess parachute payments under Section 4999 of the Code, his severance would be reduced by the amount required to avoid the excise tax if such a reduction would give Mr. Shaffer a better after-tax result than if he had received the full severance amount.

The Amended Agreement also includes certain restrictive covenants in favor of the Company. The covenants include prohibitions during and following employment against Mr. Shaffer's use of confidential information and soliciting the Company's employees for employment by himself or anyone else and, other than following a termination without cause or for good reason, competing against the Company or accepting employment with a competitor and interfering with the Company's business relationships.

Francis K. Duane and Paul Thomas Murry

The Amended Agreements with Messrs. Duane and Murry outline the compensation and benefits to be paid to these executives, as well as sets forth their rights to severance upon termination of employment and the restrictive covenants in the Company's favor to which they have agreed.

Generally, each of these executives is entitled to severance only if his employment is terminated by us without "cause" or if he terminates his employment for "good reason." The definitions of "cause" and "good reason" under these executives' agreements are substantially the same as under Mr. Chirico's employment agreement, other than for the exclusion of clause (v) of the good reason definition.

In the event of a termination of employment without cause or for good reason (other than during the two-year period after a change in control), each of these executives is entitled,

subject to executing a release of claims in the Company's favor, to one and a half times the sum of his base salary plus an amount equal to the bonus that would be payable if "target" level performance were achieved under the Company's annual bonus plan (if any) in respect of the fiscal year during which the termination occurs (or the prior fiscal year, if bonus levels have not yet been established for the year of termination). All such payments are payable in accordance with the Company's payroll schedule in 36 substantially equal installments. The Amended Agreements provide that during the 18-month period following the executive's termination of employment without cause or for good reason (other than during the two-year period after a change in control), medical, dental, life and disability insurance coverages are continued for the executive (and his family, to the extent participating prior to termination of employment), subject to cessation if he obtains replacement coverage from another employer (although there is no duty to seek employment or mitigate damages). Each of these executives is required to pay the active employee rate, if any, for such coverage.

Each of these executives is entitled, subject to executing a release of claims in the Company's favor, to severance upon the termination of his employment by the Company without cause or by him for good reason within two years after a "change in control" of the Company (as defined in the Amended Agreements). In either such case, he will receive an aggregate amount equal to two times the sum of his base salary plus an amount equal to the bonus that would be payable if "target" level performance were achieved under the Company's annual bonus plan (if any) in respect of the fiscal year during which the termination occurs (or the prior fiscal year, if bonus levels have not yet been established for the year of termination).

This amount will be paid in a lump sum, if the change in control constitutes a "change in the ownership" or a "change in the effective control" of the Company or a "change in the ownership of a substantial portion of a corporation's assets" (each within the meaning of Section 409A of the Code). This amount will be paid in 48 substantially equal payments, if the change in control does not constitute a "change in the ownership" or a "change in the effective control" of the Company or a "change in the ownership of a substantial portion of a corporation's assets" under Section 409A. These executives also receive comparable medical, dental, life and disability insurance coverage for themselves and their families for the two-year period immediately following such a termination.

Notwithstanding the foregoing, the Amended Agreements provide that if the executive's receipt of the foregoing severance would subject him to the excise tax on excess parachute payments under Section 4999 of the Code, his severance would be reduced by the amount required to avoid the excise tax if such a reduction would give the executive a better after-tax result than if he had received the full severance amount.

The Amended Agreements also include certain restrictive covenants in favor of the Company.

The covenants include prohibitions during and following employment against the executives' use of confidential information and soliciting the Company's employees for employment by themselves or anyone else and, other than following a termination without cause or for good reason, competing against the Company or accepting employment with a competitor and interfering with the Company's business relationships.

Item 9.01 Financial Statements And Exhibits.

(d) Exhibits:

Exhibit	Description
10.1	Third Amendment to Second Amended and Restated Employment Agreement, dated January 28, 2011, between Phillips-Van Heusen Corporation and Emanuel Chirico
10.2	First Amendment to Second Amended and Restated Employment Agreement, dated January 28, 2011, between Phillips-Van Heusen Corporation and Michael Shaffer
10.3	Second Amendment to Second Amended and Restated Employment Agreement, dated January 28, 2011, between Phillips-Van Heusen Corporation and Francis K. Duane
10.4	Second Amendment to Second Amended and Restated Employment Agreement, dated January 28, 2011, between Calvin Klein, Inc. and Paul Thomas Murry

SIGNATURES

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

PHILLIPS-VAN HEUSEN CORPORATION

By: /s/ Mark D. Fischer
Mark D. Fischer, Senior Vice President

Date: January 28, 2011

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10.4	Second Amendment to Second Amended and Restated Employment Agreement, dated January 28, 2011, between Calvin Klein, Inc. and Paul Thomas Murry

EXHIBIT 10.1

**THIRD AMENDMENT TO SECOND AMENDED AND RESTATED
EMPLOYMENT AGREEMENT**

THIRD AMENDMENT TO SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Amendment"), dated as of January 28, 2011, between PHILLIPS-VAN HEUSEN CORPORATION, a Delaware corporation ("PVH" and, together with its affiliates and subsidiaries, the "Company"), and EMANUEL CHIRICO (the "Executive").

W I T N E S S E T H

WHEREAS, the Company has previously entered into that Second Amended and Restated Employment Agreement with the Executive, dated as of December 23, 2008, and amended as of January 29, 2010 and May 27, 2010 (the "Employment Agreement"); and

WHEREAS, the Company and the Executive have agreed to simplify the formula used to determine payouts under Sections 3(b) and 3(f) of the Employment Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

1. Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Employment Agreement.
2. Amendment of Sections 3(b) and 3(f)(ii). In order to clarify the amounts payable under Sections 3(b) and 3(f) of the Employment Agreement, Sections 3(b) and 3(f)(ii) of the Employment Agreement are hereby deleted in their entirety and the following is substituted in lieu thereof.
 - (a) Substitution for Section 3(b).

(b) Termination without Cause by the Company or for Good Reason by the Executive Prior to a Change in Control. The Company may also terminate the Executive's employment with the Company at any time without Cause, and the Executive may terminate his employment with the Company at any time for Good Reason (as defined below in Section 3(f)(i)(B)). If the Company terminates the Executive's services without Cause or the Executive terminates his employment with the Company for Good Reason, other than during the two-year period following a Change in Control (as defined below in Section 3(f)(i)(A)), the Executive shall be entitled to receive from the Company (i) the portion of the Base Salary for periods prior to the effective date of termination accrued but unpaid (if any); (ii) all unreimbursed expenses (if any), subject to Section 2(d); (iii) an aggregate amount (the "Severance Amount") equal to two times the sum of (A) the Base Salary plus (B) an amount equal to the bonus that would be payable if "target" level performance were achieved under the Company's annual bonus plan (if any) in respect of the fiscal year during which the termination occurs (or the prior fiscal year if bonus levels have not yet been established for the year of termination); and (iv) the payment or provision of any Other Benefits. The Severance Amount shall be paid in 48 substantially equal payments (each such installment shall be treated as a separate payment as defined under Treasury Regulation § 1.409A-2(b)(2)) on the same schedule that Base Salary was paid immediately prior to the Executive's date of termination, commencing on the first such scheduled payroll date that occurs on or following the date that is 30 days after the Executive's termination of employment, subject to the Executive's compliance with the requirement to deliver the release contemplated pursuant to Section 4(a). In addition, if the Company terminates the Executive's employment with the Company without Cause or the Executive terminates his employment with the Company for Good

Reason, then the Company shall also provide to the Executive, during the two-year period following the Executive's date of termination, medical, dental, life and disability insurance coverage for the Executive and the members of his family which is not less favorable to the Executive than the group medical, dental, life and disability insurance coverage carried by the Company for the Executive and the members of his family immediately prior to such termination of employment; *provided, however*, that the obligations set forth in this sentence shall terminate to the extent the Executive obtains comparable medical, dental, life or disability insurance coverage from any other employer during such period, but the Executive shall not have any obligation to seek or accept employment during such period, whether or not any such employment would provide comparable medical and dental insurance coverage; and *provided further, however*, that the Executive shall be obligated to pay an amount equal to the active employee contribution, if any, for each such coverage. For the avoidance of doubt, the payment of the Severance Amount shall be in lieu of any amounts payable under the Company's severance policy (as then in effect) and the Executive hereby waives any and all rights thereunder. If the Executive is a "specified employee" (as determined under the Company's policy for identifying specified employees) on the date of his "separation from service" (within the meaning of Section 409A) and if any portion of the Severance Amount would be considered "deferred compensation" under Section 409A, all payments of the Severance Amount (other than payments that satisfy the short-term deferral rule, as defined in Treasury Regulation §1.409A-1(b)(4), or that are treated as separation pay under Treasury Regulation §1.409A-1(b)(9)(iii) or §1.409A-1(b)(9)(v)) shall not be paid or commence to be paid on any date prior to the first business day after the date that is six months following the Executive's separation from service. The first payment that can be made shall include the cumulative amount of any amounts that could not be paid during such six-month period. In addition, interest will accrue at the 10-year T-bill rate (as in effect as of the first business day of the calendar year in which the separation from service occurs) on all payments not paid to the Executive prior to the first business day after the sixth month anniversary of his separation from service that otherwise would have been paid during such six-month period had this delay provision not applied to the Executive and shall be paid with the first payment after such six-month period. Notwithstanding the foregoing, payments delayed pursuant to this six-month delay requirement shall commence earlier in the event of the Executive's death prior to the end of the six-month period. For purposes hereof, the Executive shall have a "separation from service" upon his death or other termination of employment for any reason.

(b) Substitution for Section 3(f)(ii).

(ii) Obligations of the Company upon a Termination by the Executive for Good Reason or the Company for any reason other than death, Disability or Cause during the Two-Year Period following a Change in Control. If within two years after the occurrence of a Change in Control, the Executive terminates his employment with the Company for Good Reason or the Company terminates the Executive's employment for any reason other than death, Disability or Cause, the Company (or the then former Company subsidiary employing the Executive), or the consolidated, surviving or transferee Person in the event of a Change in Control pursuant to a consolidation, merger or sale of assets, shall pay to the Executive, in a lump sum immediately subsequent to the date of such termination, (A) the portion of the Base Salary for periods prior to the effective date of termination accrued but unpaid (if any); (B) all unreimbursed expenses (if any), subject to Section 2(d); (C) an aggregate amount equal to three times the sum of (I) the Base Salary plus (II) an amount equal to the bonus that would be payable if the "target" level performance were achieved under the Company's annual bonus plan (if any) in respect of the year during which the termination occurs (or the prior year if bonus levels have not yet been established for the year of termination); and (D) the payment or provision of any Other Benefits. The severance amount described in clause (C) of the immediately preceding sentence shall be paid (x) in a lump sum, if the Change in Control event constitutes a "change in the ownership" or a "change in the effective

control” of the Company or a “change in the ownership of a substantial portion of a corporation’s assets” (each within the meaning of Section 409A), or (y) in 72 substantially equal payments, if the Change in Control event does not so comply with Section 409A. The lump sum amount shall be paid, or the installment payments shall commence, as applicable, on the first scheduled payroll date (in accordance with the Company’s payroll schedule in effect for the Executive immediately prior to such termination) that occurs on or following the date that is 30 days after the Executive’s termination of employment; *provided, however*, that the payment of such severance amount is subject to the Executive’s compliance with the requirement to deliver the release contemplated pursuant to Section 4(a).

Any such installment payment shall be treated as a separate payment as defined under Treasury Regulation §1.409A-2(b)(2). Upon the termination of employment with the Company for Good Reason by the Executive or upon the involuntary termination of employment with the Company of the Executive for any reason other than death, Disability or Cause, in either case within two years after the occurrence of a Change in Control, the Company (or the then former Company subsidiary employing the Executive), or the consolidated, surviving or transferee Person in the event of a Change in Control pursuant to a consolidation, merger or sale of assets, shall also provide, for the period of three consecutive years commencing on the date of such termination of employment, medical, dental, life and disability insurance coverage for the Executive and the members of his family which is not less favorable to the Executive than the group medical, dental, life and disability insurance coverage carried by the Company for the Executive and the members of his family either immediately prior to such termination of employment or immediately prior to the occurrence of such Change in Control, whichever is greater; *provided, however*, that the obligations set forth in this sentence shall terminate to the extent the Executive obtains comparable medical, dental, life or disability insurance coverage from any other employer during such three-year period, but the Executive shall not have any obligation to seek or accept employment during such three-year period, whether or not any such employment would provide comparable medical, dental, life and disability insurance coverage. For the avoidance of doubt, the amounts payable under clause (C) of this Section 3(f)(ii) as severance shall be in lieu of any amounts payable under the Company’s severance policy and the Executive hereby waives any and all rights thereunder.

Notwithstanding anything in this Section 3(f)(ii) to the contrary, if the Executive is a “specified employee” (as determined under the Company’s policy for identifying specified employees) on the date of his “separation from service” (within the meaning of Section 409A) and if any portion of the severance amount described in clause (C) of the first sentence of this Section 3(f)(ii) would be considered “deferred compensation” under Section 409A, such severance amount shall not be paid or commence to be paid on any date prior to the first business day after the date that is six months following the Executive’s separation from service (unless any such payment(s) shall satisfy the short-term deferral rule, as defined in Treasury Regulation §1.409A-1(b)(4) of his “separation from service” (within the meaning of Section 409A) and if any portion of the severance amount described in clause (C) of the first sentence of this Section 3(f)(ii) would be considered “deferred compensation” under Section 409A, such severance). In addition, interest will accrue at the 10-year T-bill rate (as in effect as of the first business day of the calendar year in which the separation from service occurs) on such lump sum amount or installment payments, as applicable, not paid to the Executive prior to the first business day after the sixth month anniversary of his separation from service that otherwise would have been paid during such six-month period had this delay provision not applied to the Executive and shall be paid at the same time at which the lump sum payment or the first installment payment, as applicable, is made after such six-month period.

Notwithstanding the foregoing, a payment delayed pursuant to the preceding three sentences shall commence earlier in the event of the Executive’s death prior to the end of the six-month period.

3. Continued Effectiveness of the Employment Agreement. The Employment Agreement is, and shall continue to be, in full force and effect, except as otherwise provided in this Amendment and

except that all references to the Employment Agreement set forth in the Employment Agreement and any other agreements to which the parties hereto are parties which have been executed prior to the date hereof and referring to the Employment Agreement shall mean the Employment Agreement, as amended by this Amendment.

4. Miscellaneous.

(a) This Amendment may be executed in one or more counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument.

(b) This Amendment shall be construed without regard to any presumption or other rule requiring construction against the drafting party.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first set forth above.

PHILLIPS-VAN HEUSEN CORPORATION

By /s/ Mark D. Fischer
Name: Mark D. Fischer
Title: Senior Vice President

/s/ Emanuel Chirico
Emanuel Chirico

EXHIBIT 10.2

**FIRST AMENDMENT TO SECOND AMENDED AND RESTATED
EMPLOYMENT AGREEMENT**

FIRST AMENDMENT TO SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Amendment"), dated as of January 28, 2011, between PHILLIPS-VAN HEUSEN CORPORATION, a Delaware corporation ("PVH" and, together with its affiliates and subsidiaries, the "Company"), and MICHAEL SHAFFER (the "Executive").

WITNESSETH

WHEREAS, the Company has previously entered into that Second Amended and Restated Employment Agreement with the Executive, dated as of December 23, 2008 (the "Employment Agreement");

WHEREAS, in light of emerging best practices with respect to executive compensation, the Company has determined that it will not provide a Gross-Up Payment (as defined in the Employment Agreement) to the Executive should the Executive become subject to the excise tax (the "Excise Tax") imposed by Section 4999 of the Internal Revenue Code of 1986, as amended;

WHEREAS, to mitigate the potential adverse effect of having to pay the Excise Tax, the Company has determined to amend the Employment Agreement to provide that if the severance to be received by the Executive would subject the Executive to the Excise Tax, the Executive's severance would be reduced by the amount required to avoid the Excise Tax if such a reduction would give the Executive a better after-tax result than if the Executive had received the full severance amount; and

WHEREAS, the parties desire to amend the Employment Agreement to effect the foregoing and make certain clerical changes to conform certain language to language used in the employment agreements of the Company's other executive officers;

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

1. Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Employment Agreement.

2. Amendment of Sections 3(b)(i) and 3(f)(ii). In order to clarify the amounts payable under Sections 3(b) and 3(f) of the Employment Agreement, Sections 3(b)(i) and 3(f)(ii) of the Employment Agreement are hereby deleted in their entirety and the following is substituted in lieu thereof.

(a) Substitution for Section 3(b)(i).

(i) If the Company terminates the Executive's services without Cause or the Executive terminates his employment with the Company for Good Reason, other than during the two-year period following a Change in Control (as defined in Section 3(f)(i)(A)), the Executive shall be entitled to receive from the Company (W) the portion of the Base Salary for periods prior to the effective date of termination accrued but unpaid (if any); (X) all unreimbursed expenses (if any), subject to Section 2(d); (Y) an aggregate amount (the "Severance Amount") equal to one and a half (1.5) times the sum of (1) the Base Salary plus (2) an amount equal to the bonus that would be payable if "target" level performance were achieved under the Company's annual bonus plan (if any) in respect of the fiscal year during which the termination occurs (or the prior fiscal year if bonus levels have not yet been established for the year of termination); and (Z) the payment or provision of any Other Benefits. The Severance Amount shall be paid in 36 substantially equal payments and on the same schedule that Base Salary was paid immediately prior to the Executive's date of termination, commencing on the first such scheduled payroll date that occurs on or following the date that is 30 days after the Executive's termination of employment, subject to the Executive's compliance with the requirement to deliver the release contemplated pursuant to Section 4(a). Each such installment payment shall be treated as a separate payment as defined under Treasury Regulation §1.409A-2(b)(2). If the Executive is a "specified employee" (as determined under the Company's policy for identifying specified employees) on the date of his "separation from service"

(within the meaning of Section 409A) and if any portion of the Severance Amount would be considered “deferred compensation” under Section 409A, all payments of the Severance Amount (other than payments that satisfy the short-term deferral rule, as defined in Treasury Regulation §1.409A-1(b)(4), or that are treated as separation pay under Treasury Regulation §1.409A-1(b)(9)(iii) or §1.409A-1(b)(9)(v)) shall not be paid or commence to be paid on any date prior to the first business day after the date that is six months following the Executive's separation from service. The first payment that can be made shall include the cumulative amount of any amounts that could not be paid during such six-month period. In addition, interest will accrue at the 10-year T-bill rate (as in effect as of the first business day of the calendar year in which the separation from service occurs) on all payments not paid to the Executive prior to the first business day after the sixth month anniversary of his separation from service that otherwise would have been paid during such six-month period had this delay provision not applied to the Executive and shall be paid with the first payment after such six-month period. Notwithstanding the foregoing, payments delayed pursuant to this six-month delay requirement shall commence earlier in the event of the Executive's death prior to the end of the six-month period. For purposes hereof, the Executive shall have a “separation from service” upon his death or other termination of employment for any reason.

(b) Substitution for Section 3(f)(ii).

(i) If within two years after the occurrence of a Change in Control, the Executive terminates his employment with the Company for Good Reason or the Company terminates the Executive's employment for any reason other than death, Disability or Cause, the Company (or the then former Company subsidiary employing the Executive), or the consolidated, surviving or transferee person in the event of a Change in Control pursuant to a consolidation, merger or sale of assets, the Executive shall be entitled to receive from the Company (A) the portion of the Base Salary for periods prior to the effective date of termination accrued but unpaid (if any); (B) all unreimbursed expenses (if any), subject to Section 2(d); (C) an aggregate amount equal to two times the sum of (I) the Base Salary plus (II) an amount equal to the bonus that would be payable if the “target” level performance were achieved under the Company's annual bonus plan (if any) in respect of the fiscal year during which the termination occurs (or the prior fiscal year if bonus levels have not yet been established for the year of termination); and (D) the payment or provision of any Other Benefits. The severance amount described in clause (C) of the immediately preceding sentence shall be paid (x) in a lump sum, if the Change in Control event constitutes a “change in the ownership” or a “change in the effective control” of the Company or a “change in the ownership of a substantial portion of a corporation's assets” (each within the meaning of Section 409A), or (y) in 48 substantially equal payments, if the Change in Control event does not so comply with Section 409A.

The lump sum amount shall be paid, or the installment payments shall commence, as applicable, on the first scheduled payroll date (in accordance with the Company's payroll schedule in effect for the Executive immediately prior to such termination) that occurs on or following the date that is 30 days after the Executive's termination of employment; *provided, however*, that the payment of such severance amount is subject to the Executive's compliance with the requirement to deliver the release contemplated pursuant to Section 4(a). Any such installment payment shall be treated as a separate payment as defined under Treasury Regulation §1.409A-2(b)(2). If the Executive is a “specified employee” (as determined under the Company's policy for identifying specified employees) on the date of his “separation from service” (within the meaning of Section 409A) and if any portion of the severance amount described in clause (C) would be considered “deferred compensation” under Section 409A, such severance amount shall not be paid or commence to be paid on any date prior to the first business day after the date that is six months following the Executive's separation from service (unless any such payment(s) shall satisfy the short-term deferral rule, as defined in Treasury Regulation §1.409A-1(b)(4), or shall be treated as separation pay under Treasury Regulation §1.409A-1(b)(9)(iii) or §1.409A-1(b)(9)(v)). If paid in installments, the first payment that can be made shall include the cumulative amount of any amounts that could not be paid during such six-month period. In addition, interest will accrue at the 10-year T-bill rate (as in effect as of the first business day of the calendar year in which the separation from service occurs) on such lump sum amount or installment payments, as applicable, not

paid to the Executive prior to the first business day after the sixth month anniversary of his separation from service that otherwise would have been paid during such six-month period had this delay provision not applied to the Executive and shall be paid at the same time at which the lump sum payment or the first installment payment, as applicable, is made after such six-month period.

Notwithstanding the foregoing, a payment delayed pursuant to the preceding three sentences shall commence earlier in the event of the Executive's death prior to the end of the six-month period. Upon the termination of employment with the Company for Good Reason by the Executive or upon the involuntary termination of employment with the Company of the Executive for any reason other than death, Disability or Cause, in either case within two years after the occurrence of a Change in Control, the Company (or the then former Company subsidiary employing the Executive), or the consolidated, surviving or transferee person in the event of a Change in Control pursuant to a consolidation, merger or sale of assets, shall also provide, for the period of two consecutive years commencing on the date of such termination of employment, medical, dental, life and disability insurance coverage for the Executive and the members of his family which is not less favorable to the Executive than the group medical, dental, life and disability insurance coverage carried by the Company for the Executive and the members of his family either immediately prior to such termination of employment or immediately prior to the occurrence of such Change in Control, whichever is greater; *provided, however*, that the obligations set forth in this sentence shall terminate to the extent the Executive obtains comparable medical, dental, life or disability insurance coverage from any other employer during such two-year period, but the Executive shall not have any obligation to seek or accept employment during such two-year period, whether or not any such employment would provide comparable medical, dental, life and disability insurance coverage.

For the avoidance of doubt, the amounts payable under clause (C) of this Section 3(f)(ii) as severance shall be in lieu of any amounts payable under the Company's severance policy and the Executive hereby waives any and all rights thereunder.

3. Amendment of Section 3(f)(iii). In order to remove the payment by the Company of any Gross-Up Payment related to any Excise Tax imposed on any Payment, Section 3(f)(iii) of the Employment Agreement is hereby deleted in its entirety and the following is substituted in lieu thereof:

(i) Excise Taxes. Notwithstanding anything in the foregoing to the contrary, if Independent Tax Counsel (as that term is defined below) determines that the aggregate payments and benefits provided or to be provided to the Executive pursuant to this Agreement, and any other payments and benefits provided or to be provided to the Executive from the Company or affiliates or any successors thereto constitute "parachute payments" as defined in Section 280G of the Code (or any successor provision thereto) ("Parachute Payments") that would be subject to the excise tax imposed by Section 4999 of the Code (the "Excise Tax"), then, except as otherwise provided in the next sentence, such Parachute Payments shall be reduced to the extent the Independent Tax Counsel shall determine is necessary (but not below zero) so that no portion thereof shall be subject to the Excise Tax. If Independent Tax Counsel determines that the Executive would receive in the aggregate greater payments and benefits on an after tax basis if the Parachute Payments were not reduced pursuant to this Section 3(f)(iii), then no such reduction shall be made. The determination of which payments or benefits shall be reduced to avoid the Excise Tax shall be made by the Independent Tax Counsel, provided that the Independent Tax Counsel shall reduce or eliminate, as the case may be, payments or benefits in the order that it determines will produce the required reduction in total Parachute Payments with the least reduction in the after-tax economic value to the Executive of such payments. If the after-tax economic value of any payments are equivalent, such payments shall be reduced in the inverse order of when the payments would have been made to the Executive until the reduction specified herein is achieved. The determination of the Independent Tax Counsel under this Section 3(f)(iii) shall be final and binding on all parties hereto. For purposes of this Section 3(f)(iii), "Independent Tax Counsel" shall mean a lawyer, a certified public accountant with a nationally recognized accounting firm, or a compensation consultant with a nationally recognized actuarial and benefits consulting firm with expertise in the area of executive compensation tax law, who shall be selected by the Company and shall be acceptable to the Executive (the Executive's acceptance not to be unreasonably withheld), and whose fees and disbursements shall be paid by the Company. Notwithstanding anything herein to

the contrary, this Section 3(f)(iii) shall be interpreted (and, if determined by the Company to be necessary, reformed) to the extent necessary to fully comply with Section 409A of the Code; provided that the Company agrees to maintain, to the maximum extent practicable, the original intent and economic benefit to the Executive of the applicable provision without violating the provisions of Section 409A of the Code.

4. Continued Effectiveness of the Employment Agreement. The Employment Agreement is, and shall continue to be, in full force and effect, except as otherwise provided in this Amendment and except that all references to the Employment Agreement set forth in the Employment Agreement and any other agreements to which the parties hereto are parties which have been executed prior to the date hereof and referring to the Employment Agreement shall mean the Employment Agreement, as amended by this Amendment.

5. Miscellaneous.

(a) This Amendment may be executed in one or more counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument.

(b) This Amendment shall be construed without regard to any presumption or other rule requiring construction against the drafting party.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first set forth above.

PHILLIPS-VAN HEUSEN CORPORATION

By /s/ Mark D. Fischer

Name: Mark D. Fischer

Title: Senior Vice President

Michael Shaffer

/s/ Michael Shaffer _____

EXHIBIT 10.3

**SECOND AMENDMENT TO SECOND AMENDED AND RESTATED
EMPLOYMENT AGREEMENT**

SECOND AMENDMENT TO SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Amendment"), dated as of January 28, 2011, between PHILLIPS-VAN HEUSEN CORPORATION, a Delaware corporation ("PVH" and, together with its affiliates and subsidiaries, the "Company"), and FRANCIS K. DUANE (the "Executive").

W I T N E S S E T H

WHEREAS, the Company has previously entered into that Second Amended and Restated Employment Agreement with the Executive, dated as of December 23, 2008, and amended as of January 29, 2010 (the "Employment Agreement");

WHEREAS, in light of emerging best practices with respect to executive compensation, the Company has determined that it will not provide a Gross-Up Payment (as defined in the Employment Agreement) to the Executive should the Executive become subject to the excise tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended;

WHEREAS, to mitigate the potential adverse effect of having to pay the Excise Tax, the Company has determined to amend the Employment Agreement to provide that if the severance to be received by the Executive would subject the Executive to the Excise Tax, the Executive's severance would be reduced by the amount required to avoid the Excise Tax if such a reduction would give the Executive a better after-tax result than if the Executive had received the full severance amount;

WHEREAS, the Company and the Executive have agreed to simplify the formula used to determine payouts under Sections 3(b) and 3(f) of the Employment Agreement; and

WHEREAS, the parties desire to amend the Employment Agreement to effect the foregoing.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

1. Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Employment Agreement.
2. Amendment of Sections 3(b)(i) and 3(f)(ii). In order to clarify the amounts payable under Sections 3(b) and 3(f) of the Employment Agreement, Sections 3(b)(i) and 3(f)(ii) of the Employment Agreement are hereby deleted in their entirety and the following is substituted in lieu thereof.
 - (a) Substitution for Section 3(b)(i).
 - (i) If the Company terminates the Executive's services without Cause or the Executive terminates his employment with the Company for Good Reason, other than during the two-year period following a Change in Control (as defined in Section 3(f)(i)(A)), the Executive shall be entitled to receive from the Company (W) the portion of the Base Salary for periods prior to the effective date of termination accrued but unpaid (if any); (X) all unreimbursed expenses (if any), subject to Section 2(d); (Y) an aggregate amount (the "Severance Amount") equal to one and a half (1.5) times the sum of (1) the Base Salary plus (2) an amount equal to the bonus that would be payable if "target" level performance were achieved under the Company's annual bonus plan (if any) in respect of the fiscal year during which the termination occurs (or the prior fiscal year if bonus levels have not yet

been established for the year of termination); and (Z) the payment or provision of any Other Benefits. The Severance Amount shall be paid in 36 substantially equal payments and on the same schedule that Base Salary was paid immediately prior to the Executive's date of termination, commencing on the first such scheduled payroll date that occurs on or following the date that is 30 days after the Executive's termination of employment, subject to the Executive's compliance with the requirement to deliver the release contemplated pursuant to Section 4(a). Each such installment payment shall be treated as a separate payment as defined under Treasury Regulation §1.409A-2(b)(2). If the Executive is a "specified employee" (as determined under the Company's policy for identifying specified employees) on the date of his "separation from service" (within the meaning of Section 409A) and if any portion of the Severance Amount would be considered "deferred compensation" under Section 409A, all payments of the Severance Amount (other than payments that satisfy the short-term deferral rule, as defined in Treasury Regulation §1.409A-1(b)(4), or that are treated as separation pay under Treasury Regulation §1.409A-1(b)(9)(iii) or §1.409A-1(b)(9)(v)) shall not be paid or commence to be paid on any date prior to the first business day after the date that is six months following the Executive's separation from service. The first payment that can be made shall include the cumulative amount of any amounts that could not be paid during such six-month period. In addition, interest will accrue at the 10-year T-bill rate (as in effect as of the first business day of the calendar year in which the separation from service occurs) on all payments not paid to the Executive prior to the first business day after the sixth month anniversary of his separation from service that otherwise would have been paid during such six-month period had this delay provision not applied to the Executive and shall be paid with the first payment after such six-month period.

Notwithstanding the foregoing, payments delayed pursuant to this six-month delay requirement shall commence earlier in the event of the Executive's death prior to the end of the six-month period. For purposes hereof, the Executive shall have a "separation from service" upon his death or other termination of employment for any reason.

(b) Substitution for Section 3(f)(ii).

(ii) If within two years after the occurrence of a Change in Control, the Executive terminates his employment with the Company for Good Reason or the Company terminates the Executive's employment for any reason other than death, Disability or Cause, the Company (or the then former Company subsidiary employing the Executive), or the consolidated, surviving or transferee person in the event of a Change in Control pursuant to a consolidation, merger or sale of assets, the Executive shall be entitled to receive from the Company (A) the portion of the Base Salary for periods prior to the effective date of termination accrued but unpaid (if any); (B) all unreimbursed expenses (if any), subject to Section 2(d); (C) an aggregate amount equal to two times the sum of (I) the Base Salary plus (II) an amount equal to the bonus that would be payable if the "target" level performance were achieved under the Company's annual bonus plan (if any) in respect of the fiscal year during which the termination occurs (or the prior fiscal year if bonus levels have not yet been established for the year of termination); and (D) the payment or provision of any Other Benefits. The severance amount described in clause (C) of the immediately preceding sentence shall be paid (x) in a lump sum, if the Change in Control event constitutes a "change in the ownership" or a "change in the effective control" of the Company or a "change in the ownership of a substantial portion of a corporation's assets" (each within the meaning of Section 409A), or (y) in 48 substantially equal payments, if the Change in Control event does not so comply with Section 409A. The lump sum amount shall be paid, or the installment payments shall commence, as applicable, on the first scheduled payroll date (in accordance with the Company's payroll schedule in effect for the Executive immediately prior to such termination) that occurs on or following the date that is 30 days after the Executive's termination of employment; *provided, however*, that the payment of such severance amount is subject to the Executive's compliance with the requirement to deliver the release contemplated pursuant to Section 4(a). Any such

installment payment shall be treated as a separate payment as defined under Treasury Regulation §1.409A-2(b)(2). If the Executive is a “specified employee” (as determined under the Company’s policy for identifying specified employees) on the date of his “separation from service” (within the meaning of Section 409A) and if any portion of the severance amount described in clause (C) would be considered “deferred compensation” under Section 409A, such severance amount shall not be paid or commence to be paid on any date prior to the first business day after the date that is six months following the Executive’s separation from service (unless any such payment (s) shall satisfy the short-term deferral rule, as defined in Treasury Regulation §1.409A-1(b)(4), or shall be treated as separation pay under Treasury Regulation §1.409A-1(b)(9)(iii) or §1.409A-1(b)(9)(v)). If paid in installments, the first payment that can be made shall include the cumulative amount of any amounts that could not be paid during such six-month period. In addition, interest will accrue at the 10-year T-bill rate (as in effect as of the first business day of the calendar year in which the separation from service occurs) on such lump sum amount or installment payments, as applicable, not paid to the Executive prior to the first business day after the sixth month anniversary of his separation from service that otherwise would have been paid during such six-month period had this delay provision not applied to the Executive and shall be paid at the same time at which the lump sum payment or the first installment payment, as applicable, is made after such six-month period. Notwithstanding the foregoing, a payment delayed pursuant to the preceding three sentences shall commence earlier in the event of the Executive’s death prior to the end of the six-month period.

Upon the termination of employment with the Company for Good Reason by the Executive or upon the involuntary termination of employment with the Company of the Executive for any reason other than death, Disability or Cause, in either case within two years after the occurrence of a Change in Control, the Company (or the then former Company subsidiary employing the Executive), or the consolidated, surviving or transferee person in the event of a Change in Control pursuant to a consolidation, merger or sale of assets, shall also provide, for the period of two consecutive years commencing on the date of such termination of employment, medical, dental, life and disability insurance coverage for the Executive and the members of his family which is not less favorable to the Executive than the group medical, dental, life and disability insurance coverage carried by the Company for the Executive and the members of his family either immediately prior to such termination of employment or immediately prior to the occurrence of such Change in Control, whichever is greater; *provided, however*, that the obligations set forth in this sentence shall terminate to the extent the Executive obtains comparable medical, dental, life or disability insurance coverage from any other employer during such two-year period, but the Executive shall not have any obligation to seek or accept employment during such two-year period, whether or not any such employment would provide comparable medical, dental, life and disability insurance coverage. For the avoidance of doubt, the amounts payable under clause (C) of this Section 3(f)(ii) as severance shall be in lieu of any amounts payable under the Company’s severance policy and the Executive hereby waives any and all rights thereunder.

3. Amendment of Section 3(f)(iii). In order to remove the payment by the Company of any Gross-Up Payment related to any Excise Tax imposed on any Payment, Section 3(f)(iii) of the Employment Agreement is hereby deleted in its entirety and the following is substituted in lieu thereof:

(iii) Excise Taxes. Notwithstanding anything in the foregoing to the contrary, if Independent Tax Counsel (as that term is defined below) determines that the aggregate payments and benefits provided or to be provided to the Executive pursuant to this Agreement, and any other payments and benefits provided or to be provided to the Executive from the Company or affiliates or any successors thereto constitute “parachute payments” as defined in Section 280G of the Code (or any successor provision thereto) (“Parachute Payments”) that would be subject to the excise tax imposed by Section 4999 of the Code (the “Excise Tax”), then, except as otherwise provided in the next sentence,

such Parachute Payments shall be reduced to the extent the Independent Tax Counsel shall determine is necessary (but not below zero) so that no portion thereof shall be subject to the Excise Tax. If Independent Tax Counsel determines that the Executive would receive in the aggregate greater payments and benefits on an after tax basis if the Parachute Payments were not reduced pursuant to this Section 3(f)(iii), then no such reduction shall be made. The determination of which payments or benefits shall be reduced to avoid the Excise Tax shall be made by the Independent Tax Counsel, provided that the Independent Tax Counsel shall reduce or eliminate, as the case may be, payments or benefits in the order that it determines will produce the required reduction in total Parachute Payments with the least reduction in the after-tax economic value to the Executive of such payments. If the after-tax economic value of any payments are equivalent, such payments shall be reduced in the inverse order of when the payments would have been made to the Executive until the reduction specified herein is achieved. The determination of the Independent Tax Counsel under this Section 3(f)(iii) shall be final and binding on all parties hereto. For purposes of this Section 3(f)(iii), "Independent Tax Counsel" shall mean a lawyer, a certified public accountant with a nationally recognized accounting firm, or a compensation consultant with a nationally recognized actuarial and benefits consulting firm with expertise in the area of executive compensation tax law, who shall be selected by the Company and shall be acceptable to the Executive (the Executive's acceptance not to be unreasonably withheld), and whose fees and disbursements shall be paid by the Company. Notwithstanding anything herein to the contrary, this Section 3(f)(iii) shall be interpreted (and, if determined by the Company to be necessary, reformed) to the extent necessary to fully comply with Section 409A of the Code; provided that the Company agrees to maintain, to the maximum extent practicable, the original intent and economic benefit to the Executive of the applicable provision without violating the provisions of Section 409A of the Code.

4. Continued Effectiveness of the Employment Agreement. The Employment Agreement is, and shall continue to be, in full force and effect, except as otherwise provided in this Amendment and except that all references to the Employment Agreement set forth in the Employment Agreement and any other agreements to which the parties hereto are parties which have been executed prior to the date hereof and referring to the Employment Agreement shall mean the Employment Agreement, as amended by this Amendment.

5. Miscellaneous.

(a) This Amendment may be executed in one or more counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument.

(b) This Amendment shall be construed without regard to any presumption or other rule requiring construction against the drafting party.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first set forth above.

PHILLIPS-VAN HEUSEN CORPORATION

By /s/ Mark D. Fischer
Name: Mark D. Fischer
Title: Senior Vice President

/s/ Francis K. Duane

EXHIBIT 10.4

**SECOND AMENDMENT TO SECOND AMENDED AND RESTATED
EMPLOYMENT AGREEMENT**

SECOND AMENDMENT TO SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Amendment"), dated as of January 28, 2010, between CALVIN KLEIN, INC., a New York corporation ("CKI", together with its affiliates, including, without limitation, its parent corporation, Phillips-Van Heusen Corporation, the "Company"; the Company shall refer to CKI or Phillips-Van Heusen Corporation ("PVH") or PVH and its affiliates and subsidiaries, including CKI, collectively, as the context may require), and PAUL THOMAS MURRY (the "Executive").

WITNESSETH

WHEREAS, the Company has previously entered into that Second Amended and Restated Employment Agreement with the Executive, dated as of December 23, 2008, and amended as of January 29, 2010 (the "Employment Agreement");

WHEREAS, in light of emerging best practices with respect to executive compensation, the Company has determined that it will not provide a Gross-Up Payment (as defined in the Employment Agreement) to the Executive should the Executive become subject to the excise tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended;

WHEREAS, to mitigate the potential adverse effect of having to pay the Excise Tax, the Company has determined to amend the Employment Agreement to provide that if the severance to be received by the Executive would subject the Executive to the Excise Tax, the Executive's severance would be reduced by the amount required to avoid the Excise Tax if such a reduction would give the Executive a better after-tax result than if the Executive had received the full severance amount;

WHEREAS, the Company and the Executive have agreed to simplify the formula used to determine payouts under Sections 3(b) and 3(f) of the Employment Agreement; and

WHEREAS, the parties desire to amend the Employment Agreement to effect the foregoing.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

1. Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Employment Agreement.
2. Amendment of Sections 3(b)(i) and 3(f)(ii). In order to clarify the amounts payable under Sections 3(b) and 3(f) of the Employment Agreement, Sections 3(b)(i) and 3(f)(ii) of the Employment Agreement are hereby deleted in their entirety and the following is substituted in lieu thereof.
 - (a) Substitution for Section 3(b)(i).

(i) If the Company terminates the Executive's services without Cause or the Executive terminates his employment with the Company for Good Reason, other than during the two-year period following a Change in Control (as defined in Section 3(f)(i)(A)), the Executive shall be entitled to receive from the Company (W) the portion of the Base Salary for periods prior to the effective date of termination accrued but unpaid (if any); (X) all unreimbursed expenses (if any), subject to Section 2(d); (Y) an aggregate amount (the "Severance Amount") equal to one and a half (1.5) times the sum of (1) the Base Salary plus (2) an amount equal to the bonus that would be payable if

“target” level performance were achieved under the Company’s annual bonus plan (if any) in respect of the fiscal year during which the termination occurs (or the prior fiscal year if bonus levels have not yet been established for the year of termination); and (Z) the payment or provision of any Other Benefits. The Severance Amount shall be paid in 36 substantially equal payments and on the same schedule that Base Salary was paid immediately prior to the Executive’s date of termination, commencing on the first such scheduled payroll date that occurs on or following the date that is 30 days after the Executive’s termination of employment, subject to the Executive’s compliance with the requirement to deliver the release contemplated pursuant to Section 4(a). Each such installment payment shall be treated as a separate payment as defined under Treasury Regulation §1.409A-2(b)(2). If the Executive is a “specified employee” (as determined under the Company’s policy for identifying specified employees) on the date of his “separation from service” (within the meaning of Section 409A) and if any portion of the Severance Amount would be considered “deferred compensation” under Section 409A, all payments of the Severance Amount (other than payments that satisfy the short-term deferral rule, as defined in Treasury Regulation §1.409A-1(b)(4), or that are treated as separation pay under Treasury Regulation §1.409A-1(b)(9)(iii) or §1.409A-1(b)(9)(v)) shall not be paid or commence to be paid on any date prior to the first business day after the date that is six months following the Executive’s separation from service. The first payment that can be made shall include the cumulative amount of any amounts that could not be paid during such six-month period. In addition, interest will accrue at the 10-year T-bill rate (as in effect as of the first business day of the calendar year in which the separation from service occurs) on all payments not paid to the Executive prior to the first business day after the sixth month anniversary of his separation from service that otherwise would have been paid during such six-month period had this delay provision not applied to the Executive and shall be paid with the first payment after such six-month period.

Notwithstanding the foregoing, payments delayed pursuant to this six-month delay requirement shall commence earlier in the event of the Executive’s death prior to the end of the six-month period. For purposes hereof, the Executive shall have a “separation from service” upon his death or other termination of employment for any reason.

(b) Substitution for Section 3(f)(ii).

(ii) If within two years after the occurrence of a Change in Control, the Executive terminates his employment with the Company for Good Reason or the Company terminates the Executive’s employment for any reason other than death, Disability or Cause, the Company (or the then former Company subsidiary employing the Executive), or the consolidated, surviving or transferee person in the event of a Change in Control pursuant to a consolidation, merger or sale of assets, the Executive shall be entitled to receive from the Company (A) the portion of the Base Salary for periods prior to the effective date of termination accrued but unpaid (if any); (B) all unreimbursed expenses (if any), subject to Section 2(d); (C) an aggregate amount equal to two times the sum of (I) the Base Salary plus (II) an amount equal to the bonus that would be payable if the “target” level performance were achieved under the Company’s annual bonus plan (if any) in respect of the fiscal year during which the termination occurs (or the prior fiscal year if bonus levels have not yet been established for the year of termination); and (D) the payment or provision of any Other Benefits. The severance amount described in clause (C) of the immediately preceding sentence shall be paid (x) in a lump sum, if the Change in Control event constitutes a “change in the ownership” or a “change in the effective control” of the Company or a “change in the ownership of a substantial portion of a corporation’s assets” (each within the meaning of Section 409A), or (y) in 48 substantially equal payments, if the Change in Control event does not so comply with Section 409A. The lump sum amount shall be paid, or the installment payments shall commence, as applicable, on the first scheduled payroll date (in accordance with the Company’s payroll schedule in effect for the Executive immediately prior to such termination) that occurs on or following the date that is 30 days after the Executive’s termination of

employment; *provided, however*, that the payment of such severance amount is subject to the Executive's compliance with the requirement to deliver the release contemplated pursuant to Section 4(a). Any such installment payment shall be treated as a separate payment as defined under Treasury Regulation §1.409A-2(b)(2). If the Executive is a "specified employee" (as determined under the Company's policy for identifying specified employees) on the date of his "separation from service" (within the meaning of Section 409A) and if any portion of the severance amount described in clause (C) would be considered "deferred compensation" under Section 409A, such severance amount shall not be paid or commence to be paid on any date prior to the first business day after the date that is six months following the Executive's separation from service (unless any such payment (s) shall satisfy the short-term deferral rule, as defined in Treasury Regulation §1.409A-1(b)(4), or shall be treated as separation pay under Treasury Regulation §1.409A-1(b)(9)(iii) or §1.409A-1(b)(9)(v)). If paid in installments, the first payment that can be made shall include the cumulative amount of any amounts that could not be paid during such six-month period. In addition, interest will accrue at the 10-year T-bill rate (as in effect as of the first business day of the calendar year in which the separation from service occurs) on such lump sum amount or installment payments, as applicable, not paid to the Executive prior to the first business day after the sixth month anniversary of his separation from service that otherwise would have been paid during such six-month period had this delay provision not applied to the Executive and shall be paid at the same time at which the lump sum payment or the first installment payment, as applicable, is made after such six-month period. Notwithstanding the foregoing, a payment delayed pursuant to the preceding three sentences shall commence earlier in the event of the Executive's death prior to the end of the six-month period.

Upon the termination of employment with the Company for Good Reason by the Executive or upon the involuntary termination of employment with the Company of the Executive for any reason other than death, Disability or Cause, in either case within two years after the occurrence of a Change in Control, the Company (or the then former Company subsidiary employing the Executive), or the consolidated, surviving or transferee person in the event of a Change in Control pursuant to a consolidation, merger or sale of assets, shall also provide, for the period of two consecutive years commencing on the date of such termination of employment, medical, dental, life and disability insurance coverage for the Executive and the members of his family which is not less favorable to the Executive than the group medical, dental, life and disability insurance coverage carried by the Company for the Executive and the members of his family either immediately prior to such termination of employment or immediately prior to the occurrence of such Change in Control, whichever is greater; *provided, however*, that the obligations set forth in this sentence shall terminate to the extent the Executive obtains comparable medical, dental, life or disability insurance coverage from any other employer during such two-year period, but the Executive shall not have any obligation to seek or accept employment during such two-year period, whether or not any such employment would provide comparable medical, dental, life and disability insurance coverage. For the avoidance of doubt, the amounts payable under clause (C) of this Section 3(f)(ii) as severance shall be in lieu of any amounts payable under the Company's severance policy and the Executive hereby waives any and all rights thereunder.

3. Amendment of Section 3(f)(iii). In order to remove the payment by the Company of any Gross-Up Payment related to any Excise Tax imposed on any Payment, Section 3(f)(iii) of the Employment Agreement is hereby deleted in its entirety and the following is substituted in lieu thereof:

(iii) Excise Taxes. Notwithstanding anything in the foregoing to the contrary, if Independent Tax Counsel (as that term is defined below) determines that the aggregate payments and benefits provided or to be provided to the Executive pursuant to this Agreement, and any other payments and benefits provided or to be provided to the Executive from the Company or affiliates or any successors thereto constitute "parachute payments" as defined in Section 280G of the Code

(or any successor provision thereto) (“Parachute Payments”) that would be subject to the excise tax imposed by Section 4999 of the Code (the “Excise Tax”), then, except as otherwise provided in the next sentence, such Parachute Payments shall be reduced to the extent the Independent Tax Counsel shall determine is necessary (but not below zero) so that no portion thereof shall be subject to the Excise Tax. If Independent Tax Counsel determines that the Executive would receive in the aggregate greater payments and benefits on an after tax basis if the Parachute Payments were not reduced pursuant to this Section 3(f)(iii), then no such reduction shall be made. The determination of which payments or benefits shall be reduced to avoid the Excise Tax shall be made by the Independent Tax Counsel, provided that the Independent Tax Counsel shall reduce or eliminate, as the case may be, payments or benefits in the order that it determines will produce the required reduction in total Parachute Payments with the least reduction in the after-tax economic value to the Executive of such payments. If the after-tax economic value of any payments are equivalent, such payments shall be reduced in the inverse order of when the payments would have been made to the Executive until the reduction specified herein is achieved. The determination of the Independent Tax Counsel under this Section 3(f)(iii) shall be final and binding on all parties hereto. For purposes of this Section 3(f)(iii), “Independent Tax Counsel” shall mean a lawyer, a certified public accountant with a nationally recognized accounting firm, or a compensation consultant with a nationally recognized actuarial and benefits consulting firm with expertise in the area of executive compensation tax law, who shall be selected by the Company and shall be acceptable to the Executive (the Executive’s acceptance not to be unreasonably withheld), and whose fees and disbursements shall be paid by the Company. Notwithstanding anything herein to the contrary, this Section 3(f)(iii) shall be interpreted (and, if determined by the Company to be necessary, reformed) to the extent necessary to fully comply with Section 409A of the Code; provided that the Company agrees to maintain, to the maximum extent practicable, the original intent and economic benefit to the Executive of the applicable provision without violating the provisions of Section 409A of the Code.

4. Continued Effectiveness of the Employment Agreement. The Employment Agreement is, and shall continue to be, in full force and effect, except as otherwise provided in this Amendment and except that all references to the Employment Agreement set forth in the Employment Agreement and any other agreements to which the parties hereto are parties which have been executed prior to the date hereof and referring to the Employment Agreement shall mean the Employment Agreement, as amended by this Amendment.

5. Miscellaneous.

(a) This Amendment may be executed in one or more counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument.

(b) This Amendment shall be construed without regard to any presumption or other rule requiring construction against the drafting party.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first set forth above.

CALVIN KLEIN, INC.

By /s/ Mark D. Fischer
Name: Mark D. Fischer
Title: Senior Vice President

/s/ Paul Thomas Murry.
Paul Thomas Murry