

## G-III APPAREL GROUP, LTD.

### EXECUTIVE INCENTIVE COMPENSATION RECOUPMENT POLICY

This Executive Incentive Compensation Recoupment Policy (this “**Policy**”) was adopted by the Compensation Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of G-III Apparel Group, Ltd. (the “**Company**”) on March 13, 2013.

#### 1. **Purpose**

This Policy has been adopted to assure that incentive compensation payments by the Company to Executive Officers are fair and appropriate based on actual performance.

#### 2. **Defined Terms**

The following capitalized terms used in this Policy have the meanings set forth below:

“**Executive Officer**” shall mean any person who within one year prior to a Mandatory Restatement was, and may continue to be, designated an “executive officer” by the Company pursuant to Rule 3b-7 under the Exchange Act of 1934, as amended, and who received Incentive Compensation based at least in part upon the Company’s financial performance in the fiscal year for which the Company is required to prepare a Mandatory Restatement.

“**Incentive Compensation**” shall mean any bonus, payment, award or grant as described in Sections 3(a) and 3(b) of this Policy.

“**Mandatory Restatement**” shall mean a restatement of the Company’s financial statements for any fiscal year commencing after January 31, 2013, which, in the good faith opinion of the Company’s independent registered public accounting firm, is required to be implemented pursuant to generally accepted accounting principles, but excluding (i) any restatement which is required with respect to a particular year as a consequence of a change in generally accepted accounting rules effective after the publication of the financial statements for such year, or (ii) any restatement that in the good faith judgment of the Audit Committee of the Board, is required due to a change in the manner in which the Company’s auditors interpret the application of generally accepted accounting principles (as opposed to a change in a prior accounting conclusion due to a change in the facts upon which such conclusion was based).

“**Misconduct**” shall mean the willful commission of an act of fraud or dishonesty, or gross recklessness, in each case within the meaning of applicable laws, in the performance of an Executive Officer’s duties and responsibilities. The Committee shall, in its sole discretion (with such advice of legal counsel as the Committee shall deem appropriate), determine if any Mandatory Restatement was due to the Misconduct of any Executive Officer.

#### 3. **Recoupment of Incentive Compensation**

Pursuant to this Policy, if the Company is required to prepare a Mandatory Restatement, the Committee will, in its sole discretion and to the extent permitted by applicable laws (with

such advice of legal counsel as the Committee shall deem appropriate), recoup from each Executive Officer (regardless of whether such Executive Officer is determined to have committed Misconduct), for the benefit of the Company, all or part of the following Incentive Compensation after a full review of all of the relevant facts and circumstances and taking into account such considerations as it deems appropriate, including whether the assertion of a recoupment claim may violate applicable law or prejudice the interests of the Company in any related proceeding or investigation:

(a) any annual performance-based bonus, including any bonus paid pursuant to any employment agreement with the Company, received by each Executive Officer with respect to performance commencing after January 31, 2013 that was predicated upon the achievement of certain financial results that were subsequently restated; and

(b) any long-term incentive awards or equity grants made to each Executive Officer on or after the adoption date of this policy, including, but not limited to, stock options, stock appreciation rights, restricted stock, restricted stock units, performance shares or other stock-based awards, that were predicated upon the achievement of certain financial results that were subsequently restated.

#### **4. Time, Form and Amount of Recoupment**

The appropriate amount of Incentive Compensation to be recouped or cancelled (in the case of a long-term award grant) and the timing and form of recoupment shall be determined by the Committee, in its sole discretion and in accordance with applicable laws (with such advice of legal counsel as the Committee shall deem appropriate).

The amount of any recoupment from any Executive Officer shall not exceed the difference between the amount of Incentive Compensation such Executive Officer actually received and the amount of Incentive Compensation that would have been payable or granted to such Executive Officer based upon the Mandatory Restatement or the actual level of the applicable financial or performance metrics as determined by the Committee. For the avoidance of doubt, in no event shall any Executive Officer receive a payment from the Company as a result of a Mandatory Restatement.

This Policy will only apply to Incentive Compensation based at least in part upon financial measures reported by the Company within one fiscal year prior to the date of the Mandatory Restatement.

#### **5. Notice**

Before the appropriate amount of Incentive Compensation is recouped or cancelled pursuant to this Policy, the Committee shall, in its discretion, provide to any Executive Officer it deems appropriate (for example, an Executive Officer determined to have committed Misconduct) written notice and the opportunity to be heard within 30 days of such notice, at a meeting of the Committee (which may be in-person or telephonic, as determined by the Committee).

## 6. **Other Remedies**

In the event that the Committee determines that the Mandatory Restatement resulted from the Misconduct of one or more Executive Officers, in addition to recoupment of Incentive Compensation pursuant to this Policy, the Committee may take other disciplinary action against such Executive Officers, including, without limitation: (i) adjustment of future compensation of such Executive Officers, (ii) termination of such Executive Officers' employment, (iii) pursuit of any and all remedies available in law and/or equity and (iv) pursuit of such other action as may fit the circumstances of the particular case. The Committee may take into account penalties or punishments imposed by third parties, such as law enforcement agencies, regulators or other authorities. The Committee's power to determine the appropriate action in the event of its determination that Misconduct occurred is in addition to, and not in replacement of, remedies imposed by such entities and is in addition to any right of recoupment against the applicable Executive Officers under Section 304 of the Sarbanes-Oxley Act of 2002.

## 7. **Permissible Offset**

The Company may offset the amount of any recoupment against any amount otherwise owed or expected to be owed by the Company to any Executive Officer as determined by the Committee, solely to the extent any such offset complies with the requirements of Section 409A of Internal Revenue Code of 1986, as amended, and the guidance issued thereunder.

## 8. **Potential Amendment to Comply with Dodd-Frank Wall Street Reform and Consumer Protection Act.**

Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**") calls for every public company listed on a national securities exchange to adopt, maintain, and disclose its policy for the recovery of incentive compensation from any current or former executive officer in the event the company is required to restate its financial statements because of material non-compliance with applicable financial reporting requirements. The SEC had not proposed its implementation rules and regulations for Section 954 of the Dodd-Frank Act as of the adoption date of this Policy. Accordingly, once these implementation rules and regulations have been finalized, this Policy will be reviewed and amended as necessary to ensure that it is fully compliant with the final rules and regulations issued by the SEC.

## 9. **Acknowledgment and Certification**

All Executive Officers are required to sign the attached acknowledgment and certification.

**ACKNOWLEDGMENT AND CERTIFICATION**

The undersigned does hereby acknowledge receipt of the Company's Executive Incentive Compensation Recoupment Policy. The undersigned has read and understands (or has had explained) such Policy and agrees to be governed by such Policy, notwithstanding the provisions of any agreement between the undersigned and the Company.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Please print name)

Date: \_\_\_\_\_