
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): June 26, 2008

G-III APPAREL GROUP, LTD.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

0-18183
(Commission File Number)

41-1590959
(IRS Employer
Identification No.)

512 Seventh Avenue
New York, New York
(Address of principal executive offices)

10018
(Zip Code)

Registrant's telephone number, including area code: **(212) 403-0500**

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 (see General Instruction A.2 below):

- 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))
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Item 1.01 Entry into a Material Definitive Agreement.

Increase in Base Salary of Chief Executive Officer

At its June 26, 2008 meeting, the Compensation Committee of our Board of Directors approved an increase in the base annual salary of Morris Goldfarb, our Chief Executive Officer, from \$650,000 to \$1,000,000, effective July 1, 2008. Mr. Goldfarb has an employment agreement with us effective through January 31, 2010 and also serves as the Chairman of our Board of Directors.

Grant of Restricted Stock Units

At its June 26, 2008 meeting, the Compensation Committee granted restricted stock units, pursuant to our 2005 Stock Incentive Plan, as amended to date (the "2005 Plan"), that will enable three of our executive officers to receive shares of our common stock, subject to satisfaction of specified conditions, as follows: (i) up to 150,000 shares to Mr. Goldfarb, our Chairman and Chief Executive Officer, (ii) up to 50,000 shares to Wayne S. Miller, our Chief Operating Officer, and (iii) up to 35,000 shares to Jeanette Nostra, our President.

The above-named executive officers will be entitled to receive these shares of our common stock only if the average closing price per share of our common stock on the Nasdaq Global Select Market is \$16.06 or higher over a twenty consecutive trading day period during the four-year period commencing on the date of grant of the restricted stock units and ending on the day prior to the fourth anniversary of the date of grant (the "Price Vesting Condition"). In addition, the executive officer's right to receive these shares of common stock will become vested in four equal annual increments beginning on the first anniversary of the date of grant.

If the Price Vesting Condition is satisfied and the executive officer remains employed by us or otherwise provides service for us, we will issue to the executive officer 25% of the shares of common stock to which the executive officer is entitled for each annual vesting period that has then elapsed, and an additional 25% of the shares of common stock on each subsequent anniversary of the date of grant, through the fourth anniversary, but only if the executive officer remains employed by us or otherwise performs service for us on each anniversary date. If the Price Vesting Condition is not satisfied within the four-year period, the restricted stock unit grants will be canceled.

The number of shares of common stock to which the restricted stock units relate and the vesting price will be appropriately adjusted in the event of stock splits, stock dividends and other extraordinary corporate events.

A copy of the form of Deferred Stock Award Agreement for these grants under the 2005 Plan is filed herewith as Exhibit 10.1.

Executive Transition Agreements

In addition, at its June 26, 2008 meeting, the Compensation Committee approved the terms of Executive Transition Agreements between us and Mr. Miller and us and Ms. Nostra. The Executive Transition Agreements provide that if a Change in Control (as defined therein) occurs and, during the three months before a Change in Control or the two years after a Change in Control, Mr. Miller or Ms. Nostra is terminated by us without Cause (as defined therein) or resigns for Good Reason (as defined therein) he or she will be entitled to continuation of specified benefits and periodic severance payments totaling 1.5 times the sum of (a) his or her highest annual salary in effect during the one-year period before his or her termination of employment and (b) the average annual cash bonus he or she earned during our two fiscal years before the fiscal year of his or her termination of employment.

A copy of the form of Executive Transition Agreement is filed herewith as Exhibit 10.2.

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

(e) See “Item 1.01 Entry into a Material Definitive Agreement” above. In addition, at its June 26, 2008 meeting, the Compensation Committee approved an annual incentive arrangement pursuant to which Mr. Miller and Ms. Nostra may be entitled to annual bonuses ranging from 50% to 200% of their respective base salaries, in the discretion of our Chief Executive Officer.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

- 10.1 Form of Deferred Stock Award Agreement.
 - 10.2 Form of Executive Transition Agreement.
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SIGNATURE

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

G-III APPAREL GROUP, LTD.

Date: July 2, 2008

By: /s/ Neal S. Nackman
Name: Neal S. Nackman
Title: Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit</u>	<u>Description</u>
10.1	Form of Deferred Stock Award Agreement.
10.2	Form of Executive Transition Agreement.

**G-III APPAREL GROUP, LTD.
2005 STOCK INCENTIVE PLAN
DEFERRED STOCK AWARD AGREEMENT**

AGREEMENT, made as of the 26th day of June, 2008, between G-III APPAREL GROUP, LTD. (the "Company") and _____ (the "Executive"), pursuant to the G-III Apparel Group, Ltd. 2005 Stock Incentive Plan (the "Plan").

1. Deferred Stock Award. The Company hereby grants to the Executive a deferred stock award under the Plan, consisting of the right to receive _____ shares of the Company's common stock ("Shares") upon the terms and conditions set forth in this Agreement.

2. Vesting Conditions. Except as otherwise provided by this Agreement and the Plan, the Executive's right to receive the Shares shall become vested in four equal annual increments beginning on the first anniversary of the date hereof, subject to the Executive's continuous employment or other service with the Company through the applicable vesting date; provided, however, the Executive shall have no right to receive any Shares unless, during any period of twenty consecutive trading days beginning subsequent to the date hereof and ending prior to June 25, 2012, the average closing price per share of Company common stock on the national exchange on which such stock is traded is at least \$16.06. For the avoidance of doubt, the time-based vesting percentages will be cumulative prior to the attainment of the performance condition, such that, if the performance condition is attained and the Executive is then still in the continuous employ or service of the Company, then, upon the attainment of the performance condition, the Executive's vested percentage in the Shares covered by the award will be equal to the product of 25% and the number of time-based vesting dates that occurred prior to the attainment of the performance condition.

3. Capital Changes. In the event of a stock dividend, stock split, spin off or other recapitalization with respect to the outstanding shares of the Company's common stock, the

Company will make such adjustments to the number of Shares covered by this Agreement and the targeted stock price as it deems equitable under the circumstances.

4. Termination of Employment or Service. Upon the termination of the Executive's employment or other service with the Company, the Executive's right to receive Shares covered by this Agreement, to the extent not previously vested, will thereupon terminate and be canceled.

5. Issuance of Shares; Rights as a Shareholder.

(a) General. If and as soon as practicable after the Executive's right to receive any Shares becomes vested in accordance with the provisions hereof, the Company will cause such Shares to be issued and delivered in certificated or electronic form to the Executive, subject to the satisfaction of applicable tax withholding requirements.

(b) Tax Withholding. The Company shall require as a condition of the issuance of vested Shares under this Agreement that the Executive remit to the Company an amount sufficient in the opinion of the Company to satisfy any federal, state and other governmental tax withholding requirements attributable to the vesting or issuance and delivery of the Shares. In addition, or in the alternative, the Company may satisfy such tax withholding obligation (to the minimum required extent) in whole or in part by withholding Shares that would otherwise be delivered to the Executive based upon the fair market value of the Shares on the applicable date.

(c) Rights as a Shareholder. The Executive shall have no voting or other rights of a shareholder with respect to the Shares unless and until such Shares are issued to the Executive in accordance with the provisions hereof.

6. Restrictions on Transfer. The Executive's right to receive Shares under this Agreement may not be sold, assigned, transferred, pledged or otherwise alienated or disposed of (except by will or the laws of descent and distribution), and may not become subject to

attachment, garnishment, execution or other legal or equitable process, and any attempt to do so shall be null and void.

7. No Other Rights Conferred. Nothing contained herein shall be deemed to give the Executive a right to be retained in the employ of the Company or any affiliate or affect the right of the Company and its affiliates to terminate or amend the terms and conditions of the Executive's employment.

8. Provisions of the Plan Control. The provisions of the Plan, the terms of which are incorporated in this Agreement, shall govern if and to the extent that there are inconsistencies between those provisions and the provisions hereof.

9. Successors. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. This Agreement, constitutes the entire agreement between the parties with respect to the subject matter hereof and may not be modified except by written instrument executed by the parties.

10. Governing Law. This Agreement shall be governed by the laws of the State of Delaware, without regard to its principles of conflict of laws.

11. Counterparts. This Agreement may be executed in separate counterparts, each of which will be an original and all of which taken together shall constitute one and the same agreement.

G-III APPAREL GROUP, LTD.

By: _____

Executive

**G-III APPAREL GROUP, LTD.
EXECUTIVE TRANSITION AGREEMENT
WITH [NAME OF EXECUTIVE]**

AGREEMENT made as of the _____ day of _____, 2008, by and between G-III APPAREL GROUP, LTD. (the "Company") and _____ (the "Executive").

WITNESSETH:

WHEREAS, the Executive is employed as a senior executive officer of the Company; and

WHEREAS, the parties desire that certain severance protections be afforded to the Executive in the event of involuntary termination of the Executive's employment in conjunction with a "change in control" of the Company, as described herein;

NOW, THEREFORE, the parties agree as follows:

1. Severance Protection.

1.1 Severance Events. Subject to the provisions of this Agreement, the Executive will receive the severance payments and benefits described in Section 1.2 if a Change in Control (as defined below) occurs and, at any time during the (a) three-month period prior to the date of the Change in Control or (b) two-year period beginning on the date of the Change in Control, (i) the Company terminates the Executive's employment without Cause (as defined below), or (ii) the Executive terminates the Executive's employment for Good Reason (as defined below). For the purposes hereof, the term "Company" shall be deemed to include the Company, any subsidiary of the Company and, following a Change in Control, any direct or indirect successor to the Company.

1.2 Severance Payments and Benefits. If a severance event described in Section 1.1 occurs, then the Executive will receive the following severance payments and benefits:

(a) an amount equal to 1.5 times the sum of (a) the Executive's highest annual rate of salary in effect during the one-year period preceding the date the Executive's employment terminates, plus (b) the average annual cash bonus earned by the Executive during the two fiscal years preceding the fiscal year in which the Executive's employment terminates, which amount will be payable in equal periodic installments during the 18-month period following the termination of the Executive's employment in accordance with normal payroll practices (for purposes of Section 409A of the Code, this series of installment payments is treated as a right to a series of separate payments); and

(b) if, immediately before the termination of the Executive's employment, the Executive and/or the Executive's spouse and/or any of the Executive's dependents participates (other than via COBRA) in a Company group health plan, then, for the 18 months following the date of such termination (or, if sooner, until corresponding coverage is obtained under a successor employer's plan), the Executive and/or such spouse and/or dependents may elect to continue participating in the Company's plan at the same benefit and contribution levels and on

the same basis as if the Executive's employment had continued (which continuing participation will be deemed to be in addition to and not in lieu of COBRA), or, if such coverage is not permitted by the plan or by applicable law, then, in lieu of such coverage, the Company will provide COBRA continuation coverage to the Executive, and the Executive's spouse and/or dependents, at the Company's sole expense, if and to the extent any of such persons elects and is entitled to receive COBRA continuation coverage.

1.3 Definitions. For the purposes hereof, the following terms shall have the following meanings:

(a) "Cause" means (1) the Executive's repeated failure or refusal to perform the duties of the Executive's employment, consistent with past practice and his position and title where such conduct shall not have ceased or been remedied within ten days following written warning from the Company specifying such conduct; (2) the Executive's conviction of, or entering a plea of guilty or no contest to, a felony; (3) the Executive's performance of any act or the Executive's failure to act, for which, if the Executive were prosecuted and convicted, a crime or offense involving money or property of the Company would have occurred; (4) the Executive's performance of any act or the Executive's failure to act which constitutes fraud or a breach of a fiduciary trust, including, without limitation, misappropriation of funds or a material misrepresentation of the Company's operating results or financial condition; (5) any attempt by the Executive to secure any personal profit (other than pursuant to the terms of the Executive's employment or through the Executive's ownership of equity in the Company) in connection with the business of the Company (for example, without limitation, using Company assets to pursue other interests, diverting to the Executive or to a third party any business opportunity belonging to the Company, insider trading or taking bribes or kickbacks); (6) the Executive's engagement in conduct or activities materially damaging to the property, business or reputation of the Company other than as a result of good faith performance of his duties; (7) the Executive's illegal use of controlled substances; (8) any act or omission by the Executive involving malfeasance or gross negligence in the performance of the duties of the Executive's employment to the material detriment of the Company; or (9) the entry of any order of a court that remains in effect and is not discharged for a period of at least sixty days, which enjoins or otherwise limits or restricts the performance by the Executive of the duties of the Executive's employment, relating to any contract, agreement or commitment made by or applicable to the Executive in favor of any former employer or any other person.

(b) "Change in Control" means (i) the consummation of (A) any consolidation or merger of the Company in which the Company is not the continuing or surviving corporation or pursuant to which shares of the Company's voting stock would be converted into cash, securities or other property, other than a merger of the Company in which the holders of the Company's voting stock immediately prior to the merger have the same proportionate ownership of voting stock of the surviving corporation immediately after the merger, or (B) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all, or substantially all, the assets of the Company; or (ii) the stockholders of the Company shall approve any plan or proposal for liquidation or dissolution of the Company; or (iii) any person (as such term is used in Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")), other than a person who on the date hereof is the beneficial owner (within the meaning of Rule 13d-3 under the Exchange Act) of 10% or more of the

Company's outstanding voting stock, shall become the beneficial owner of 35% or more of the Company's then outstanding voting stock; or (iv) during any period of two consecutive years, individuals who at the beginning of such period constitute the entire Board of Directors of the Company (the "Board") shall cease for any reason to constitute a majority thereof unless the election, or the nomination for election by the Company's stockholders, of each new director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of the period.

(c) "Good Reason" means any of the following events that occur, after expiration of any remedy or cure period, (1) a material diminution of the Executive's duties and responsibilities that result in a material adverse effect on the Executive's status and authority, (2) a change in the principal location of the Executive's employment to a location more than fifty (50) miles outside of New York City, except for travel reasonably required as part of such employment, (3) failure to timely pay the Executive any salary or bonus when due or (4) any reduction in (i) the Executive's annual rate of salary from the highest annual rate of salary in effect during the one-year period prior to the date of the Change of Control or (ii) the amount of annual bonus paid to the Executive after the date of the Change in Control in light of the results of operations of the Company for that year compared to the bonus paid for the most recent fiscal year prior to the date of the Change of Control in light of the results of operations of the Company for that year. Notwithstanding the foregoing, in order to terminate for "Good Reason," the Executive must specify in writing to the Company (or the successor or acquiring company) the nature of the act or omission that the Executive deems to constitute Good Reason and provide the Company (or the successor or acquiring company) 30 days after receipt of such notice to review and, if required, correct the situation (and thus prevent the Executive's termination for Good Reason). Notice of termination for Good Reason must be provided, if at all, within 90 days after the occurrence of the event or condition giving rise to such termination.

2. Release of Claims. Notwithstanding anything herein to the contrary, the Board may condition severance payments or benefits otherwise payable under this Agreement upon the execution and delivery by the Executive of a general release in favor of Company, its affiliates and their officers, directors and employees, in such reasonable and customary form as the Board may reasonably specify; it being understood that any such release will not affect Executive's right to indemnity or vested benefits. Such release, if any, shall be provided to the Executive within thirty days of the termination of Executive's employment.

3. Golden Parachute Tax Limitation. If the Executive is entitled to receive payments and benefits under this Agreement and if, when combined with the payments and benefits the Executive is entitled to receive under any other plan, program or arrangement of the Company, the Executive would be subject to excise tax under Section 4999 of the Code or the Company would be denied a deduction under Section 280G of the Code, then the severance amounts otherwise payable to the Executive under this Agreement will be reduced by the minimum amount necessary to ensure that the Executive will not be subject to such excise tax and the Company will not be denied any such deduction.

4. Effect of Other Agreements. Notwithstanding the provisions hereof, if any termination or severance payments or benefits are made or provided to the Executive by the Company pursuant to a written employment or other agreement between the Executive and the Company, the payments and benefits required to be provided under this Agreement shall be reduced by the

amount of the comparable payments and benefits payable under such other agreement(s) in order to avoid duplication.

5. No Duty to Mitigate. Except as otherwise specifically provided herein, the Executive's entitlement to payments and benefits hereunder is not subject to mitigation or a duty to mitigate by the Executive.

6. Successors and Assigns. The Company shall require any successor or assignee, whether direct or indirect, by purchase, merger, consolidation or otherwise, to all or substantially all the business or assets of the Company and its subsidiaries taken as a whole, expressly and unconditionally to assume and agree to perform or cause to be performed the Company's obligations under this Agreement. In any such event, the term "Company," as used herein shall include any such successor or assignee.

7. Legal Fees to Enforce Rights after a Change in Control. If, following a Change in Control, the Company fails to comply with any of its obligations under this Agreement or the Company takes any action to declare this Agreement void or unenforceable or institutes any litigation or other legal action designed to deny, diminish or to recover from the Executive the payments and benefits intended to be provided, then the Executive shall be entitled to select and retain counsel at the expense of the Company to represent the Executive in connection with the good faith initiation or defense of any litigation or other legal action, whether by or against the Company or any director, officer, stockholder or other person affiliated with the Company or any successor thereto in any jurisdiction.

8. Not a Contract of Employment. This Agreement shall not be deemed to constitute a contract of employment between the Executive and the Company. Nothing contained herein shall be deemed to give the Executive a right to be retained in the employ or other service of the Company or to interfere with the right of the Company to terminate the Executive's employment at any time.

9. Governing Law; Venue. This Agreement shall be governed by the laws of the State of New York, excluding its conflict of law rules. Any suit with respect to this Agreement will be brought in the federal or state courts in the districts, which include New York, New York, and the Executive hereby agrees to submit to the personal jurisdiction and venue thereof.

10. Counterparts. This Agreement may be executed in separate counterparts, each of which will be an original and all of which taken together shall constitute one and the same agreement, and any party hereto may execute this Agreement by signing any such counterpart.

11. Tax Withholding; Section 409A Compliance. The payment of any amount pursuant to this Agreement shall be subject to all applicable tax withholding. Notwithstanding any provision to the contrary in this Agreement, any payment otherwise required to be made to the Executive on account of the termination of the Executive's employment, to the extent such payment is properly treated as deferred compensation subject to the Section 409A of the Internal Revenue Code of 1986 and the regulations and other applicable guidance issued by the Internal Revenue Service thereunder, and only if the Executive is treated as a "specified employee" within the meaning of Section 409A of the Code at the time of his termination of employment, shall not be made until the first business day after the expiration of six months from the date of the

Executive's termination of employment or, if earlier, the date of Executive's death. On the payment date, as so delayed, there shall be paid to the Executive (or the Executive's estate, as the case may be) in a single cash payment an amount equal to aggregate amount of the payments delayed pursuant to the preceding sentence. Notwithstanding the foregoing, Executive shall be solely responsible, and the Company shall have no liability, for any taxes, acceleration of taxes, interest or penalties arising under Section 409A of the Code. This Agreement is intended to comply with the applicable requirements of Section 409A of the Code and shall be limited, construed and interpreted in accordance with such intent. To the extent any payment or benefit described hereunder is subject to Section 409A of the Code, it is intended that it shall be paid in a manner that will comply with Section 409A of the Code. Notwithstanding anything herein to the contrary, any provision hereunder that is inconsistent with Section 409A of the Code shall be deemed to be amended to comply with Section 409A of the Code.

12. Entire Agreement; Amendment. This Agreement contains the entire understanding between the parties hereto with respect to the subject matter hereof and supersedes any prior and/or contemporaneous understandings, agreements or representations, written or oral, relating to the subject matter hereof. This Agreement may be amended only by a written instrument signed by both parties.

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

G-III APPAREL GROUP, LTD.

By: _____

Executive