

VINCE HOLDING CORP.
Form S-1/A
August 10, 2017
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As filed with the United States Securities and Exchange Commission on August 10, 2017

No. 333-219155

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

AMENDMENT NO. 2
TO
FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

VINCE HOLDING CORP.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	75-3264870 (I.R.S. Employer Identification No.)
500 5th Avenue-20th Floor	
New York, New York 10110	
(212) 515-2600	

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

David Stefko
Executive Vice President, Chief Financial Officer
500 5th Avenue-20th Floor
New York, New York 10110
(212) 515-2600

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies of all communications, including communications sent to agent for service, should be sent to:

Gerald T. Nowak, P.C.
Bradley Reed
Kirkland & Ellis LLP
300 North LaSalle
Chicago, Illinois 60654
(312) 862-2000

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this Form is filed to registered additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

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

Large accelerated filer		Accelerated filer
Non-accelerated filer	(Do not check if a smaller reporting company)	Smaller reporting company
		Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price (2)	Amount of Registration Fee
Common stock, par value \$0.01 per share, issuable upon exercise of rights	\$30,001,775(4)	\$3,478(5)
Rights to purchase common stock (1)	N/A	N/A(3)

- (1) The rights to purchase shares of common stock are being issued without consideration to the holders of the Company's common stock as of the record date. This registration statement relates to: (a) non-transferable subscription rights to purchase common stock of the Company, which subscription rights are to be issued to holders of the Company's common stock, and (b) the shares of common stock deliverable upon the exercise of the non-transferable subscription rights pursuant to the subscription rights offering.
- (2) Estimated solely for purpose of calculating the amount of registration fee pursuant to Rule 457(o).
- (3) Evidencing non-transferable rights to purchase shares of common stock. Pursuant to Rule 457(g), no separate registration fee is payable with respect to the rights being offered because the subscription rights are being registered in the same registration statement as the common stock underlying the rights.
- (4) Represents the gross proceeds from the assumed exercise of all subscription rights to be issued.
- (5) \$3,477 was previously paid in connection with the initial filing of the Form S-3 Registration Statement.

The registrant hereby amends this Registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities act of 1933 or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. The prospectus is not an offer to sell these securities nor a solicitation of an offer to buy these securities in any jurisdiction where the offer and sale is not permitted.

Subject to Completion, August 10, 2017

VINCE HOLDING CORP.

Up to 66,670,610 Shares of Common Stock

Issuable Upon Exercise of Rights to Subscribe for Such Shares at \$0.45 per Share

We are distributing at no charge to the holders of our common stock on August 14, 2017, which we refer to as the record date, non-transferable rights to purchase up to an aggregate of 66,670,610 new shares of our common stock. We will distribute to you, a rights holder, one non-transferable right for every share of our common stock that you own on the record date. Each right entitles the holder to purchase 1.3475 shares of our common stock, which we refer to as the subscription right, at the subscription price of \$0.45 per whole share of common stock, which we refer to as the subscription price. Rights holders who fully exercise their subscription rights will be entitled to subscribe for additional shares of our common stock that remain unsubscribed as a result of any unexercised subscription rights, which we refer to as the over-subscription right. The over-subscription right allows a rights holder to subscribe for an additional amount equal to up to an aggregate of 9.99% of our outstanding shares of common stock after giving effect to the consummation of the transactions contemplated by the Rights Offering and the Investment Agreement, subject to certain limitations and pro rata allocations. We refer to the subscription rights and over-subscription rights collectively as rights. Rights may only be exercised in aggregate for whole numbers of shares of our common stock; no fractional shares of our common stock will be issued in this offering.

The rights will expire at 5:00 p.m., New York City time, on August 30, 2017, which date we refer to as the expiration date, unless extended as described herein. We may extend the period for exercising the rights, subject to the terms of the Investment Agreement described below. Rights that are not exercised prior to the expiration date will expire and have no value. There is no minimum number of shares of our common stock that we must sell in order to complete this offering.

Our shares of common stock are traded on the New York Stock Exchange, or NYSE, under the symbol **VNCE**. The closing price of our shares of common stock on August 9, 2017 was \$0.53 per share. The rights are non-transferable and will not be listed for trading on the NYSE or any other securities exchange or automated quotation system.

We have entered into an investment agreement, or the Investment Agreement, with Sun Cardinal, LLC, or Sun Cardinal, and SCSF Cardinal, LLC, or SCSF Cardinal, under which we have agreed to issue and sell to Sun Cardinal and SCSF Cardinal, and Sun Cardinal and SCSF Cardinal have agreed to purchase from us, at a price per share equal to the subscription price, an aggregate number of shares of our common stock equal to (x) \$30.0 million minus (y) the aggregate proceeds of this offering, which we refer to as the Backstop Commitment, subject to the terms and

conditions of the Investment Agreement. As of the record date for this offering, Sun Cardinal and SCSF Cardinal, together with their affiliates, beneficially owned approximately 58% of our common stock, and four of our eight directors are affiliated with Sun Cardinal, SCSF Cardinal or their affiliates. As holders of our common stock on the record date, Sun Cardinal, SCSF Cardinal and their affiliates will have the right to exercise their subscription rights and their over-subscription rights in this offering, although they are not required to do so. The purchase of shares of our common stock by Sun Cardinal and SCSF Cardinal pursuant to the Backstop Commitment would be effected in a transaction exempt from the registration requirements of the Securities Act of 1933, as amended, or the Securities Act, and would not be registered pursuant to the registration statement of which this prospectus forms a part.

This offering is being made directly by us. We are not using an underwriter or selling agent. We have engaged Broadridge Corporate Issuer Solutions, Inc., or Broadridge, to serve as our subscription and information agent for this offering. Broadridge will hold in escrow the funds we receive from subscribers until we complete or cancel this offering.

An investment in our common stock involves risks. See Risk Factors beginning on page 9 of this prospectus. We and our board of directors are not making any recommendation regarding your exercise of the rights. As a result of the terms of this offering, stockholders who do not fully exercise their rights will own, upon completion of this offering, a smaller proportional interest in us than otherwise would be the case had they fully exercised their rights. See Risk Factors Risks Related to Our Structure and This Offering Your interest in us may be diluted as a result of this offering in this prospectus for more information.

Neither the Securities and Exchange Commission, or the SEC, nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

If you have any questions or need further information about this offering, please call Broadridge, our information agent for this offering, at +1 (855) 793-5068 (toll-free).

It is anticipated that delivery of the common stock purchased in this offering will be made on or about September 6, 2017.

The date of this prospectus is _____, 2017

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ABOUT THIS PROSPECTUS

You should rely only on the information contained in this prospectus or any free writing prospectus we may authorize to be delivered to you. We have not, and have not authorized anyone else, to provide you with different or additional information. We are not making an offer of securities in any state or other jurisdiction where the offer is not permitted. You should not assume that the information contained in this prospectus is accurate as of any date other than the date on the front of this prospectus regardless of its time of delivery, and you should not consider any information in this prospectus or in the documents incorporated herein by reference to be investment, legal or tax advice. We encourage you to consult your own counsel, accountant and other advisors for legal, tax, business, financial and related advice regarding an investment in our securities.

As used in this prospectus, Vince, Company, we, our and us refer to Vince Holding Corp. and its wholly-owned subsidiaries, including Vince Intermediate Holding, LLC and Vince, LLC, unless the context otherwise requires.

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PROSPECTUS SUMMARY

The following summary provides an overview of certain information about Vince and this offering and may not contain all the information that is important to you. This summary is qualified in its entirety by, and should be read together with, the information contained in other parts of this prospectus and the documents we incorporate by reference. You should read this entire prospectus and the documents that we incorporate by reference carefully before making a decision about whether to invest in our securities. References to fiscal 2016 mean the fiscal year ended January 28, 2017, fiscal 2015 mean the fiscal year ended January 30, 2016, and fiscal 2014 mean the fiscal year ended January 31, 2015.

Overview

Established in 2002, Vince is a global luxury brand best known for utilizing luxe fabrications and innovative techniques to create a product assortment that combines urban utility and modern effortless style. From its edited core collection of ultra-soft cashmere knits and cotton tees, Vince has evolved into a global lifestyle brand and destination for both women's and men's apparel and accessories. Vince products are sold in prestige distribution worldwide, including approximately 2,300 distribution locations across more than 40 countries. We have a small number of wholesale partners who account for a significant portion of our net sales. Net sales to the full-price, off-price and e-commerce operations of our three largest wholesale partners were 45%, 43% and 49% of our total revenue for fiscal 2016, fiscal 2015 and fiscal 2014, respectively. These partners include Nordstrom, Inc., Hudson's Bay Company and Neiman Marcus Group LTD, each accounting for more than 10% of our total revenue for fiscal 2016, fiscal 2015 and fiscal 2014. We design our products in the U.S. and source the vast majority of our products from contract manufacturers outside the U.S., primarily in Asia.

We serve our customers through a variety of channels that reinforce the Vince brand image. Our diversified channel strategy allows us to introduce our products to customers through multiple distribution points that are reported in two segments: wholesale and direct-to-consumer. Our wholesale segment is comprised of sales to major department stores and specialty stores in the U.S. and in select international markets, with U.S. wholesale representing 51%, 56% and 67% of our fiscal 2016, fiscal 2015 and fiscal 2014 net sales, respectively, and the total wholesale segment representing 63%, 67% and 76% of our sales in for the same periods. International wholesale represented 10%, 10% and 9% of net sales for fiscal 2016, fiscal 2015 and fiscal 2014, respectively. Our wholesale segment also includes our licensing business related to our licensing arrangement for our women's and men's footwear.

Our direct-to-consumer segment includes our company-operated retail and outlet stores and our e-commerce business. During fiscal 2016, we opened six new full-price retail stores. As of January 28, 2017, we operated 54 stores, consisting of 40 company-operated full-price retail stores and 14 company-operated outlet locations. The direct-to-consumer segment also includes our e-commerce website, www.vince.com. The direct-to-consumer segment accounted for 37%, 33% and 24% of fiscal 2016, fiscal 2015 and fiscal 2014 net sales, respectively.

See Item 1 Business in our Annual Report on Form 10-K for the fiscal year ended January 28, 2017 (filed with the SEC on April 28, 2017), or the 2016 Annual Report, and our Quarterly Report on Form 10-Q for the fiscal quarter ended April 29, 2017 (filed with the SEC on June 8, 2017), or the 2017 First Quarter Report.

Recent Developments

Amendments to Revolving Credit Facility

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On June 22, 2017, we entered into a Second Amendment, or the ABL Amendment, to the Credit Agreement, dated as of November 27, 2013, among Vince, LLC, the guarantors party thereto, Bank of America, N.A., as administrative agent and as collateral agent, or BofA, and each lender party thereto, as amended from time to

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time, with respect to our revolving credit facility, or the Revolving Credit Facility. The ABL Amendment, among other changes described below, reflects the terms of the side letters we previously entered into with BofA, as disclosed in our 2017 First Quarter Report.

The ABL Amendment increases availability under the borrowing base by (i) including in the borrowing base up to \$5.0 million of cash at Vince Holdings Corp. so long as such cash is in a deposit account subject to control by the agent, (ii) temporarily increasing the concentration limit for accounts due from a specified wholesale partner through July 31, 2017 and (iii) including in the borrowing base certain letters of credit, or the Specified LCs, that are to be issued for the benefit of BofA as credit support for the obligations outstanding under the Revolving Credit Facility. The Specified LCs are more particularly described below.

In addition, the ABL Amendment changes the financial maintenance covenant in the Revolving Credit Facility from a springing minimum EBITDA covenant to a minimum excess availability covenant that must be satisfied at all times. The new financial maintenance covenant requires the loan parties to have excess availability of not less than the greater of 12.5% of the adjusted loan cap then in effect and \$5.0 million. The ABL Amendment also (x) increases the applicable margin on all borrowings of revolving loans by 0.5% per annum and (y) temporarily lowers the thresholds for what constitutes a trigger event, such that through August 15, 2017, a trigger event means the greater of 12.5% of the adjusted loan cap then in effect and \$5.0 million and from and after August 15, 2017, the greater of 15% of the adjusted loan cap then in effect and \$6.0 million.

The Specified LCs are issued under a credit facility that we entered into with Bank of Montreal on June 22, 2017, or the BMO LC Line. The BMO LC Line is guaranteed by Sun Capital Fund V, L.P., or Sun Capital V, an affiliate of Sun Capital Partners, Inc., or Sun Capital Partners. The initial Specified LC is in the amount of \$5.0 million with a maximum draw amount for all Specified LCs of \$10.0 million. The BMO LC Line may be secured subject to the terms of an intercreditor agreement between BofA and Bank of Montreal. BofA will be permitted to draw on the Specified LCs upon the occurrence of certain events specified therein.

Amendments to Term Loan Facility

On June 30, 2017, we entered into a Waiver, Consent and First Amendment, or the Term Loan Amendment, to the Credit Agreement, dated as of November 27, 2013, among Vince, LLC, Vince Intermediate Holdings, LLC, the guarantors party thereto, BofA, as administrative agent, and each lender party thereto, as amended from time to time, with respect to our term loan facility, or the Term Loan Facility.

The Term Loan Amendment, among other things, (i) waives the Consolidated Net Total Leverage Ratio (as defined in the Term Loan Facility) covenant for the test periods from July 2017 through and including April 2019; (ii) requires us, beginning with the payment due on or around January 2018, to pay a quarterly amortization payment of \$3.0 million for such fiscal quarter and \$2.0 million for each fiscal quarter thereafter, provided that we have not less than \$15.0 million of availability under the Revolving Credit Facility on a pro forma basis immediately before and after giving effect to such amortization payment; (iii) prohibits us from making any payments on the Tax Receivable Agreement (as defined below) before the first amortization payment referenced above is made or if we are not current on any of the foregoing amortization payments; (iv) increases the applicable margin by 2.0% per annum on all term loan borrowings; (v) requires us to pay a fee to consenting term lenders equal to 0.5% of the outstanding principal amount of such lender's term loans as of the effective date of the Term Loan Amendment; (vi) eliminates our ability to designate subsidiaries as unrestricted and to make certain payments, restricted payments and investments with certain funds considered available excess amount (as defined in the Term Loan Facility); (vii) eliminates the uncommitted incremental facility; and (viii) limits certain intercompany transactions between a loan party and a non-loan party subsidiary.

The effectiveness of the Term Loan Amendment is conditioned upon us receiving at least \$30.0 million of proceeds in connection with this offering (including the Backstop Commitment described below) and using a

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portion of such proceeds to prepay \$9.0 million in principal amount of outstanding term loans. As a result, the Term Loan Amendment may not be effective prior to July 31, 2017, which is the date on or around when the Consolidated Net Total Leverage Ratio covenant is next tested. Therefore, we have concurrently with the execution and delivery of the Term Loan Amendment entered into a side letter waiver with certain lenders under our Term Loan Facility and BofA, as agent, to waive the Consolidated Net Total Leverage Ratio covenant for the July testing period, subject to certain conditions. If this offering is not consummated for any reason, the changes, modifications and waiver described above with respect to the Term Loan Facility will not become effective. In that event, we may not be in compliance with certain covenants under the Term Loan Facility, including the Consolidated Net Total Leverage Ratio covenant.

NYSE Listing Deficiencies

On May 17, 2017, the Company received a written notice from the New York Stock Exchange, or NYSE, that the Company did not presently satisfy NYSE's continued listing standards under (i) Section 802.01C of NYSE Listed Company Manual, or the Manual, which requires the Company's 30-trading day average closing stock price to be not less than \$1.00 and (ii) Section 802.01B of the Manual, which requires the Company's 30-trading day average market capitalization to be at least \$50.0 million and, the Company's stockholders' equity to be at least \$50.0 million. As set forth in the Notice, as of May 15, 2017, the 30-trading day average closing stock price of the Company's common stock was \$0.95, and the 30-trading day average market capitalization of the Company was approximately \$47.2 million and the Company's last reported stockholders' deficit as of January 28, 2017 was approximately \$(13.9) million. The Company sent NYSE its response letter and business plan to address these deficiencies and the plan was accepted by NYSE as of the date of this prospectus. As such, the Company is currently in an 18-month monitoring period in accordance with NYSE's continued listing standards. See **Risks Related to Our Structure and this Offering**. We are currently not in compliance with the NYSE's minimum share price requirement and market capitalization requirement, and we are at risk of NYSE delisting our common stock, which could materially impair the liquidity and value of our common stock. We cannot offer any assurances that we will be able to regain compliance with the listing standards or that our common stock will not be delisted from NYSE. This offering is not conditioned on us regaining compliance with NYSE's continued listing standards.

Rebecca Taylor Agreement

On July 13, 2017, we entered into an agreement, or the Rebecca Taylor Agreement, with Rebecca Taylor, Inc., or Rebecca Taylor, relating to the purchase and resale of certain Vince branded finished goods, or the Vince Goods, whereby Rebecca Taylor has agreed to purchase Vince Goods from approved suppliers pursuant to purchase orders issued to such suppliers, or RT Purchase Orders, at a price specified therein, or the RT Price, and we have agreed to purchase such Vince Goods from Rebecca Taylor pursuant to purchase orders issued to Rebecca Taylor, or Vince Purchase Orders, at a price specified therein, or the Vince Price. The Vince Price is at all times equal to 103.5% of the RT Price.

Upon receipt of the Vince Purchase Order, Rebecca Taylor must issue the RT Purchase Order and apply for a letter of credit to be issued to the applicable supplier in the amount equal to the RT Price, subject to availability under Rebecca Taylor's credit facility. When the Vince Goods are ready to be delivered, Rebecca Taylor must invoice us in the amount equal to the Vince Price, which invoice shall be payable by us within two business days of receipt of the invoice and which payment term may be extended by Rebecca Taylor. In the event we fail to make timely payment for any Vince Goods, Rebecca Taylor has the right to liquidate such goods in a manner and at a price it deems appropriate in its sole discretion.

The Rebecca Taylor Agreement contains customary indemnification and representations and warranties. The Rebecca Taylor Agreement may be terminated by either party upon 60 days prior written notice to the other party.

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Rebecca Taylor is owned by affiliates of Sun Capital Partners.

Second Quarter Financial Results

We do not expect to release our financial results for the period ending July 29, 2017 (our second fiscal quarter of 2017) until after the expiration of the rights offering. Therefore, you will not be able to change your decision with respect to the exercise of your subscription rights based on our second quarter financial results. You should not exercise your subscription rights unless you are certain that you wish to purchase additional shares of our common stock at the subscription price.

The Rights Offering and Backstop Commitment

The Offer

We are distributing at no charge to the holders of our common stock on August 14, 2017, which we refer to as the record date, non-transferable rights to purchase up to an aggregate of 66,670,610 new shares of our common stock. We will distribute to each holder, who we refer to as a rights holder or you, one non-transferable right for every share of our common stock that you own on the record date (1 for 1). Each right entitles the rights holder to purchase 1.3475 shares of our common stock, which we refer to as the subscription right, at the subscription price of \$0.45 per whole share of our common stock, which we refer to as the subscription price.

Over-Subscription Right

Rights holders who fully exercise their subscription rights will be entitled to subscribe for additional shares of our common stock that remain unsubscribed as a result of any unexercised subscription rights, which we refer to as the over-subscription right. The over-subscription right allows a rights holder to subscribe for an additional amount equal to up to an aggregate of 9.99% of our outstanding shares of common stock after giving effect to the consummation of the transactions contemplated by the Rights Offering and the Investment Agreement. If sufficient remaining shares of our common stock are available, all over-subscription requests will be honored in full, subject to the 9.99% aggregate cap. See [The Rights Offering Ownership Restrictions](#). Shares of our common stock that may be acquired pursuant to the over-subscription right are subject to certain limitations and pro rata allocations. See [The Rights Offering Over-Subscription Right](#).

Exercise of Rights

We refer to the subscription rights and over-subscription rights collectively as rights.

Rights may be exercised at any time during the subscription period, which commences on August 15, 2017, and ends at 5:00 p.m., New York City time, on August 30, 2017, the expiration date, unless extended by us. The rights are non-transferable.

Rights may only be exercised in aggregate for whole numbers of shares of our common stock; no fractional shares of our common stock will be issued in this offering. All exercises of rights and over-subscription rights are revocable, subject to receipt by the subscription agent of a revocation notice on or before the expiration date. See [The Rights Offering Revocation, Withdrawal or Cancellation of Subscription Rights](#).

Termination

The audit committee of our board of directors, or the Audit Committee, with the assistance of its independent financial advisor, may continue to explore and evaluate other potential transactions, other than this

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offering and the Backstop Commitment (as defined below), that would provide us with liquidity in an amount equal to, or in excess of, that expected as a result of this offering and the Backstop Commitment, including, without limitation, a rights offering with respect to our securities that is backstopped by a party other than Sun Cardinal and SCSF Cardinal. Unless approved by our entire board of directors (and not a committee thereof), this offering may only be terminated with the consent of Sun Cardinal and SCSF Cardinal or after the termination of the Investment Agreement in accordance with its terms. The Investment Agreement may be terminated by us if we have entered into a definitive agreement to effect a Superior Transaction and we will not be required to pay any termination fee. In general, a Superior Transaction is defined in the Investment Agreement as (1) a debt or equity financing transaction (other than this offering and the Backstop Commitment) or (2) a transaction involving the sale of 50% or more of our total voting power or of all or substantially all of our consolidated assets, that, in either case, our board of directors (or a committee thereof consisting only of disinterested directors) determines in good faith is in the best interests of our stockholders, including, in the case of a debt or equity financing transaction, a determination that such transaction would provide us with liquidity in an amount in excess of that expected to result from this offering and the Backstop Commitment or result in more favorable economic terms for us than this offering and the Backstop Commitment.

If this offering is terminated, all rights will expire without value and we will promptly arrange for the refund, without interest or penalty, of all funds received from rights holders. All monies received by the subscription agent in connection with this offering will be held by the subscription agent, on our behalf, in a segregated interest-bearing account at a negotiated rate. All such interest shall be payable to us even if we determine to terminate this offering and return your subscription payment.

Non-Transferability of Rights

The rights are evidenced by a subscription certificate and are non-transferable. The rights will not be listed for trading on the NYSE. The shares of our common stock issued in this offering are expected to be listed on the NYSE. However, as of the date hereof, the Company is not in compliance with NYSE's continued listing standards and no assurances can be offered that the Company will be able to regain compliance with such listing standards or that our common stock will not be delisted from NYSE. See [Recent Developments](#) NYSE Listing Deficiencies.

Backstop Commitment; Investment Agreement

On May 18, 2017, we received a Rights Offering Commitment Letter, or the Commitment Letter, from Sun Capital V, an affiliate of Sun Capital Partners, that, in the event we consummated a rights offering, provided us with an amount equal to \$30.0 million of cash proceeds reduced by the aggregate proceeds received from any completed rights offering, or the Contribution Obligation. Pursuant to the Commitment Letter, we were required, simultaneously with the funding of the Contribution Obligation by Sun Capital V, or one or more of its affiliates, to issue to Sun Capital V or one or more of its affiliates the applicable number of shares of our common stock at a price per share at which participants in the rights offering are entitled to purchase shares of common stock. There was no commitment fee due to Sun Capital V from the Company in connection with the Contribution Obligation.

On August 10, 2017, we entered into an Investment Agreement with Sun Cardinal and SCSF Cardinal, pursuant to which we agreed to issue and sell to Sun Cardinal and SCSF Cardinal, and Sun Cardinal and SCSF Cardinal agreed to purchase from us, an aggregate number of shares of our common stock equal to (x) \$30.0 million, minus (y) the aggregate proceeds of this offering, at a price per share equal to the subscription price, subject to the terms and conditions of the Investment Agreement. As holders of our common stock on the record date, Sun Cardinal, SCSF Cardinal and their affiliates will have the right to exercise their subscription rights and their over-subscription rights in this offering, although they are not required to do so. We refer to the transaction

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contemplated by the Investment Agreement as the Backstop Commitment. The closing of the transactions contemplated by the Investment Agreement is subject to satisfaction or waiver of customary conditions, including compliance with covenants and the accuracy of representations and warranties provided in the Investment Agreement, consummation of this offering, the receipt of all required regulatory approvals and no material adverse effect with respect to our financial condition, business, properties, assets, liabilities or results of operations. There will be no commitment fee due to Sun Cardinal and SCSF Cardinal from the Company in connection with the Backstop Commitment. The Investment Agreement supersedes the Commitment Letter. For additional information on the Investment Agreement, see The Investment Agreement.

The purchase of shares by Sun Cardinal and SCSF Cardinal pursuant to the Investment Agreement would be effected in a transaction exempt from the registration requirements of the Securities Act, and would not be registered pursuant to the registration statement of which this prospectus forms a part. Sun Cardinal and SCSF Cardinal will be entitled to certain registration rights with respect to shares of our common stock they acquire under the Backstop Commitment, pursuant to the Registration Agreement, dated as of February 20, 2008, among us, Sun Cardinal, SCSF Cardinal, and the other investors party thereto. See The Investment Agreement Registration Rights.

Use of Proceeds

We intend to use a portion of the net proceeds received from the exercise of the rights and the Backstop Commitment to repay \$9.0 million in principal amount of outstanding indebtedness under our Term Loan Facility, which is a condition to the Term Loan Amendment, and \$15.0 million in principal amount of outstanding indebtedness under our Revolving Credit Facility (without a concurrent commitment reduction). See Recent Developments Amendments to Term Loan Facility. We intend to use the remaining net proceeds for general corporate purposes, which may include additional payments on our outstanding indebtedness. See Use of Proceeds.

Subscription and Information Agent

Broadridge Corporate Issuer Solutions, Inc., or Broadridge, will act as the subscription and information agent in connection with this offering. You may contact Broadridge, which we refer to as the subscription or information agent, with questions toll-free at +1 (855) 793-5068.

How to Obtain Subscription Information

Contact your broker-dealer, trust company, or other nominee where your rights are held, or

Contact the information agent toll-free at +1 (855) 793-5068.

How to Subscribe

Deliver a completed subscription certificate and the required payment to the subscription agent by the expiration date, or

If your shares are held in an account with your broker-dealer, trust company, bank or other nominee, which qualifies as an Eligible Guarantor Institution under Rule 17Ad-15 of the Securities Exchange Act of 1934, as amended, or the Exchange Act, have your Eligible Guarantor Institution deliver a notice of guaranteed delivery to the subscription agent by the expiration date.

Table of Contents***Important Dates to Remember***

Set forth below are certain important dates for this offering, which are generally subject to extension:

Record Date.	August 14, 2017
Commencement Date	August 15, 2017
Deadline for Revoking or Withdrawing Subscription Rights	August 30, 2017
Expiration Date (1)	August 30, 2017
Deadline for Delivery of Subscription Certificates and Payment for Shares (2)	August 30, 2017
Deadline for Delivery of Notice of Guaranteed Delivery (2)	August 30, 2017
Deadline for Delivery of Subscription Certificates and Payment for Shares pursuant to Notice of Guaranteed Delivery	September 1, 2017
Anticipated Delivery of Common Stock Purchased in this Offering	September 6, 2017

- (1) Unless extended by us, which extension requires the consent of Sun Cardinal and SCSF Cardinal if it results in this offering remaining open for more than 20 days.
- (2) Participating rights holders must, by the expiration date of this offering (unless this offering is extended), either
 - (i) deliver a subscription certificate and payment for shares or
 - (ii) cause to be delivered on their behalf a notice of guaranteed delivery.

Ownership Restrictions

We will require each rights holder exercising its rights to represent to us in the subscription certificate that, together with any of its affiliates or associates, it will not beneficially own more than 14.99% of our outstanding shares of common stock (calculated immediately upon closing of this offering after giving effect to the Backstop Commitment) as a result of the exercise of rights. With respect to any stockholder (other than Sun Cardinal, SCSF Cardinal and their affiliates) who already beneficially owns in excess of 14.99% of our outstanding shares of common stock, we will require such holder to represent to us in the subscription certificate that they will not, via the exercise of their rights, increase their proportionate interest in our common stock.

Any rights holder found to be in violation of either such representation will have granted to us in the subscription certificate, with respect to any such excess shares, (1) an irrevocable proxy and (2) a right for a limited period of time to repurchase such excess shares at the lesser of the subscription price and market price, each as set forth in more detail in the subscription certificate.

Risk Factors

Investing in our common stock involves a high degree of risk. You should consider carefully the information discussed in Risk Factors. Some of these risks include the following:

our ability to maintain adequate cash flow from operations or availability under our Revolving Credit Facility to meet our liquidity needs (including our obligations under the Tax Receivable Agreement with the pre-IPO stockholders);

our ability to continue as a going concern;

our ability to regain compliance with the continued listing standards of NYSE;

our ability to successfully operate the newly implemented systems, processes and functions recently transitioned from Kellwood;

our ability to remediate the identified material weaknesses in our internal control over financial reporting;
our ability to ensure the proper operation of the distribution facility by a third-party logistics provider recently transitioned from Kellwood;

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our ability to remain competitive in the areas of merchandise quality, price, breadth of selection and customer service;

our ability to anticipate and/or react to changes in customer demand and attract new customers, including in connection with making inventory commitments; our ability to control the level of sales in the off-price channels;

our ability to manage excess inventory in a way that will promote the long-term health of the brand;

changes in consumer confidence and spending;

our ability to maintain projected profit margins;

unusual, unpredictable and/or severe weather conditions; the execution and management of our retail store growth plans, including the availability and cost of acceptable real estate locations for new store openings;

the execution and management of our international expansion, including our ability to promote our brand and merchandise outside the U.S. and find suitable partners in certain geographies; our ability to expand our product offerings into new product categories, including the ability to find suitable licensing partners;

our ability to successfully implement our marketing initiatives;

our ability to protect our trademarks in the U.S. and internationally;

our ability to maintain the security of electronic and other confidential information; serious disruptions and catastrophic events;

changes in global economies and credit and financial markets;

competition; our ability to attract and retain key personnel;

commodity, raw material and other cost increases;

compliance with domestic and international laws, regulations and orders;

changes in laws and regulations; outcomes of litigation and proceedings and the availability of insurance, indemnification and other third-party coverage of any losses suffered in connection therewith; tax matters;

our ability to consummate this offering; and

other factors described in this prospectus under **Risk Factors** or as set forth from time to time in our SEC filings.

Corporate Information

Our corporate headquarters are located at 500 5th Avenue, 20th Floor, New York, New York, 10110, and our telephone number is (212) 515-2600. Our corporate website address is *www.vince.com*. The information contained in, or accessible through, our corporate website does not constitute part of this prospectus.

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RISK FACTORS

Exercising your rights and investing in our common stock involves risks. You should consider carefully the following information about these risks, together with the other information incorporated by reference into this prospectus including the risks described in Item 1A of our 2016 Annual Report, and Item 1A of our 2017 First Quarter Report, before investing in our shares of common stock. These risks could have a material adverse effect on our business, financial condition, liquidity and results of operations and the market price of our common stock.

Risks Related to Our Business

Our ability to continue to have the liquidity necessary to service our debt, meet contractual payment obligations, including under the Tax Receivable Agreement, and fund our operations depends on many factors, including our ability to generate sufficient cash flow from operations, maintain adequate availability under our Revolving Credit Facility or obtain other financing.

Our recent financial results have been, and our future financial results are expected to be, subject to substantial fluctuations impacted by business conditions and macroeconomic factors. As a result, we have faced liquidity challenges over the last several fiscal quarters and expect those challenges to continue for the foreseeable future. Our ability to timely service our indebtedness, meet contractual payment obligations and fund our operations, as well as continue as a going concern, will depend on our ability to generate sufficient cash, either through cash flows from operations, borrowing availability under our Revolving Credit Facility, or other financing, including this offering. While we have taken the steps discussed below to address our liquidity needs, there can be no assurances that (1) we will be able to generate sufficient cash flow from operations to meet our liquidity needs, (2) we will have the necessary availability under the Revolving Credit Facility or be able to obtain other financing when liquidity needs arise, (3) vendors will not require additional accelerated payment terms or prepayments which put additional pressure on our liquidity or (4) that the funds held by Vince Holding Corp., including proceeds from this offering if it is completed, will be sufficient to support additional Specified Equity Contributions (as defined in the Term Loan Facility) if needed.

We have taken steps over the last 18 months to address our liquidity needs. In April 2016, we completed a rights offering, or the 2016 Rights Offering, pursuant to which we received gross proceeds of approximately \$65.0 million, including proceeds from the backstop investment by Sun Cardinal and SCSF Cardinal, or the Sun Investors. We used a portion of the net proceeds received from the 2016 Rights Offering and related investment agreement to (1) repay the amount owed by the Company under the Tax Receivable Agreement, between us and Sun Cardinal, for itself and as a representative of the other stockholders party thereto, or the Tax Receivable Agreement, for the tax benefit with respect to the 2014 taxable year including accrued interest, totaling \$22.3 million, and (2) repay all then outstanding indebtedness, totaling \$20.0 million, under the Revolving Credit Facility. The remaining net proceeds have been held in the account of Vince Holding Corp. until needed by its operating subsidiary for additional strategic investments and general corporate purposes. Approximately \$18.1 million of such funds have been contributed to the operating subsidiary as Specified Equity Contributions under the Term Loan Facility, as described in the immediately preceding risk factor, and used to fund our operations. As of the end of fiscal June 2017, \$3.2 million of funds from the 2016 Rights Offering remain held by Vince Holding Corp.

More recently, we entered into the ABL Amendment in June 2017 to provide additional flexibility under the Revolving Credit Facility, including increasing the borrowing base under the Revolving Credit Facility. See Prospectus Summary Recent Developments Amendments to Revolving Credit Facility.

Our business is dependent upon our ability to procure finished goods from our vendors. Recently, certain vendors have demanded accelerated payment terms or prepayments as a condition to delivering finished goods to us. Such demands have put additional pressure on our liquidity position and could eventually jeopardize our

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ability to procure the finished goods we need to operate our business. To address these demands, we have begun utilizing letters of credit issuable under the Revolving Credit Facility. In addition, we entered into the Rebecca Taylor Agreement in July 2017, which allows us to utilize letters of credit issued under Rebecca Taylor's credit facility to address the credit risk concerns that resulted in the demands by the vendors for accelerated terms and prepayments. See Prospectus Summary Recent Developments Rebecca Taylor Agreement. Through the date of this prospectus, we have issued approximately \$1.5 million of letters of credit under the Revolving Credit Facility and placed approximately \$7.0 million of orders under the Rebecca Taylor Agreement. However, there are no assurances that these efforts will be sufficient to enable us to meet the demands of our vendors and procure the finished goods that we are currently expecting.

As of the end of fiscal June 2017, we had approximately \$3.5 million of cash and cash equivalents on hand in addition to approximately \$14.0 million of availability under the Revolving Credit Facility, inclusive of the additional borrowing capacity provided by the ABL Amendment. We currently expect such cash and cash equivalents on hand and the availability under the Revolving Credit Facility to last approximately twelve months, absent the receipt of proceeds from this offering (including the Backstop Commitment), assuming the monthly burn rate of approximately \$1.4 million. Our monthly burn rate is subject to significant variations based on purchasing requirements and the timing of receipts and payables, as well as seasonal factors. Therefore, the burn rate is not necessarily indicative of our future performance.

In the event that we are unable to timely service our debt, meet other contractual payment obligations or fund our other liquidity needs for any reason, we would need to refinance all or a portion of our indebtedness before maturity, seek additional waivers of or amendments to our contractual obligations for payment, reduce or delay scheduled expansions and capital expenditures, sell material assets or operations or seek alternative financing. Our inability to meet our obligations under our debt agreements or other contracts could result in a default under the Term Loan Facility or the Revolving Credit Facility, which could result in all amounts outstanding under those credit facilities becoming immediately due and payable. Additionally, the lenders under those credit facilities would not be obligated to lend us additional funds. In addition, our management has also concluded as of April 29, 2017, in accordance with the new accounting guidance, that there is substantial doubt about our ability to continue as a going concern within the next twelve months. See In accordance with the new accounting guidance that became effective for fiscal 2016, our management has concluded that there is substantial doubt about our ability to continue as a going concern within one year after the date the financial statements are issued for additional details.

If we are unable to consummate this offering (including the Backstop Commitment) for any reason, we would likely be unable to comply with the Consolidated Net Leverage Ratio (as defined in the Term Loan Facility) covenant in the Term Loan Facility, which would result in a default under the Term Loan Facility unless we are able to obtain a waiver or amendment from the lenders thereunder or refinance such indebtedness.

The Term Loan Amendment, among other things, waives the Consolidated Net Total Leverage Ratio covenant for the test periods from July 2017 through and including April 2019. However, the effectiveness of the Term Loan Amendment is subject to certain conditions, including us receiving at least \$30.0 million of proceeds in connection with this offering (including the Backstop Commitment) and using a portion of such proceeds to prepay \$9.0 million in principal amount of outstanding term loans. If we are unable to satisfy this condition, we may be unable to comply with the Consolidated Net Leverage Ratio covenant in the Term Loan Facility beginning with the July 2017 test period. See Prospectus Summary Recent Developments Amendments to Term Loan Facility for additional information on the Term Loan Amendment and the conditions thereto.

Through June 2017, we utilized \$18.1 million of the funds from the 2016 Rights Offering held by Vince Holding Corp. to make Specified Equity Contributions, as defined under the Term Loan Facility, in connection with the

calculation of the Consolidated Net Total Leverage Ratio covenant, so that the Consolidated Net Total

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Leverage Ratio covenant would not exceed 3.25 to 1.00 as of January 28, 2017 and April 29, 2017, respectively. The remaining funds at Vince Holding Corp. totaled \$3.2 million as of the end of fiscal June 2017. Such remaining funds may not be sufficient to cure any non-compliance with the Consolidated Net Total Leverage Ratio in the event this offering is not consummated.

In addition, there are restrictions on the number of Specified Equity Contributions we may make under the Term Loan Facility, including a limit of two Specific Equity Contributions during any four fiscal quarter period and no more than five Specified Equity Contributions during the term of the Term Loan Facility. Based on these restrictions, if this offering is not consummated, we would not be able to make a Specified Equity Contribution to cure any default under the Consolidated Net Total Leverage Ratio covenant for the test periods ending July 29, 2017 and October 28, 2017 and would have three additional Specified Equity Contributions to utilize for the remainder of the term of the Term Loan Facility.

If we cannot comply with the Consolidated Net Total Leverage Ratio for any reason, we will be in default under the Term Loan Facility unless we are able to obtain a waiver or amendment from the lenders thereunder or we are able to refinance such indebtedness. A default could lead to an acceleration of our obligations under the Term Loan Facility and other indebtedness which would have a material adverse impact on our business, financial condition and operating results, including preventing us from continuing our operations.

In accordance with the new accounting guidance that became effective for fiscal 2016, our management has concluded that there is substantial doubt about our ability to continue as a going concern within one year after the date the financial statements are issued.

In accordance with the new accounting guidance that became effective for fiscal 2016, our management has the responsibility to evaluate whether conditions and/or events raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are issued. As required by this standard, management's evaluation does not initially consider the potential mitigating effects of management's plans that have not been fully implemented as of the date the financial statements are issued. As further discussed in Note 1 Description of Business and Summary of Significant Accounting Policies (D) Sources and Uses of Liquidity to the Audited Consolidated Financial Statements included in the 2016 Annual Report and Note 1 Description of Business and Basis of Presentation (C) Sources and Uses of Liquidity to the Unaudited Consolidated Financial Statements included in the 2017 First Quarter Report, which are incorporated in this prospectus by reference, understanding the difficulties to project the current retail environment and as management's plans to mitigate the substantial doubt have not been fully executed, our management has concluded there is substantial doubt about our ability to continue as a going concern within one year after the date that the financial statements are issued. Our financial statements do not include any adjustment relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should we be unable to continue as a going concern.

Our ability to continue as a going concern depends on the execution of our plans to mitigate the substantial doubt that currently exists, including discussions with existing and prospective lenders and with our majority shareholder on additional financing options and actions to improve the capital structure of the Company and cost containment initiatives. While management believes that these plans are reasonably possible of occurring, it cannot predict with certainty the impact of various factors, including a challenging retail environment, on the Company's business operations and financial results. Such impact could give rise to unanticipated capital needs that we may not be able to meet and/or result in our inability to service our existing debt or comply with the covenants therein. While we have entered into the Term Loan Amendment and the ABL Amendment to, among other things, waive our requirement to comply with the Consolidated Net Total Leverage Ratio (as defined in the Term Loan Facility) covenant and increase liquidity, respectively, the Term Loan Amendment will not become operative until we receive \$30.0 million in

proceeds from this offering. If we do not complete this offering we may be unable to comply with the Consolidated Net Total Leverage Ratio covenant in our Term Loan Facility beginning with the July 2017 test period and may be unable to service our debt. If such an event occurs, if we are

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unsuccessful in securing amendments to our existing debt agreements or other financing arrangement or otherwise improving our capital structure, we may be unable to meet our payment obligations as they become due and may be required to restructure our business. In addition, the inclusion of management's conclusion described above may materially adversely affect the Company's stock price and its relationships with its customers, vendors and other business partners.

Our operations are restricted by our credit facilities.

The Revolving Credit Facility and the Term Loan Facility, in each case as amended, contain significant restrictive covenants. These covenants may impair our financing and operational flexibility and make it difficult for us to react to market conditions and satisfy our ongoing capital needs and unanticipated cash requirements. Specifically, such covenants will likely restrict our ability and, if applicable, the ability of our subsidiaries to, among other things:

incur additional debt;

make certain investments and acquisitions;

enter into certain types of transactions with affiliates;

use assets as security in other transactions;

pay dividends;

sell certain assets or merge with or into other companies;

guarantee the debt of others;

enter into new lines of businesses;

make capital expenditures;

prepay, redeem or exchange our debt; and

form any joint ventures or subsidiary investments.

Our ability to comply with the covenants and other terms of our debt obligations will depend on our future operating performance. If we fail to comply with such covenants and terms, we would be required to obtain waivers from our

lenders to maintain compliance with our debt obligations. If we are unable to obtain any necessary waivers and the debt is accelerated, a material adverse effect on our financial condition and future operating performance would likely result. For further details, see Note 1 Description of Business and Summary of Significant Accounting Policies (D) Sources and Uses of Liquidity to the Audited Consolidated Financial Statements included in the 2016 Annual Report and Note 1 Description of Business and Basis of Presentation (C) Sources and Uses of Liquidity to the Unaudited Consolidated Financial Statements included in the 2017 First Quarter Report, which are incorporated in this prospectus by reference. The terms of our debt obligations and the amount of borrowing availability under our facilities may restrict or delay our ability to fulfill our obligations under the Tax Receivable Agreement. In accordance with the terms of the Tax Receivable Agreement, delayed or unpaid amounts thereunder would accrue interest at a default rate of one-year LIBOR plus 500 basis points until paid. Our obligations under the Tax Receivable Agreement could result in a failure to comply with covenants or financial ratios required by our debt financing agreements and could result in an event of default under such a debt financing. See Tax Receivable Agreement under Note 12 Related Party Transactions to the Audited Consolidated Financial Statements included in the 2016 Annual Report and Note 11 Related Party Transactions to the Unaudited Consolidated Financial Statements included in the 2017 First Quarter Report, which are incorporated in this prospectus by reference, for further information.

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In connection with the completion of the 2016 Rights Offering and the related investment agreement, the Company made the required payment under the Tax Receivable Agreement for its obligations related to taxable year 2014. See

Our ability to continue to have the liquidity necessary to service our debt, meet contractual payment obligations, including under the Tax Receivable Agreement, and fund our operations depends on many factors, including our ability to generate sufficient cash flow from operations, maintain adequate availability under our Revolving Credit Facility or obtain other financing above for additional information. In addition, the Company made a payment of \$7.4 million, including any accrued interest, for the tax benefit related to taxable year 2015 in November 2016.

Intense competition in the apparel and fashion industry could reduce our sales and profitability.

As a fashion company, we face intense competition from other domestic and foreign apparel, footwear and accessories manufacturers and retailers. Competition may result in pricing pressures, reduced profit margins, lost market share or failure to grow our market share, any of which could substantially harm our business and results of operations. Competition is based on many factors including, without limitation, the following:

establishing and maintaining favorable brand recognition;

developing products that appeal to consumers;

pricing products appropriately;

determining and maintaining product quality;

obtaining access to sufficient floor space in retail locations;

providing appropriate services and support to retailers;

maintaining and growing market share;

hiring and retaining key employees; and

protecting intellectual property.

Competition in the apparel and fashion industry is intense and is dominated by a number of very large brands, many of which have longer operating histories, larger customer bases, more established relationships with a broader set of suppliers, greater brand recognition and greater financial, research and development, marketing, distribution and other resources than we do. These ca