Ascena Retail Group, Inc.
Form 424B3
November 18, 2010

Filed Pursuant to Rule 424B(3)
Registration No. 333-168953

PROXY STATEMENT/PROSPECTUS
A REORGANIZATION IS PROPOSED YOUR VOTE IS VERY IMPORTANT

Dear Fellow Shareholder:

On behalf of the board of directors, we are pleased to invite you to the 2010 annual meeting of shareholders of The Dress Barn, Inc. The meeting will be held on Friday, December 17, 2010, at 2:00 p.m. local time at our corporate offices, 30 Dunnigan Drive, Suffern, New York.

At the annual meeting, in addition to electing two directors, you will be asked to consider and vote on a proposal to reorganize our company into a holding company pursuant to which our present company will become a subsidiary of a new Delaware corporation named Ascena Retail Group, Inc., which we refer to in this proxy statement/prospectus as Ascena, and you will become a stockholder of this new Delaware holding company. We refer to this proposal in the proxy statement/prospectus as the reorganization proposal. You will also be asked to approve two additional proposals. The first is to approve the amendment and restatement of the Company s 2001 Stock Incentive Plan, as amended, which, if approved, will be renamed the 2010 Stock Incentive Plan. The second is to ratify the selection by the Audit Committee of the board of directors of Deloitte & Touche LLP as our Independent Registered Public Accounting Firm for the fiscal year ending July 30, 2011.

Upon completion of the reorganization, Ascena Retail Group, Inc. will, in effect, replace our present company as the publicly held corporation. Ascena Retail Group, Inc. and its subsidiaries will conduct all of the operations we currently conduct. Implementing the holding company structure will provide us with strategic, operational and financing flexibility, and incorporating the new holding company in Delaware will allow us to take advantage of the flexibility, predictability and responsiveness that Delaware corporate law provides.

Today, The Dress Barn, Inc., a Connecticut corporation, which we refer to in this proxy statement/prospectus as dressbarn, operates our dressbarn brand, while our acquired subsidiaries, Maurices Incorporated, a Delaware corporation, which we refer to herein as maurices, and Tween Brands, Inc., a Delaware corporation, which we refer to herein as Tween Brands, operate our maurices and Justice brands, respectively. Following the reorganization, Ascena will own dressbarn, maurices and Tween Brands as sister subsidiaries.

In the reorganization, your existing shares of dressbarn common stock will be converted automatically into shares of Ascena common stock. You will own the same number of shares of Ascena common stock as you now own of dressbarn common stock, and your shares will represent the same ownership percentage of Ascena as you have of dressbarn. In addition, the reorganization generally will be tax-free for dressbarn shareholders. Your rights as a stockholder of Ascena will be substantially the same as your rights as a shareholder of dressbarn, including rights as to

voting and dividends.

We expect the shares of Ascena common stock to trade under the ticker symbol ASNA on the NASDAQ Global Select Market. Shares of dressbarn common stock are currently traded under the DBRN symbol on this exchange. On August 19, 2010, the last trading day before the announcement of the reorganization proposal, the closing price per dressbarn share was $22.21. On November 17, 2010, the most recent trading day for which prices were available, the closing price per dressbarn share was $24.42.

In order to implement the reorganization proposal, we need shareholders to adopt and approve the related reorganization agreement. Our board of directors has carefully considered the reorganization agreement, which provides for the merger of dressbarn and MergerCo and the related transactions described in this proxy statement/prospectus, and believes that it is advisable, fair to and in the best interest of our shareholders, and recommends that you vote **FOR** the reorganization proposal and **FOR** the other proposals described in this proxy statement/prospectus. Because

adoption of the reorganization proposal requires the affirmative vote of holders of at least two-thirds of the outstanding shares entitled to vote at the annual meeting, your vote is important, no matter how many or how few shares you may own. Whether or not you plan to attend the annual meeting, please take the time to vote by completing, signing and mailing the enclosed proxy card in the postage-paid envelope provided or by voting by telephone or over the internet.

Your board of directors and management look forward to greeting those of you who are able to attend the annual meeting. For additional information about dressbarn, please see the enclosed Annual Report for the fiscal year ended July 31, 2010. The accompanying notice of meeting and this proxy statement/prospectus provide specific information about the annual meeting and explain the various proposals. Please read these materials carefully. **In particular, you should consider the discussion of risk factors beginning on page 13 before voting on the reorganization proposal.**

Thank you for your continued support of and interest in dressbarn.

David R. Jaffe
President and Chief Executive Officer

Neither the SEC nor any state securities commission has approved or disapproved of the securities to be issued under this proxy statement/prospectus or determined if this proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.

This proxy statement/prospectus is dated November 18, 2010 and is being first mailed to dressbarn shareholders on or about November 18, 2010.

THE DRESS BARN, INC.
30 Dunnigan Drive
Suffern, New York 10901

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
To Be Held On December 17, 2010

NOTICE IS HEREBY GIVEN that the annual meeting of shareholders of The Dress Barn, Inc., a Connecticut corporation, will be held on Friday, December 17, 2010, at 2:00 p.m. local time at our corporate offices, 30 Dunnigan Drive, Suffern, New York 10901, to consider and take action upon the following matters, as more fully described in the proxy statement/prospectus accompanying this notice:

1. To consider and vote upon a proposal, which we refer to as the reorganization proposal, approving the Agreement and Plan of Reorganization, dated as of August 20, 2010, by and among The Dress Barn, Inc., Ascena Retail Group, Inc. and DB Merger Corp., which agreement is included in the accompanying proxy statement/prospectus as Annex I;

2. To elect as directors the two nominees named in the accompanying proxy statement/prospectus to serve on our board of directors for three-year terms and until their successors are duly elected and qualified;

3. To approve the amendment and restatement of the Company s 2001 Stock Incentive Plan,

as amended, which, if approved, will be renamed the 2010 Stock Incentive Plan;

4. To ratify the selection by the Audit Committee of the board of directors of Deloitte & Touche LLP as our Independent Registered Public Accounting Firm for the fiscal year ending July 30, 2011; and

5. To transact such other business as may properly come before the annual meeting or any adjournments or postponements thereof.

The board of directors has fixed the close of business on October 8, 2010 as the record date for the determination of the shareholders entitled to vote at the meeting or any adjournments or postponements thereof. Only shareholders of record at the close of business on that date will be entitled to notice of, and to vote at, the annual meeting.

BY ORDER OF THE BOARD OF DIRECTORS
By: Elliot S. Jaffe
Elliot S. Jaffe
Chairman of the Board

Dated: November 18, 2010

YOU ARE CORDIALLY INVITED TO ATTEND THE MEETING. HOWEVER, WHETHER OR NOT YOU PLAN TO BE PERSONALLY PRESENT AT THE MEETING, PLEASE MARK, DATE AND SIGN THE ENCLOSED PROXY AND RETURN IT PROMPTLY IN THE ENCLOSED ENVELOPE, OR VOTE BY TELEPHONE OR BY THE INTERNET. YOU MAY REVOKE YOUR PROXY CARD AT ANY TIME PRIOR TO THE ANNUAL MEETING. IF YOU ATTEND THE ANNUAL MEETING AND VOTE BY BALLOT, YOUR PROXY WILL BE REVOKED AUTOMATICALLY AND ONLY YOUR VOTE AT THE ANNUAL MEETING WILL BE COUNTED.

ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates important business and financial information about dressbarn from our Annual Report on Form 10-K/A for the year ended July 31, 2010 and from other documents that are not included in or being delivered with this proxy statement/prospectus. The incorporated information that is not included in or being delivered with this proxy statement/ prospectus is available to you without charge upon your written or oral request. You can obtain any document that is incorporated by reference in this proxy statement/prospectus, excluding all exhibits that have not been specifically incorporated by reference, on the investor relations page of our website at www.dressbarn.com or by requesting it in writing or by telephone from us at the following address or telephone number:

The Dress Barn, Inc.
30 Dunnigan Drive
Suffern, New York 10901
Telephone: (845) 369-4600
Attn: Investor Relations

If you would like to request any documents, please do so by November 30, 2010 in order to receive them before the annual meeting. See Where You Can Find More Information.

In addition, if you have any questions about the proposals, you may contact:

Innisfree M&A Incorporated
501 Madison Avenue
New York, New York 10022
Shareholders call toll-free: (877) 750-5836
Banks and brokers call collect: (212) 750-5833

You should rely only on the information contained or incorporated by reference in this proxy statement/prospectus and the registration statement of which this proxy statement/prospectus is a part to vote on the proposals being presented at the annual meeting. No one has been authorized to provide you with information that is different from what is contained in this document or in the incorporated documents.

This proxy statement/prospectus is dated November 18, 2010. You should not assume the information contained in this proxy statement/prospectus is accurate as of any date other than this date, and neither the mailing of this proxy statement/prospectus to shareholders nor the issuance of the Ascena common stock in the reorganization implies that information is accurate as of any other date.

TABLE OF CONTENTS

SUMMARY OF THIS PROXY STATEMENT/PROSPECTUS

In this proxy statement/prospectus, the terms we, us and our refer to The Dress Barn, Inc., the current Connecticut corporation, and its consolidated subsidiaries, prior to the completion of the proposed reorganization, and to Ascena Retail Group, Inc., the new Delaware corporation, and its consolidated subsidiaries, upon completion of the proposed reorganization, when the distinction between the two companies is not important to the discussion. When the distinction between the two companies is important to the discussion, we use the term Ascena to refer to Ascena Retail Group, Inc. and dressbarn to refer to The Dress Barn, Inc.

General

The enclosed proxy is solicited by the board of directors (the Board) of dressbarn for use at our annual meeting of shareholders to be held on Friday, December 17, 2010, at 2:00 p.m. local time at our corporate offices, 30 Dunnigan Drive, Suffern, New York 10901 (the Annual Meeting), and any and all adjournments or postponements thereof. This proxy statement/prospectus and form of proxy, along with our Annual Report for the fiscal year ended July 31, 2010, are being mailed to our shareholders on or about November 18, 2010. You are receiving a proxy statement and proxy card from us because our records indicate that you owned shares of our common stock on October 8, 2010, the record date for the meeting.

Our Board is soliciting your proxy to be used at the Annual Meeting. When you sign the proxy card, you appoint two of our directors, David R. Jaffe and Klaus Eppler, as your representatives at the Annual Meeting. One or both of these individuals, or a substitute if necessary, will vote your shares at the Annual Meeting as you have instructed them on the proxy card. If you sign and deliver your proxy card, but you do not provide voting instructions, your proxy representative will vote in favor of the two nominees for director and, subject to applicable rules and regulations, in favor of Proposals One, Three and Four, and with respect to any other matter that may be presented at the Annual Meeting, in the discretion of the proxy representative. This way, your shares will be voted whether or not you attend the Annual Meeting. Even if you plan to attend the Annual Meeting, we recommend that you complete, sign and return your proxy card in advance of the Annual Meeting as your plans may change.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE 2010 ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON DECEMBER 17, 2010

Copies of this proxy statement/prospectus and our Annual Report for the fiscal year ended July 31, 2010 are also available online at https://materials.proxyvote.com/261570.

QUESTIONS AND ANSWERS ABOUT OUR ANNUAL MEETING

When and where will the Annual Meeting take place?

The Annual Meeting will be held on Friday, December 17, 2010, at 2:00 p.m., at our corporate offices, 30 Dunnigan Drive, Suffern, New York.

What is the purpose of the Annual Meeting?

At our Annual Meeting, holders of our common stock will be asked to:

1. Consider and vote upon a proposal, which we refer to as the reorganization proposal, approving the Agreement and Plan of Reorganization, dated as of August 20, 2010, by and among The Dress Barn, Inc., Ascena Retail Group, Inc. and DB Merger Corp., which agreement is included in this proxy statement/prospectus as Annex I;

2. Elect as directors the two nominees named in this proxy statement/prospectus to serve on our Board of Directors for three-year terms and until their successors are duly elected and qualified;

3. Approve the amendment and restatement of the Company s 2001 Stock Incentive Plan, as amended, which, if approved, will be

renamed the 2010 Stock Incentive Plan;

4. Ratify the selection by the Audit Committee of the Board of Directors of Deloitte & Touche LLP as our Independent Registered Public Accounting Firm for the fiscal year ending July 30, 2011; and

5. Transact such other business as may properly come before the Annual Meeting or any adjournments or postponements thereof.

Could other matters be decided at the Annual Meeting?

Our bylaws require prior notification of a shareholder s intent to request a vote on other matters at the Annual Meeting. The deadline for notification has passed, and we are not aware of any other matters that could be brought before the Annual Meeting. However, if any other business is properly presented at the Annual Meeting, your vote by proxy gives authority to David R. Jaffe and Klaus Eppler, the persons referred to as proxy holders on the proxy card (or a substitute if necessary), to vote your shares on such matters at their discretion.

Who is entitled to attend the Annual Meeting?

All shareholders who owned our common stock at the close of business on October 8, 2010 (the Record Date), or their duly appointed proxies, may attend the Annual Meeting. Registration begins at 1:30 p.m.

Who is entitled to vote at the Annual Meeting?

All shareholders who owned our common stock at the close of business on the Record Date are entitled to attend and vote at the Annual Meeting and at any adjournment or postponement of the Annual Meeting.

How many votes do I have?

You have one vote for each share of our common stock that you owned on the Record Date.

How many votes must be present to hold the Annual Meeting?

The presence in person or by proxy of the holders of a majority of the outstanding shares of our common stock entitled to vote at the Annual Meeting will constitute a quorum for the transaction of business at the Annual Meeting. Once a share of the Company s common stock is represented for any purpose at the Annual Meeting, it is deemed present for quorum purposes for

the Annual Meeting and for any adjournment of the Annual Meeting. Abstentions and broker non-votes are counted as present and entitled to vote for purposes of determining whether there is a quorum. A broker non-vote occurs when a broker or nominee holding shares for a beneficial owner does not vote on a proposal because the broker or nominee does not have the necessary voting power for that proposal and has not received instructions from the beneficial owner. In order for us to determine that enough votes will be present to hold the Annual Meeting, we urge you to vote in advance by proxy even if you plan to attend the Annual Meeting.

Assuming a quorum is present, how many votes will be required to approve the proposals?

The reorganization proposal will be approved by the affirmative vote of the holders of at least two-thirds of the outstanding shares entitled to vote at the Annual Meeting;

A plurality of the votes cast at the Annual Meeting will elect the two nominees to serve as directors;

The proposal to approve the amendment and restatement of the Company s 2001 Stock Incentive Plan, as amended, which, if approved, will be renamed the 2010 Stock Incentive Plan, will be

approved if the votes cast in favor of the proposal exceed the votes cast in opposition to the proposal; and

The proposal to ratify the appointment of the Independent Registered Public Accounting Firm will be approved if the votes cast in favor of the proposal exceed the votes cast in opposition to the proposal.

Abstentions and broker non-votes will have the same effect as a vote against the reorganization proposal. Abstentions and broker non-votes have no impact on the vote on any of the other proposals.

How many votes may be cast by all shareholders?

A total of 78,688,660 votes may be cast at the Annual Meeting, consisting of one vote for each share of our common stock outstanding on the Record Date.

How do I vote?

You may vote in person at the Annual Meeting or vote by proxy as described below.

If you vote by proxy, your shares will be voted at the Annual Meeting in the manner you indicate. If you sign and return your proxy card, but don t specify how you want your shares to be voted, they will be voted for the two nominees named under the caption PROPOSAL TWO ELECTION OF DIRECTORS, in favor of Proposals One, Three and Four, and, with respect to any other matter that may be presented at the Annual Meeting, in the discretion of the proxy holders named in your proxy card.

May I change or revoke my vote after I submit my proxy?

Yes. To change your vote previously submitted by proxy, you may:

- cast a new vote by mailing a new proxy card with a later date; or

- if you hold shares in your name, attend the Annual Meeting and vote in person.

If you wish to revoke rather than change your vote, written revocation must be received by our Corporate Secretary prior to the Annual Meeting.

What are the Board s voting recommendations?

Our Board recommends a vote:

- **FOR** the reorganization proposal described under the caption PROPOSAL ONE THE REORGANIZATION PROPOSAL;

FOR the election of the two nominees named under the caption PROPOSAL TWO ELECTION OF DIRECTORS to serve as directors;

FOR the approval of the amendment and restatement of the Company s 2001 Stock Incentive Plan, as amended, which, if approved, will be renamed the 2010 Stock Incentive Plan, under the caption PROPOSAL THREE APPROVE THE AMENDMENT AND RESTATEMENT OF THE COMPANY S 2001 STOCK INCENTIVE PLAN, AS AMENDED; and

FOR the ratification of the Independent Registered Public Accounting Firm named under the caption PROPOSAL FOUR RATIFICATION OF THE ENGAGEMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM.

Unless you give other instructions on your proxy card, the persons referred to as proxy holders on the proxy card will vote in accordance with the recommendations of our Board.

What if I participate in the Company s 401(k) Savings Plan?

If you are a participant in the Company s 401(k) Savings Plan (the 401(k)) and own shares of the Company s common stock in your 401(k) account as of the Record Date, you will receive, with respect to the number of shares held for your account under the 401(k) as of the Record Date, a proxy card that will serve as a voting instruction to the trustee of the 401(k) with respect to shares held for your account. Unless the proxy card is signed and returned, shares held in your account under the 401(k) will not be voted.

What is the effect of a broker non-vote on the proposals to be voted on at the Annual Meeting?

A broker non-vote occurs if your shares are not registered in your name and you do not provide the record holder of your shares (usually a bank, broker, or other nominee) with voting instructions on a matter as to which, under NYSE rules, a broker may not vote without instructions from you, but the broker nevertheless provides a proxy. A broker non-vote is considered present for purposes of determining whether a quorum exists, but is not considered a vote cast or entitled to vote with respect to such matter.

Under NYSE rules, the election of directors and Proposals One (the reorganization proposal) and Three (amendment and restatement of the Company s 2001 Stock Incentive Plan, as amended) are not matters on which a broker may vote without your instructions. Therefore, if you do not provide instructions to the record holder of your shares with respect to the election of our directors and Proposals One and Three, a broker non-vote as to your shares will result. The ratification of the appointment of independent accountants is a routine item under NYSE rules. As a result, brokers who do not receive instructions as to how to vote on that matter generally may vote on that matter in their discretion.

Broker non-votes will have the same effect as a vote against the reorganization proposal. Broker non-votes have no impact on the vote on any of the other proposals.

If your shares are held of record by a bank, broker or other nominee, we urge you to give instructions to your bank, broker or other nominee as to how you wish your shares to be voted so you may participate in the shareholder voting on these important matters.

How can I attend the Annual Meeting?

Shareholders as of the close of business on the Record Date may attend the Annual Meeting. You may obtain directions to the location of the Annual Meeting by contacting Innisfree M&A Incorporated at (877) 750-5836.

What happens if the Annual Meeting is postponed or adjourned?

If the Annual Meeting is postponed or adjourned, your proxy will remain valid and may be voted when the Annual Meeting is convened or reconvened. You may change or revoke your proxy until it is voted.

Will your independent registered public accounting firm participate in the Annual Meeting?

Yes. Our independent registered public accounting firm is Deloitte & Touche LLP. A representative of Deloitte & Touche LLP will be present at the Annual Meeting, will be available to answer any questions you may have and will have the opportunity to make a statement.

Are members of the Board required to attend the Annual Meeting?

Directors are encouraged, but not required, to attend the Annual Meeting. All of our directors attended the 2009 Annual Meeting of Shareholders.

Who will pay the expenses incurred in connection with the solicitation of my vote?

We pay all costs and expenses related to preparation of these proxy materials and solicitation of your vote and all Annual Meeting expenses. We have retained Innisfree M&A Incorporated, a proxy solicitation firm, to assist in the solicitation of proxies from shareholders for an estimated fee of approximately $20,000, plus reimbursement for certain out-of-pocket expenses. In addition to soliciting proxies by mail, we may solicit proxies by telephone and personal contact. None of our directors, officers or employees will be specially compensated for these activities. We reimburse brokers, fiduciaries and custodians for their costs in forwarding proxy materials to beneficial owners of our common stock, but we will not pay any compensation for their services.

Why did I receive more than one set of proxy materials?

You may receive multiple sets of proxy materials if you hold your shares of our common stock in multiple accounts (such as through a brokerage account and an employee benefit plan, such as the 401(k) plan). **To ensure all your shares are represented at the Annual Meeting, please vote your shares as instructed in each proxy or instruction card you receive.**

If your household is receiving multiple copies of our annual reports or proxy statements and you wish to request delivery of a single copy, you may send a written request to: **The Dress Barn, Inc., 30 Dunnigan Drive, Suffern, New York 10901, Attention: Investor Relations.**

How do I obtain a separate set of proxy materials if I share an address with other shareholders?

In order to reduce printing and postage costs, only one annual report and proxy statement is being delivered to multiple shareholders sharing an address unless we received contrary instructions from one or more of the shareholders sharing that address. If your household has received only one annual report and one proxy statement, we will deliver promptly a separate copy of the annual report and the proxy statement to any shareholder who sends a written request to: **The Dress Barn, Inc., 30 Dunnigan Drive, Suffern, New York 10901, Attention: Investor Relations.** If you wish to receive a separate annual report and proxy statement in the future, you can notify us by mailing a written request to the address above or by calling our Investor Relations Department at (845) 369-4600.

Can I view these proxy materials electronically?

Yes. You may access the proxy statement and our annual report on our website at https://materials.proxyvote.com/261570. You can view all of our other filings with the Securities and Exchange

Commission (the SEC) on our website at www.dressbarn.com.

How can I receive copies of the Company s year-end SEC filings?

We will furnish without charge to any shareholder who requests, in writing, a copy of this proxy statement/prospectus and/or our Annual Report on Form 10-K/A, including financial statements and related schedules, for the fiscal year ended July 31, 2010, as filed with the SEC. Any such request should be directed to **The Dress Barn, Inc., 30 Dunnigan Drive, Suffern, New York 10901, Attention: Investor Relations.**

How do shareholders submit proposals for the Company s 2011 Annual Meeting of Shareholders?

You may present matters for consideration at our next annual meeting either by: (i) having the matter included in our proxy statement and listed on our proxy card, or (ii) giving us timely advance notice of your intention to properly bring other business before the meeting.

To have your proposal included in our proxy statement and listed on our proxy card for the 2011 Annual Meeting of Shareholders, you must comply with Rule 14a-8, as promulgated under the Securities Exchange Act of 1934, as amended (the Exchange Act).

To submit any other matter to a vote at the 2011 Annual Meeting of Shareholders (other than a shareholder proposal to be included in the Company s proxy materials, as described in the paragraph above), we must receive written notification of your proposal by July 5, 2011 and such proposal must otherwise comply with the advance notice provision and other requirements of (i) prior to the completion of the reorganization, dressbarn s amended and restated bylaws, which are on file with the SEC (as Exhibit 3.4 to the Company s Annual Report on Form 10-K filed with the SEC on September 24, 2008), and (ii) following the completion of the reorganization, the bylaws of Ascena, a copy of which is included in this proxy statement/prospectus as Annex III, and each of which may be obtained from us upon written request. The bylaws of Ascena contain the same advance notice provision as dressbarn s amended and restated bylaws.

Whether you desire to have your proposal included in the Company s proxy statement for the 2011 Annual Meeting of Shareholders or otherwise brought before such meeting, you may submit your proposal in writing to: **The Dress Barn, Inc., 30 Dunnigan Drive, Suffern, New York 10901, Attention: Investor Relations.**

Can I see a list of shareholders entitled to vote at the Annual Meeting?

A complete list of the shareholders entitled to vote at the Annual Meeting is available for inspection at the principal office of the Company upon written request to the Company by a shareholder, and at all times during the Annual Meeting at the place of the Annual Meeting.

QUESTIONS AND ANSWERS ABOUT THE HOLDING COMPANY REORGANIZATION

What is the reorganization proposal?

We are asking you to approve an agreement and plan of reorganization (the Reorganization Agreement) that would result in our reorganization into a Delaware holding company. Under the Reorganization Agreement, The Dress Barn, Inc., a Connecticut corporation, will merge with DB Merger Corp., a Connecticut corporation, with dressbarn surviving the merger as a wholly owned subsidiary of Ascena Retail Group, Inc., a Delaware corporation. Immediately following the merger, as part of the reorganization, dressbarn will distribute the stock of maurices and Tween Brands to Ascena. Ascena will then own dressbarn, maurices and Tween Brands as sister subsidiaries.

Upon completion of the reorganization, Ascena will, in effect, replace our present company as the publicly held corporation. Ascena and its subsidiaries will conduct all of the operations we currently conduct. As a result of the reorganization, the current shareholders of dressbarn will become stockholders of Ascena with the same number and percentage of shares of Ascena as they hold of dressbarn prior to the reorganization. The Reorganization Agreement, which sets forth the plan of reorganization and is the primary legal document that governs the reorganization, is attached as Annex I to this proxy statement/prospectus. You are encouraged to read the Reorganization Agreement carefully.

Why are you forming a holding company?

We are forming a holding company in Delaware to:

- better align our corporate structure with our business operations;
- provide us with greater strategic, business and administrative flexibility, which may allow us to acquire or form other businesses, if and when appropriate and feasible, that may be owned and operated by us, but which could be separate from

our current businesses;
and

take advantage of the benefits of Delaware corporate law.

To review the reasons for our reorganization in greater detail, see Reasons for the Reorganization; Recommendation of our Board, on page 15.

What will happen to my stock?

In the reorganization, your shares of common stock will automatically be converted into the same number of shares of common stock of Ascena. As a result, you will become a stockholder of Ascena and will own the same number and percentage of shares of Ascena common stock that you now own of dressbarn common stock. We expect that Ascena common stock will be listed on the NASDAQ Global Select Market under the symbol ASNA.

How will being an Ascena stockholder be different from being a dressbarn shareholder?

After the reorganization, you will own the same number and percentage of shares of Ascena common stock that you owned of dressbarn common stock immediately prior to the reorganization. You will own shares of a Delaware holding company that owns our operating businesses. In addition, as a stockholder of Ascena, your rights will be governed by Delaware corporate law and the charter documents of the Delaware corporation. Your rights as a stockholder of Ascena will be substantially the same as your rights as a shareholder of dressbarn, including rights as to voting and dividends. For more information, see Description of Ascena Capital Stock, Description of dressbarn Capital Stock and Comparative Rights of Holders of Ascena Capital Stock and dressbarn Capital Stock.

Will the management or the business of the company change as a result of the reorganization?

No. The management and business of our company will remain the same after the reorganization.

What will the name of the public company be following the reorganization?

The name of the public company following the reorganization will be Ascena Retail Group, Inc.

Will the company s CUSIP number change as a result of the reorganization?

Yes. Following the reorganization the company s CUSIP number will be 04351G101.

Will I have to turn in my stock certificates?

No. Do not turn in your stock certificates. We will not require you to exchange your stock certificates as a result of the reorganization. After the reorganization, your dressbarn common stock certificates will represent the same number of shares of Ascena common stock.

Will the reorganization affect my U.S. federal income taxes?

The proposed reorganization is intended to be a tax-free transaction under U.S. federal income tax laws. We expect that you will not recognize any gain or loss for U.S. federal income tax purposes upon your receipt of Ascena common stock in exchange for your shares of dressbarn common stock in the reorganization; however, the tax consequences to you will depend on your own situation. You should consult your own tax advisors concerning the specific tax consequences of the reorganization to you, including any state, local or foreign tax consequences of the reorganization. For further information, see Material U.S. Federal Income Tax Consequences.

How will the reorganization be treated for accounting purposes?

For accounting purposes, our reorganization into a holding company structure will be treated as a merger of entities under common control. The accounting treatment for such events is similar to the former pooling of interests method. Accordingly, the consolidated financial position and results of operations of dressbarn will be included in the consolidated financial statements of Ascena on the same basis as currently presented.

What vote is required to approve the reorganization proposal?

The required vote is the affirmative vote of holders of at least two-thirds of the outstanding shares entitled to vote at the Annual Meeting.

What percentage of the outstanding shares do directors and executive officers hold?

On November 1, 2010, directors, executive officers and their affiliates beneficially owned approximately 9.65% of our outstanding shares of common stock.

If the shareholders approve the reorganization, when will it occur?

We plan to complete the reorganization on or about January 1, 2011, provided that our shareholders approve the reorganization and all other conditions to completion of the reorganization are satisfied.

Do I have dissenters (or appraisal) rights?

No. Holders of dressbarn common stock do not have dissenters rights under Connecticut law as a result of the reorganization even if the reorganization is approved by our shareholders.

Why is the authorized capital of Ascena greater than the authorized capital of dressbarn?

dressbarn s amended and restated certificate of incorporation currently authorizes the issuance of 165,000,000 shares of common stock and 100,000 shares of preferred stock. Ascena s second amended and restated certificate of incorporation, which would govern the rights of the Company s

stockholders as a result of the reorganization, currently authorizes the issuance of 375,000,000 shares of common stock and 100,000 shares of preferred stock. Upon completion of the reorganization, the number of shares of Ascena common stock that will be outstanding will be equal to the number of shares of dressbarn common stock outstanding immediately prior to the reorganization.

The Board believes that the increase to 375,000,000 authorized shares of common stock is desirable so that, as the need may arise, the Company will have the flexibility to issue shares without additional expense or delay in connection with possible future stock dividends or stock splits, equity financings, future opportunities for expanding the Company s business through investments or acquisitions, management incentive and employee benefit plans and for other general corporate purposes. If the increase in the number of authorized shares of common stock is not effected, the Company would not have the benefit of this flexibility in the future. As of the date of this proxy statement/prospectus, the Board has not taken any action to issue any of the additional authorized shares for any such purposes. The number of shares authorized for issuance under the Company s equity compensation plans as of July 31, 2010 is set forth on page 90 of this proxy statement/prospectus. No other shares are presently reserved for any other purpose.

Whom do I contact if I have questions about the reorganization proposal?

You may contact our proxy solicitor:

Innisfree M&A Incorporated
501 Madison Avenue
New York, New York 10022
Shareholders call toll-free: (877) 750-5836
Banks and brokers call collect: (212) 750-5833

or us:

The Dress Barn, Inc.
30 Dunnigan Drive
Suffern, New York 10901
Telephone: (845) 369-4600
Attn: Investor Relations

SUMMARY OF THE REORGANIZATION PROPOSAL

This section highlights key aspects of the reorganization proposal, including the Reorganization Agreement, that are described in greater detail elsewhere in this proxy statement/prospectus. It does not contain all of the information that may be important to you. To better understand the reorganization proposal, and for a more complete description of the legal terms of the Reorganization Agreement, you should read this entire document carefully, including the Annexes, and the additional documents to which we refer you. You can find information with respect to these additional documents in Where You Can Find More Information.

The Principal Parties

The Dress Barn, Inc.
30 Dunnigan Drive
Suffern, New York 10901
Telephone: (845) 369-4500

The Dress Barn, Inc., or *dressbarn*, is a leading national specialty apparel retailer offering quality casual and career women s apparel at value prices through its **dressbarn** and **maurices** brands and tween girls fashion apparel and accessories through its **Justice** brand. Since our retail business began in 1962, we have established, marketed and expanded our brands as a source of fashion and value. In January 2005, we acquired maurices and on November 25, 2009, we completed our acquisition of Tween Brands, the operator of **Justice.**

As of July 31, 2010, we operated 833 **dressbarn** stores in 47 states, 757 **maurices** stores in 44 states and 890 **Justice** stores in 46 states and Puerto Rico. **Justice** also has 34 international franchise stores located in the following countries: Saudi Arabia; the United Arab Emirates; Kuwait; Qatar; Bahrain; Jordan; and Russia.

In connection with the reorganization, dressbarn will merge with MergerCo, with dressbarn surviving the merger as a wholly owned subsidiary of Ascena. After the reorganization, dressbarn will continue to engage in the business currently conducted by dressbarn, and all of dressbarn s contractual, employment and other business relationships will generally continue unaffected by the reorganization, except that immediately following the merger, dressbarn will distribute the stock of its subsidiaries, maurices and Tween Brands, to Ascena and its executive management team and certain corporate-level employees will become employees of Ascena.

We are a Connecticut corporation. Our headquarters are located at 30 Dunnigan Drive, Suffern, New York 10901, and the telephone number at this location is (845) 369-4500. Information about us is available on our website at www.dressbarn.com. The contents of our website is not incorporated by reference herein and is not deemed to be part of this proxy statement/prospectus.

Ascena Retail Group, Inc.
30 Dunnigan Drive
Suffern, New York 10901
Telephone: (845) 369-4500

Ascena Retail Group, Inc., or *Ascena*, was formed as a wholly owned subsidiary of dressbarn in order to effect the reorganization. Prior to the reorganization, Ascena will have no assets or operations other than those incident to its formation.

DB Merger Corp.
30 Dunnigan Drive
Suffern, New York 10901
Telephone: (845) 369-4500

DB Merger Corp., or *MergerCo*, was formed as a wholly owned subsidiary of Ascena in order to effect the reorganization. Prior to the reorganization, MergerCo will have no assets or operations other than those incident to its formation.

What You Will Receive in the Reorganization (Page 17)

In the reorganization, each outstanding share of common stock of dressbarn will be converted automatically into one share of common stock of Ascena. In addition, each outstanding option to purchase shares of dressbarn common stock, if not exercised before the completion of the reorganization, will become an option to acquire, at the same exercise price, an identical number of shares of Ascena common stock. Each outstanding restricted stock award (or any performance award payable in restricted stock) will become an award of restricted stock (or a performance award payable in restricted stock) in an identical number of shares of Ascena common stock. Finally, participants in the Company s Employee Stock Purchase Plan will be entitled to receive shares of Ascena common stock in accordance with the terms of the plan, and shares of common stock of dressbarn currently held in the plan will be converted into shares of common stock of Ascena.

On the Record Date, there were outstanding 78,688,660 shares of dressbarn common stock and 281,100 unvested shares of dressbarn restricted stock, as well as options representing an aggregate of 8,100,571 shares of dressbarn common stock.

Conditions to Completion of the Reorganization (Page 18)

The completion of the reorganization depends on the satisfaction or waiver of a number of conditions, including, but not limited to, the following:

- absence of any stop order suspending the effectiveness of the registration statement, of which this proxy statement/prospectus forms a part, relating to the shares of Ascena common stock to be issued in the reorganization;
- approval and adoption of the Reorganization Agreement by dressbarn s shareholders;
- receipt of approval for listing on the NASDAQ Global Select Market of shares of Ascena common stock to be issued in the reorganization;

absence of any order or proceeding that would prohibit or make illegal completion of the reorganization; and

receipt by dressbarn and Ascena of a legal opinion of Proskauer Rose LLP with respect to the material U.S. federal income tax consequences of the reorganization.

Termination of the Reorganization Agreement (Page 18)

We may terminate the Reorganization Agreement, even after adoption by our shareholders, if our Board determines to do so for any reason.

Board of Directors and Executive Officers of Ascena Following the Reorganization (Page 20)

The board of directors of Ascena presently consists of the same persons comprising the dressbarn Board and it is expected that the Ascena board of directors will remain the same following the reorganization. Ascena expects that its executive officers following the reorganization will be the same as those of dressbarn immediately prior to the reorganization.

Markets and Market Prices

Ascena common stock is not currently traded on any stock exchange. dressbarn common stock is traded under the symbol DBRN on the NASDAQ Global Select Market, and we expect Ascena common stock to trade on the NASDAQ Global Select Market under the symbol ASNA following the reorganization. On August 19, 2010, the last trading day before the announcement of the reorganization proposal, the closing price per dressbarn share was $22.21. On November 17, 2010, the most recent trading day for which prices were available, the closing price per dressbarn share was $24.42.

Certain Financial Information

We have not included pro forma financial comparative per share information concerning dressbarn that gives effect to the reorganization because, immediately after the completion of the reorganization, the consolidated financial statements of Ascena will be the same as dressbarn s consolidated financial statements immediately prior to the reorganization, and the reorganization will result in the conversion of each share of dressbarn common stock into one share of Ascena common stock. In addition, we have not provided financial statements of Ascena because, prior to the reorganization, it will have no assets, liabilities or operations other than incident to its formation.

RISK FACTORS

In considering whether to vote in favor of the reorganization proposal, you should consider all of the information we have included in this proxy statement/prospectus, including its Annexes, and all of the information included in the documents we have incorporated by reference, including our Annual Report on Form 10-K/A for the year ended July 31, 2010 and the risk factors described in the other documents incorporated by reference. In addition, you should pay particular attention to the risks described below.

Our Board may choose to defer or abandon the reorganization.

Completion of the reorganization may be deferred or abandoned, at any time, by action of our Board, whether before or after the Annual Meeting. While we currently expect the reorganization to take place on or about January 1, 2011, assuming that the proposal to approve and adopt the Reorganization Agreement is approved at the Annual Meeting, the Board may defer completion or may abandon the reorganization because of any determination by our Board that the reorganization would not be in the best interests of dressbarn or its shareholders or that the reorganization would have material adverse consequences to dressbarn or its shareholders.

We may not obtain the expected benefits of our reorganization into a holding company.

We believe our reorganization into a holding company will provide us with benefits in the future. These expected benefits may not be obtained if market conditions or other circumstances prevent us from taking advantage of the strategic, business and financing flexibility that it affords us. As a result, we may incur the costs of creating the holding company without realizing the possible benefits.

As a holding company, Ascena will depend in large part on dividends from its operating subsidiaries to satisfy its obligations.

After the completion of the reorganization, Ascena will be a holding company with no business operations of its own. Its only significant assets will be the outstanding capital stock of its subsidiaries, which will initially be dressbarn, maurices and Tween Brands. As a result, it will rely on funds from its current subsidiaries and any subsidiaries that it may form in the future to meet its obligations.

The market for Ascena shares may differ from the market for dressbarn shares.

Although it is anticipated that the Ascena common shares will be authorized for listing on the NASDAQ Global Select Market, the market prices, trading volume and volatility of the Ascena shares could be different from those of the dressbarn shares.

The proposed reorganization into a holding company may result in substantial direct and indirect costs whether or not completed.

The reorganization may result in substantial direct costs. These costs and expenses are expected to consist primarily of attorneys fees, accountants fees, filing fees and financial printing expenses and will be substantially incurred prior to the vote of our shareholders. The reorganization may also result in certain indirect costs by diverting the attention of our management and employees from our business and by increasing our administrative costs and expenses. These administrative costs and expenses will include keeping separate records and in some cases making separate regulatory filings for each of Ascena and each of its subsidiaries. The reorganization may also result in certain state sales taxes and other transfer taxes.

Although we expect to receive an opinion of counsel with respect to the material U.S. federal income tax consequences of the distribution of maurices and Tween Brands stock to Ascena from

13

dressbarn, the Internal Revenue Service or state or local tax authorities may disagree with the conclusions in that opinion, which could result in material tax liability to dressbarn or Ascena.

We expect that the distribution of maurices and Tween Brands stock to Ascena by dressbarn will not result in any tax liability to dressbarn or Ascena and to receive an opinion of Proskauer Rose LLP to that effect. However, this opinion will not be binding on the Internal Revenue Service or state or local tax authorities, which could take the position that the distribution does not constitute a tax-free transaction. In such case, dressbarn may be treated as having instead made a taxable distribution, which could result in material tax liability to dressbarn or Ascena.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Statements in this proxy statement/prospectus and in documents incorporated by reference in this proxy statement/prospectus contain various forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Exchange Act, which represent our management s beliefs and assumptions concerning future events. When used in this proxy statement/prospectus and in documents incorporated herein by reference, forward-looking statements include, without limitation, statements regarding financial forecasts or projections, and our expectations, beliefs, intentions or future strategies that are signified by the words expects, anticipates, intends, plans, believes, estimates, predicts, potential, may the negative of these terms or other comparable terminology. These forward- looking statements are subject to risks, uncertainties and assumptions that could cause our actual results and the timing of certain events to differ materially from those expressed in the forward-looking statements.

You should understand that many important factors, in addition to those discussed or incorporated by reference in this proxy statement/prospectus, could cause our results to differ materially from those expressed in the forward-looking statements. Potential factors that could affect our results include those described in this proxy statement/prospectus under Risk Factors, and those identified in our Annual Report on Form 10-K/A for the year ended July 31, 2010 and in the other documents incorporated by reference. In light of these risks and uncertainties, the forward-looking results discussed or incorporated by reference in this proxy statement/prospectus might not occur.

PROPOSAL ONE

THE REORGANIZATION PROPOSAL

This section of the proxy statement/prospectus describes the reorganization proposal. Although we believe that the description in this section covers the material terms of the reorganization proposal, this summary may not contain all of the information that is important to you. The summary of the material provisions of the Reorganization Agreement provided below is qualified in its entirety by reference to the Reorganization Agreement, which we have attached as Annex I to this proxy statement/prospectus and which we incorporate by reference into this proxy statement/prospectus. You should carefully read the entire proxy statement/prospectus and the Reorganization Agreement for a more complete understanding of the reorganization proposal. Your approval of the reorganization proposal will constitute your approval and adoption of the Reorganization Agreement, the reorganization, the second amended and restated certificate of incorporation of Ascena and the bylaws of Ascena.

Reasons for the Reorganization; Recommendation of our Board

At a meeting of the Board held on August 20, 2010, the Board concluded that the reorganization is advisable, determined that the terms of the Reorganization Agreement are fair to and in the best interest of dressbarn and its shareholders and adopted and approved the Reorganization Agreement.

During the course of its deliberations, our Board consulted with management and outside legal counsel and considered a number of positive factors, including the following:

Possible Future Strategic and Business Flexibility of the Holding Company Structure. We believe the holding company structure could facilitate future expansion of our business by providing a more flexible structure for acquiring other businesses or entering into joint ventures while continuing to keep the operations and risks of our other businesses

separate. Although we have no present plans or any arrangements, understandings or agreements to make any acquisitions or enter into any joint ventures, we may do so in the future. In addition, if the cash generated over time by our businesses was determined by our Board to be greater than the amount necessary for the operation or capital needs of those businesses, this cash could be transferred to a separate corporate entity owned by the holding company and invested as our Board believes to be appropriate. Furthermore, implementing the holding company structure may reduce the risk that liabilities of our core businesses and other businesses, if any, that may be operated in the future by

separate subsidiaries would be attributed to each other.

Possible Future Financing Flexibility of the Holding Company Structure. We believe that a holding company structure may be beneficial to stockholders in the future because it would permit the use of financing techniques that are more readily available to companies that hold a variety of diversified businesses under one corporate umbrella, without any impact on our capital structure. For example, Ascena, in addition to receiving dividends, as and when permitted, from its current and future subsidiaries, if any, would be able to obtain funds through its own debt or equity financings, and

Ascena s subsidiaries would be able to obtain funds through their own financings, which may include the issuance of debt or equity securities, and other entities within the holding company organization may obtain funds from Ascena, other affiliates or their own outside financings. However, we have no current plans to seek additional financing at this time.

Predictability, Flexibility and Responsiveness of Delaware Law to Corporate Needs. For many years, Delaware has followed a policy of encouraging incorporation in that state and has adopted comprehensive, modern and flexible corporate laws, which are updated regularly to

meet changing business needs. As a result of this deliberate policy to provide a hospitable climate for corporate development, many major public corporations have chosen Delaware for their domicile. In addition, the Delaware courts have developed considerable expertise in dealing with corporate issues relating to public companies. Thus, a substantial body of case

law has developed construing Delaware corporate law and establishing legal principles and policies regarding publicly held Delaware corporations. We believe that, for these reasons, Delaware law will provide greater legal predictability with respect to our corporate legal matters than we have under Connecticut law. We further believe that Delaware law will provide greater efficiency, predictability and flexibility in our public Company s legal affairs than is presently available under Connecticut law.

Attractiveness of Delaware Law to Directors and

Officers. We believe that organizing under Delaware law will enhance our ability to attract and retain qualified directors and officers. The corporate law of Delaware, including its extensive body of case law, offers directors and officers of public companies more certainty and stability. Under Delaware law, the parameters of director and officer liability are more clearly defined and better understood than under Connecticut law. To date, we have not experienced difficulty in retaining directors or officers, but directors of public companies are exposed to significant potential

liability. We therefore believe that providing the benefits afforded directors by Delaware law will enable us to compete more effectively with other public companies in the recruitment of talented and experienced directors and officers. At the same time, we believe that Delaware law regarding corporate fiduciary duties provides appropriate protection for our stockholders from possible abuses by directors and officers. In addition, under Delaware law, directors personal liability cannot be eliminated for:

any breach of the director s duty of

loyalty to the corporation or its stockholders,

acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law,

unlawful payment of dividends or unlawful repurchases or redemptions of stock, or

any transactions from which the director derived an improper personal benefit.

In addition to the positive factors described above, our Board also considered the following potential negative factor associated with the reorganization proposal:

Increased Costs and Expenses Associated with Implementing the Reorganization Proposal and Administering a Holding Company Structure. The reorganization may result in substantial direct

costs. These costs and expenses are expected to consist primarily of attorneys fees, accountants fees, filing fees and financial printing expenses and will be substantially incurred prior to the vote of our shareholders. The reorganization may also result in certain indirect costs by diverting the attention of our management and employees from our business and increasing our administrative costs and expenses. These administrative costs and expenses will include keeping separate records and in some cases making separate regulatory filings for each of Ascena and its current and future subsidiaries. The reorganization may also result in certain state sales taxes and other transfer taxes.

After careful consideration, our Board has determined that creation of a holding company offers a net benefit to our shareholders. The Board has approved the reorganization proposal, determined that the terms of the Reorganization Agreement and the reorganization are advisable and in the best interest of our shareholders, and has adopted and approved the Reorganization Agreement. Our Board recommends that our shareholders vote FOR adoption and approval of the Reorganization Agreement at the Annual Meeting.

Reorganization Procedure

dressbarn currently owns all of the issued and outstanding common stock of Ascena, Ascena currently owns all of the issued and outstanding common stock of MergerCo, the subsidiary formed for purposes of completing the proposed reorganization, and dressbarn owns all of the issued and outstanding common stock of maurices and Tween Brands. Following the approval of the Reorganization Agreement by the dressbarn shareholders and the satisfaction or waiver of the other conditions specified in the Reorganization Agreement (which are described below), dressbarn will merge with MergerCo, the subsidiary of Ascena. As a result of this merger:

dressbarn will be the surviving corporation, and the separate corporate existence of MergerCo will cease.

Each outstanding share of dressbarn common stock will automatically convert into one share of Ascena common stock, as described below, and the current shareholders of dressbarn will become the stockholders of Ascena.

Ascena will own all of dressbarn s common stock and each share of Ascena common stock now held by dressbarn will be cancelled.

The result of the reorganization will be that your current company, dressbarn, will be merged with MergerCo and dressbarn will become a subsidiary of Ascena. Ascena s second amended and restated certificate of incorporation is included as Annex II to this proxy statement/prospectus, and a copy of Ascena s bylaws is included as Annex III to this proxy statement/prospectus. For more information regarding your rights as a shareholder before and after the reorganization see Description of Ascena Capital Stock, Description of dressbarn Capital Stock and Comparative

Rights of Ascena Capital Stock and dressbarn Capital Stock.

Immediately following the merger, as part of the reorganization, dressbarn will distribute the stock of its subsidiaries, maurices and Tween Brands, to Ascena. As a result, dressbarn, maurices and Tween Brands will all be first-tier subsidiaries of Ascena.

In all other respects, your company will remain the same. The current directors and executive officers of dressbarn will continue as directors and executive officers of Ascena. In addition, our current business and operations will remain the same.

What dressbarn Shareholders Will Receive in the Reorganization

Each share of dressbarn common stock will convert into one share of Ascena common stock. After the completion of the reorganization, you will own the same number and percentage of shares of Ascena common stock as you currently own of dressbarn common stock.

dressbarn Stock Options and Other Rights to Receive dressbarn Stock

Each of the outstanding options to acquire shares of dressbarn common stock in the aggregate will become options to acquire, on the same terms and conditions as before the reorganization, an identical number of shares of Ascena common stock. Each outstanding restricted stock award (or any performance award payable in restricted stock) will become an award of restricted stock (or a performance award payable in restricted stock) in an identical number of shares of Ascena common stock. On the Record Date, there were outstanding options representing an aggregate of 8,100,571 shares of dressbarn common stock and 281,100 unvested shares of dress barn restricted stock (including the number of shares of restricted stock payable under performance awards). dressbarn s existing stock-based compensation plans, which include the Company s 2001 Stock Incentive Plan, 2005 Employee Stock Purchase Plan, 401(k) Profit Sharing Retirement Savings Plan, 1995 Stock Option Plan and 1993 Incentive Stock Option Plan (collectively the dressbarn Plans), provide that plan participants will be entitled to receive shares of Ascena common stock rather than shares of dressbarn common stock, on the same terms otherwise provided for in the respective plans.

Corporate Name Following the Reorganization

The name of the public company following the reorganization will be Ascena Retail Group, Inc.

No Exchange of Stock Certificates

In the reorganization, your shares of dressbarn common stock will be converted automatically into shares of Ascena common stock. Your certificates of dressbarn common stock, if any, will represent, from and after the reorganization, an equal number of shares of Ascena common stock, and no action with regard to stock certificates will be required on your part. We expect to send you a notice after the reorganization is completed specifying this and other relevant information.

Conditions to Reorganization

We will complete the reorganization only if each of the following conditions is satisfied or waived:

- absence of any stop order suspending the effectiveness of the registration statement, of which this proxy statement/prospectus forms a part, relating to the shares of Ascena common stock to be issued in the reorganization;
- approval and adoption of the Reorganization Agreement by dressbarn s shareholders;
- receipt of approval for listing on the NASDAQ Global Select Market of shares of Ascena common stock to be issued in the reorganization;
- absence of any order or proceeding that would prohibit or make illegal completion of the reorganization; and
- receipt by dressbarn and Ascena of a legal opinion of Proskauer Rose LLP with respect to the material U.S. federal income tax consequences of the reorganization.

Effectiveness of Reorganization

The reorganization will become effective on the date we file a certificate of merger with the Secretary of State of the State of Connecticut or a later date that we specify therein. We will file the certificate when the conditions to the reorganization described above have been satisfied or waived. We expect that we will specify in the certificate that the reorganization will be effective on or about January 1, 2011.

Termination of Reorganization Agreement

The Reorganization Agreement may be terminated at any time prior to the completion of the reorganization (even after adoption by our shareholders) by action of the Board if it determines that for any reason the completion of the transactions provided for therein would be inadvisable or not in the best interest of our company or our shareholders.

Amendment of Reorganization Agreement

The Reorganization Agreement may, to the extent permitted by the Connecticut Business Corporation Act (the CBCA), be supplemented, amended or modified at any time prior to the completion of the reorganization (even after adoption by our shareholders), by the mutual consent of the parties thereto.

Material U.S. Federal Income Tax Consequences

The following discussion summarizes the material U.S. federal income tax consequences of the reorganization to U.S. holders of dressbarn common stock. This discussion is based upon current provisions of the Internal Revenue Code of 1986, as amended (the Code), current and proposed Treasury regulations and judicial and administrative decisions and rulings as of the date of this proxy statement/prospectus, all of which are subject to change (possibly with retroactive effect) and all of which are subject to differing interpretation. This discussion does not address all aspects of U.S. federal income taxation that may be relevant to you in light of your particular circumstances or to persons subject to special treatment under U.S. federal income tax laws. In particular, this discussion deals only with shareholders that hold dressbarn common stock as capital assets within the meaning of the Code. In addition, this discussion does not address the tax treatment of special classes of shareholders, such as banks, insurance companies, tax-exempt organizations, financial institutions, broker-dealers, persons holding dressbarn stock as part of a hedge, straddle or other risk reduction, constructive sale or conversion transaction, U.S. expatriates, persons subject to the alternative minimum tax and persons who acquired dressbarn stock in compensatory transactions. If you are not a U.S. holder (as defined below), this discussion does not apply to you.

As used in this summary, a U.S. holder is:

an individual U.S. citizen or resident alien;

a corporation, partnership or other entity created or organized under U.S. law (federal or state);

an estate whose worldwide income is subject to U.S. federal income tax; or

a trust if a court within the United States of America is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or certain trusts formed prior to August 20, 1996, if such trust has a valid election in effect to be treated as a domestic trust

for U.S. federal income tax purposes.

If a partnership (including, for this purpose, any entity treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of dressbarn common stock, the U.S. federal income tax consequences to a partner in the partnership will generally depend on the status of the partner and the activities of the partnership. A holder of dressbarn common stock that is a partnership, and the partners in such partnership, should consult their own tax advisors regarding the U.S. federal income tax consequences of the reorganization.

ALL HOLDERS ARE URGED TO CONSULT WITH THEIR OWN TAX ADVISORS REGARDING THE TAX CONSEQUENCES OF THE REORGANIZATION TO THEIR PARTICULAR SITUATION, INCLUDING THE EFFECTS OF U.S. FEDERAL, STATE AND LOCAL, FOREIGN AND OTHER TAX LAWS.

The obligation of dressbarn to complete the reorganization is conditioned upon, among other things, dressbarn and Ascena having received a legal opinion from Proskauer Rose LLP, dated as of the completion of the reorganization, that the merger will constitute an exchange of dressbarn common stock for Ascena common stock governed by Section 351 of the Code, as well as a reorganization within the meaning of Section 368(a) of the Code, and, therefore, no gain or loss will be recognized by the shareholders of dressbarn upon the receipt of Ascena common stock pursuant to the merger. Additionally, dressbarn and Ascena will receive a legal opinion from Proskauer Rose LLP that the distribution of maurices and Tween Brands stock from dressbarn to Ascena is a transaction described in Section 355 of the Code. The opinions of counsel will be based on then-existing law and based in part upon representations, made as of the effective time of the reorganization transactions, by Ascena, dressbarn and MergerCo, which counsel will assume to be true, correct and complete. If the representations are inaccurate, the opinions of counsel could be adversely affected. Neither Ascena nor dressbarn has requested nor will request a private letter ruling from the Internal Revenue Service as to the tax consequences of the reorganization transactions. The opinions of counsel will not be binding upon the Internal Revenue Service or any other taxing authority. Assuming the transactions are treated as described in this paragraph, the material U.S. federal income tax consequences of the transactions will be as follows:

No gain or loss will be recognized by Ascena or dressbarn as a result of the merger;

No gain or loss will be recognized by you upon your receipt of Ascena common stock solely in exchange for your dressbarn common stock;

The aggregate tax basis of the shares of Ascena common stock that you receive in exchange for your dressbarn common stock in the merger will be the same as the aggregate tax basis of your dressbarn common stock exchanged;

The holding period for shares of Ascena common stock that you receive in the merger will include the holding period of your dressbarn common stock exchanged;

No gain or loss will be recognized by dressbarn or Ascena as a result of the distribution of maurices and Tween Brands stock to Ascena by dressbarn; and

The distribution of maurices and Tween Brands stock to Ascena by dressbarn will have no material U.S. federal income tax consequences to you as an Ascena stockholder.	

The foregoing discussion is not intended to be a complete analysis or description of all potential U.S. federal income tax consequences or any other consequences of the reorganization. In addition, the discussion does not address tax consequences which may vary with, or are contingent on, your

individual circumstances. Moreover, the discussion does not address state, local, foreign or non-income tax consequences or tax return reporting requirements. Accordingly, you are strongly urged to consult with your own tax advisor to determine the particular U.S. federal, state, local or foreign income or other tax consequences to you of the reorganization.

Anticipated Accounting Treatment

For accounting purposes, our reorganization into a holding company structure will be treated as a merger of entities under common control. The accounting treatment for such events is similar to the former pooling of interests method. Accordingly, the financial position and results of operations of dressbarn will be included in the consolidated financial statements of Ascena on the same basis as currently presented.

Authorized Capital Stock

dressbarn s amended and restated certificate of incorporation currently authorizes the issuance of 165,000,000 shares of common stock and 100,000 shares of preferred stock. Ascena s second amended and restated certificate of incorporation, which would govern the rights of our stockholders after the reorganization, currently authorizes the issuance of 375,000,000 shares of common stock and 100,000 shares of preferred stock. Upon completion of the reorganization, the number of shares of Ascena common stock that will be outstanding will be equal to the number of shares of dressbarn common stock outstanding immediately prior to the reorganization.

The Board believes that the increase to 375,000,000 authorized shares of common stock is desirable so that, as the need may arise, the Company will have the flexibility to issue shares without additional expense or delay in connection with possible future stock dividends or stock splits, equity financings, future opportunities for expanding the Company s business through investments or acquisitions, management incentive and employee benefit plans and for other general corporate purposes. If the increase in the number of authorized shares of common stock is not effected, the Company would not have the benefit of this flexibility in the future. As of the date of this proxy statement/prospectus, the Board has not taken any action to issue any of the additional authorized shares for any such purposes. The number of shares authorized for issuance under the Company s equity compensation plans as of July 31, 2010 is set forth on page 90 of this proxy statement/prospectus. No other shares are presently reserved for any other purpose.

Listing of Ascena Common Stock on the NASDAQ Global Select Market; De-listing and De-registration of dressbarn Common Stock

The completion of the reorganization is conditioned on the approval for listing of the shares of Ascena common stock issuable in the reorganization (and any other shares to be reserved for issuance in connection with the reorganization) on the NASDAQ Global Select Market. We expect that the Ascena common stock will trade under the ticker symbol ASNA. In addition, Ascena will become a reporting company under the Exchange Act.

Following the reorganization, dressbarn s common stock will no longer be quoted on the NASDAQ Global Select Market and will no longer be registered under the Exchange Act. In addition, dressbarn will cease to be a reporting company under the Exchange Act.

Board of Directors and Executive Officers of Ascena Following the Reorganization

Presently, the Ascena board and the dressbarn Board are comprised of the same persons. We expect that immediately following the reorganization the Ascena board will be comprised of David R. Jaffe, Elliot S. Jaffe, Kate Buggeln, Michael W. Rayden, Klaus Eppler, Randy L. Pearce and John Usdan, if Elliot S. Jaffe and Michael W. Rayden are elected as directors of dressbarn at the Annual Meeting.

We expect that the executive officers of Ascena following the reorganization will be the same as those of dressbarn immediately prior to the reorganization.

For information concerning persons expected to become directors of Ascena, see Proposal Two Election of Directors.

Independent Registered Public Accounting Firm of Ascena

The adoption by the holders of dressbarn common stock of the Reorganization Agreement will also constitute ratification of Deloitte & Touche LLP as described under the caption Proposal Four Ratification of the Engagement of the Independent Registered Public Account Firm as the Independent Registered Public Accounting Firm of Ascena for the fiscal year ending July 30, 2011.

Issuances of Ascena Common Stock Under the dressbarn Plans

The adoption by the holders of dressbarn common stock of the Reorganization Agreement will also constitute approval of the assumption by Ascena of the dressbarn Plans and, where appropriate, the future issuance of shares of Ascena common stock in lieu of shares of dressbarn common stock under the dressbarn Plans, each as amended in connection with the reorganization without further shareowner action.

Ascena Second Amended and Restated Certificate of Incorporation

The adoption by the holders of dressbarn common stock of the Reorganization Agreement will also constitute approval of the terms of the Ascena second amended and restated certificate of incorporation in the form attached to this proxy statement/prospectus as Annex II.

Restrictions on the Sale of Ascena Shares

The shares of Ascena common stock to be issued in the reorganization will be registered under the Securities Act. These shares will be freely transferable under the Securities Act, subject to existing restrictions on certain affiliates of Ascena.

Description of Ascena Capital Stock

Ascena is incorporated in the State of Delaware. The rights of stockholders of Ascena will generally be governed by Delaware law and Ascena s second amended and restated certificate of incorporation and bylaws. The following is a summary of the material provisions of Ascena s second amended and restated certificate of incorporation and bylaws. This summary is not complete and is qualified by reference to Delaware statutory and common law and the full texts of Ascena s second amended and restated certificate of incorporation and bylaws, which are attached as Annexes II and III to this proxy statement/prospectus.

General

Upon the completion of the reorganization, the authorized capital of Ascena will be 375,100,000 shares, consisting of 100,000 shares of preferred stock, par value $0.01 per share, and 375,000,000 shares of common stock, par value $0.01 per share. All of the shares issued and outstanding upon completion of the reorganization will be fully paid and nonassessable.

Upon completion of the reorganization, the number of shares of Ascena common stock that will be outstanding will be equal to the number of shares of dressbarn common stock outstanding immediately prior to the reorganization.

Common Stock

Dividends and Distributions. Subject to preferences applicable to any shares of outstanding Ascena preferred stock, the holders of outstanding shares of Ascena common stock will be entitled to receive dividends and other distributions

out of assets legally available at times and in amounts as the board of directors of Ascena may determine from time to time. All shares of Ascena common stock are entitled to participate ratably with respect to dividends or other distributions.

Liquidation Rights. If Ascena is liquidated, dissolved or wound up, voluntarily or involuntarily, holders of Ascena common stock are entitled to share ratably in all assets of Ascena available for distribution to the Ascena stockholders after the payment in full of any preferential amounts to which holders of any Ascena preferred stock may be entitled.

Voting Rights. Holders of Ascena common stock are entitled to one vote per share on all matters to be voted upon by stockholders. There are no cumulative voting rights. Stockholders may vote by proxy.

Other. There are no preemption, redemption, sinking fund or conversion rights applicable to the Ascena common stock.

Preferred Stock

The board of directors of Ascena may, without further stockholder approval, issue up to 100,000 shares of preferred stock in one or more series and fix the number of shares constituting the designation, voting powers (if any), preferences and other rights, as well as the qualifications, limitations and restrictions, of the series. The powers, preferences and rights, and the qualifications, limitations or restrictions, if any, of each series of preferred stock may be different from those of any and all other series. The issuance of Ascena preferred stock may have the effect of delaying, deferring or preventing a change of control of Ascena without further action by the stockholders, may discourage bids for Ascena common stock at a premium over the market price of Ascena common stock and may adversely affect the market price of, and the voting and other rights of the holders of, Ascena common stock.

Delaware Anti-Takeover Law and Certain Charter Provisions

Ascena is subject to the provisions of Section 203 of the Delaware General Corporation Law (the DGCL). In general, the statute prohibits a publicly held Delaware corporation from engaging in a business combination with an interested stockholder for a period of three years following the date the stockholder became an interested stockholder unless:

- prior to such date, the board of directors of the corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction that resulted in the stockholder becoming an interested

stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the number of shares outstanding those shares owned by persons who are directors and also officers, and employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

on or subsequent to such date, the business combination is approved by the board of directors and authorized at an annual or special

meeting of stockholders, and not by written consent, by the affirmative vote of at least two-thirds of the outstanding voting stock that is not owned by the interested stockholder.

A business combination includes a merger, asset or stock sale or other transaction resulting in financial benefit to the stockholder. An interested stockholder is a person who, together with affiliates and associates owns, or within three years prior, did own, 15% or more of a corporation s outstanding voting stock. This provision may have the effect of delaying, deterring or preventing a change in control of Ascena without further action by its stockholders.

Ascena s second amended and restated certificate of incorporation and bylaws include a number of provisions that may have the effect of deterring or impeding hostile takeovers or changes in control or management. These provisions include:

the authority of the board of directors to issue up to 100,000 shares of undesignated preferred stock and to determine the rights, preferences and privileges of these shares, without stockholder approval;

all stockholder actions must be effected at a duly called meeting of stockholders and not by written consent;

a classified board of directors;

members of Ascena s board of directors may be removed only (1) for cause, by the remaining directors or (2) with or without cause by stockholder action, at a meeting called for that

purpose, by vote of at least 80% of the shares of capital stock then entitled to vote at an election of directors;

the elimination of cumulative voting; and

requiring the affirmative vote of holders of at least 80% of the outstanding shares of voting stock to approve any business combination with any related person. However, such approval is not applicable to any particular business combination and such business combination shall require only such affirmative vote as may be required by law or otherwise, if such business combination has been approved by

- a majority of continuing directors at a meeting at which a continuing director quorum is present or such business combination involves Ascena and a subsidiary in which a related person has no direct or indirect interest, subject to certain additional limitations.

Such provisions may have the effect of delaying or preventing a change in control.

Limitation of Director Liability and Indemnification

Ascena s second amended and restated certificate of incorporation provides, to the fullest extent permitted by Delaware law, that directors will not be liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director. Delaware law currently provides that this waiver may not apply to liability:

- for any breach of the director s duty of loyalty to us or our stockholders;

- for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;

- under Section 174 of the DGCL (governing distributions to stockholders); or

- for any transaction from which the director derived any improper personal benefit.

However, in the event the DGCL is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of our directors will be eliminated or limited to the fullest extent permitted by the DGCL, as so amended. The second amended and restated certificate of incorporation and bylaws of Ascena further provide that we will indemnify each of our directors and officers to the fullest extent permitted by Delaware law and may indemnify other persons as authorized by the DGCL. These provisions do not eliminate any monetary liability of directors under the federal securities laws.

In connection with the reorganization, we expect to enter into customary indemnification agreements with the officers and directors of Ascena.

Transfer Agent

We expect that the transfer agent for Ascena common stock will be American Stock Transfer & Trust Company, LLC, 59 Maiden Lane, Plaza Level, New York, New York 10038.

The NASDAQ Global Select Market Listing

We expect that Ascena common stock will be listed on the NASDAQ Global Select Market under the trading symbol ASNA.

Description of The Dress Barn, Inc. Capital Stock

The Dress Barn, Inc. is incorporated in the State of Connecticut. The rights of shareholders of dressbarn are generally governed by Connecticut law and dressbarn s amended and restated certificate of incorporation and amended and restated bylaws. The following is a summary of the material provisions of dressbarn s amended and restated certificate of incorporation and amended and restated bylaws. This summary is not complete and is qualified by reference to Connecticut statutory and common law and the full texts of dressbarn s amended and restated certificate of incorporation and amended and restated bylaws. A copy of dressbarn s amended and restated certificate of incorporation is attached as Annex A to the Company s Proxy Statement filed with the SEC on November 5, 2008. A copy of dressbarn s amended and restated bylaws is attached as Exhibit 3.4 to the Company s Annual Report on Form 10-K filed with the SEC on September 24, 2008.

General

dressbarn is authorized to issue 165,000,000 shares of common stock, $0.05 par value per share, and 100,000 shares of preferred stock, $0.05 par value per share. As of November 17, 2010, dressbarn had 78,751,453 shares of common stock outstanding held of record by approximately 5,300 shareholders. The outstanding shares of dressbarn s stock are fully paid and nonassessable.

Common Stock

Dividends and Distributions. Subject to preferences applicable to any shares of outstanding dressbarn preferred stock, the holders of outstanding shares of dressbarn common stock are entitled to receive dividends and other distributions out of assets legally available at times and in amounts as the Board of dressbarn may determine from time to time. All shares of dressbarn common stock are entitled to participate ratably with respect to dividends or other distributions.

Liquidation Rights. If dressbarn is liquidated, dissolved or wound up, voluntarily or involuntarily, holders of dressbarn common stock are entitled to share ratably in all net assets of dressbarn available for distribution to the dressbarn shareholders after the payment in full of any preferential amounts to which holders of any dressbarn preferred stock may be entitled.

Voting Rights. Holders of dressbarn common stock are entitled to one vote per share on all matters to be voted upon by shareholders. There are no cumulative voting rights. Shareholders may vote by proxy.

Other. There are no preemption, redemption, sinking fund or conversion rights applicable to the dressbarn common stock.

Preferred Stock

The Board has authority to issue 100,000 shares of dressbarn preferred stock in one or more series and to fix the voting powers, designations, preferences and participating, optional, relative or other special rights, and qualifications, limitations or restrictions of the dressbarn preferred stock, without any further vote or action by dressbarn s shareholders. No shares of preferred stock are issued or outstanding. The issuance of dressbarn preferred stock may have the effect of delaying, deferring or preventing a change of control of dressbarn without further action by the shareholders, may discourage bids for the dressbarn common stock at a premium over the market price of the dressbarn common stock and may adversely affect the market price of, and the voting and other rights of the holders of, dressbarn common stock.

Connecticut Anti-Takeover Law and Certain Charter Provisions

Certain provisions of Connecticut law described below could have an anti-takeover effect. These provisions are intended to provide Connecticut corporations with management flexibility, to enhance the likelihood of continuity and stability in the board of directors and in the policies formulated by a Connecticut corporation s board of directors and to discourage an unsolicited takeover if the board

of directors determines that such a takeover is not in the best interest of the corporation and its shareholders. However, these provisions could have the effect of discouraging certain attempts to acquire us, which could deprive our shareholders of opportunities to sell their shares of our stock at higher values.

In general, Sections 33-844 and 33-845 of the CBCA provide that a shareholder acquiring more than 10% of the outstanding voting stock of a corporation subject to the statute and that person s affiliates and associates, referred to in this section as an interested shareholder, may not engage in specified business combinations, as discussed below, with the corporation for a period of five years after the date on which the shareholder became an interested shareholder unless the business combination is approved by the corporation s board of directors and a majority of the non-employee directors of the corporation of which there shall be at least two, prior to such interested shareholder s stock acquisition date.

Section 33-840(4) of the CBCA defines the term business combination to include a wide variety of transactions with or caused by an interested shareholder or its affiliates in which the interested shareholder receives or could receive a benefit on other than a pro rata basis with other shareholders, including, but not limited to, mergers, consolidations, specified types of asset sales, specified issuances of additional shares to the interested shareholder, transactions with the corporation which increase the proportionate interest of the interested shareholder or transactions in which the interested shareholder receives specified other benefits.

In addition, dressbarn s amended and restated certificate of incorporation includes provisions that may have the effect of deterring or impeding hostile takeovers or changes in control or management. These provisions include:

- the authority of the Board to issue up to 100,000 shares of undesignated preferred stock and to determine the rights, preferences and privileges of these shares, without approval;
- all shareholder actions must be effected at a duly called meeting of shareholders or by unanimous written consent;

a classified board of directors;

members of the Board may be removed only (1) for cause, by the remaining directors or (2) with or without cause by shareholder action, at a meeting called for that purpose, by vote of at least 80% of the shares of capital stock then entitled to vote at an election of directors;

the elimination of cumulative voting; and

requiring the affirmative vote of holders of at least 80% of the outstanding shares of voting stock to approve any business combination with any related person. However,

such approval is not applicable to any particular business combination and such business combination shall require only such affirmative vote as may be required by law or otherwise, if such business combination has been approved by a majority of continuing directors at a meeting at which a continuing director quorum is present or such business combination involves dressbarn and a subsidiary in which a related person has no direct or indirect interest, subject to certain additional limitations.

Such provisions may have the effect of delaying or preventing a change in control.

Indemnification of Directors and Officers

Section 8 of dressbarn s amended and restated certificate of incorporation provides that dressbarn shall indemnify its directors and officers, to the fullest extent permitted by law, for any liability, including any obligation to pay a judgment, settlement, penalty, fine, including an excise tax assessed with respect to an employee benefit plan and any

matters covered by the CBCA, except liability that:

- knowingly violated the law;
- enabled the director or an associate, as defined in Section 33-840 of the CBCA, to receive improper economic gain;

- showed lack of good faith and a conscious disregard for his or her duties to dressbarn;
- engaged in behavior that demonstrated an inexcusable pattern of inattention amounting to an abdication of the his or her duties to dressbarn; or
- creates liability under Section 33-757 of the CBCA.

dressbarn may provide further indemnification for officers as permitted by Section 33-776 of the CBCA.

Further, dressbarn s amended and restated certificate of incorporation provides that the personal liability of a director of dressbarn is limited to an amount equal to the amount of compensation received by the director during the year such violation occurred, if such breach was not in connection with any of the matters described above.

dressbarn s amended and restated certificate of incorporation provides that no amendment to or repeal of Section 8 shall apply to or have any effect on the indemnification of any director of dressbarn for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal.

Transfer Agent

The transfer agent for dressbarn common stock is American Stock Transfer & Trust Company, LLC, 59 Maiden Lane, Plaza Level, New York, New York 10038.

The NASDAQ Global Select Market Listing

dressbarn common stock is listed on the NASDAQ Global Select Market under the trading symbol DBRN.

Comparative Rights of Holders of Ascena Capital Stock and dressbarn Capital Stock

At the effective time of the merger, dressbarn common stock will be converted on a one-for-one basis into Ascena common stock. As a result, Ascena s second amended and restated certificate of incorporation and bylaws and the applicable provisions of the DGCL will govern the rights of the former holders of dressbarn common stock who receive shares of Ascena common stock pursuant to the merger. The rights of dressbarn shareholders are currently governed by the CBCA and common law, dressbarn s amended and restated certificate of incorporation and dressbarn s amended and restated bylaws. The rights of Ascena stockholders after the completion of the reorganization will be governed by the DGCL and common law, Ascena s second amended and restated certificate of incorporation and Ascena s bylaws. The following summary compares the material rights that dressbarn shareholders currently have and the rights that they will have as stockholders of Ascena following the reorganization. This summary is qualified in its entirety by reference to the full text of the aforementioned authorities. For detailed descriptions of the capital stock of dressbarn and Ascena see Description of dressbarn Capital Stock and Description of Ascena Capital Stock in this proxy statement/prospectus.

	Rights of Holders of dressbarn Common Stock	Rights of Holders of Ascena Common Stock
Capitalization:	dressbarn s amended and restated certificate of incorporation authorizes dressbarn to issue 165,000,000 shares of dressbarn common stock, par value $0.05 per share, and 100,000 shares of dressbarn preferred stock, par value $0.05 per share.	Ascena s second amended and restated certificate of incorporation authorizes Ascena to issue 375,000,000 shares of Ascena common stock, par value $0.01 per share, and 100,000 shares of Ascena preferred stock, par value $0.01 per share.
Voting Rights:	dressbarn common shareholders are entitled to one vote for each share and vote together as a single class. dressbarn s amended and restated certificate of incorporation does not provide for cumulative voting for the election of directors.	Ascena common stockholders are entitled to one vote for each share and vote together as a single class. Ascena s second amended and restated certificate of incorporation does not provide for cumulative voting for the election of directors.
Quorum:	dressbarn s amended and restated bylaws provide that holders of a majority of the shares entitled to vote, present in person or by proxy, constitute a quorum at a shareholder meeting.	Ascena s bylaws provide that holders of a majority of the shares entitled to vote, present in person or by proxy, constitute a quorum at a stockholder meeting.
Number of Directors:	dressbarn s amended and restated bylaws provide that the number of members of the Board shall not be fewer than three nor more than 15 persons, as fixed from time to time by action of the shareholders or the Board or, in the absence thereof, shall be the number of incumbent directors after the election at the preceding annual meeting of shareholders.	Ascena s bylaws provide that the number of members of Ascena s board of directors shall not be fewer than three nor more than 15 persons, as fixed from time to time by action of the stockholders or the board of directors or, in the absence thereof, shall be the number of incumbent directors after the election at the preceding annual meeting of stockholders.

	Rights of Holders of dressbarn Common Stock	Rights of Holders of Ascena Common Stock
Removal of Directors:	dressbarn s amended and restated bylaws provide that members of the Board may be removed only (1) for cause, by the remaining directors or (2) with or without cause by shareholder action, at a meeting called for that purpose, by vote of at least 80% of the shares of capital stock then entitled to vote at an election of directors.	Ascena s bylaws provide that members of Ascena s board of directors may be removed only (1) for cause, by the remaining directors or (2) with or without cause by stockholder action, at a meeting called for that purpose, by vote of at least 80% of the shares of capital stock then entitled to vote at an election of directors.
Classification of Board of Directors:	dressbarn s amended and restated certificate of incorporation provides for directors to be divided into three classes, as nearly equal in the number of directors as possible, with the directors in each class serving a three-year term. Each director shall serve for a term ending on the date of the third annual meeting following the meeting at which such director was elected.	Ascena s second amended and restated certificate of incorporation provides for directors to be divided into three classes, as nearly equal in the number of directors as possible, with the directors in each class serving a three-year term. Each director shall serve for a term ending on the date of the third annual meeting following the meeting at which such director was elected.
Filling Vacancies on the Board of Directors:	Any vacancies on the Board, however resulting, or newly created directorships resulting from any increase in the number of directors, shall be filled by the affirmative vote of a majority of the remaining directors then in office. Any directors so chosen shall hold office for the remainder of the full term of the class of directors in which the vacancy occurred or in which the new directorship was created. No decrease in the number of directors shall shorten the term of any incumbent director.	Any vacancies on the board, however resulting, or newly created directorships resulting from any increase in the number of directors, shall be filled by the affirmative vote of a majority of the remaining directors then in office. Any directors so chosen shall hold office for the remainder of the full term of the class of directors in which the vacancy occurred or in which the new directorship was created. No decrease in the number of directors shall shorten the term of any incumbent director.
Record Date:	The Board may fix, in advance, a record date, which shall not be more than 70 nor less than 10 days before the date of any shareholder meeting, nor more than 70 days prior to any other action.	The board of directors may fix, in advance, a record date, which shall not be more than 60 nor less than 10 days before the date of any stockholder meeting, nor more than 60 days prior to any other action.

	Rights of Holders of dressbarn Common Stock	Rights of Holders of Ascena Common Stock
Notice of Meetings:	Each shareholder entitled to vote must be given written notice (unless waived) of each annual or special meeting, stating the place, date, time and purpose(s) of the meeting, not less than 10 nor more than 60 days before the date of the meeting.	Each stockholder entitled to vote must be given written notice (unless waived) of each annual or special meeting, stating the place, date, time and purpose(s) of the meeting, not less than 10 days nor more than 60 days before the date of the meeting.
Amendments to Charter:	The CBCA requires that a proposed amendment to dressbarn s amended and restated certificate of incorporation must be adopted by the Board, and the Board must submit the amendment to the shareholders for their approval. In addition, the Board must submit the amendment to the shareholders with their recommendation of approval, unless the Board makes a determination that because of conflicts of interest or other special circumstances it should not make such a recommendation, in which case the Board must transmit to the shareholders the basis for such determination. In addition, the following sections of dressbarn s amended and restated certificate of incorporation may be amended, repealed or altered only at a meeting of the shareholders by vote of the holders of at least 80% of the shares of capital stock entitled to vote on amendments to the amended and restated certificate of incorporation: (1) Section 9 Supermajority Vote for Approval of Business Combinations; (2) Section 10 Amendment of Sections 9 and 10; (3) Section 11 Classification of Board of Directors; and (4) Section 12 Amendment of Bylaws by Shareholders.	The DGCL requires that the board of directors adopt a resolution setting forth any proposed amendment to Ascena s second amended and restated certificate of incorporation, declaring its advisability, and that the amendment be approved by a majority of the outstanding stock entitled to vote on the amendment; additionally, the amendment must be approved by a majority of the outstanding stock of each class entitled under to vote separately as a class on the amendment. In addition, the following sections of Ascena s second amended and restated certificate of incorporation may be amended, repealed or altered only at a meeting of the stockholders by vote of the holders of at least 80% of the shares of capital stock entitled to vote on amendments to the second amended and restated certificate of incorporation: (1) Section 9 Supermajority Vote for Approval of Business Combinations; (2) Section 10 Amendment of Sections 9 and 10; (3) Section 11 Classification of Board of Directors; and (4) Section 12 Amendment of Bylaws by Stockholders.

	Rights of Holders of dressbarn Common Stock	Rights of Holders of Ascena Common Stock
Amendments to Bylaws:	Pursuant to dressbarn s amended and restated certificate of incorporation and amended and restated bylaws, dressbarn s amended and restated bylaws may be adopted, amended or repealed only at a meeting of the shareholders by the affirmative vote of the holders of at least 80% of the shares of capital stock then entitled to vote thereon. The Board shall have the power, without the assent or vote of the shareholders, to adopt, amend or repeal the amended and restated bylaws by the affirmative vote of directors holding a majority of the directorships.	Pursuant to Ascena s second amended and restated certificate of incorporation and bylaws, the bylaws of Ascena may be adopted, amended or repealed only at a meeting of the stockholders by the affirmative vote of the holders of at least 80% of the shares of capital stock then entitled to vote thereon. The board of directors of Ascena shall have the power, without the assent or vote of the stockholders, to adopt, amend or repeal the bylaws by the affirmative vote of directors holding a majority of the directorships.
Special Meetings of the Board of Directors:	A special meeting of the Board may be called by the chairman or the secretary at the request of any director on at least two days written or oral notice of the date, time and place thereof, given to each director. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.	A special meeting of the board of directors may be called at any time by the chairman or the secretary at the request of any director on at least two days written or oral notice of the date, time and place thereof, given to each director. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.
Special Stockholders Meetings:	Special meetings of the shareholders may be called by the chairman of the board or by the directors. The chairman of the board is required to call, and give notice of, a special shareholders meeting upon the written request of the holders of not less than one-tenth of the voting power of all shares entitled to vote at the meeting, for the purposes specified in such request.	Special meetings of the stockholders may be called by the chairman of the board or by the directors. The chairman of the board is required to call, and give notice of, a special stockholders meeting upon the written request of the holders of not less than one-tenth of the voting power of all shares entitled to vote at the meeting, for the purposes specified in such request.

	Rights of Holders of dressbarn Common Stock	Rights of Holders of Ascena Common Stock
Action by Consent of Stockholders:	Under the CBCA, shareholders may execute an action by unanimous written consent in lieu of any annual or special shareholder meeting; or if the certificate of incorporation so provides, by written consent by shareholders holding not less than a majority of the voting power of shares, entitled to vote thereon or to take such action, as may be provided in the certificate of incorporation. In either event, directors may not be elected by written consent of shareholders without a meeting of shareholders other than by unanimous written consent, or pursuant to a plan of merger. dressbarn s amended and restated certificate of incorporation does not specifically provide for shareholder actions by written consent; thus, under the CBCA, shareholders may take action only by unanimous written consent.	As permitted under the DGCL, Ascena s second amended and restated certificate of incorporation prohibits stockholder action except at an annual or special meeting of stockholders.
Approval for Business Combinations:	The affirmative vote of holders of at least 80% of the outstanding shares of voting stock is required to approve any business combination with any related person. However, such approval is not applicable to any particular business combination and such business combination shall require only such affirmative vote as may be required by law or otherwise, if such business combination has been approved by a majority of continuing directors at a meeting at which a continuing director quorum is present or such business combination involves dressbarn and a subsidiary in which a related person has no direct or indirect interest, subject to certain additional limitations.	The affirmative vote of holders of at least 80% of the outstanding shares of voting stock is required to approve any business combination with any related person. However, such approval is not applicable to any particular business combination and such business combination shall require only such affirmative vote as may be required by law or otherwise, if such business combination has been approved by a majority of continuing directors at a meeting at which a continuing director quorum is present or such business combination involves Ascena and a subsidiary in which a related person has no direct or indirect interest, subject to certain additional limitations.

	Rights of Holders of dressbarn Common Stock	Rights of Holders of Ascena Common Stock
Limitation of Personal Liability of Directors:	The personal liability of a director of dressbarn is limited to an amount equal to the amount of compensation received by the director during the year such violation occurred, if such breach did not (a) involve a knowing violation of the law, (b) enable the director or an associate, as defined in Section 33-840 of the CBCA, to receive improper economic gain, (c) show a lack of good faith and a conscious disregard for his or her duties to dressbarn, (d) involve behavior that demonstrated an inexcusable pattern of inattention amounting to an abdication of the director s duties to dressbarn, or (e) create liability under Section 33-757 of the CBCA.	Ascena s second amended and restated certificate of incorporation provides that, to the fullest extent permitted by the DGCL, directors of Ascena shall not be held personally liable to Ascena or its stockholders for monetary damages for breach of any fiduciary duty as a director.
Indemnification of Directors and Officers:	dressbarn s amended and restated certificate of incorporation provides that dressbarn shall indemnify its directors and officers, to the fullest extent permitted by law, for any liability, including any obligation to pay a judgment, settlement, penalty, fine, including an excise tax assessed with respect to an employee benefit plan and any matters covered by the CBCA, except for liability that (a) knowingly violated the law, (b) enabled the director or an associate, as defined in Section 33-840 of the CBCA, to receive improper economic gain, (c) showed lack of good faith and a conscious disregard for his or her duties to dressbarn, (d) involved behavior that demonstrated an inexcusable pattern of inattention amounting to an abdication of such director or officer s duties to dressbarn, or (e) creates liability under Section 33-757 of the CBCA. dressbarn may provide further indemnification for officers as permitted by Section 33-776 of the CBCA.	Ascena s bylaws provide that Ascena shall indemnify, to the fullest extent permitted by the laws of Delaware, any person made or threatened to be made a party to an action or proceeding, whether criminal, civil, administrative or investigative, by reason of the fact that such person is or was a director or officer of Ascena or serves or served at any other enterprise as a director or officer at the request of Ascena.

	Rights of Holders of dressbarn Common Stock	Rights of Holders of Ascena Common Stock
Relevant Business Combination Provisions and Statutes:	The CBCA applies to corporations with a class of voting stock registered on a national securities exchange and restricts transactions that may be entered into by the corporation and some of its shareholders. In general, the CBCA provides that a shareholder acquiring more than 10% of the outstanding voting stock of a corporation subject to the statute and that person s affiliates and associates, referred to in this section as an interested shareholder, may not engage in specified business combinations, as discussed below, with the corporation for a period of five years after the date on which the shareholder became an interested shareholder unless the business combination is approved by the corporation s Board of Directors and a majority of the non-employee directors of the corporation of which there shall be at least two, prior to such interested shareholder s stock acquisition date.	The DGCL provides that if a person acquires 15% or more of the stock of a Delaware corporation, such person may not engage in transactions with the corporation for a period of three years. The statute contains exceptions to this prohibition. The prohibition on business combinations is not applicable if, for example, the board of directors approves the acquisition of stock or the transaction prior to the time that the person becomes an interested stockholder, or if the interested stockholder acquired at least 85% of the voting stock of the corporation (excluding voting stock owned by directors who are also officers and employee stock plans) in the transaction that resulted in the person becoming an interested stockholder, or if the transaction is approved by the board of directors and two-thirds of the holders of the outstanding voting stock which is not owned by the interested stockholder at a meeting of the stockholders.
	The term business combination is defined to include a wide variety of transactions with or caused by an interested shareholder or its affiliates in which the interested shareholder receives or could receive a benefit on other than a pro rata basis with other shareholders, including, but not limited to, mergers, consolidations, specified types of asset sales, specified issuances of additional shares to the interested shareholder, transactions with the corporation which increase the proportionate interest of the interested shareholder or transactions in which the interested shareholder receives specified other benefits.	

QUESTIONS AND ANSWERS ABOUT OUR BOARD AND CORPORATE GOVERNANCE MATTERS

What is the makeup of the Board and how often are members elected?

Our Board currently has seven members, divided into three classes, each with a staggered three-year term of office. Only two directors, Elliot S. Jaffe and Michael W. Rayden, whose terms are expiring as of the date of the Annual Meeting, shall stand for election this year. We appointed Michael W. Rayden, Chief Executive Officer of Tween Brands, Inc., to our Board upon the consummation of the acquisition of Tween Brands, Inc., which closed on November 25, 2009.

How often did the Board meet in fiscal 2010?

The Board met six times during fiscal 2010 and otherwise accomplished its business through the work of the committees described below. Each incumbent director attended at least 75% of the meetings of the Board and of the standing committees of which he or she was a member during fiscal 2010.

Do the non-management directors meet in regularly scheduled executive sessions?

Yes. The non-management members of our Board meet in regularly scheduled executive sessions without any members of management present.

How does the Board determine which directors are independent?

Our Board determines whether an individual director satisfies all of the independence standards of the SEC and the NASDAQ Global Select Market, as such standards may be amended from time to time, and also that the director has no material relationships with us (either directly or as a partner, shareholder or officer of any entity) that would be inconsistent with a finding of independence.

Which directors have been designated as independent?

Based on the analysis described below under the caption Independence Determinations, the Board affirmatively determined that a majority of the directors who will continue to serve on the Board following the Annual Meeting are independent. They include Kate Buggeln, Klaus Eppler, Randy L. Pearce and John Usdan.

What are the standing committees of the Board?

Our Board has three standing committees: the Audit Committee, the Nominating Committee and the Compensation and Stock Incentive Committee, which is also referred to as our Compensation Committee.

Who are the members of the standing committees?

Committee	Members	Chairperson
Audit Committee	Kate Buggeln Randy L. Pearce John Usdan	Randy L. Pearce
Nominating Committee	Klaus Eppler John Usdan	Klaus Eppler
Compensation Committee		John Usdan

Kate Buggeln
Randy L. Pearce
John Usdan

Are all of the members of the standing committees independent?

Yes. The Board has determined that the members of each of the standing committees are independent.

Do all of the standing committees operate under a written charter?

Yes. The charters of each of the standing committees are available for viewing on our website at www.dressbarn.com. Paper copies will be provided to any shareholder upon written request to: **The Dress Barn, Inc., 30 Dunnigan Drive, Suffern, New York 10901, Attention: Investor Relations.**

What are the functions of the standing committees?

Audit Committee

It is the responsibility of the Audit Committee to assist the Board in its oversight of our financial accounting and reporting practices. The duties of the Audit Committee include monitoring our financial reporting process and system of internal controls; selecting our independent registered public accounting firm; monitoring the independence and performance of our independent registered public accounting firm and internal auditing function; and providing an avenue of communication among the independent registered public accounting firm, management, the internal auditing functions and the Board. The Audit Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to our independent registered public accounting firm as well as our internal auditors. The Audit Committee has the ability to retain, at our expense, special legal, accounting or other consultants or experts it deems necessary in the performance of its duties. The Board has determined that Mr. Pearce, a member of the Audit Committee, qualifies as an audit committee financial expert, and that each Audit Committee member is financially literate and independent, each as defined by the SEC s regulations and the NASDAQ s listing standards.

Nominating Committee

The function of the Nominating Committee is to provide assistance to the Board in the selection of candidates for election and re-election to the Board. The Nominating Committee utilizes a variety of methods for identifying and evaluating director candidates. Candidates may come to the attention of the Committee through current directors, members of management, shareholders or other persons. From time to time, the Nominating Committee may also engage a search firm to assist in identifying potential Board candidates, although no such firm was used to identify any of the nominees for director proposed for election at the Annual Meeting. Once the Nominating Committee has identified a prospective nominee, the Nominating Committee evaluates the prospective nominee against the standards and qualifications set out in the Nominating Committee s charter, including the individual s potential contributions in providing advice and guidance to the Board and management. The Nominating Committee seeks to identify nominees who possess a wide range of experience, skills, areas of expertise, knowledge and business judgment. The Nominating Committee evaluates all candidates for director, regardless of the person or firm recommending such candidate, on the basis of the length and quality of their business experience, the applicability of such candidate s experience to us and our business, the skills and perspectives such candidate would bring to the Board and the personality or fit of such candidate with existing members of the Board and management. Successful nominees must have a history of superior performance or accomplishments in their professional undertakings and should have the highest personal and professional ethics and values.

The Board determines the total number of directors and selects nominees with a view to maintaining a Board that is strong in its collective knowledge and has a diversity of not only skills and experience, but also diversity in gender, culture and geography. The Board assesses the effectiveness of its diversity policies by reviewing the nominees for director to the Board to determine if such nominees satisfy the Company s then-current needs.

Compensation Committee

The function of the Compensation Committee is to assist the Board by (i) considering and determining all matters relating to the compensation of our Chairman, President and Chief Executive Officer and our other executive officers, including the named executive officers; (ii) administering and functioning as the committee that is authorized to grant stock options, restricted stock and other equity awards to executive officers and such other key executives and employees as the Compensation Committee shall determine under our 2001 Stock Incentive Plan, as amended (the Stock Incentive Plan); and (iii) reviewing and reporting to the Board on such other

matters as may be appropriately delegated by the Board for the Compensation Committee s consideration.

From time to time, the Compensation Committee may determine to engage an independent compensation consultant to assist it in reviewing the current compensation levels for our Chairman, President and CEO or other executive officers (including our named executive officers). Prior to the beginning of fiscal 2010, the Compensation Committee engaged Radford Consulting, a separate business unit of Aon Consulting and a separate division of Aon Corporation (Radford), as its independent compensation consultant. Radford was initially retained by the Compensation Committee in part in contemplation of the acquisition of Justice. Management did not specifically recommend Radford. Radford has met regularly with the Compensation Committee and provided it with advice regarding the design and implementation of our executive compensation program. In particular, Radford:

- analyzed competitive compensation levels for our executive officers;
- conducted studies and made recommendations regarding executive compensation, including with regard to the integration of the compensation programs covering dressbarn, maurices and Justice, and changes to the Company s bonus and long-term incentive programs;
- provided market data, performed benchmarking and developed a new peer group;
- advised the Compensation Committee as to best practices; and
- assisted in the preparation of our compensation-related disclosure included in this proxy statement/prospectus.

The results of this analysis form the general basis of our Chairman s and President and CEO s compensation in fiscal 2010.

In providing its services to the Compensation Committee, with the Compensation Committee s knowledge, Radford contacted the Company s management from time to time to obtain data and other information from the Company and worked together with management in the development of proposals and alternatives for the Compensation Committee to review and consider.

The Compensation Committee intends to regularly evaluate the nature and scope of the services provided by Radford. The Compensation Committee approved the fiscal 2010 executive compensation consulting services described above. In order to ensure that Radford is independent, Radford is only engaged by, takes direction from, and reports to, the Compensation Committee and, accordingly, only the Compensation Committee has the right to terminate or replace Radford at any time.

How many times did each standing committee meet in fiscal 2010?

During fiscal 2010, the Audit Committee met seven times, the Compensation Committee met seven times and the Nominating Committee met one time.

What is the Board s role in the risk oversight process?

The positions of Chairman of the Board and Chief Executive Officer are presently separated and have historically been separated at the Company. We believe that separating these positions allows our Chief Executive Officer to focus on our day-to-day business, while allowing the Chairman of the Board to lead the Board in its fundamental role of providing advice to and oversight of management. Our Board recognizes the time, effort and energy that the Chief Executive Officer is required to devote to his position in the current business environment, as well as the commitment required by our Chairman, particularly as the oversight responsibilities continue to grow. Our Board believes that having separate positions is the appropriate leadership structure for us at this time and demonstrates our commitment to good corporate governance.

The Board exercises its oversight of the Company s risks through regular reports to the Board from David Jaffe, in his role as Chief Executive Officer, and other members of senior management on areas of material risk, actions and strategies to mitigate those risks and the effectiveness of those actions and strategies. The Board also administers its risk oversight function through its Audit and Compensation Committees.

The Audit Committee discusses with management the Company s policies with respect to risk assessment and risk management, including the Company s major financial risk exposures and the steps management has taken to monitor and control those risks. Members of senior management with responsibility for oversight of particular risks report to the Audit Committee periodically throughout the year. The Company s chief internal audit executive annually prepares a comprehensive risk assessment report which identifies the material business risks (including strategic, operational, financial reporting and compliance risks) for the Company as a whole, as well as for each business unit, and identifies the controls that address and mitigate those risks. The chief internal audit executive reviews that report with the Audit Committee each year. The Audit Committee reports to the full Board annually, or more frequently as required, on its review of the Company s risk management.

How does the Board evaluate director candidates recommended by shareholders?

The Nominating Committee does not evaluate shareholder nominees differently than any other nominee. Pursuant to policies set forth in our Nominating Committee Charter, our Nominating Committee will consider shareholder nominations for directors if we receive timely written notice, in proper form, of the intent to make a nomination at a meeting of shareholders. To be timely for the 2011 annual meeting, the notice must be received within the time frame discussed above under the heading How do shareholders submit proposals for the Company s 2011 Annual Meeting of Shareholders? To be in proper form, the notice must, among other things, include each nominee s written consent to serve as a director if elected, the number of shares held of record and beneficially owned by the nominee, and any other information relating to the nominee that is required to be disclosed in solicitations of proxies for the election of directors, or is otherwise required pursuant to Regulation 14A under the Exchange Act.

How are directors compensated?

Cash Compensation

For fiscal 2010 and for Board meetings during fiscal 2011 held on and prior to September 23, 2010, we paid our Board members as follows:

- For our directors who were not also officers or consultants of the Company:
  - an annual fee at the rate of $35,000 per year; and
  - $1,000 per regular Board meeting attended in person.

There were four in-person Board meetings in fiscal 2010. No payments were made to directors who participated in telephonic board meetings.

Annual fees to each member (including the chair) of a committee as follows:

Audit Committee: $6,000 per year

Compensation Committee: $4,000 per year

Nominating Committee: $1,000 per year

Additional annual fees to the Chairs of the Audit Committee and the Compensation Committee of $5,000 and

- $2,500 per year, respectively.

- An additional fee to Mr. Eppler, who served as Board secretary and attends meetings of the Board and standing committees, of $1,000 for each Board and committee meeting that he attended and for which he served as secretary.

Based on a study of the compensation paid to the board members of companies in our peer group, effective for Board meetings following September 23, 2010, we will pay our Board members as follows:

- An annual fee at the rate of $50,000 per year to our directors who are not also officers or consultants of the Company. Such directors will no longer receive a fee for attending Board meetings, whether in person meetings or

telephonic
meetings.

Annual fees to each member (including the chair) of the Audit Committee and the Compensation Committee of $10,000 and $5,000 per year, respectively. Members of the Nominating Committee will no longer receive an annual fee.	
Additional annual fees to the Chairs of the Audit Committee and the Compensation Committee of $10,000 and $5,000 per year, respectively.	
An additional fee to Mr. Eppler, who continues to serve as Board secretary and attends meetings of the Board and standing committees, of $1,500 for each Board and committee meeting that he attends and	

for which he serves as secretary.

The annual fees paid to our Board members for fiscal 2011 will be pro rated to reflect the forgoing changes.

Equity Compensation

For fiscal 2010, all directors (except for David R. Jaffe and Michael W. Rayden) received options to purchase 5,000 shares of our common stock. Commencing in fiscal 2011, all directors (except for David R. Jaffe and Michael W. Rayden) will be eligible to receive options to purchase 10,000 shares of our common stock annually.

Options granted to our non-employee directors generally vest in approximately equal one-third increments on an annual basis from the date of grant. Consistent with the vesting schedule generally applicable to our employees, options granted to Elliot S. Jaffe generally vest 25% per year on each of the first four anniversaries of the date of grant. However, if a non-employee director that has served on the Board for at least three years ceases to be a member of the Board for any reason (other than for Cause, as defined under the Stock Incentive Plan), then all of such director s unvested stock options (granted on or after September 18, 2008) will immediately vest and remain exercisable for a period of six months following termination of such directorship, provided that no option will be exercisable for a period longer than the original term of that option. A former director will not be deemed to have terminated his or her directorship so long as he or she remains a consultant to the Company. Notwithstanding the foregoing, if a non-employee director receives a grant of stock options and is nominated for re-election to the Board at a meeting of shareholders to be held within six months after the date of the grant, such option grant shall terminate and shall not become vested if such director either (a) is no longer serving on the Board on the date of such meeting of shareholders; or (b) is not re-elected to the Board at such meeting of shareholders, or any adjournment thereof.

Cause, as defined under the Stock Incentive Plan, means, with respect to a participant s termination of service, any of the following: (i) willful malfeasance, willful misconduct or gross negligence by the participant (including, in each case, a non-employee director) in connection with his or her duties; (ii) continuing refusal by the participant to perform his or her duties under any lawful direction of the Board after notice of any such refusal to perform such duties or direction was given to the participant; (iii) any willful and material breach of fiduciary duty owing to the Company or its affiliates by the participant; (iv) the participant s conviction of a felony or any other crime resulting in pecuniary loss to the Company or its affiliates (including, but not limited to, theft, embezzlement or fraud) or involving moral turpitude; or (v) the participant s habitual drunkenness or narcotics addiction. If shareholders approve the amendment and restatement of the Stock Incentive Plan, then with respect to grants made on or after December 17, 2010, item (v) will be modified to be the participant s on duty intoxication or confirmed positive illegal drug test result.

Our President and Chief Executive Officer, our Chairman of the Board and Michael W. Rayden are executive officers of the Company and do not receive any cash compensation for their services as directors. Compensation paid to these individuals for their services as executive officers during fiscal 2010 is reflected in the Summary Compensation Table below. As noted above under Equity Compensation, our Chairman, Elliot S. Jaffe, received options to purchase 5,000 shares of common stock in connection with his service as a director for fiscal 2010 and commencing in fiscal 2011 is eligible to receive annually options to purchase 10,000 shares of common stock in connection with his continued service as a director.

FISCAL 2010 DIRECTOR COMPENSATION TABLE

The following table provides each element of non-employee director compensation for fiscal 2010.

Name	Fees Earned or Paid in Cash ($)	Option Awards ($) (1)	All Other Compensation ($)	Total ($)
Kate Buggeln	$ 44,000	$ 36,400		$ 80,400
Klaus Eppler	43,000	36,400		79,400
Randy L. Pearce	49,000	36,400		85,400
John Usdan	47,500	36,400		83,900

(1) Reflects the aggregate grant date fair value calculation in accordance with ASC Topic 718. Assumptions used in the valuation of equity based awards are discussed in Stock Options and Restricted Stock in Notes to Consolidated Financial Statements in our Annual Report on Form 10-K/A for the fiscal year ended July 31, 2010.

As of July 31, 2010, the aggregate number of vested and unvested stock options held by each non-employee director was:

Name	Number of Vested Options	Number of Unvested Options
Kate Buggeln	20,000	15,001
Klaus Eppler	31,665	15,001
Randy L. Pearce	19,999	11,667
John Usdan	20,133	11,667

Do you have a written Code of Ethics?

Yes, our Board has adopted a Code of Ethics for Senior Financial Officers, which can be viewed at www.dressbarn.com. This code complies with the requirements of the Sarbanes-Oxley Act of 2002 pertaining to codes of ethics for chief executives and senior financial and accounting officers. If we amend or waive a provision of our Code of Ethics for Senior Financial Officers that applies to our principal executive officer, principal financial officer or controller, we will post such information at this location on our website. Paper copies of the code of ethics will be provided to any shareholder upon request.

Do you have a Whistleblower Policy?

Yes, as required by the Sarbanes-Oxley Act of 2002, we have established a confidential hotline for associates to call with any information regarding concerns about accounting or auditing matters. All calls are referred to the Chairman of the Audit Committee of the Board. Our Whistleblower Policy can be viewed on our website at www.dressbarn.com.

How can I communicate with members of the Board?

You may contact any member of the Board as follows:

Write to our Board at:

Dress Barn s Board of Directors
c/o Chair of the Audit Committee
The Dress Barn, Inc.
30 Dunnigan Drive
Suffern, New York 10901

To the extent reasonably practical under the circumstances, all such communications are treated confidentially and you can remain anonymous when communicating your concerns.

When do your fiscal years end?

Our fiscal years end on the last Saturday in July. References in this proxy statement to a fiscal year are to the calendar year in which the fiscal year ends. For example, the fiscal year ended July 31, 2010 is referred to as fiscal 2010.

PROPOSAL TWO

ELECTION OF DIRECTORS

Our amended and restated certificate of incorporation provides for a classified Board divided into three classes, each with a staggered three-year term of office and each class of directors as nearly equal in number as possible. At the Annual Meeting, two directors are to be elected for three-year terms. On the recommendation of the Nominating Committee, the Board has nominated Elliot S. Jaffe and Michael W. Rayden, current directors whose terms of office expire at the Annual Meeting, for election for three-year terms expiring at the 2013 Annual Meeting of Shareholders. Each nominee has indicated that he will serve if elected. We do not anticipate that either Board nominee will be unable or unwilling to stand for election, but should either such nominee be unavailable for election for any reason, your proxy, to the extent permitted by applicable law, may be voted with discretionary authority in connection with the nomination by the Board and the election of any substitute nominee.

Directors will be elected by a plurality of the votes cast at the Annual Meeting. This means that the two nominees with the most votes for election for the three-year terms will be elected. We will count only votes cast for a nominee, except that a shareholder s proxy will be voted FOR the two nominees described in this Proxy Statement unless the shareholder instructs the proxy holders to the contrary in his or her proxy.

THE BOARD UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE FOR THE ELECTION OF THE NOMINEES LISTED BELOW TO SERVE AS DIRECTORS.

Information about Director Nominees

Following is information regarding the nominees and the other continuing directors.

Nominees for Election as Directors for Three-Year Terms Expiring in 2013

Name of Director and Age	Director Since
Elliot S. Jaffe, 84	1966
Michael W. Rayden, 62	2009

ELLIOT S. JAFFE, Chairman of the Board and a founder of our Company, was Chief Executive Officer from the founding of our Company in 1962 until 2002. Mr. Jaffe is the spouse of Roslyn S. Jaffe, a founder and Director Emeritus of our Company, and they are the parents of David R. Jaffe, a director and CEO, Elise Jaffe, a non-executive officer and a more than 5% shareholder, and Richard Jaffe, a more than 5% shareholder. Mr. Jaffe s qualifications to sit on our Board include his over 50 years experience in the apparel industry and broad knowledge of our business, including as our founder, as our Chairman for 44 years, and as our Chief Executive Officer for 40 years.

MICHAEL W. RAYDEN, is the Chief Executive Officer of Tween Brands, Inc. Prior to the acquisition by the Company on November 25, 2009, Mr. Rayden served as Chief Executive Officer of Tween Brands, Inc. since March 1996 and was elected Chairman of the Board of Tween Brands, Inc. in August 1999. Mr. Rayden also served as the President of Tween Brands, Inc. from March 1996 until January 2007. Before joining Tween Brands, Inc., he served as President, Chief Executive Officer and Chairman of the Board of Pacific Sunwear of California, Inc. from 1990 to 1996, President and Chief Executive Officer of The Stride Rite Corporation from 1987 to 1989 and President and Chief Executive Officer of Eddie Bauer Inc. from 1984 to 1987. Pursuant to the terms of the Merger Agreement pursuant to which we acquired Tween Brands, Inc. and a letter agreement entered into in connection therewith (the Letter Agreement), upon consummation of the acquisition on November 25, 2009, Mr. Rayden was appointed by the Board to fill the vacancy in the class of directors with a term expiring in 2010. The Letter Agreement provides that for

at least one additional term ending no earlier than 2012, so long as he shall continue to be employed by us, the Board is required to nominate Mr. Rayden for re-election to the Board at the expiration of each term of service as a director. Mr. Rayden s extensive experience as the Chief Executive Officer of multi-divisional retailers, and his experience having served on the boards of directors of retailers, strengthens the Board s collective qualifications, skills and experience.

Directors with Terms Expiring in 2011

Name of Nominee and Age	Director Since
David R. Jaffe, 51	2001
Klaus Eppler, 80	1993
Kate Buggeln, 49	2004

DAVID R. JAFFE has been our President and Chief Executive Officer (CEO) since 2002. Previously, he had been Vice Chairman and Chief Operating Officer since 2001. Mr. Jaffe joined our Company in 1992 as Vice President, Business Development and became Senior Vice President in 1995, Executive Vice President in 1996 and Vice Chairman in 2001. He is the son of Elliot S. and Roslyn S. Jaffe. Elliot S. Jaffe is Chairman of the Board and an executive officer. Roslyn S. Jaffe is a founder and Director Emeritus. David R. Jaffe is the brother of Elise Jaffe, a non-executive officer and a more than 5% shareholder, and Richard Jaffe, a more than 5% shareholder. The Board selected Mr. Jaffe to serve as a director based on his extensive retail and financial background.

KLAUS EPPLER is a pensioned partner in the law firm of Proskauer Rose LLP. He was an equity partner of Proskauer Rose LLP from 1965 to 2001. Mr. Eppler is also a director of Bed Bath & Beyond Inc. Mr. Eppler has served as a director of one or more retailers continuously for over 35 years. Throughout his career as a practicing attorney, he represented numerous public companies, including many retail companies. He brings to the Board knowledge and experience in securities law, corporate governance and the retail industry, each of which strengthen the Board s collective qualifications, skills and experience.

KATE BUGGELN is on the Governing Board of the Business Council for Peace. Ms. Buggeln has provided business strategy and brand management consulting services for the past five years. Ms. Buggeln was Senior Vice President, Strategic Planning and Business Development for Coach, Inc. from 2001 to 2004. Ms. Buggeln is also a director of VS Holdings, Inc., the parent company of The Vitamin Shoppe, Inc. The Board selected Ms. Buggeln to serve as a director based on her strong background in strategic planning, marketing and new business development.

Director with Terms Expiring in 2012

Name of Director and Age	Director Since
John Usdan, 52	2002
Randy L. Pearce, 55	2005

JOHN USDAN has, since 1981, been President of Midwood Management Corporation, a company specializing in real estate ownership, development and management. The Board selected Mr. Usdan to serve as a director because of his strong background in real estate and strategic planning.

RANDY L. PEARCE has been the Senior Executive Vice President and Chief Financial and Administrative Officer of Regis Corporation, an owner, operator and franchisor of hair and retail product salons, since 1998, and has held various executive positions at Regis Corporation since 1985. The Board selected Mr. Pearce to serve as a director based on his extensive financial background in auditing and in internal controls over financial reporting of large publicly held retail companies.

Compensation Committee Interlocks and Insider Participation

None of the members of the Compensation Committee was an officer or employee of our Company during fiscal 2010. No executive officer of the Company served during fiscal 2010 as a director or member of a compensation committee of any entity one of whose executive officers served on the Board or the Compensation Committee of the Company.

Independence Determinations

Our Board has determined that a majority of the Board and all members of the standing committees are independent pursuant to applicable SEC and NASDAQ rules, and, in addition, in the case of the Compensation Committee, pursuant to applicable tax rules. Our independent directors include Kate Buggeln, Klaus Eppler, Randy L. Pearce and John Usdan.

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

Overview

This Compensation Discussion and Analysis describes the compensation philosophy, objectives, policies and practices with respect to our named executive officers (the NEOs). The NEOs for the fiscal year ended July 31, 2010 (which we refer to below as fiscal 2010) are David R. Jaffe, the President and CEO, Elliot S. Jaffe, the Chairman of the Board, Armand Correia, the Executive Vice President and Chief Financial Officer, Michael W. Rayden, the CEO of Tween Brands (which we refer to below as Justice), and Gene Wexler, the Senior Vice President and General Counsel.

Role of Our Compensation Committee

Our Compensation Committee (the Compensation Committee) reviews and approves salaries and other compensation of the Chairman of the Board and all senior executives of the Company (including the NEOs), and its dressbarn, maurices and Justice brands. Our Compensation Committee also administers the Stock Incentive Plan, and establishes and reviews the achievement of performance goals and other matters relating to the Company s other annual and long-term bonus and incentive plans for senior executives (including the NEOs), including under the Company s Executive 162(m) Bonus Plan (referred to as the 162(m) Plan) and Management Incentive Plan (referred to as the MIP) (as discussed in more detail below).

Role of Chief Executive Officer in Compensation Decisions

David R. Jaffe, our President and CEO, annually reviews the performance of each NEO with the Compensation Committee and makes recommendations with respect to each key element of executive compensation for each NEO (excluding himself and our Chairman), as well as senior executives from all of our brands. Generally, the Compensation Committee Chair works with our President and CEO in establishing the agenda for Compensation Committee meetings and our President and CEO typically attends meetings to address recommendations on executive compensation, other than with respect to portions of meetings concerning his own compensation. Management also prepares and submits information during the course of the year for the consideration of the Compensation Committee, such as information relevant to annual, semi-annual and long-term performance measures and proposed financial targets and proposed recommendations for salary increases and proposed equity award allocations. Based in part on these recommendations and other considerations discussed below, the Compensation Committee reviews and approves the annual compensation package of our NEOs.

Setting the Compensation of our President and Chief Executive Officer

The Compensation Committee sets the compensation of our President and CEO based on the objectives, philosophy and methodology described below. As part of this process, the Compensation Committee reviews and approves the Company s goals and objectives relevant to our President and CEO s compensation, including his annual, semi-annual and long-term compensation opportunities, and evaluates his performance in light of those goals and objectives at least twice per year. The semi-annual review of our President and CEO s performance is conducted by the Compensation Committee.

No Delegation of Authority

The Compensation Committee does not delegate any authority for awards to NEOs or any other officers.

Compensation Program Objectives and Philosophy

The overall objective of our executive compensation program is to attract highly skilled, performance-oriented executives and to motivate them to achieve outstanding results through appropriate incentives. We focus on the following core principles in structuring an effective compensation program that meets our stated objectives:

Total Compensation

Our compensation philosophy focuses on each executive s total compensation. Total compensation includes a base salary, semi-annual incentive bonuses, long-term incentive compensation (generally consisting of stock options and restricted stock) and various employee benefits. At the beginning of fiscal 2010, the Compensation Committee reviewed the structure of our annual incentive program and decided to utilize semi-annual performance periods for our bonus programs to reflect the fall and spring seasons and more directly incentivize our executives. In addition, following the acquisition of Justice, the Compensation Committee did a comparative analysis of the compensation structures of Justice, dressbarn and maurices for purposes of cross-brand equalization and to formalize the Company s severance pay practices which resulted in the implementation of an executive severance program for certain executives of the Company, including two of the NEOs.

Performance of Company and our Stock Price

We endeavor to align executive compensation with the achievement of operational and financial results and increases in shareholder value. Our compensation program includes significant performance-based remuneration and is designed to ensure that our executives have a larger portion of their total compensation at risk based on Company performance than we believe is generally the case with specialty retailers. We believe this feature creates a meaningful incentive for outstanding performance and an effective retention tool. Two of the elements (the semi-annual incentive bonuses and long-term performance-based incentive compensation) are entirely at risk based on performance and will not be earned if the threshold performance goals are not achieved. However, as described in greater detail below under Risk Mitigation, these incentives are designed in a manner that does not encourage excessive risk taking.

Generally, performance below threshold levels results in no awards of compensation other than base salary and an annual grant of non-qualified stock options.

Our executive compensation program also features substantial stock-related components, including time-vesting stock options and long-term performance-based incentive compensation that for awards granted with respect to cycles beginning prior to fiscal 2011 are settled in time-vesting restricted stock (as well as the limited use of special grants of time-vesting restricted stock). The value of both the stock options and the restricted stock depends on our stock price. Because stock options and restricted stock vest over a period of years, and long-term performance-based incentive compensation awards are awarded based on the achievement of Company financial metrics over a three-year performance period, the value of these components of compensation to our executives is dependent on the performance of our stock price over a period of several years. This aligns the interests of our executives with the long-term interests of our shareholders. Because of this long-term alignment of interests, we do not have either minimum stock ownership guidelines or stock sale guidelines for our executives.

Role of Compensation Consultants

The Compensation Committee engages an outside compensation consultant, Radford, to provide advice regarding our executive compensation program, which includes, among other things: (i) reviewing and making recommendations concerning our executive compensation program; (ii) providing market data and performing benchmarking; and (iii) advising the Compensation Committee as to best practices. For more information about the Compensation Committee s engagement of Radford, please see the section above entitled Questions and Answers About our

43

Board and Corporate Governance Matters What are the Functions of the Standing Committees Compensation Committee.

Compensation Benchmarking

Each year, we seek to target salary compensation for our NEOs (excluding our Chairman) at approximately the 50th percentile of our peer group. For Mr. Rayden, however, his base salary reflects a higher percentile as we continued the practice that was in place prior to the Company s acquisition of Justice.

The Compensation Committee reviews and approves the recommended peer group changes as necessary. With respect to the salaries of our NEOs (other than our Chairman), the Compensation Committee reviews the annual salary studies published by the National Retail Federation. Although it considered industry-based compensation studies and data in order to obtain a general understanding of current compensation practices, the substantial part of the Compensation Committee s work and compensation decisions have been based on internal discussions and conclusions regarding what compensation levels would produce a competitive compensation package while also providing the requisite performance incentives to drive Company financial and strategic performance.

For fiscal 2010, Radford proposed, and the Compensation Committee reviewed and approved, a new peer group for the purpose of benchmarking certain forms of compensation and reviewing appropriate maximum limitations to the 162(m) Plan. The new peer group was selected to reflect, as accurately as possible, both the market for talent and business performance in which we compete. 16 peer companies were selected generally based on the following criteria (with a few exceptions of larger and smaller companies):

Industry: All companies selected are primarily, if not solely, clothing retailers. Companies that are primarily manufacturing or general retailers were excluded.

Size: The companies selected were roughly one-half to twice the size of the Company in terms of revenue (which is consistent with the approach taken in selecting prior peer groups) and

number of employees.

Structure: In general, multi-divisional companies were selected to capture the anticipated growing complexity of the Company s business structure.

The fiscal 2010 peer companies were: Abercrombie & Fitch Co. (ANF); Aéropostale, Inc. (ARO); American Eagle Outfitters, Inc. (AEO); AnnTaylor Stores Corporation (ANN); Charming Shoppes, Inc. (CHRS); Chico s FAS, Inc. (CHS); Coldwater Creek Inc. (CWTR); The Gymboree Corporation (GYMB); Hot Topic, Inc. (HOTT); J. Crew Group, Inc. (JCG); Pacific Sunwear of California, Inc. (PSUN); Stage Stores, Inc. (SSI); Stein Mart, Inc. (SMRT); The Children s Place Retail Stores, Inc. (PLCE); The Men s Wearhouse, Inc. (MW); and Urban Outfitters, Inc. (URBN).

While not part of the peer group, other companies, such as Limited Brands, Inc., were also used for comparison purposes with respect to certain aspects of our executive compensation program.

Compensation Program Elements

Our philosophy serves to cultivate a pay-for-performance environment. Our executive compensation program design has five key elements:

Base Salary

Semi-Annual Incentive Bonuses

Non-Qualified Stock Options

Long-Term Incentives, which include Long-Term Incentive Plans (LTIPs), which consists of performance based awards that are paid in restricted stock and, solely with respect to Mr. Rayden, a Long

Term Incentive Bonus, payable in performance-based cash compensation	
Severance Protection Benefits	

Historically, we have not considered change in control payments to be a key element of executive compensation for our NEOs. Prior to fiscal 2010, except for Mr. David Jaffe who is entitled to change in control severance benefits under his employment agreement, our NEOs, including our Chairman, did not have specific change in control severance protections. However, Mr. Rayden and several other senior Justice executives were entitled to change in control benefits under their executive agreements which remained in effect following the Company s acquisition of Justice. As discussed below, as part of our overall plan to equalize executive pay through all of our brands and to provide customary change in control protections to our NEOs (other than our Chairman), during fiscal 2010 the Company adopted the Executive Severance Plan that included enhanced change in control severance benefits for Messrs. Correia and Wexler. For a description of all such arrangements, see Potential Payments Upon Termination or Change in Control below.

We do not consider employee benefits or perquisites to be a key element of executive compensation for our NEOs, however certain perquisites to which Mr. Rayden was entitled pursuant to his employment arrangement with Justice prior to its acquisition by the Company were preserved by the Company, as described below under Executive Perquisites. For a description of perquisites received by our NEOs in fiscal 2010, see the details of the amounts included in the All Other Compensation column of the Summary Compensation Table below.

We allocate compensation between short-term and long-term components and between cash and equity in order to maximize executive performance and retention. Long-term compensation and equity awards comprise an increasingly larger proportion of total compensation as position level increases as we believe that these elements of compensation more closely align management s interests with our financial performance and with our shareholders interests.

Base Salary

Base salary represents the annual salary paid to each executive. For salaries for our NEOs (excluding Messrs. Elliot Jaffe and Rayden) we seek to target approximately the 50th percentile of our peer group. To honor Mr. Rayden s contractual entitlements and recognize Justice s strong performance up to and following the acquisition, Mr. Rayden s annual salary remains at a higher percentile than the other NEOs, which is at approximately the 70th percentile based on the Company s peer group. We do not benchmark base salary for our Chairman, who is entitled to a cost of living increase to his salary each year pursuant to his employment agreement with the Company. We review base salaries in the first quarter of each new fiscal year (*i.e.,* the fiscal year which follows the completed fiscal year for which executive compensation is described in this proxy statement/prospectus) and increases, where applicable, are typically effective on or about October 1 of the new fiscal year.

For fiscal 2010, Mr. David Jaffe s salary was increased on October 4, 2009 from $850,000 to $900,000 to reflect his additional responsibilities due to the acquisition of Justice and to move his salary closer to the 50th percentile of the chief executive officers in our peer group, and was further increased on December 13, 2009 to $950,000 to provide a make-up for the elimination of certain perquisites. For fiscal 2010, on October 4, 2009 Mr. Correia s salary was increased from $320,000 to $342,000 and Mr. Wexler s salary was increased from $270,000 to $340,000. Mr. Correia s salary was further increased to $392,000 on December 13, 2009. The increases for Messrs. Correia and Wexler were adopted in order to move their salaries closer to the 50th percentile target of our peer group established in fiscal 2010, to reflect a 2% merit increase and the elimination of certain perquisites and to compensate them for additional responsibilities due to the acquisition of Justice. Mr. Elliot Jaffe did not receive a salary increase for fiscal 2010, accordingly, his fiscal 2010 salary was $377,100. Mr. Rayden s fiscal 2010 salary was $1,050,000, which is consistent with his prior salary.

In connection with a general merit-based increase in salaries across all of our divisions to reflect a balancing of the strong performance in all divisions with the recessionary economic environment, for fiscal 2011, the salaries for Messrs. David Jaffe, Correia and Wexler were increased to $980,000, $425,000 and $370,000, respectively. Mr. Elliot Jaffe s salary was increased for fiscal 2011 to $382,800 to reflect a 1.5% cost of living increase. Mr. Rayden did not receive a salary increase for fiscal 2011.

45

Incentive Bonus Plans

The Compensation Committee believes that a substantial percentage of each executive officer s annual compensation should tie directly to the financial performance of the Company as well as to the executive s own individual performance. For fiscal 2010, our NEOs participated in the following incentive bonus plans: (i) Mr. David Jaffe participated in the 162(m) Plan and (ii) Messrs. Correia and Wexler participated in the MIP. In addition, from November 25, 2009 through January 30, 2010 (the end of the Justice 2010 fall season), Mr. Rayden continued to participate in the Justice Incentive Compensation Bonus Plan (the Justice IC Plan), and commencing with the Company s 2010 spring season (January 24, 2010 through July 31, 2010), he participated in the 162(m) Plan. Mr. Elliot Jaffe does not participate in any of the incentive bonus plans.

We structure the Company s incentive bonus plans to encourage the achievement of above-market annual performance targets and to recognize annual Company performance. The incentive bonus plans help to focus our NEOs on key annual objectives and business drivers, which we believe will support growth of Company EBITDA (EBITDA represents Earnings before Interest, Taxes, Depreciation and Amortization), improvement in overall operations and increases in shareholder value.

Commencing with fiscal 2010, we have modified the MIP and the 162(m) Plan to provide for semi-annual goals and payouts based on 6-month performance periods for the fall and spring seasons rather than annual goals and payouts. The purpose of this change was to allow for a mid-year reevaluation of performance targets and provide an incentive for our employees to focus on meeting goals in the second half of the fiscal year when first half results are not favorable. For fiscal 2010, the fall season was from July 26, 2009 through January 23, 2010 and the spring season was from January 24, 2010 through July 31, 2010.

We establish the target amount of an NEO s incentive bonus as a percentage of base salary for the performance period based on the NEO s position level. This approach places a proportionately larger percentage of total annual pay at risk based on Company performance for our NEOs relative to position level. For fiscal 2010, the target award opportunity for our NEOs (excluding the Chairman) was as follows: Mr. David Jaffe 100% of base salary; Mr. Rayden 120% of base salary (reflecting his preexisting contractual rights with Justice); Mr. Correia 75% of base salary; and Mr. Wexler 60% of base salary. Higher and lower percentages of base salary may be earned if minimum performance levels or performance levels above target are achieved. Commencing with fiscal 2010, the Compensation Committee decided to increase the maximum bonus opportunity under the 162(m) Plan and the MIP from 100% of base salary to 200% of base salary to better align our incentive bonus plans with those maintained by our competitors which typically provide for increased payouts for outstanding performance.

Management Incentive Plan

Messrs. Correia and Wexler participated in the MIP for both the fiscal 2010 fall and spring seasons.

Full Year Goals for Fiscal 2010 The performance goals for the full fiscal 2010 year and the percentage of the fiscal 2010 target award opportunity subject to the achievement of each goal were as follows:

40% based on divisional goals (20% per season), as follows:

30% based on division EBITDA dollars (15% per season)

10% based on divisional EBITDA as a percentage of sales (5% per season)

20% based on Company goals (10% per season), as follows:

15% based on Company EBITDA dollars (7.5% per season)

5% based on Company EBITDA as a percentage of sales (2.5% per season)

40% based on personal goals for the full fiscal

year

Fiscal 2010 Fall Season Financial Goals The financial performance goals for Messrs. Correia and Wexler for the fiscal 2010 fall season and the percentage of the fiscal 2010 target award opportunity subject to the achievement of each goal were as follows:

- 15% on the achievement by the dressbarn division of target EBITDA of $26,116,000
- 5% on the achievement by the dressbarn division of a target of EBITDA as 5.95% of sales
- 10% based on Company financial goals, as follows:
- 7.5% on the achievement by the Company of target EBITDA dollars of $62,090,000
- 2.5% on the achievement by the Company of a target of EBITDA as 8.35% of sales

Fiscal 2010 Spring Season Financial Goals The financial performance goals for Messrs. Correia and Wexler for the fiscal 2010 spring season and the percentage of the fiscal 2010 target award opportunity subject to the achievement of each goal were as follows:

15% based on the achievement of divisional target EBITDA as follows:

6% on the achievement by the dressbarn division of target EBITDA of $67,500,000

4.5% on the achievement by the maurices division of target EBITDA of $55,800,000

4.5% on the achievement by the Justice division of target EBITDA of $26,300,000

5% based on the achievement of divisional target EBITDA as a percentage of sales as follows:

2% on the achievement by the dressbarn division of a

target of EBITDA as 13.19% of sales

1.5% on the achievement by the maurices division of a target of EBITDA as 16.62% of sales

1.5% on the achievement by the Justice division of a target of EBITDA as 5.81% of sales

10% based on Company financial goals, as follows:

7.5% on the achievement by the Company of target EBITDA dollars of $149,500,000

2.5% on the achievement by the Company of a target of EBITDA as 11.51% of sales

The fiscal 2010 personal goals for Mr. Correia were generally based on corporate governance compliance and increasing profitability, sales and productivity. The fiscal 2010 personal goals for Mr. Wexler were generally based on

overseeing our legal department, legal compliance, reviewing and negotiating contracts, the closing of our acquisition of Tween Brands, protection of our data and intellectual property rights, assisting with special projects and advising our CEO and Chief Financial Officer on legal issues affecting our business.

The target bonus percentages under the MIP increase with position level. For Mr. Correia, who is an Executive Vice President, his target bonus award for fiscal 2010 was 75% of his base salary. For Mr. Wexler, who is a Senior Vice President, his target bonus award for fiscal 2010 was 60% of his base salary.

The level of achievement for the personal goals established under the MIP is determined by the Company s bonus review committee (which consists of certain members of senior management) based on a scale of 0 to 500 points. Participants in the MIP must achieve at least a minimum score of 300 points on their personal goals in order to be eligible for any payment under the MIP.

With respect to the Company and divisional goals, the amount of the payment with respect to each goal is based on the level of achievement of that goal, with a 50% of target payout if 85% of the goal is achieved, a 100% payout at 100% achievement, and 200% payout at 130% and above achievement, with intermediate target levels and interpolation between target levels. No payments are made on any of the EBITDA dollar goal if achievement is at less than 85% of the goal unless the Compensation Committee approves a discretionary award.

Any amounts earned for a season with respect to the division and Company goals were payable following the end of such season. Any amounts earned for the 2010 fiscal year with respect to the

personal goals were payable at the end of the fiscal year. An NEO would not be entitled to fall season MIP payment if his employment was terminated for any reason prior to the earlier of the fall season MIP payment and April 30, 2010 and an NEO would not be entitled to a spring season MIP payment (including the payment for achievement of personal goals) if his employment terminated for any reason prior to the earlier of the spring season MIP payment and October 31, 2010.

The results under the MIP for fiscal 2010 were as follows:

Fiscal 2010 Fall Season Performance Goals		Fiscal 2010 Fall Season Result	Percentage of Target Achieved	Payout Percentage
Company EBITDA dollars	$	78,000,000	125.7 %	185.6 %
Company EBITDA as a percent of sales		10.04 %	120.3 %	167.5 %
dressbarn division EBITDA dollars	$	30,700,000	117.6 %	158.8 %
dressbarn division EBITDA as a percent of sales		6.72 %	112.9 %	143.0 %

The achievement of the fiscal 2010 fall season MIP performance goals generated a MIP payment of $150,983 to Mr. Correia and $100,164 to Mr. Wexler.

Fiscal 2010 Spring Season Performance Goals		Fiscal 2010 Spring Season Result	Percentage of Target Achieved	Payout Percentage
Company EBITDA dollars	$	186,700,000	124.9 %	182.9 %
Company EBITDA as a percent of sales		13.57 %	117.9 %	159.5 %
dressbarn division EBITDA dollars	$	71,200,000	105.6 %	188.6 %
dressbarn division EBITDA as a percent of sales		13.57 %	102.9 %	109.7 %
maurices division EBITDA dollars	$	69,000,000	123.7 %	179.1 %
maurices division EBITDA as a percent of sales		19.13 %	115.1 %	150.3 %
Justice division EBITDA dollars	$	46,725,000	177.8 %	200 %
Justice division EBITDA as a percent of sales		9.48 %	163.2 %	200 %

The achievement of the fiscal 2010 spring season MIP performance goals, taking into account achievement of personal goals, generated a MIP payment of $276,812 to Mr. Correia and $204,041 to Mr. Wexler.

Fiscal 2011 The design of the MIP for fiscal 2011 is substantially similar to the fiscal 2010 MIP except that performance goals for the full fiscal 2011 year and the percentage of the fiscal 2011 target award opportunity subject to the achievement of each goal have been modified to be based 40% on fall EBITDA dollars, 40% on spring EBITDA dollars and 20% on individual performance goals. EBITDA as a percentage of sales has been eliminated as a performance goal under the MIP for fiscal 2011. These changes are intended to streamline the structure of potential MIP awards and to make uniform the goal percentages in the Company s three divisions.

Executive 162(m) Bonus Plan

Our President and CEO, David R. Jaffe, participated in the 162(m) Plan for both the fiscal 2010 fall and spring seasons. Mr. Rayden, the CEO of Justice, was added as a participant to the 162(m) Plan for the fiscal 2010 spring season. The 162(m) Plan is used instead of the MIP for those NEOs who may be affected by Section 162(m) of the Code and are designated by the Compensation Committee to be subject to the 162(m) Plan. Section 162(m) of the

Code generally disallows a Federal income tax deduction to any publicly held corporation for non-performance-based compensation paid to NEOs (other than the principal financial officer) in excess of $1,000,000 in any taxable year. The Company structures awards under the 162(m) Plan to provide compensation that is intended to qualify as performance-based compensation that is excluded from the $1,000,000 deductibility cap.

The maximum performance award payable to any individual under the 162(m) Plan for any one-year performance period is $5,000,000 (pro-rated for performance periods of less than one year). For each season during fiscal 2010 the target bonus opportunity under the 162(m) Plan was 50% of 100% of base salary and the maximum bonus opportunity was 100% of base salary (*i.e.,* a target bonus opportunity of 100% base salary and a maximum bonus opportunity of 200% of base salary for the full fiscal year).

For fiscal 2010, the Compensation Committee set the performance goals under the 162(m) Plan for Mr. David Jaffe for the fall and spring seasons and for Mr. Rayden for the spring season.

The performance goals for Mr. David Jaffe for the fiscal 2010 fall season were as follows:

25% based on exceeding the Company s sales plan, as follows:

12.5% on the achievement of a target increase of 2% in the dressbarn division s comparable store sales

12.5% on the achievement of a target increase of 2% in the maurices division s comparable store sales

50% based on EBITDA dollars, as follows:

25% on the achievement by the dressbarn division of target EBITDA of $26,116,000

- 25% on the achievement by the maurices division of target EBITDA of $35,974,000
- 25% based on the level of increase in the Company s stock price relative to the Company s peer group

The performance goals for Mr. David Jaffe for the fiscal 2010 spring season were as follows:

- 20% based on exceeding the Company s sales plan, as follows:
- 6.67% on the achievement of a target increase of 3% in the dressbarn division s comparable store sales
- 6.67% on the achievement of a target increase of 3% in the maurices division s comparable store sales

6.67% on the achievement of a target increase of 7.4% in the Justice division s comparable store sales

60% based on EBITDA dollars, as follows:

20% on the achievement by the dressbarn division of target EBITDA of $67,456,000

20% on the achievement by the maurices division of target EBITDA of $55,792,000

20% on the achievement by the Justice division of target EBITDA of $26,274,000

20% on the level of increase in the Company s stock price relative to

the Company s peer group

He is eligible to receive a payment under the 162(m) Plan of 50% of his target bonus amount for the season for performance at the threshold level, 100% of his target bonus amount for the season for performance at the target level, and a maximum payment of 200% of his target bonus amount for the season for performance at the maximum level, with intermediate target point levels and interpolation between target point levels. Mr. Jaffe was not entitled to a payment under the 162(m) Plan for performance below the threshold level.

The results for Mr. David Jaffe under the 162(m) Plan for fiscal 2010 were as follows:

Fiscal 2010 Fall Season Performance Goals	Fiscal 2010 Fall Season Result	Performance Level Achieved
dressbarn division sales plan	5% increase	Maximum
maurices division sales plan	4% increase	Maximum
dressbarn division EBITDA dollars	$30,700,000	Maximum
maurices division EBITDA dollars	$47,300,000	Maximum
Increases in Company stock price	Top 20th percentile of peer group:	Maximum
	Payout Percentage of Fiscal 2010 Fall Target Bonus:	200%
	Total Fiscal 2010 Fall Payout:	$950,000

Fiscal 2010 Spring Season Performance Goals	Fiscal 2010 Spring Season Result	Performance Level Achieved
dressbarn division sales plan	6.8% increase	Maximum
maurices division sales plan	8.2% increase	Maximum
Justice division sales plan	16.5% increase	Maximum
dressbarn division EBITDA dollars	$71,200,000	105.6%
maurices division EBITDA dollars	$69,000,000	Maximum
Justice division EBITDA dollars	$46,725,000	Maximum
Increases in Company stock price	Top 60th percentile of peer group:	125%
	Payout Percentage of Fiscal 2010 Spring	125%
	Target Bonus:	
	Total Fiscal 2010 Spring Payout:	$593,750

The performance goal for Mr. Rayden under the 162(m) Plan for the fiscal 2010 spring season was achievement by Justice of target EBITDA of $26,274,067. At target performance Mr. Rayden would receive his target bonus of 50% of 120% of his base salary equal to $630,000, with a threshold performance target of EBITDA of $22,330,000 paying an amount equal to 50% of his target bonus and a maximum performance target of EBITDA of $34,150,000 paying an amount equal to 200% of his target bonus, with interpolation between the target levels. Mr. Rayden would not be eligible for a bonus payment for performance below the threshold level. The actual EBITDA achieved by Justice for the fiscal 2010 spring season was $46,725,000, resulting in a payment to Mr. Rayden of 200% of his target bonus equal to $1,260,000.

The performance goals for Mr. David Jaffe and Mr. Rayden for the full fiscal 2011 year and the percentage of the fiscal 2011 target award opportunity subject to the achievement of each goal have been structured in the same manner as their fiscal 2010 spring season goals.

Justice Incentive Compensation Bonus Plan

The Justice IC Plan was designed by Justice to provide incentive compensation to its executive officers. The Justice IC Plan was designed to provide performance-based compensation that satisfies the provisions of Section 162(m) of the Code and was approved by Justice s stockholders. The Justice IC Plan provided for semi-annual targets with semi-annual payouts based on the level of achievement of pre-established financial goals for Justice s fall and spring operating seasons with 40% of the annual payout for the spring season and 60% of the annual payout for the fall season.

For continuity purposes, Mr. Rayden continued to participate in the Justice IC Plan for the plan s fall 2009 season (which commenced on August 2, 2009 and ended on January 30, 2010) following the Company s acquisition of Justice. Justice had established Mr. Rayden s 2009 fall season target bonus opportunity as 60% of 120% of his base salary for a target bonus of $756,000. Justice set performance targets based on operating income growth targets, with a threshold target of operating income of $19,900,000 paying 20% of the target bonus, a target level of operating income of $25,100,000 paying 100% of the target bonus and a maximum target level of operating income of $34,200,000 paying 200% of the target bonus. Justice s actual operating income for its fall 2009 season was $61,500,000, resulting in an incentive bonus for Mr. Rayden of 200% of his target bonus equal to $1,512,000, which amount was approved by our Compensation Committee.

Non-Qualified Stock Options and Restricted Stock under the Company s Stock Incentive Plan

NEOs receive annual grants under our Stock Incentive Plan. As discussed under To Approve the Amendment and Restatement of the Company s 2001 Stock Incentive Plan, as Amended, shareholders are being asked to approve an amendment and restatement of the Stock Incentive Plan at the Annual Meeting (the amended and restated Stock Incentive Plan is referred to below as the 2010 Stock Incentive Plan). A summary of the 2010 Stock Incentive Plan appears beginning on page 79 of this proxy statement/prospectus.

Non-Qualified Stock Options

Our NEOs are granted annual awards of nonqualified stock options. Options granted to the NEOs prior to fiscal 2010 vest 20% per year for five years following the grant date. Effective for stock options made in the beginning of fiscal 2010, options granted to the NEOs vest 25% per year for four years following the grant date. This change was made as part of the equalization of the pay practices among our brands and better aligns our equity grant practices with those of the other members of our peer group. The exercise price of a stock option is the average of the high and low Company stock prices on the date of grant. Options typically have a term of ten years.

The Company awards stock options to the NEOs on an annual cycle. On September 24, 2009, the following NEOs were granted the following number of stock option grants with an exercise price of $17.67: Elliot S. Jaffe 5,000 options; David R. Jaffe 80,000 options; Armand Correia 20,000 options; and Gene Wexler 20,000 options. On September 23, 2010, our NEOs were granted the following number of stock options grants with an exercise price of $23.39: Elliot S. Jaffe 10,000 options; David R. Jaffe 80,000 options; Michael Rayden 80,000 options; Armand Correia 25,000 options; and Gene Wexler 20,000.

The Compensation Committee generally determines each participant grant in accordance with pre-established option grant guidelines (which are primarily based on the participant s level of responsibility with the Company). Our President and CEO may exercise discretion in his recommendations to the Compensation Committee for grants of stock options for all executives, including the NEOs, excluding himself and the Chairman. Our President and CEO may recommend an increase or decrease to the stock option grant guidelines for a given executive, based on individual performance. All grants are made by the Compensation Committee.

The Compensation Committee has a practice of not granting any stock options until at least one business day after the Company has issued its quarterly and/or annual earnings release, as well as the public release of any other pending material non-public information.

Special Equity Grants

The Compensation Committee may also make other equity grants from time to time during the course of the year, such as when a new employee is hired, a current employee is promoted or recognition of special achievement. After the consummation of the acquisition of Justice on November 25, 2009, on December 9, 2009, in recognition of the successful turnaround of Justice, Michael Rayden was granted 25,000 shares of restricted stock, which restrictions thereon lapsed on March 25, 2010 (the date Mr. Rayden satisfied the Total Years Test, as described below). Mr. Rayden was also granted 80,000 options on December 9, 2009, as a sign-on bonus for joining the Company. On December 9, 2009, in light of the considerable amount of time committed to the acquisition of Justice, the Compensation Committee granted Success Awards in the form of 10,000 shares of restricted stock to each of Messrs. Correia and Wexler. The award granted to Mr. Correia was fully vested on the grant date as he has satisfied the Total Years Test. The restrictions on the award granted to Mr. Wexler will lapse in two equal installments on the first and second anniversaries of the grant date. In light of Mr. David Jaffe s compensation level being low relative to the market and to compensate Mr. Jaffe for his efforts in connection with the acquisition of Justice, on December 9, 2009, the Compensation Committee granted him 25,000 shares of restricted stock, which restrictions thereon lapse in two equal installments on the first and second anniversaries of the grant date, and an option to purchase 150,000 shares of the Company s stock at a premium per share price of $30.00 that will vest 25% per year for four years following the grant date. Further, as additional compensation for his efforts in connection with all three of the Company s divisions exceeding their goals during fiscal 2010, on September 23, 2010, Mr. David Jaffe was granted an option to purchase 75,000 shares of the Company s stock at a premium per share price of $30.00 that will vest 25% per year for four years following the grant date.

Post-Termination Continued Vesting and Exercisability of Employee Options in Certain Circumstances

If an employee ceases to be an employee of the Company for any reason (other than for Cause, as defined under the Stock Incentive Plan) and the employee has achieved the Total Years Test

(as defined below) as of his last day of employment, then all of such employee s unvested stock options granted during fiscal 2010 will continue to vest and remain exercisable for a period of four years from the date of termination, but not longer than the original term of each option, and provided that after the last unvested option vests, all options shall remain exercisable for one year thereafter, but not longer than the original term of each option. The definition of Cause under the Stock Incentive Plan can be found in this proxy statement/prospectus in the section above entitled Questions and Answers About our Board and Corporate Governance Matters How are directors compensated? Equity Compensation.

In addition, upon achievement of the Total Years Test, all of an employee s unvested restricted stock will become fully vested, without regard to a termination of employment.

The Total Years Test shall mean 75 years, based on the sum of (i) the total number of years of employment with the Company or an affiliate, plus (ii) the employee s age, which shall be at least age 60.

Long-Term Incentive Plans

The Company grants the NEOs annual long-term incentive plans (LTIP) under which, for awards granted prior to fiscal 2011, the NEOs (other than our Chairman) may receive grants of restricted stock under the Stock Incentive Plan. LTIP performance goals are established annually, and the performance period for each annual plan consists of three consecutive fiscal years. The LTIPs are intended to give each senior executive a substantial incentive to maximize our long-term financial performance. During the first quarter of fiscal 2008, the Compensation Committee established the 2010 Long- Term Incentive Plan (the 2010 LTIP). The 2010 LTIP uses a three-year performance period consisting of fiscal 2008, fiscal 2009 and fiscal 2010. During the first quarter of fiscal 2009, the Compensation Committee established the 2011 Long-Term Incentive Plan (the 2011 LTIP). The 2011 LTIP uses a three-year performance period consisting of fiscal 2009, fiscal 2010 and fiscal 2011. During the first quarter of fiscal 2010, the Compensation Committee established the 2012 Long-Term Incentive Plan for executives at dressbarn and maurices (the db/m 2012 LTIP). The db/m 2012 LTIP uses a three-year performance period consisting of fiscal 2010, fiscal 2011 and fiscal 2012. During the third quarter of fiscal 2010, the Compensation Committee adopted a 2012 Long Term Incentive Plan for executives of Justice (the Justice 2012 LTIP). The performance periods under the Justice 2012 LTIP are discussed below. Messrs. David Jaffe, Correia and Wexler participate in the 2010 LTIP, the 2011 LTIP and the db/m 2012 LTIP. Mr. Rayden participates in the Justice 2012 LTIP.

We expect that during the first quarter of each subsequent fiscal year, the Compensation Committee will establish a new LTIP.

All of the LTIPs adopted prior to the dm/m 2012 LTIP, if earned, provided for settlement in time-vesting restricted stock under the Stock Incentive Plan that would vest in equal installments over a period of 3 years from the last day of the applicable performance period. Upon review of this practice the Compensation Committee determined that the 6-year total vesting period (3 year performance period plus 3 year vesting period) placed the Company at a competitive disadvantage as compared to other companies in the peer group that typically grant restricted stock with shorter vesting periods. To more closely align our pay practices with our peer group and the executive pay practices maintained by Justice prior to the acquisition, both the db/m 2012 LTIP and the Justice 2012 LTIP (together, the 2012 LTIPs), if earned, provide for settlement in time-vesting restricted stock under the Stock Incentive Plan that would become fully vested on the first anniversary of the last day of the performance period and commencing with the LTIP to be established in fiscal 2011 for the three-year performance period consisting of fiscal 2011, fiscal 2012 and fiscal 2013, it is expected that future LTIPs will be settled in fully vested common stock, rather than restricted stock (*i.e.,* the shares will not be subject to a vesting schedule).

The Compensation Committee believes that the goals set under the LTIP represent an appropriate and substantial degree of difficulty for achieving a payout. For example, no awards were paid out under the 2010 LTIP because the Company did not achieve threshold performance levels in any of the three performance categories for fiscal 2010, nor

were awards paid out under the LTIPs

with performance periods that ended in fiscal 2008 (which had a 1 year performance period) and fiscal 2009 (which had a 3 year performance period).

For the 2012 LTIPs, the participating NEOs were assigned a target number of shares of restricted stock. The actual number of shares of restricted stock to be awarded at the end of the performance period will depend on the Company s achievement of Company financial goals during the applicable performance period. The performance goals under the db/m 2012 LTIP are intended to constitute performance-based compensation under Section 162(m) of the Code. The performance goals under the Justice 2012 LTIP are not intended to constitute performance-based compensation under Section 162(m) of the Code as they were not timely adopted prior to or within the 90 period following the commencement of the performance period as required under Section 162(m) of the Code, and accordingly, Mr. Rayden s 2012 Justice LTIP payout, if any, may not be deductible under Section 162(m) of the Code.

The target number of shares of our common stock that may be earned by the NEOs participating under the 2012 LTIPs is as follows: Mr. David Jaffe 62,706; Mr. Rayden 42,918; Mr. Correia 19,406; and Mr. Wexler 13,465. The target number of shares that Mr. Rayden may earn reflects a pro-rated portion (30/36) of the number of shares that he otherwise would have been eligible to earn to reflect the shortened performance periods under the Justice 2012 LTIP.

dressbarn/maurices 2012 LTIP Performance Goals

50% of the target shares are subject to Company performance goals divided 1/3 among the following performance goals:

total shareholder return (TSR) relative to our peer group:	
Threshold: top 60% to 40% of the peer group	
Target: between the top 40% and 20% of the peer group	
Maximum: top 20% of the peer group	
Company s compounded annual	

- average EBITDA dollar growth (other than with respect to the Justice division):

  - Threshold: 7.13% growth

  - Target: 9.48% growth

  - Maximum: 14.26% growth

- Company s compounded annual average return on invested capital (ROIC):

  - Threshold: 26.82% ROIC

  - Target: 28.37% ROIC

  - Maximum: 31.83% ROIC

The remaining 50% of the target shares are subject to dressbarn and maurices divisional performance goals (the db/m Divisional Shares), divided 25% among the following performance goals:

- dressbarn divisions compounded annual average EBITDA dollar

growth:

Threshold:
6.04%
growth

Target:
8.03%
growth

Maximum:
12.07%
growth

dressbarn
divisions
compound
annual
comparable
store sales
growth

Threshold:
2.50%
growth

Target:
3.33%
growth

Maximum:
5.0%
growth

maurices
divisions
compounded
annual
average
EBITDA
dollar
growth:

Threshold:
8.03%
growth

Target:
10.68%
growth

Maximum:
16.06%
growth

maurices
divisions
compound
annual
comparable
store sales
growth

Threshold:
2.67%
growth

Target:
3.55%
growth

Maximum:
5.3%
growth

Each performance goal will be measured during the fiscal 2010, fiscal 2011 and fiscal 2012 performance period. For each performance goal, at threshold level 50% of the target shares subject to the performance goal will be earned, 100% will be earned for target achievement and 150% for maximum achievement, with intermediate target levels and earning.

Justice 2012 LTIP Performance Goals

75% of the target shares are subject to Company performance goals divided 1/3 among the following performance goals:

TSR
relative
to our
peer
group:

Threshold:
top 60% to
40% of the
peer group

Target: between the top 40% and 20% of the peer group

Maximum: top 20% of the peer group

Company s compounded annual average EBITDA dollar growth (other than with respect to the Justice division):

Threshold: 8.53% growth

Target: 11.35% growth

Maximum: 17.06% growth

Company s compounded annual average ROIC:

Threshold: 28.07% ROIC

Target: 34.72% ROIC

Maximum: 43.20%

ROIC

The remaining 25% of the target shares are subject to compounded annual average EBITDA dollar growth, as follows:

Threshold:
14.86%
growth

Target:
19.77%
growth

Maximum:
29.72%
growth

The performance period for all of the goals under the Justice 2012 LTIP will be measured over a performance period consisting of January 24, 2010 through July 28, 2012 (the last day of fiscal 2012), other than the ROIC goal which will be measured over a performance period consisting of August 1, 2010 through July 28, 2012. The difference in performance periods was necessary as the Company would be unable to accurately evaluate ROIC for Mr. Rayden for the stub period from January 24 through July 31, 2010. For each performance goal, at threshold level 50% of the target shares subject to the performance goal will be earned, 100% will be earned for target achievement and 150% for maximum achievement, with intermediate target levels and earning.

The peer group with respect to the TSR goals for the 2012 LTIPs is the same group of companies used for benchmarking purposes in fiscal 2010 other than The Gymboree Corporation and Stage Stores, Inc. as those companies were added to the benchmarking peer group after the goals for the db/m 2012 LTIP were established.

Prior to the 2012 LTIPs, the LTIP goals were based solely on Company performance goals. The addition of divisional goals to the 2012 LTIPs reflects the growth of the Company as the impact that any individual has on the entire Company has been diminished as we add new divisions. This is also

reflected in the choice of performance goals which are intended to reflect goals that participants can best control, such as comparable store sales and EBITDA in lieu of an operating income which was used for prior LTIPs. In addition, starting with the 2012 LTIPs, the Compensation Committee has decided to use TSR relative to the peer group as a performance metric in lieu of market capitalization growth. The Company chose relative TSR as a goal as it is based on peer group performance rather than a fixed numerical number and is thereby not subject to external factors such as national economics, weather and political issues that do not reflect on individual or corporate performance and better aligns executive rewards with prevailing market conditions. The Company has retained ROIC as the third performance metric.

Holders of outstanding restricted stock granted under the LTIPs have the right to vote prior to vesting. Any shares of restricted stock earned under the LTIPs will be subject to accelerated vesting upon the participant s termination due to death or disability, upon a change in control (as defined in the Stock Incentive Plan, which can be found on page 75 of this proxy statement/prospectus), or upon achievement of the Total Years Test.

2013 LTIP

In fiscal 2011, the Compensation Committee adopted an LTIP for our NEOs for the three-year performance period consisting of fiscal 2011, fiscal 2012 and fiscal 2013 (the 2013 LTIP). The 2013 LTIP was granted as restricted stock that will vest based on the level of performance achieved. The target number of shares of our common stock that may vest for the NEOs participating under the 2013 LTIP is as follows: Mr. David Jaffe 39,313; Mr. Rayden 50,623; Mr. Correia 12,806; and Mr. Wexler 8,919. In order to align the 2013 LTIP with the performance goals adopted under the Justice 2012 LTIP so that goals are consistent through all divisions, the goals for all participants in the 2013 LTIP are divided as follows:

75% of the target shares are subject to Company performance goals divided 1/3 among the following performance goals:	
TSR relative to the peer group	
Company s compound annual average ROIC	
Company s annual average EBITDA	

dollar growth	
25% of the target shares are subject to divisional compound annual EBITDA growth. The divisional goal is based on the division the NEO has responsibility for and is further divided for an NEO who has responsibilities between 2 or 3 divisions.	

In order to align the 2013 LTIP with the MIP so that there is consistency in the payout arrangements between the Company s incentive plans, for each performance goal, at threshold level 50% of the target shares for the performance goal will vest, 100% will vest for target achievement and 200% for maximum achievement, with intermediate target levels and vesting. The performance goals under the 2013 LTIP are intended to constitute performance based compensation under Section 162(m) of the Code.

The peer group with respect to the TSR goals for the 2013 LTIP is the same group of companies used for benchmarking purposes other than Hot Topic, Inc., and also includes The Talbots, Inc. (TLB).

Justice EBITDA Bonus for Mr. Rayden

Following the Company s acquisition of Justice, the Compensation Committee determined that it was necessary to create a strong incentive for Michael Rayden to stay with the Company for a prolonged period and to increase Justice s EBITDA performance over its plan during that time. In order to create such an incentive, the Compensation Committee approved a long term, performance-based bonus plan for Michael Rayden (the Justice EBITDA Bonus). Under the Justice EBITDA Bonus, which is set forth in Mr. Rayden s employment agreement, Mr. Rayden is eligible to receive a cash bonus in an amount equal to 10% of the sum of the Justice divisions positive incremental and negative decremental actual EBITDA performance versus target EBITDA goals over each semi-

annual period occurring in the five and one-half year performance period, as set forth below, or if shorter, the duration of Mr. Rayden s employment (we refer to the applicable period as the EBITDA performance period). The incremental and decremental amounts for each semi-annual period will be determined by comparing Justice s actual EBITDA performance during such semi-annual period against the semi-annual Justice EBITDA goals below, calculated excluding certain extraordinary items (*i.e.,* unusual events effecting the financial statements, corporate transactions and changes in accounting principles). Any bonus payable under the Justice EBITDA Bonus will be paid within 60 days following completion of the EBITDA performance period, provided that if the amount is payable as a result of Mr. Rayden s termination of employment, the bonus payment will be subject to a six-month delay pursuant to Section 409A of the Code. No amounts are payable under the Justice EBITDA Bonus if Mr. Rayden s employment is terminated by Justice for Cause (as defined in his employment agreement).

The following semi-annual target EBITDA goals for Justice for the five and one-half year performance period under the Justice EBITDA Bonus have been approved by the Compensation Committee:

Justice EBITDA Bonus
Semi-Annual Goals
Justice EBITDA
(in thousands)

Year	Spring	Fall
2010	$ 26,274	N/A
2011	$ 33,994	$ 84,893
2012	$ 41,608	$ 94,871
2013	$ 46,121	$ 101,204
2014	$ 50,058	$ 106,795
2015	$ 54,742	$ 113,492

The actual EBITDA achieved by Justice for the fiscal 2010 spring season was $46,725,000, resulting in Mr. Rayden earning an amount equal to $2,045,100 under the Justice EBITDA Bonus. This amount will be paid at the end of the EBITDA performance period.

Executive Perquisites

Executive perquisites are not a significant component of our executive compensation program. We limit the use of perquisites among our eligible executives, and, except as noted below with respect to Mr. Rayden, we do not currently offer any notable perquisites to our NEOs. The cost of perquisites for our NEOs is included in the All Other Compensation column of the Summary Compensation Table. The Company also offers broad health and welfare programs, which are available to our full-time employees generally.

In accordance with the terms of Mr. Rayden s employment with Justice prior to it being acquired by the Company, Mr. Rayden continues to receive limited personal use of an aircraft while Mr. Rayden serves as CEO of Justice, subject to certain limitations on use and cost. Mr. David Jaffe was also provided with one personal flight during fiscal 2010. In addition, the Company maintains life insurance coverage on Mr. Rayden s life in the amount of $5,000,000, the proceeds of which are payable to his designated beneficiaries.

Deferred Compensation

We maintain a non-qualified deferred compensation plan for approximately 120 employees, including all of our NEOs. We make Company contributions to this plan in an amount determined by us for each plan year. For fiscal 2010, the NEOs received a Company matching contribution of 100% on the first 5% of base salary and bonus

deferred. Prior to fiscal 2010, the Company matching contribution was capped at $1,000,000 of compensation. This cap was removed commencing with fiscal 2010. See Nonqualified Deferred Compensation in Fiscal 2010 below.

Severance and Change in Control Payments

All of our NEOs, other than our Chairman, are entitled to receive severance payments upon certain terminations of their employment and all of our NEOs, other than our Chairman, are entitled to benefits in the event of a change in control of the Company. These arrangements provide essential protections to both the executive and the Company. Arrangements providing for severance and change in control payments assist the Company in attracting and retaining qualified executives that could have other job alternatives.

Under David Jaffe s employment agreement, in the event of a change in control, he is entitled to elect to terminate employment and to receive a severance payment of two times his base salary. The Compensation Committee has evaluated David Jaffe s employment agreement and believes that the change in control provision is appropriate given his long relationship and service with the Company and due to the fact that if a change in control were to occur, his responsibilities and services would likely be very different from those that currently exist.

Mr. Rayden s entitlements to severance and change in control benefits are a continuation of his contractual rights under his arrangements with Justice. These arrangements have been reviewed and evaluated by the Compensation Committee and it has determined that such arrangements continue to be appropriate given Mr. Rayden s contributions to and essential role with Justice.

Mr. Elliot Jaffe s employment agreement provides that his estate will be entitled to receive a lump sum payment equal to 1 year of his base salary at the rate in effect at the time of his death. He is not entitled to severance under any other termination of his employment.

As part of our effort to equalize the executive pay practices of the Company with those of Justice, we have adopted The Dress Barn, Inc. Executive Severance Plan (the Executive Severance Plan), in which Messrs. Correia and Wexler participate. Under the Executive Severance Plan Messrs. Correia and Wexler are entitled to severance benefits upon certain terminations of their employment, including enhanced severance benefits following a change in control. A description of terms and conditions of the Executive Severance Plan can be found in the section of this of this proxy statement/prospectus entitled Executive Severance Plan below.

Other than with respect to Mr. Rayden, none of our NEOs is entitled to a golden parachute (280G) excise tax gross-up or a Code Section 409A tax gross-up, both of which are preserved benefits from the agreements governing Mr. Rayden s employment with Justice prior to its acquisition by the Company. A description of terms and conditions of this arrangement with Mr. Rayden can be found in the section of this proxy statement/prospectus entitled Employment Agreements and Employment Letters - Michael W. Rayden.

A further description of termination and change in control events that trigger post termination and change in control pay and benefits for our NEOs, including the Executive Severance Plan, can be found in the section of this proxy statement entitled Potential Payments upon Termination or Change in Control below.

Risk Mitigation

The Company believes that its compensation programs may not reasonably be expected to give rise to a material adverse effect on the Company. The principal performance based measures depend on the Company s business and strategic plan. Further, we have attempted to, and will continue to strive to, equalize the compensation practices and performance measures of all of our divisions. In most cases, each component of performance-based compensation is subject to a limit on the cash paid or the number of shares delivered. The performance criteria are designed to focus on performance metrics that deliver value to our shareholders and that focus on the strength of our business.

Impact of Accounting and Tax Matters

As a general matter, the Compensation Committee reviews and considers the various tax and accounting implications of compensation vehicles that we utilize. With respect to accounting matters,

the Compensation Committee examines the accounting cost associated with equity compensation in light of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718.

With respect to tax matters, the Compensation Committee considers the impact of Section 162(m) of the Code, which generally permits a tax deduction to public corporations for compensation over $1,000,000 paid in any fiscal year to a corporation s NEOs only if the compensation qualifies as being performance-based under Section 162(m) of the Code. We endeavor to structure our compensation to qualify as performance-based under Section 162(m) of the Code where it is reasonable to do so while meeting our compensation objectives.

Nonetheless, from time to time certain non-deductible compensation may be paid and the Board and the Compensation Committee reserve the authority to award non-deductible compensation in appropriate circumstances. In addition, it is possible that some compensation paid pursuant to certain equity awards may be non-deductible under Section 162(m) of the Code.

Consideration of Prior Amounts Paid or Realized

Actual pay earned by our NEOs in prior years from annual or semi-annual incentive opportunities and long-term equity compensation is not specifically taken into account by the Compensation Committee in making a current year s compensation decisions for (i) salary increases, (ii) target annual or semi-annual incentive compensation opportunity, (iii) target long-term equity incentive opportunity, or (iv) equity compensation. The Compensation Committee also does not specifically adjust a current year s target incentive compensation in order to reflect the prior year s actual earned cash or equity incentive compensation.

COMPENSATION COMMITTEE REPORT

The following report of the Compensation Committee does not constitute soliciting material and shall not be deemed to be filed with the SEC under the Securities Act or the Exchange Act or incorporated by reference into any document so filed except to the extent that the Company specifically incorporates this Compensation Committee Report by reference therein.

The Compensation Committee has reviewed and discussed with management the above Compensation Discussion and Analysis. Based on this review and discussion, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement.

Compensation Committee:

John Usdan, Chairman
Kate Buggeln
Randy L. Pearce

SUMMARY COMPENSATION TABLE

The table below summarizes information concerning compensation for fiscal 2010, fiscal 2009 and fiscal 2008 of those persons who were on July 31, 2010 our NEOs, including: (i) our Chief Executive Officer, (ii) our Chief Financial Officer, and (iii) our three other most highly compensated executive officers, including our Founder and Chairman of the Board.

Name and Principal Position	Year	Salary ($)	Bonus ($)[1]	Stock Awards ($)[2]	Option Awards ($)[2]	Non-Equity Incentive Plan Compensation ($)[3]	Change in Pension Value and Non-qualified Deferred Compensation Earnings ($)[4]	All Othe Compensat ($)[5]
David R. Jaffe	2010	950,000		2,068,588	2,036,000	1,543,750		149,46
President and	2009	850,000	255,000	692,832	1,460,000			169,77
Chief Executive	2008	850,000		756,530				177,74
Officer								
Elliot S. Jaffe	2010	377,100			37,750			206,41
Founder and	2009	377,100			29,200			194,82
Chairman of the	2008	358,000			43,800			168,19
Board								
Michael W. Rayden	2010	726,923		1,579,825	710,400	2,772,000		218,62
Chief Executive Officer, Tween Brands, Inc.[6]								
Armand Correia	2010	392,000		687,228	152,000	427,795		84,07
Executive Vice	2009	320,000	60,000	191,993	350,400			77,10
President and Chief	2008	320,000	41,422	169,944				78,58

Financial Officer							
Gene Wexler, Esq.	2010	340,000		540,486	152,000	304,205	19,35
Senior Vice President,	2009	270,000	50,000	121,506	292,000		84,70
General Counsel and	2008	270,000	32,400	107,547			37,18
Assistant Secretary							

(1) The amounts shown in fiscal 2009 and fiscal 2008 represent discretionary bonuses awarded to each NEO by the Compensation Committee.

(2) Reflects the aggregate grant date fair value calculation in accordance with FASB ASC Topic 718. Amounts include both time-vesting restricted stock awards and restricted stock awards subject to performance conditions. Assumptions used in the valuation of equity based awards are discussed in Summary of Accounting

Policies Restricted Stock and Stock Options and Restricted Stock in Notes to Consolidated Financial Statements in our Annual Report on Form 10-K/A for the fiscal year ended July 31, 2010.

(3) The amounts shown for fiscal 2010 represent amounts earned under (i) the 162(m) Plan with respect to David R. Jaffe, (ii) the Justice IC Plan and the 162(m) Plan for Mr. Rayden, and (iii) the Management Incentive Plan for Messrs. Correia and Wexler. Elliot S. Jaffe was not eligible for any bonus under the Company s incentive plans.

(4) We have no actuarial pension plans. All earnings in our nonqualified Executive Retirement Plan are at market values and are therefore omitted from the table.

(5) A detailed breakdown of All Other

Compensation for fiscal 2010 is provided in the table on the following page.

(6) As Mr. Rayden joined the Company as Chief Executive Officer of Tween Brands, Inc. on November 25, 2009, the amounts shown above represent amounts earned by him on or after such date.

The table below provides the details of amounts included for fiscal 2010 in the All Other Compensation column of the Summary Compensation Table for each NEO.

Name	Contributions to Executive Officer s Defined Contribution Plan Accounts	Payments made for Supplemental Retirement Benefits[1]	Payments made For Life Insurance	Reimbursement for Legal Fees	Personal Use of Company Plane[2]	Commuting and Automobile Related Payments[3]	Total
David R. Jaffe	$ 106,308		$ 16,740		2,051	$ 24,363	$ 149,
Elliot S. Jaffe	18,855	$ 187,557					206,
Michael W. Rayden	30,288			$ 17,000	171,341		218,
Armand Correia	28,928		34,940			20,210	84,
Gene Wexler, Esq.	16,327					3,023	19,

(1) Represents supplemental retirement benefit as discussed under Retirement Agreements below. This amount is adjusted on an annual basis for cost-of-living increases as determined using the Consumer Price Index.

(2) Represents the aggregate

incremental cost to the Company for personal use of the Company s aircraft.

(3) Represents, for David R. Jaffe, the fiscal 2010 cost to the Company for his car service. Represents an automobile allowance for the full fiscal 2010 for Armand Correia and for the first two months of fiscal 2010 for Gene Wexler.

GRANTS OF PLAN-BASED AWARDS IN FISCAL 2010

The following table provides information regarding the grants of plan-based awards made to the NEOs during fiscal 2010.

			Estimated Future Payouts Under Non-Equity Incentive Plan Awards[1]			Estimated Future Payouts Under Equity Incentive Plan Awards[2]		
Name	**Grant Date or Perfor-mance Period**	**Plan***	**Thres-hold ($)**	**Target ($)**	**Max ($)**	**Thres-hold (#)**	**Target (#)**	**Max (#)**
David R. Jaffe		162(m)	190,000	950,000	1,900,000			
	FY10-12	12LTIP				31,353	62,706	94,059
	9/24/09	NQ						
	12/9/09	NQ						
	12/28/09	RS						
Elliot S. Jaffe	9/24/09	NQ						
Michael W. Rayden		JIC	72,000	360,000	720,000			
	FY10-12	12LTIP				21,459	42,918	64,377
	12/9/09	NQ						
	1/12/10	RS						
Armand Correia		MIP	38,400	192,000	384,000			
	FY10-12	12LTIP				9,703	19,406	29,109
	9/24/09	NQ						
	12/28/09	RS						
Gene Wexler		MIP	32,400	162,000	324,000			
	FY10-12	12LTIP				6,733	13,465	20,198
	9/24/09	NQ						
	12/28/09	RS						

* Plan:
MIP = Management Incentive Plan

NQ = Non-qualified stock options (granted under the Stock Incentive Plan)

12LTIP = 2012 Long-Term Incentive Plan (granted under the Stock Incentive Plan)

162(m) = Executive 162(m) Bonus Plan

RS = Restricted stock (granted under the Stock Incentive Plan)

JIC = Justice Incentive Compensation Plan

(1) Amounts represent the range of annual cash incentive awards the NEO was potentially entitled to receive based on the achievement of his or her performance goals during fiscal 2010 under (i) the 162(m) Plan, for David R. Jaffe, (ii) the Justice Incentive Compensation Plan for the fiscal 2010 fall season and the 162(m) for the fiscal 2010 spring season, for Mr. Rayden, and (iii) under the MIP, for Mr. Correia and Mr. Wexler. See Incentive Bonus Plan under the Compensation Discussion and

Analysis above for more information for more information regarding the bonus targets under the 162(m) Plan, the Justice Incentive Compensation Plan and the MIP.

(2) Amounts represent the range of shares of restricted stock that each eligible NEO may potentially be granted based on the achievement of his or her performance goals established for the three-year fiscal 2010, 2011 and 2012 cycle under the 2012 LTIP. Shares are not actually granted under the 2012 LTIP until the Compensation Committee has certified the level of achievement for each performance metric under the 2012 LTIP and has determined the

number of shares that each participant has earned, which will occur after the Company files its Annual Report on Form 10-K for fiscal 2012. The Threshold amount represents the minimum number of shares that could be awarded if all goals are achieved at the threshold level, the Target amount represents the number of shares that could be awarded if 100% of the goals are achieved, and the Maximum amount represents the maximum number of shares that could be awarded under the 2012 LTIP.

Any shares of restricted stock that may potentially be awarded under the 2012 LTIP cycle will vest on July 28, 2013. However, as described above in the Compensation Discussion and Analysis under Long-Term Incentive Plans, this vesting schedule may be accelerated upon the NEO s termination due to death or disability, upon a change in control, or upon achievement of the Total Years Test. Prior to vesting, holders of restricted stock have the right to vote the shares.

Potential awards under the 2013 Long-Term Incentive Plan are not reflected in this table as the potential awards were approved by the

Compensation Committee after the end of fiscal 2010. Because the Company did not achieve its financial goal under the 2010 LTIP, no awards of restricted stock were made under the 2010 LTIP.

(3) Represents a stock option award made pursuant to the Company s annual stock option grant, as described above in the Compensation Discussion and Analysis under Non-Qualified Stock Options and Restricted Stock under the Stock Incentive Plan.

(4) Represents a stock option award made to David Jaffe in connection with the successful acquisition of Justice, with a premium per share price of $30.00.

(5) Represents a restricted stock award made in

connection with the successful acquisition of Justice.

(6) Represents a stock option to purchase 5,000 shares of our common stock awarded to Elliot Jaffe in connection with his service as a director, as described above under Questions and Answers About Our Board and Corporate Governance Matters How are directors compensated?

(7) Represent a sign-on grant to Mr. Rayden for joining the Company.

Equity incentives granted to our executives have historically been limited to stock options and restricted stock grants. Our executives do not participate in any other long- or short-term equity incentive plans.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END 2010

The following table provides information relating to outstanding equity awards held by the NEOs at July 31, 2010.

		Option Awards				Stock Awa		
Name	**Plan***	**Number of Securities Underlying Unexercised Options (#) Exercisable**	**Number of Securities Underlying Unexercised Options (#) Unexercisable**	**Option Exercise Price**	**Option Expiration Date**	**Number of Shares or Units of Stock That Have Not Vested (#)**	**Market Value of Shares or Units of Stock That Have Not Vested ($)[1]**	**Un S or**
David R. Jaffe	NQ[3]	300,000	0	$ 7.56	6/4/2012			
	NQ[3]	300,000	0	$ 6.76	12/9/2012			
	NQ[4]	240,000	60,000	$ 11.84	10/12/2015			
	NQ[5]	50,000	200,000	$ 14.99	9/18/2018			
	NQ[7]	0	80,000	$ 17.67				
	NQ[8]	0	150,000	$ 30.00				
	RS[10]					800	$ 19,760	
	RS[11]					25,000	617,500	
	11LTIP[13]							
	12LTIP[14]							
Elliot S. Jaffe	NQ[4]	180,000	60,000	$ 11.84	10/12/2015			
	NQ[6]	6,666	3,334	$ 14.06	11/28/2017			
	NQ[5]	1,000	4,000	$ 14.99	9/18/2018			
	NQ[7]		5,000	$ 17.67	9/24/2019			
Michael W. Rayden	NQ[8]	0	80,000	$ 20.79	12/9/2019			
	12LTIP[14]							
Armand Correia	NQ[3]	24,000	0	$ 6.76	12/9/2012			
	NQ[4]	96,000	24,000	$ 11.84	10/12/2015			
	NQ[5]	12,000	48,000	$ 14.99	9/18/2018			

	NQ[7]	0	20,000	$	17.67			
	RS[12]						2,000	49,400
	11LTIP[13]							
	12LTIP[14]							
Gene Wexler	NQ[4]	0	16,000	$	11.84	10/12/2015		
	NQ[9]	2,400	1,600	$	23.30	11/29/2016		
	NQ[5]	10,000	40,000	$	14.99	9/18/2018		
	NQ[7]	0	20,000	$	17.67			
	RS[10]						2,000	49,400
	RS[11]						10,000	247,000
	11LTIP[13]							
	12LTIP[14]							

(Footnotes relating to the OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END 2010 table on the preceding page.)

---

[*] Plan/Type of Award:
NQ = Non-qualified stock option

RS = Restricted stock

11LTIP= 2011 Long Term Incentive Plan

12LTIP= 2012 Long Term Incentive Plan

(1) The amounts in this column equal the number of shares of restricted stock indicated multiplied by the closing price of our common stock ($24.70) on July 30, 2010.

(2) The amounts in this column equal the number of shares of restricted stock indicated multiplied by the closing price of our common stock ($24.70) on July 30, 2010. The amounts assume that all goals

under the Long-Term Incentive Plan will be achieved at the threshold level. The amounts indicated are not necessarily indicative of the amounts that may be realized by our NEOs.

(3) This award is fully vested.

(4) The options relating to this award became fully vested on October 12, 2010.

(5) 20% of the options relating to this award vested on September 18, 2010 and the remaining unexercisable options relating to this award vest equally over the next four years on each September 18th.

(6) The unexercisable options relating to this award will vest on November 28,

2010.

(7) 25% of the options relating to this award vested on September 24, 2010 and the remaining unexercisable options relating to this award vest equally over the next three years on each September 24th.

(8) The unexercisable options relating to this award vest equally over the next four years on each December 9th.

(9) The unexercisable options relating to this award vest equally over the next two years on each November 29th.

(10) The shares of restricted stock relating to this grant became fully vested on October 12, 2010.

(11)

The unvested shares of restricted stock vest equally over the next two years on each December 9th.

(12) The unvested shares of restricted stock vest equally over the next two years on each November 29th.

(13) This award relates to the 2011 Long-Term Incentive Plan and will vest in three equal installments on July 23, 2012, July 23, 2013 and July 23, 2014, provided we meet the minimum performance target necessary to achieve the minimum (threshold) payouts of restricted stock as defined in the Plan.

(14) This award relates to the 2012 Long-Term

									Incentive Plan and will vest on July 28, 2013, provided we meet the minimum performance target necessary to achieve the minimum (threshold) payouts of restricted stock as defined in the Plan.

OPTION EXERCISES AND STOCK VESTED IN FISCAL 2010

The following table shows information about stock options exercised by our NEOs and stock awards held by our NEOs that vested during fiscal 2010.

	Option Awards		Stock Awards	
Name	**Number of Shares Acquired on Exercise (#)**	**Value Realized on Exercise ($)[1]**	**Number of Shares Acquired on Vesting (#)**	**Value Realized on Vesting ($)[2]**
David R. Jaffe	300,000	$ 3,621,000	8,044	$ 156,429
Elliot S. Jaffe				
Michael W. Rayden			25,000	659,526
Armand Correia			11,000	229,033
Gene Wexler, Esq.	48,000	449,760	3,027	57,351

(1) The value realized upon the exercise of the stock options reflect the number of options multiplied by the difference between the closing stock price of our common stock on the date of the exercise and exercise price of the options.

(2) The value realized upon vesting of the stock awards is based on the closing stock price of our common stock on the date the awards vested.

PENSION BENEFITS

Other than the supplemental retirement benefit agreements for Elliot S. Jaffe and Mrs. Roslyn Jaffe (see Retirement Agreements below) we do not maintain any pension benefit plans for our officers or directors.

EMPLOYMENT AGREEMENTS AND EMPLOYMENT LETTERS

We have entered into employment agreements with Elliot S. Jaffe, David R. Jaffe and Michael W. Rayden. We have entered into employment letters with Armand Correia and Gene Wexler. An employment agreement provides an executive with a time period (or term) during which he will be employed by the Company. An employment letter does not have a term of employment. Rather, the letter sets forth the minimum compensation and benefits that the executive will receive during his employment. An executive with an employment letter is an employee at will, *i.e.*, the Company may terminate such executive at any time with or without cause, subject to any applicable severance provisions, including the Executive Severance Plan.

The Compensation Committee believes that these employment agreements and employment letters are important to our executives and to the Company. Each executive benefits from clarity of the terms of his or her employment. The Company enhances its ability to retain the services of its executives. The Compensation Committee periodically reviews the terms of the employment agreements and employment letters and amends them as necessary to remain competitive and to carry out its objectives. Details of the terms of the specific employment agreements and employment letters are discussed below.

David R. Jaffe

David R. Jaffe is employed by the Company pursuant to an employment agreement, dated May 2, 2002, which currently expires on July 30, 2011, and which will automatically renew on an annual basis for additional one-year terms unless either party provides written notice at least one-year prior to the end of the term. The Compensation Committee approved an amendment to Mr. Jaffe s employment agreement, effective January 1, 2009, solely for the purpose of addressing Section 409A of the Code.

The agreement provides for an annual salary of $650,000 per year or such higher salary as the Compensation Committee may set from time to time ($950,000 for fiscal 2010). The agreement entitles Mr. Jaffe to participate in all of the Company s retirement, insurance, bonus, incentive and other benefit plans, including the 162(m) Plan and the Stock Incentive Plan. It also provides for certain perquisites, however, in fiscal 2010 he agreed to an increase in base salary in lieu of such perquisites. Mr. Jaffe may terminate his employment under his agreement following a Change in Control (as defined below). In such event, he would be entitled to an amount equal to two years salary paid in installments for 12 months. Mr. Jaffe may also terminate his employment under his agreement prior to a change in control for Good Reason (as defined below) after providing at least 60 days prior written notice of termination. If Mr. Jaffe terminates his employment for Good Reason or the Company terminates his employment without Cause (as defined below), he would be entitled to continued payment of his salary for one year. The agreement further provides for payments of an amount equal to one year s salary, and continued health and medical coverage for one year, following termination of employment by reason of death or Total Disability (as defined below). Severance amounts payable under the agreement, except for amounts payable upon Mr. Jaffe s death, will be subject to a possible six-month delay pursuant to Section 409A. The agreement also contains non-competition and non-solicitation restrictions effective during the employment term and for one year thereafter as well as a perpetual non-disparagement restriction. For further information regarding Mr. Jaffe s employment agreement and the payments to which he may be entitled thereunder, see below under Potential Payments Upon Termination or Change in Control David R. Jaffe.

Cause is generally defined in Mr. Jaffe s employment agreement to include conviction of a crime, intentional and willful failure to satisfactorily perform employment duties reasonably

66

requested by our board of directors, fraud or embezzlement, gross misconduct or gross negligence that has a substantial adverse affect on the Company or its affiliates, an intentional and willful act or omission which is materially detrimental to our business or reputation, or Mr. Jaffe s willful breach of the covenants set forth in his employment agreement (which include covenants not to compete, not to solicit our employees and not to disparage the Company).

Good Reason is generally defined in Mr. Jaffe s employment agreement as the occurrence, without Mr. Jaffe s consent, of any of the following: a material demotion in his position, job duties or responsibilities, our failure to pay him his compensation or benefits, the relocation of Mr. Jaffe s principal place of work at least 35 miles from its current location, any material breach of any of our obligations under his agreement, or a Change in Control following which Mr. Jaffe provided a notice of termination.

Change in Control is generally defined in Mr. Jaffe s employment agreement as: (a) any person (as defined in the Securities Exchange Act of 1934) becoming the beneficial owner of 30% or more of the outstanding common stock of the Company (excluding affiliates of the Company); (b) a change of a majority of the Board after May 2, 2002 (the Incumbent Directors), unless the election of a new director was supported by two-thirds of the Incumbent Directors (which includes any new director whose election was supported by two-thirds of the Incumbent Directors); (c) the Company adopts a plan of liquidation of all or substantially all of its assets; or (d) the Company disposes of all or substantially all of the assets or business of the Company pursuant to a merger, consolidation or other transaction.

Total Disability is generally defined in Mr. Jaffe s employment agreement as Mr. Jaffe being physically or mentally incapacitated such that Mr. Jaffe is incapable of performing his material duties under the employment agreement for a period of ninety (90) consecutive days or 120 non-consecutive days in any 12 month period. Receipt of disability under the Company s long-term disability plan or receipt of Social Security disability benefits is conclusive evidence of Total Disability, or in the absence of such a Company plan, a determination of Total Disability by an impartial physician.

Elliot S. Jaffe

Elliot S. Jaffe, in accordance with the terms of an employment agreement, dated May 2, 2002, gave notice of his election to terminate his term as Executive Chairman of the Board effective on July 30, 2006. In an amendment effective July 30, 2006, the terms of the 2002 agreement were amended to provide that Mr. Jaffe will continue to be employed by the Company initially as Chairman of the Board at a reduced salary of $350,000 per year (subject to cost of living increases). The Company may terminate Mr. Jaffe s employment on at least 90 days advance notice at any time after July 30, 2016. The 2006 amendment eliminated a number of Mr. Jaffe s personal benefits, including his eligibility for a bonus and any change-of-control payment. Under the 2006 amendment, commencing on July 30, 2006, Mr. Jaffe also became eligible to receive a supplemental retirement benefit of $150,000 per year for life, subject to an annual cost-of-living increase, as well as health insurance coverage for life similar to the Company s current health plan. Mr. Jaffe is obligated to provide no more than 24 days per fiscal year of advisory and consultative services to the Company and is subject to non-competition restrictions following his termination of employment. Mr. Jaffe, while he continues to serve as Chairman of the Board, shall be entitled to an office and secretarial assistance. All other terms, conditions and covenants of the 2002 agreement remain in full force and effect, including a lump sum payment equal to one-year s salary based on the salary rate last in effect prior to his termination of employment by reason of death.

Michael W. Rayden

Michael W. Rayden is employed as CEO of Justice pursuant to an amended and restated employment agreement entered into with Justice on April 23, 2010, that expires on December 3, 2013, with successive one year extensions unless Justice or Mr. Rayden gives 15-month advance notice. The Company is a party to the agreement solely with respect to certain provisions, including provisions involving equity compensation, long term incentive bonuses and

performance bonuses.

The agreement superseded and replaced the employment agreement between Mr. Rayden and Justice, effective as of December 3, 2008, the executive agreement between Mr. Rayden and Justice, effective as of December 3, 2008, and the letter agreement between Mr. Rayden and the Company dated June 24, 2009 (collectively, the Prior Rayden Agreements) in their entirety.

The new agreement is intended to set forth the continuing terms of Mr. Rayden s employment with Justice in a single document, preserve Mr. Rayden s rights and entitlements under the Prior Rayden Agreements, and make certain changes to the terms of Mr. Rayden s employment with Justice that are designed, among other things, to incentivize and retain Mr. Rayden.

The new agreement preserves Mr. Rayden s current annual salary of $1,050,000 per year, which may be increased by the Compensation Committee, and provides for an annual bonus under the Company s annual incentive bonus program, which target payout will not be less than 120% of his then current base salary. In addition, effective January 24, 2010, Mr. Rayden is eligible to participate in the Company s LTIPs, with a target award equal to 120% of base salary.

The new agreement provides that Mr. Rayden is eligible to receive equity compensation as determined by the Compensation Committee, in its sole discretion, including an annual equity award in the form determined by the Compensation Committee which will have the same value as any annual equity award made in the normal course to the Company s Chief Executive Officer. In addition, Mr. Rayden is entitled to accelerated vesting of his restricted stock and continued vesting of his options upon termination of employment pursuant to his satisfaction of the Total Years Test.

Mr. Rayden is eligible to receive a long term performance-based bonus under the Justice EBITDA Bonus, as described under Justice EBITDA Bonus on page 55 of this proxy statement/prospectus.

Consistent with the Prior Rayden Agreements, upon any termination of Mr. Rayden s employment, other than a termination by Justice for Cause, Mr. Rayden is entitled to a lump sum payment in the amount of $9,106,365 (the Severance Payment), subject to his execution of a release. The Severance Payment reflects the value of the cash severance amounts and other termination benefits payable to Mr. Rayden under the Prior Rayden Agreements, and will, upon Mr. Rayden s qualifying termination, be held in a rabbi trust until the six month anniversary of Mr. Rayden s termination date, or if earlier, his death (at which time Mr. Rayden will be entitled to receive the amount held in trust, any earnings thereon, and the difference between such earnings and $400,000). Upon Mr. Rayden s termination of employment for any reason, including as a result of non-renewal, Mr. Rayden is subject to certain restrictive covenants, including two-year non-competition and non-solicitation restrictive covenants.

Consistent with the Prior Rayden Agreements, Mr. Rayden will be entitled to participate in benefit plans, practices and programs maintained by Justice and made available to similarly situated executives generally from time to time. In addition, for the duration of the term of the Employment Agreement, the new agreement provides that Mr. Rayden will continue to be entitled to limited use of Justice s aircraft, subject to the terms and conditions described above under Executive Perquisites on page 56 of this proxy statement/prospectus. Justice will maintain $5,000,000 term life insurance coverage payable to Mr. Rayden s designated beneficiary. Mr. Rayden is entitled to a golden parachute (280G) excise tax gross-up and a Code Section 409A tax gross-up, both of which are preserved benefits from the agreements governing Mr. Rayden s employment with Justice prior to its acquisition by the Company.

Cause is generally defined under Mr. Rayden s employment agreement as Mr. Rayden having (1) pled guilty or no contest to or been convicted of a felony act, (2) committed intentional gross misconduct, fraud or gross negligence in connection with his duties that is determined to be materially harmful to Justice, or (3) committed a material breach of the agreement that is materially and demonstrably injuri