CHRISTOPHER & BANKS CORP
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UNITED STATES
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Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant x

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Check the appropriate box:
o Preliminary Proxy Statement
o Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
x Definitive Proxy Statement
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o Soliciting Material under §240.14a-12
Christopher & Banks Corporation
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)
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To Our Stockholders:

Christopher & Banks Corporation is holding its Annual Meeting of Stockholders ("Annual Meeting") on Wednesday, June 13, 2018 at 9:00 a.m. Central Time. You may attend the Annual Meeting in person and vote and submit questions during the Annual Meeting.

The following pages include the formal notice of the Annual Meeting and the proxy statement. The proxy statement describes and provides information on the matters to be acted on at the Annual Meeting. It is important that your shares be represented at the meeting, regardless of whether you plan to attend. After reviewing the proxy statement, please vote your shares as soon as possible through the voting options available to you as described in the proxy statement.

On behalf of management and our Board of Directors, we thank you for your continued support of Christopher & Banks Corporation and encourage you to join us at the Annual Meeting.

Sincerely,

Keri L. Jones
President and Chief Executive Officer

Christopher & Banks Corporation
2400 Xenium Lane North
Plymouth, Minnesota 55441

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TIME:	9:00 a.m. Central Time on Wednesday, June 13, 2018
PLACE:	Dorsey & Whitney LLP 50 South Sixth Street, Suite 1500, 15th Floor, Minneapolis, Minnesota
ITEMS OF BUSINESS:	1. To elect seven directors as nominated by our Board of Directors to each serve a one-year term. 2. To approve, on an advisory basis, the compensation of our named executive officers (the "Say-on-Pay Proposal"). 3. To approve the Christopher & Banks Corporation 2018 Stock Incentive Plan (the "2018 Stock Plan"). 4. To approve the amended and restated Christopher & Banks 2013 Directors' Equity Incentive Plan (the "Directors' Plan"), including an increase in the number of shares authorized. 5. To ratify the selection of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending February 2, 2019 ("Fiscal 2018"). 6. To consider such other business that properly comes before the Annual Meeting or any adjournment of the Annual Meeting.
ANNUAL REPORT AND PROXY STATEMENT:	A copy of our proxy statement and annual report is available at https://materials.proxyvote.com/171046.
DATE OF MAILING OR AVAILABILITY:	This Notice of Annual Meeting of Stockholders and the proxy statement are first being mailed or made available, as the case may be, to stockholders on or about May 3, 2018.
RECORD DATE:	You may vote at the Annual Meeting if you were a stockholder of record of Christopher & Banks Corporation, or if you hold shares through a broker or other nominee, as of the close of business on April 18, 2018.
PROXY VOTING:	Your vote is important to us. You may vote via proxy: 1. By visiting www.proxyvote.com on the Internet; 2. By calling (within the U.S. or Canada) toll-free at 1-800-690-6903; or 3. By signing and returning the enclosed proxy card if you received printed copies of the proxy materials.

For shares held through a broker, bank or other nominee, you may vote by submitting voting instructions to your broker, bank or nominee.

Regardless of whether you expect to attend the meeting, please vote your shares in one of the ways outlined above.

Important Notice Regarding Availability of Proxy Materials on the Internet

We are furnishing proxy materials to certain stockholders over the Internet. On or about May 3, 2018, we began mailing to our stockholders a Notice of Internet Availability of Proxy Materials ("Notice of Availability") containing instructions on how to access our 2018 proxy statement and Fiscal 2017 annual report and to vote online or via telephone. If you received the Notice of Availability and would like to receive a copy of the printed proxy materials, the Notice of Availability contains instructions on how you can request copies of these documents. Please vote your shares promptly to ensure that they are represented at the meeting.

For the Board of Directors

Luke R. Komarek
Senior Vice President, General Counsel & Corporate Secretary

PROXY STATEMENT SUMMARY

2018 ANNUAL MEETING OF STOCKHOLDERS
Date and Time: June 13, 2018, 9:00 a.m. Central Time

Place: Dorsey & Whitney LLP
50 South Sixth Street, Suite 1500, 15th Floor, Minneapolis, Minnesota

Record Date: April 18, 2018

ATTENDING THE REGULAR MEETING OF STOCKHOLDERS

- Registration opens at 8:30 a.m. Central Time.

- Meeting starts at 9:00 a.m. Central Time.

- If you plan to attend the meeting, photo identification may be requested in order to be admitted to the meeting.

- You do not need to attend the meeting to vote if you submitted your proxy in advance of the meeting.

- Attendees will be expected to follow the Rules of Conduct for the meeting.

MEETING AGENDA AND BOARD RECOMMENDATIONS

	Item	Board Recommendation	Page Reference
1.	Election of seven director-nominees.	FOR All Director Nominees	1
2.	Advisory vote on executive compensation.	FOR	31
3.	To approve the Christopher & Banks Corporation 2018 Stock Incentive Plan.	FOR	33
4.	To approve the amended and restated Christopher & Banks 2013 Directors' Equity Incentive Plan, including an increase in the number of shares authorized.	FOR	39
5.	Ratification of the selection of Deloitte & Touche LLP as our independent registered public accounting firm for Fiscal 2018.	FOR	46

CORPORATE GOVERNANCE

Christopher & Banks understands that corporate governance practices change and evolve over time. We seek to adopt and use practices that we believe will be of value to our stockholders and will positively aid in the governance of the Company. Our current governance practices include the following:

Annual election of all directors.	Board attendance during Fiscal 2017 of between 85% and 96% for all of the directors serving in Fiscal 2017.
Majority voting and a director resignation policy for directors in uncontested elections.	Executive sessions of independent directors held regularly.
Independent Board Chair.	Company policy prohibiting pledging and hedging of Company stock.
Only two directors are not independent – our current CEO and former interim CEO.	Periodic Board and committee self-assessments.
Our directors are limited to service on four public company boards (three if also serving as a public company CEO). Current average is less than two.	Average Board tenure of less than three years.
Stock ownership guidelines for directors and executive officers.	Mandatory retirement age for independent directors.

BACKGROUND ON DIRECTOR NOMINEES

Our Board of Directors has nominated seven directors for election at the Annual Meeting. Please see “Item 1 - Election of Directors” beginning on page 1 of this proxy statement for additional information about each nominee.

					Committee Memberships			
Name	Age	Director Since	Position	Independent	AC	CC	G&NC	Current Membership on Other Public Boards
Jonathan Duskin	50	2016	Chief Executive Officer of Macellum Capital Management, LLC	Yes	M	M	M	1
Seth Johnson	64	2016	Independent Consultant; Former Chief Executive Officer of Pacific Sunwear	Yes	C	—	—	1
Keri Jones	54	2018	President & Chief Executive Officer of Christopher & Banks Corporation	No	—	—	—	—
Kent Kleeberger	66	2016	Chair of the Board of Directors; Former Executive Vice President, Chief Operating Officer, Chico's FAS, Inc.	Yes	—	C	M	1
William Sharpe, III	55	2012	Partner of Pathfinder Companies, LLC	Yes	M	M	—	—
Joel Waller	78	2017	Former Interim President & Chief Executive Officer of Christopher & Banks Corporation	No	—	—	—	—
Laura Weil	61	2016	Founder of Village Lane Advisory LLC; Former Executive Vice President & Chief Operating Officer, New York & Company, Inc.	Yes	—	M	C	1

AC	Audit Committee	C	Chair
CC	Compensation Committee	M	Member
G&NC	Governance & Nominating Committee		

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PROXY STATEMENT
FOR THE
2018 ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD JUNE 13, 2018

The Board of Directors (the “Board”) of Christopher & Banks Corporation (the “Company”, “we”, “us” and “Christopher & Banks”) is soliciting proxies for use at the Christopher & Banks 2018 Annual Meeting of Stockholders (“Annual Meeting”) to be held at 9:00 a.m. Central Time on Wednesday, June 13, 2018, at Dorsey & Whitney LLP’s offices at 50 South Sixth Street, 15^{th} Floor, Minneapolis, Minnesota and at any adjournment or postponement of the meeting. On or about May 3, 2018, we mailed to our stockholders a Notice of Internet Availability of Proxy Materials (the “Notice of Availability”) containing instructions on how to access our proxy statement for our Annual Meeting and our Annual Report to Stockholders. Our proxy statement and 2017 Annual Report to Stockholders are available at https://materials.proxyvote.com/171046.

ITEM 1 — ELECTION OF DIRECTORS

Our Board currently has seven members. All of the current directors’ terms expire as of the Annual Meeting. The Board is proposing that the seven nominees described below be elected for a term expiring at the 2019 Annual Meeting of Stockholders, or when their successors are duly elected and qualified.

Each of the nominees has agreed to serve as a director if elected. If, for any reason, any nominee becomes unable to serve before the election, the persons named as proxies will vote your shares for a substitute nominee if one is selected by the Board, subject, as applicable, to the terms of the Support Agreement described below. Alternatively, the Board, at its option, may reduce the number of directors that are nominated for election.

The Company’s by-laws require directors to be elected by a majority of votes cast with respect to such director in uncontested elections (meaning, the number of shares voted “For” a director must exceed the number of votes cast “Against” that director).

In accordance with the Company’s Corporate Governance Guidelines, if an incumbent director is not elected by a majority vote in an uncontested election, the director must promptly tender her or his resignation to the Board of Directors. The Governance & Nominating Committee will make a recommendation to the Board of Directors as to whether to accept or reject the resignation of such incumbent director, or whether other action should be taken. The Board of Directors will act on the resignation, taking into account the Governance & Nominating Committee’s recommendation, and publicly disclose (by a press release, a filing with the SEC or other broadly disseminated means of communication) its decision regarding the tendered resignation and the rationale behind the decision within 90 days following certification of the election results. If such incumbent director’s resignation is not accepted by the Board of Directors, such director will continue to serve until the next annual meeting and until her or his successor is duly elected or her or his earlier resignation or removal.

2018 Director Nomination Process

Support Agreement

On March 10, 2016, after discussions with Macellum Retail Opportunity Fund, LP and certain of its affiliates (collectively, “Macellum”), whose Chief Executive Officer is Jonathan Duskin, one of our nominees for director, as well as discussions with certain other institutional stockholders regarding potential changes to the composition of our Board, we entered into a support agreement with Macellum (the “Support Agreement”). Pursuant to the Support Agreement, effective as of the 2016 Annual Meeting, the size of the Board was reduced from nine to seven members and the slate of directors nominated by the Board for the 2016 Annual Meeting included:

- two nominees designated by Macellum; Jonathan Duskin and Seth Johnson (the “Macellum Designees”);

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- three of the then-current directors of the Company, consisting of William Sharpe, III; LuAnn Via and Lisa Wardell; and
- two additional new directors, Kent Kleeberger and Laura Weil.

All seven of these individuals were elected as directors at the 2016 Annual Meeting and five of them were re-elected at the 2017 Annual Meeting; Ms. Via and Ms. Wardell left the Board prior to the 2017 Annual Meeting.

The Support Agreement also provides that at least one Macellum Designee who meets all independence or other requirements under applicable law and the rules and regulations of New York Stock Exchange ("NYSE") for service on such committee will be appointed to each committee of the Board. The Board has determined that both Mr. Duskin and Mr. Johnson meet all such requirements and Mr. Duskin currently serves on the Audit, Compensation, and Governance & Nominating Committees and Mr. Johnson chairs the Audit Committee. Additionally, during the term of the Support Agreement, in the event either of the Macellum Designees ceases to serve subsequent to his election due to his resignation, only Macellum may fill the vacancy of a Macellum Designee. However, should Macellum cease to beneficially own an aggregate net long position (as such term is defined in Rule 14e-4 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) of at least the lesser of (i) 1,853,974 shares of Common Stock (subject to adjustment for stock splits, reclassifications, combinations and similar adjustments); and (ii) 5% of the outstanding shares of the Company's Common Stock as of the date of such vacancy, then each of the Macellum Designees will be deemed to have resigned from the Board and any committee of the Board on which such designee then sits and Macellum will no longer be able to designate a replacement candidate. The Support Agreement will terminate the earlier to occur of the mutual agreement of the Company and Macellum, or the date and time that no Macellum Designees serve on the Board.

The Support Agreement does not require the Board to nominate any specific candidates for director for the 2018 Annual Meeting or for any subsequent annual meetings, but during the term of the Support Agreement, the Board must provide Macellum notice of its decision not to nominate any Macellum Designee for election at an annual meeting at least twenty days prior to the deadline for Macellum to nominate director candidates in accordance with our by-laws, and the annual meeting may not be held less than ninety days after such notice.

Amended Employment Agreement with Joel Waller

Joel Waller is currently serving as a director and is engaged by the Company as a consultant. Per the terms of the Amended Employment Agreement between the Company and Mr. Waller (see discussion on pages 19-20), Mr. Waller has agreed to resign as a member of our Board upon being notified by the Company in writing that his services as a consultant are no longer needed; such determination to be made by the Company's Chief Executive Officer, in consultation with the Board.

Director-Nominees

After consideration of their performance as directors, and upon the recommendation of the Governance & Nominating Committee, the Board has nominated all seven of the current directors, Jonathan Duskin; Seth Johnson; Keri Jones; Kent Kleeberger; William Sharpe, III; Joel Waller; and Laura Weil, for election to the Board to serve until the 2019 Annual Meeting of Stockholders or until their successors are duly elected and qualified.

Board Recommendation

The Board recommends a vote FOR the election of each of Jonathan Duskin; Seth Johnson; Keri Jones; Kent Kleeberger; William Sharpe, III; Joel Waller; and Laura Weil. Proxies will be voted FOR the election of each of the seven nominees, unless otherwise specified.

Below is biographical information for each of the director nominees.

Biographies and Attributes of Director-Nominees

Jonathan Duskin, 50, has served as one of our directors since the 2016 Annual Meeting. Mr. Duskin is currently Chief Executive Officer of Macellum Capital Management, LLC, a Delaware limited liability company which operates a New York-based pooled investment fund, a position he has held since July 2009. From January 2005 to February 2008, Mr. Duskin served as a Managing Director and Partner at Prentice Capital Management, LP, an investment management firm. From March 2002 to January 2005, Mr. Duskin was a Managing Director at S.A.C. Capital Associates LLC, a New York-

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based hedge fund. From January 1998 to January 2002, Mr. Duskin was a Managing Director at Lehman Brothers Inc., an investment bank, and served as Head of Product Management and Chairman of the Investment Policy Committee within the Research Department. Mr. Duskin currently serves on the board of directors of Citi Trends, Inc.

Mr. Duskin brings considerable business, financial services and retail investment expertise, having provided financial services and equity and debt capital to a variety of public and private companies as well as serving as a control investor. His prior service on the boards and committees of public companies and his familiarity with the retail industry positions him well to serve as a member of the Board and its three committees.

Seth R. Johnson, 64, has served as one of our directors since the 2016 Annual Meeting. Mr. Johnson is currently on the board of directors of Tilly’s, Inc. (“Tilly’s”), a specialty retailer of West Coast inspired casual apparel, footwear and accessories, where he has served since April 2011. Mr. Johnson served as a member of the advisory committee to the Tilly’s board from July 2008 through 2011. From July 2014 to January 2018, Mr. Johnson served as a member of the board of directors of bebe stores, inc., a specialty retailer of women’s clothing and accessories. He was also a member of the board of directors and lead director of True Religion Apparel, Inc., a premium fashion apparel retailer, from 2010 to 2013. From 2007 to 2009, Mr. Johnson was an instructor in business strategy at Chapman University’s Argyros School of Business and Economics. From 2005 to 2006, Mr. Johnson served as the Chief Executive Officer of Pacific Sunwear of California, Inc. From 1999 to 2004, Mr. Johnson was the Chief Operating Officer of Abercrombie & Fitch Co., a specialty retailer, and was its Chief Financial Officer from 1992 to 1998.

Mr. Johnson has over 30 years of apparel retail experience, including significant experience as both a retail executive and board member. Mr. Johnson’s strong retail background and service on the boards and committees of public companies positions him well to serve as a member of our Board and to Chair its Audit Committee.

Keri L. Jones, 54, has served as our President and Chief Executive Officer ("CEO") and a director since March 12, 2018. From May 2017 until February 2018, Ms. Jones served as Executive Vice President, Chief Merchant of Dick's Sporting Goods ("Dick's"). Prior to Dick's, Ms. Jones spent 27 years at Target Corporation, where she served in a variety of leadership roles, including as Executive Vice President, Global Supply Chain, from 2015 to 2016; Executive Vice President, Merchandise Planning and Operations, from 2014 to 2015; Senior Vice President, Merchandise Planning, from 2011 to 2014; Senior Vice President, Health and Beauty, from 2008 to 2011; and Vice President, General Merchandise Manager, Toys and Sporting Goods, from 2001 to 2008.

Ms. Jones has over 30 years of retail experience with an extensive background in merchandising, operations, planning and allocation. Her extensive retail experience provides the Board with valuable insight into the marketing, merchandising and operational issues the Company faces. In her role as CEO, she provides valuable insight to the Board regarding the day-to-day issues at the Company and plays a key role with respect to the Company's strategies and initiatives. Her extensive and broad retail background makes her particularly well suited to serve as a member of our Board.

Kent A. Kleeberger, 66, has served as one of our directors since the 2016 Annual Meeting and as Chair of the Board since January 2017. He has been engaged as an independent consultant to certain private equity firms since April 2015. From February 2011 to March 2015, he was Executive Vice President, Chief Operating Officer of Chico’s FAS, Inc. (“Chico’s”), a specialty apparel retailer. Mr. Kleeberger joined Chico’s in November 2007 as the Executive Vice President, Chief Financial Officer & Treasurer. He was promoted to Chief Operating Officer in February 2011. Prior to joining Chico’s, Mr. Kleeberger was the Senior Vice President, Chief Financial Officer for Dollar Tree Stores, Inc. from July 2004 through October 2007. From 1998 to 2004, he served in numerous capacities, culminating as Chief Operating Officer, for Too, Inc., now known as Justice (part of Ascena Retail Group, Inc.). Prior to that, Mr. Kleeberger served in various financial positions with The Limited, Inc., including Corporate Controller. Before joining The Limited, Inc., Mr. Kleeberger was a Certified Public Accountant with KPMG for 13 years. Mr. Kleeberger also serves on the board of directors of Shoe Carnival, Inc. and was a member of the board of directors of

Aeropostale, Inc. from August 2015 to February 2016 and of Too, Inc. from August 1999 until February 2004.

Mr. Kleeberger brings retail, operational, mergers and acquisitions and management experience together with a strong background in the areas of financial reporting, accounting, income taxes and audits, and risk management. His service on the boards and committees of public companies, together with his retail and business background, makes him a valuable member of our Board and the Governance & Nominating Committee, and an effective Chair of the Board and its Compensation Committee.

William F. Sharpe, III, 55, has served as one of our directors since May 2012. Mr. Sharpe has served as a Partner of Pathfinder Companies, LLC since December 2015. From September 2009 to December 2015, Mr. Sharpe served as a

Partner and Managing Director of Quetico Partners, LLC, a boutique investment banking firm. From July 2007 to August 2009, he was Chief Operating Officer and a Managing Director of Lazard Middle Market, a subsidiary of Lazard, Ltd. which provides advice on mergers and acquisitions, restructuring, and public and private capital raising to the middle market, following the acquisition by Lazard, Freres & Company of Goldsmith Agio Helms & Lynner, LLC (“Goldsmith-Agio”). He was with Goldsmith-Agio, a private investment banking firm, from February 1998 to July 2007, most recently serving as Chief Operating Officer and Managing Director from 2002 to July 2007.

Mr. Sharpe brings considerable business, investment banking and corporate experience to our Board, given his more than 15 years as an investment banker. Mr. Sharpe’s experience as a board and committee member at both private and non-profit companies, together with his broad investment banking, corporate and financial background, positions him well to serve as a member of our Board and of its Audit and Compensation Committees.

Joel N. Waller, 78, has served as one of our directors since January 2017. He served as our former interim President and Chief Executive Officer from January 17, 2017 to March 12, 2018. From November 2012 to January 2017, he served as a retail consultant. Mr. Waller previously served as the Company's President, from December 2011 through November 2012, and as the Company's interim CEO from February 2012 through November 2012. From 2008 to 2010, Mr. Waller served as President of the A.M. Retail Group, a specialty retailer of leather outerwear, accessories and apparel. From 2005 to 2008, he was Chief Executive Officer of The Wet Seal, Inc., a specialty retailer of juniors clothing, shoes and accessories. Prior to that, he was the Chief Executive Officer of Wilsons Leather, a specialty retailer of leather outerwear, accessories and apparel, for approximately twenty years, ending in January 2005.

Mr. Waller has over 35 years of apparel retail experience, including significant experience as both a retail executive and board member. His extensive experience provides the Board with valuable insight into the marketing, merchandising and operational issues the Company faces as well as critical insight into the women's specialty apparel industry generally. His extensive retail operations and business experience as both an executive and a director make him particularly well suited to serve as a member of our Board.

Laura A. Weil, 61, has served as one of our directors since the 2016 Annual Meeting. Ms. Weil is the founder of Village Lane Advisory LLC, which specializes in providing executive and strategic consulting services to retailers as well as private equity firms. She was the Executive Vice President and Chief Operating Officer of New York & Company, Inc., a woman’s apparel and accessories retailer, from June 2012 to August 2014, having served it as an Executive Consultant beginning in February 2012. Ms. Weil was the Chief Executive Officer of Ashley Stewart LLC, a privately held retailer, from 2010 to 2011. Ms. Weil was the Chief Executive Officer of Urban Brands, Inc., a privately held apparel retailer, from 2009 to 2010. Urban Brands, Inc. restructured and filed for Chapter 11 bankruptcy protection in September 2010. Ashley Stewart LLC, the successor retail chain operated by Urban Brands, Inc., emerged from bankruptcy in October 2010. Ms. Weil was the Chief Operating Officer and Senior Executive Vice President of Ann Taylor Stores Corporation, a women’s apparel company, from 2005 to 2006. From 1995 to 2005, she was the Chief Financial Officer and Executive Vice President of American Eagle Outfitters, Inc., a clothing retailer. Ms. Weil currently serves on the board of directors of Carnival Corporation.

Ms. Weil has extensive financial, information technology and operating skills developed over many years as an investment banker and senior financial and operating executive. Ms. Weil's significant experience in global eCommerce and consumer strategies from her leadership experience with a large retail company as well as her public company board and committee experience, makes her a valuable member of our Board and the Compensation Committee, and an effective Chair of the Governance & Nominating Committee.

INFORMATION REGARDING THE BOARD AND CORPORATE GOVERNANCE

The Board conducts its business through meetings and written consents of the Board and the following standing committees: Audit, Compensation, and Governance & Nominating. Each of the three committees has adopted and operates under a written charter, all of which are available on our website at www.christopherandbanks.com—select the "For Investors" link and then the "Corporate Governance" link. Other corporate governance documents available on our website include our Corporate Governance Guidelines and Code of Conduct.

Code of Conduct

We have adopted a Code of Conduct applicable to all of our employees, directors and officers, including our principal executive officer, principal financial officer, principal accounting officer, controller and any other employees performing similar functions.

Director Independence

Our Corporate Governance Guidelines provide that a majority of our directors shall meet the independence requirements of the NYSE. Under the NYSE rules, no director qualifies as independent unless the Board affirmatively determines that the director has no material relationship with us (directly, or as a partner, stockholder or officer of an organization that has a relationship with us).

In assessing the independence of our directors, the Board considers all of the business relationships between the Company and our directors and their respective affiliated companies. This review is based primarily on the Company's review of its own records and on responses of the directors to a questionnaire regarding employment, business, familial, compensation and other relationships with the Company and our management. Where relationships exist, the Board determines whether the relationship between the Company and the director or the director's affiliated companies impairs the director's independence.

After consideration of the directors' relationships with the Company, the Board has affirmatively determined, in accordance with the standards set forth in the Corporate Governance Guidelines, that none of the individuals serving as non-employee directors during Fiscal 2017 had a material relationship with us and that each of such non-employee directors is independent. Additionally, the Board has affirmatively determined, in accordance with the standards set forth in the Corporate Governance Guidelines, that none of the nominees for director, other than Keri Jones and Joel Waller, has a material relationship with us, and that, other than Ms. Jones and Mr. Waller, each such nominee for director is independent. Ms. Jones is not considered an independent director because of her employment as our President and CEO. Mr. Waller is not considered an independent director because of his prior employment as our interim President and CEO.

Board Leadership Structure

The Board believes it is important to maintain flexibility in its board leadership structure and, therefore, has not mandated either the combination or separation of the positions of Chair of the Board and CEO. Given the demanding nature of both the Chair and CEO positions, the Board continues to believe that it is appropriate to have two different persons occupying each role. Our independent director Chair has the typical responsibilities of a Board Chair, including responsibility for setting Board agendas, chairing Board and stockholder meetings, liaising between the other members of the Board, and the CEO and other members of senior management, as well as presiding over the sessions of Board meetings at which only the independent directors are present. Kent Kleeberger, one of our independent directors, has served as Chair of our Board since January, 2017.

If in the future the two roles were to be combined, the Board believes it would likely appoint a lead independent director, given its view of the importance of strong independent leadership at the Board level.

Meetings of the Independent Directors

At both the Board and committee levels, our non-employee directors meet periodically in executive sessions in which our CEO and other members of management do not participate. Our Board Chair serves as the presiding director of executive sessions of the Board, and the Chair of each committee serves as the presiding director at executive sessions of that committee. During Fiscal 2017, our non-employee directors met in executive sessions of the Board without management present during seven Board meetings. Each of the Board's committees also held sessions without management present in Fiscal 2017.

Stock Ownership Guidelines

To provide a direct link between director and stockholders' interests, the Board has established stock ownership guidelines for non-employee directors. Each director is expected to achieve and maintain stock ownership of stock having a value of two times the annual cash retainer (currently $96,000) by the third anniversary of the date he or she joined our Board. Mr. Sharpe, the only non-employee director with three years of service on the Board meets this guideline.

Term/Age Limits

The Board does not believe it is advisable to establish arbitrary term limits on a director's service. The Board has a mandatory retirement age under which an independent director must complete her or his term before age 76. The Board has the authority to renominate an independent director who has reached her or his 76th birthday for another term, due to special or extraordinary circumstances as determined by the Board. Given his prior employment with the Company, Mr. Waller is not considered an independent director and therefore is not subject to the Board's mandatory retirement policy. As part of its responsibilities, the Governance & Nominating Committee evaluates each incumbent director's qualifications, performance and ability to continue to contribute productively before recommending the nomination of that director for an additional term.

Limitations on Board Service

Limitations on All Non-Employee Directors. Our Corporate Governance Guidelines provide that no member of the Board shall simultaneously serve on the boards of directors of more than three public companies in addition to ours.

Limitations on Non-Employee Directors who are Chief Executive Officers of a Public Company. Our Corporate Governance Guidelines also provide that an independent director who is a chief executive officer of a public company shall not sit on the boards of directors of more than three public companies as follows: (i) the Company; (ii) the company at which he or she serves as chief executive officer; and (iii) one other public company.

Limitations on the Company's Officers. Our Corporate Governance Guidelines further provide that an officer of the Company may not serve on the board of directors of another public company unless the Company's Board has reviewed and consented to, in advance, the officer serving on such board of directors.

A Company director is to notify the Chair of the Board prior to becoming a director of another public company, in order to avoid potential conflicts of interest and to address whether the aggregate number of directorships held by such director would interfere with her or his ability to carry out her or his responsibilities as one of our directors. In the event that the Board determines that the additional directorship constitutes a conflict of interest or interferes with such director's ability to carry out her or his responsibilities as one of our directors, such director, upon the request of the Board, shall either offer her or his resignation or not accept the other directorship.

As of the date of this proxy statement, all of the Company's director nominees were in compliance with the Corporate Governance Guidelines' limitations on board service.

Board Involvement in Risk Oversight

The Company's management is responsible for defining the various risks facing the Company, formulating risk management policies and procedures, and managing the Company's risk exposures on a day-to-day basis. The Board's responsibility is to monitor the Company's risk management processes concerning the Company's material risks and evaluating whether management has processes in place to address these material risks; the Board is not responsible, however, for defining or managing the Company's various risks.

While the Board periodically reviews and discusses the overall risks the Company faces, as well as risk management and mitigation in the context of specific plans or projects being proposed or implemented, the Board also exercises its overall responsibility for risk oversight through its committees. The Audit Committee of the Board is primarily responsible for overseeing management's processes for managing financial and operational risk at the Company. The Audit Committee also has primary responsibility at the Board level with respect to overseeing the management of risks relating to the reliability of our financial reporting processes and system of internal control. In connection with that responsibility, the Audit Committee has sole authority to retain and terminate the Company's independent public accounting firm and is directly responsible for the overall compensation and oversight of the work of the independent public accounting firm. The Audit Committee meets with management and the independent public accounting firm to review and discuss the annual audited and quarterly unaudited financial statements and reviews the integrity of our accounting and financial reporting processes and audits of our financial statements.

Similarly, the Compensation Committee of the Board oversees risks associated with its areas of responsibility, including the risks associated with our compensation programs, policies and practices with respect to both executive compensation and compensation generally. The Compensation Committee has sole authority to retain and terminate its compensation consultants and is responsible for approving the overall compensation and oversight of the work of its compensation consultants.

The Governance & Nominating Committee of the Board oversees risks associated with its areas of responsibility, including the risks associated with non-employee director compensation. In addition, the Governance & Nominating Committee periodically analyzes corporate governance practices in order to assist the Board in its risk oversight activities.

To keep the Board informed regarding the Company's risk management efforts, management periodically reports to the Audit Committee, as well as to the Board, on risk management and mitigation activities. The Compensation Committee annually reviews and discusses any risks associated with the design of the Company's executive compensation programs. In addition, the Chair of each Board committee typically reports to the full Board at each regular Board meeting regarding the matters discussed at any committee meetings held since that committee's prior report to the Board.

We believe that the Board's role in risk oversight of the Company is consistent with the Company's leadership structure, with the CEO and other members of management having responsibility for assessing and managing the Company's risk exposure, and the Board, through the leadership of our independent Chair, and its committees providing oversight in connection with those efforts.

MEETINGS AND COMMITTEES OF THE BOARD OF DIRECTORS

The Board of Directors held 13 meetings during Fiscal 2017. Each of the directors serving on the Board during Fiscal 2017 attended at least 86% or more of the aggregate number of the meetings of the Board (held during the period he or she served as a director) and meetings of the committees on which he or she served (held during the period he or she served as a committee member).

As of April 30, 2018, the members and Chairs of the Board's three committees were:

Independent Directors	Audit	Compensation	Governance & Nominating
Jonathan Duskin	X	X	X
Seth Johnson	Chair		
Kent Kleeberger		Chair	X
William Sharpe, III	X	X	
Laura Weil		X	Chair

The Audit Committee

All of the Audit Committee members are "independent" under applicable NYSE listing standards and Securities and Exchange Commission (the "SEC") rules and regulations. Our Board of Directors has determined that all three members of the Audit Committee, Jonathan Duskin, Seth Johnson and William Sharpe, III, meet the definition of an "audit committee financial expert" as established by the SEC. The Audit Committee provides assistance to the Board in fulfilling its oversight responsibilities relating to the quality and integrity of the financial reports of the Company. The Audit Committee has the sole authority to appoint, review and discharge our independent public accountants, and has established procedures for the receipt, retention, response to and treatment of complaints regarding accounting, internal controls and audit matters. In addition, the Audit Committee is responsible for:

- reviewing the scope, results, timing and costs of the audit with our independent accountants and reviewing the results of the annual audit examination and any accompanying management letters;

- assessing the independence of the independent public accountants on an annual basis, including receipt and review of a written report from them regarding their independence consistent with the requirements of the Public Company Accounting Oversight Board;

- reviewing and approving the services provided by the independent public accountants;

- overseeing the internal audit function; and

- reviewing our significant accounting policies, financial results and earnings releases, and the adequacy of our internal controls and procedures.

The responsibilities of the Audit Committee are more fully described in the Audit Committee's charter.

The Audit Committee held seven meetings during Fiscal 2017. The Audit Committee has engaged Deloitte & Touche LLP as our independent registered public accountants for the fiscal year ending February 2, 2019 and is recommending that

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our stockholders ratify this selection at the Annual Meeting. The report of the Audit Committee is found on pages 44-45 of this proxy statement.

The Compensation Committee

All of the Compensation Committee members are "independent" under applicable NYSE listing standards. The Compensation Committee assists the Board in fulfilling its oversight responsibilities relating to executive compensation, employee compensation and benefit programs and plans, and succession planning for senior management. In addition, the Compensation Committee is responsible for:

- reviewing the performance of our CEO;
- recommending or determining, respectively, the compensation and benefits for our CEO and other executive officers;
- establishing our executive compensation policies and practices;
- overseeing and evaluating the risks associated with our executive compensation policies and practices;
- administering our incentive compensation and stock plans, other than the equity plan applicable to our non-employee directors (which is administered by the Governance & Nominating Committee);
- approving the adoption of material changes to or the termination of our benefit plans; and
- meeting periodically with the CEO to discuss succession planning and management development.

The Compensation Committee has delegated authority to the CEO and the Senior Vice President, Chief Human Resources Officer to make awards to employees pursuant to guidelines approved by the Compensation Committee with respect to both the amount and type of awards such employees may be eligible to receive. This delegation expressly excludes the ability to make awards to the CEO and any of her direct management reports. It is also subject to an overall aggregate limit of 200,000 shares and a limit on the number of stock options and shares of restricted stock that may be awarded to an individual in a calendar year.

The Compensation Committee reviews and discusses with management the disclosures regarding executive compensation to be included in our annual proxy statement, and recommends to the Board inclusion of the "Compensation Discussion and Analysis" in our annual proxy statement. The responsibilities of the Compensation Committee are more fully described in the Compensation Committee's charter. For more information regarding the Compensation Committee's process in setting compensation and the role played by our CEO in compensation decisions, please see "Compensation Discussion and Analysis" below.

The Compensation Committee held 11 meetings during Fiscal 2017. The "Compensation Committee Report" is found on page 21 of this proxy statement.

Compensation Committee Interlocks and Insider Participation

Current directors, Mr. Duskin, Mr. Kleeberger, Mr. Sharpe and Ms. Weil each served on the Compensation Committee for all of Fiscal 2017. None of the members of the Compensation Committee during Fiscal 2017 was or is an officer or employee of the Company. During Fiscal 2017, none of our executive officers served on the board of directors or compensation committee of any entity that had one or more of its executive officers serving on the Board or the Compensation Committee. Based on our review of the annual questionnaires completed by our current directors and publicly available information, we know of no relationship involving these individuals or our other directors which requires disclosure in this proxy statement as a “compensation committee interlock”.

The Governance & Nominating Committee

All of the members of the Governance & Nominating Committee are "independent" under applicable NYSE listing standards. The Governance & Nominating Committee serves in an advisory capacity to the Board on matters of organization and the conduct of Board activities. The Governance & Nominating Committee is responsible for:

- identifying and recommending candidates for service on the Board;
- staying abreast of corporate governance developments;
- annually reviewing the charters of each Board committee;
- reviewing and revising our Corporate Governance Guidelines and Code of Conduct;
- leading the Board in its periodic review of the performance of the Board and the Board's committees;
- periodically reviewing and making recommendations to the Board as to the size and composition of the Board and the criteria for selecting director nominees;
- periodically reviewing and making recommendations to the Board regarding the role and responsibilities of the Board Chair; and
- periodically reviewing and making recommendations to the Board as to the cash and equity compensation of non-employee directors.

The responsibilities of the Governance & Nominating Committee are more fully described in the Committee's charter.

The Governance & Nominating Committee will consider Board nominees recommended by stockholders that are submitted in accordance with the process described below under the caption "Procedures for Recommending, Nominating and Evaluating Director Candidates".

The Governance & Nominating Committee held four meetings during Fiscal 2017.

Stockholder Engagement Policy - Procedures for Contacting the Board

Because the Board values the input and insights of the Company's stockholders and believes that effective Board-stockholder engagement and communication strengthens the Board's role as an active, informed and engaged body, it has adopted a Stockholder Engagement Policy. The Chair of the Board and the Company's Chief Executive Officer oversee this policy and the Board's stockholder engagement and communications. The goal of this policy is to promote and develop improved and more in-depth two-way communications between the Company's stockholders and the Board, and to establish and communicate an appropriate structure for such communications.

The Board has designated the Corporate Secretary as its agent to receive and review written communications and meeting requests addressed to the Board, any Board Committee or any individual Director. Such communications should be sent by U.S. mail addressed to:

Christopher & Banks Corporation Board of Directors
c/o Christopher & Banks Corporation
Attention: Corporate Secretary
2400 Xenium Lane North

Plymouth, MN 55441

The Corporate Secretary will review all such communications and if appropriate, will promptly forward the communications so received to the full Board, the non-management directors or the individual Board member(s) specifically addressed in the communication.

Procedures for Recommending, Nominating and Evaluating Director Candidates

Recommending Director Candidates for Nomination by the Board

The Governance & Nominating Committee will consider director candidates recommended by stockholders. A stockholder who wishes to recommend a director candidate for nomination by the Board at an annual meeting of stockholders or for vacancies of the Board that arise between annual meetings must provide the Governance & Nominating Committee with sufficient written documentation to permit a determination by the Board as to whether such candidate meets the required and desired director selection criteria set forth in our by-laws and our Corporate Governance Guidelines described below. Such documentation and the name of the director candidate should be sent by U.S. mail addressed as described above under "Stockholder Engagement Policy - Procedures for Contacting the Board".

Nominating Director Candidates

Under our by-laws, only persons nominated in accordance with the procedures set forth in the by-laws will be eligible to serve as directors. In order to nominate a candidate for service as a director, you must be a stockholder at the time you give the Board notice of your nomination, and you must be entitled to vote for the election of directors at the annual meeting at which your nominee will be considered. In accordance with our by-laws, director nominations by stockholders must be made pursuant to notice delivered to or mailed and received at our principal executive offices at the address above, not later than the 90th day, nor earlier than the 120th day, prior to the first anniversary of the prior year's annual meeting of stockholders. However, in the event that the date of the annual meeting is advanced by more than 30 days or delayed by more than 30 days from such anniversary date, notice by the stockholder must be delivered not earlier than the close of business on the 120th day prior to such annual meeting date and not later than the close of business on the later of the 90th day prior to such annual meeting date or the 10th day following the day on which public announcement of the date of the annual meeting is first made. Your notice must set forth, in addition to the requirements contained in our by-laws, all information relating to the nominee that is required to be disclosed in solicitations of proxies for the election of directors, or as otherwise required, pursuant to Regulation 14A under the Exchange Act (including the nominee's written consent to being named in the proxy statement as a nominee and to serving as a director if elected). The notice also must contain (1) the name and address of the stockholder giving notice and the beneficial owner, if any, on whose behalf the nomination is made and (2) the class and number of shares owned by the stockholder and such beneficial owner.

Evaluating Director Candidates

Our Corporate Governance Guidelines require the Governance & Nominating Committee to consider several factors when evaluating the appropriate characteristics of candidates for service as a director. The Governance & Nominating Committee initially evaluates a prospective nominee based on her or his resume and other background information that has been provided to the Governance & Nominating Committee. At a minimum, director candidates must demonstrate high standards of ethics, integrity, independence, sound judgment, strength of character, and meaningful experience and skills in business or other appropriate endeavors. In addition to these minimum qualifications, the Governance & Nominating Committee considers other factors it deems appropriate based on the current needs and desires of the Board, including specific business and professional experience that is relevant to the Board's needs, including, but not limited to, Board diversity. A member of the Governance & Nominating Committee will contact, for further review, those candidates who the Governance & Nominating Committee believes are qualified, who may fulfill a specific Board need and who would otherwise best make a contribution to the Board. The Governance & Nominating Committee is responsible for conducting, with the assistance of the Corporate Secretary, and subject to applicable law, any inquiries into the background and qualifications of the candidate. Based on the information the Governance & Nominating Committee learns during this process, it determines which nominee(s) to recommend to the Board to submit for election. The Governance & Nominating Committee uses a comparable process for evaluating all director candidates, regardless of the source of the recommendation.

The Governance & Nominating Committee is authorized to use, as it deems appropriate or necessary, an outside consultant to identify and screen potential director candidates. The Governance & Nominating Committee will reassess the qualifications of a current director, including the director's attendance and contributions at Board and committee meetings, prior to recommending a director for re-election.

Compensation Program for Non-Employee Directors

In 2013, the Company's stockholders approved the 2013 Directors' Equity Incentive Plan, which was amended in 2016 (as amended, the "Directors' Plan"). The Directors' Plan is administered by the Governance & Nominating Committee and the Board. They have broad powers to: (i) establish rules for the administration of the Directors' Plan; (ii) select the participants in the Directors' Plan; (iii) determine the types of awards to be granted and the number of shares covered by such awards; and (iv) set the terms and conditions of such awards.

In October 2008, the Board adopted the Christopher & Banks Corporation Non-Employee Director Deferred Stock Plan (as amended, the "Deferred Stock Plan"), which provides an opportunity for non-employee members of the Board to voluntarily defer the receipt of shares of our Common Stock granted by the Company in connection with the performance of their services as a director in return for the right to receive such shares at a later date.

The Governance & Nominating Committee is responsible for reviewing director compensation and making recommendations to the Board. The recommendations of the Governance & Nominating Committee are based on industry and peer group data, independent third party comparisons of director compensation and the Company's past practices. Based on the Governance & Nominating Committee's recommendations, our Board determines the compensation of our directors on an annual basis. A director who is our employee or has recently served as an employee does not receive compensation for her or his service as a director.

There were no changes in the cash compensation paid to directors for service on the Board or its committees in Fiscal 2017. As described below, the value of equity awarded to directors was less than that awarded in Fiscal 2016.

For Fiscal 2017, non-employee directors received an annual cash retainer of $48,000 for service on our Board. The Chair of the Board received an additional annual cash retainer of $65,000. The Chairs of the Audit, Compensation, and Governance & Nominating Committees each received a retainer for Fiscal 2017 of $15,000, $10,000 and $9,000, respectively. For Fiscal 2017, the other members of the Audit Committee received an additional retainer of $9,000, the other members of the Compensation Committee received an additional retainer of $6,000, and the other members of the Governance & Nominating Committee received an additional retainer of $5,000. The cash retainer fees are paid quarterly in arrears and are pro-rated if the non-employee director did not serve for the entire period.

In addition to the cash retainer, we also grant equity awards to our non-employee directors in order to further align their interests with those of our stockholders. Effective June 14, 2017, each non-employee director received 50,000 shares of restricted stock issued under the Directors' Plan representing $67,000 in value based on the closing price of our stock on the NYSE on that date as compared to approximately $70,000 in Fiscal 2016. The shares of restricted stock vest on the earlier of June 14, 2018 or the date of the 2018 Annual Meeting of Stockholders. Pursuant to the terms of the Directors' Plan, the number of shares that can be granted to a non-employee director in a calendar year (other than the Board Chair) is capped at 50,000 shares. No stock options were granted to non-employee directors in Fiscal 2017.

Non-Employee Director Compensation for Fiscal 2017

The following table sets forth the cash earned by and non-cash compensation awarded to each person who served as a non-employee director during Fiscal 2017.

Name	Fees Earned and Paid in Cash ($)(1)	Stock Awards ($)(2)(3)	Option Awards ($)	All Other Compensation ($)	Total ($)
Jonathan Duskin	73,725	67,000	—	—	140,725
Seth Johnson	68,304	67,000	—	—	135,304
Kent Kleeberger	134,648	67,000	—	—	201,648
William Sharpe, III	68,304	67,000	—	—	135,304
Laura Weil	68,304	67,000	—	—	135,304

(1)

The amounts in this column consist of cash fees paid to the non-employee directors as described in "Compensation Program for Non-Employee Directors" above.

(2) The amounts in this column represent the grant date fair values of the restricted stock awards made in Fiscal 2017, calculated in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, "Share-Based Payment" ("ASC 718"), and based on the closing share price of one share of our Common Stock on the NYSE on the date of grant. Additional information related to the calculation of the grant date fair values is set forth in Note 5 of the Notes to the Consolidated Financial Statements included in our Report on Form 10-K for the period ended February 3, 2018 (the "10-K Report").

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(3) Effective on June 14, 2017, following her or his election as a director at the Company's 2017 Annual Meeting of Stockholders, each non-employee director was awarded 50,000 shares of restricted stock with a grant date fair value of $67,000, computed in accordance with ASC 718.

Director Education and Expense Reimbursement

The Company's director education policy encourages all members of the Board to attend director education programs appropriate to their individual backgrounds to stay abreast of developments in corporate governance and best practices relevant to the Board, as well as their specific committee assignments. The director education policy provides for a fixed amount that the Company will pay or reimburse directors for the costs associated with attending director education programs every two fiscal years. We also provide an in-house orientation program for our new directors and periodically provide updates on relevant topics of interest to our Board and committees. We also pay for or reimburse directors for travel expenses related to attending Board and committee meetings and director education programs.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

In this Compensation Discussion and Analysis we describe the executive compensation philosophy and related programs regarding our Named Executive Officers ("NEOs") that we have implemented in an effort to achieve the Company's performance objectives and to serve the long-term interests of our stockholders. We also discuss the compensation decisions made by the Compensation Committee (the "Committee"), and the factors considered in making those decisions with respect to our Fiscal 2017 NEOs, who were the following individuals:

Joel Waller	Former Interim President and CEO
Marc Ungerman	Interim Chief Financial Officer and Vice President, Controller
Pete Michielutti	Former Executive Vice President, Chief Operating Officer and Chief Financial Officer
Monica Dahl	Senior Vice President, Chief Marketing Officer, Omni-Channel and Public Relations
Luke Komarek	Senior Vice President, General Counsel and Corporate Secretary
Michelle Rice	Senior Vice President, Chief Stores Officer

The Compensation Discussion and Analysis should be read together with the executive compensation tables and related footnotes found later in this proxy statement.

Fiscal Year 2017 Financial Results

Fiscal 2017 was a year of transition as Joel Waller returned to the Company as interim President and Chief Executive Officer in January 2017.

Our key financial results for the year included:

•Net sales of $365.9 million;

•Operating loss of $22.6 million or (6.2)% of sales; and

•A net loss of $0.59 per share.

Our Fiscal 2017 accomplishments include:

•

Enhancing the merchandise assortment to create a more appropriate balance among sizes, categories and core versus fashion mix;

- Generating increased sales in outlets and eCommerce; and

- Growing our customer file for two consecutive quarters in the second half of the fiscal year despite operating approximately 6% fewer stores than in Fiscal 2016 during this period.

At the end of Fiscal 2017, we operated 463 stores in 45 states consisting of 314 Missy, Petite, Women, 78 Outlet, 37 Christopher & Banks and 34 C.J. Banks stores.

A more detailed discussion of the Company’s Fiscal 2017 performance can be found in the Company's 10-K Report filed with the SEC.

Results of Advisory Vote to Approve Named Executive Officer Compensation

At our 2017 Annual Meeting of Stockholders (the "2017 Annual Meeting"), approximately 96.8% of the shares voted were cast in favor of approving, on an advisory basis, the compensation of our named executive officers ("Say-on-Pay"). The Committee believes that the outcome of our 2017 Say-on-Pay vote reflects stockholders’ support of our compensation approach. At the 2017 Annual Meeting, 92.1% of the votes cast by our stockholders was in favor of holding the advisory Say-on-Pay vote on an annual basis versus every two or three years. The Board has taken those results into consideration and has determined to continue offering stockholders the opportunity to vote on Say-on-Pay on an annual basis.

Our Board and the Committee value the opinions of our stockholders and the Committee will continue to consider the outcome of the Company’s Say-on-Pay proposals when reviewing the principal elements of our current compensation program and making future compensation decisions. The Committee also expects to continue to periodically refine the Company’s executive compensation program in response to emerging best practices, as well as the Company’s evolving business strategies and operating goals.

Executive Compensation Philosophy

While our executive compensation decisions are influenced by a variety of factors, the Committee is guided by the following key objectives and reward philosophies in the design and implementation of our executive compensation program:

- Pay for Performance. A meaningful portion of each NEO’s total potential compensation consists of “at-risk” pay that is realized only upon the achievement of pre-established performance criteria or an increase in the value of our common stock. It is designed to reward both short and long-term financial and operating performance, as well as an individual’s performance.

- Competitive Compensation Opportunity. In order to attract, retain, motivate and reward talented executives, our compensation program is designed to provide a total compensation opportunity that is reasonably competitive based on market data for the comparable position and factoring in the Company's recent financial performance.

- Alignment with Stockholders Interests. By providing our executive officers with cash and equity incentives based on improved financial performance and which constitute a meaningful part of their total compensation opportunity, we believe that our executive officers’ interests are closely aligned with the interests of our stockholders.

As a women's clothing retail company, we operate in a highly competitive and challenging industry. As a result, our compensation program is dynamic and a reflection of the changing marketplace in which we compete. We believe it appropriately balances the factors described above. The Committee will continue to evaluate our executive compensation program in order to ensure that the relationship among Company performance, our stockholders’ interests and our executives’ compensation remains aligned.

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Executive Compensation Practices

Highlights of our current compensation program are presented below.

WHAT WE DO	WHAT WE DON'T DO
ü A Meaningful Portion of Total Targeted Compensation is Performance-Based and at Risk.	X No Employment Contracts, Except for the Individual Serving as CEO.
ü Strong Link between Performance Measures and Operating Priorities.	X No Guaranteed Annual Salary Increases or Bonuses.
ü Limits on Annual Cash Incentive Compensation Payouts.	X No Special Retirement Benefits for Executives.
ü Independent Compensation Committee has Access to Independent Compensation Consultant and Other Independent Advisers.	X No Tax Gross-Ups, other than one-time, in connection with the CEO's relocation expenses.
ü Limited Change-in-Control Benefits.	X No Repricing or Buyout of Underwater Stock Options.
ü Annual Say-on-Pay Vote.	X No Plans that Encourage Excessive Risk Taking.
ü Stock Ownership Guidelines.	X No Trading in our Stock by Directors or Executives without Pre-Approval and only During Pre-Established Window Periods.
ü Utilize Stock Options which Provide Value to Executives only if the Stock Price Appreciates.	X No Excessive Perquisites.
ü Clawback Policy that Applies to Certain Incentive Awards.	X No Hedging or Pledging of Company Stock.

Elements of Executive Compensation Program

Overview

This section describes the major elements of our compensation program for the NEOs and discusses the objectives, processes and decisions underlying the compensation of the NEOs. Each element fulfills one or more of our executive compensation objectives disclosed under "Executive Compensation Philosophy."

The principal elements of our executive compensation program for Fiscal 2017 were:

- base salary;
- annual cash incentive opportunity; and
- performance and time-based stock options that vest over two to three years.

While we also provide benefits to our NEOs, they are consistent with those provided to other eligible full-time employees. We also provide nominal perquisites of limited economic value to some of our NEOs.

Base Salary

The Committee establishes base salaries at levels designed to enable us to attract and retain talented executives. The Committee determines executive base salaries based on the executive’s role, experience, individual performance and market data.

Annual merit increases are not automatic or guaranteed. Any merit increase for our CEO is determined by our Board, based on the recommendation of the Committee following its evaluation of the CEO's and the Company's performance. Merit increases for the other NEOs are determined by the Committee, with input and recommendations from our CEO. Any such increases are a reflection of the Committee's evaluation of both the NEO's and the Company's performance.

None of the executives who were NEOs during Fiscal 2017 received a merit increase in Fiscal 2017. In connection with his being appointed interim Chief Financial Officer, in addition to his role as Vice President, Controller, Mr. Ungerman received an annual salary increase of $20,000 in July 2017.

Annual Incentive Program (“AIP”) Compensation

Overview. AIP compensation is performance-based, at-risk compensation intended to motivate and reward executives for the attainment of goals that are measured typically over a twelve-month period. In Fiscal 2014, the Committee adopted, and our stockholders approved, the Christopher & Banks Corporation 2014 Annual Incentive Plan for our employees (the “Annual Incentive Plan”). The primary objective of our Annual Incentive Plan is to provide incentives annually for our key employees to achieve our strategic and/or financial goals. This is consistent with our pay-for-performance philosophy. Historically, under our annual incentive programs, the Committee each fiscal year sets one or more financial goals or metrics against which actual results are measured to determine whether, and in what amounts, incentives would be paid.

Fiscal 2017 AIP ("FY17 AIP") Design. The design of the FY17 AIP returned to the Company's historical practice of using performance measures based on results for the entire fiscal year. In Fiscal 2016, the Company's annual incentive program had a split fiscal year program with a Spring (the first six fiscal months) and a Fall (the last six fiscal months) performance component. The primary reason for the change in Fiscal 2017 was a reflection that annual performance targets were more appropriate given the anticipated change in the Company's merchandising strategies and operations in connection with the CEO transition that occurred shortly before the beginning of Fiscal 2017. All of the NEOs were participants in the FY17 AIP, other than Joel Waller.

The FY17 AIP design also reflected that that the Company's operating plan for Fiscal 2017 was estimated to generate positive operating income versus the negative operating income in Fiscal 2016, and the Committee's belief that (i) given the Company's continued focus on improved operating income, the awards at Target performance should be at or near market-based levels; (ii) a challenging FY17 AIP would be both a significant motivational tool for our NEOs, as well as other members of management; and (iii) there was an appropriate allocation of earnings between stockholders (through reinvestment in the Company) and employees based on the FY17 AIP performance metrics and the potential amount of the incentive awards.

The FY17 AIP design consisted of both a cash incentive and a performance-based stock option award with stated amounts at Threshold and Target, with the awards capped at Target (see below for a discussion of the FY17 AIP performance metric). For performance between Threshold and Target, the amount of the cash incentive and number of stock options would be interpolated. For the NEOs participating in the program, the award at Threshold represented 12.5% of their potential award at Target. The total incentive award at Target (using a presumed value of $1.50 for the stock options) represented at the time of grant, 75%, 50% and 30% of the individual's salary in the case of the Executive Vice President, Senior Vice Presidents and Vice President, respectively. The performance-based stock option awards were granted on March 16, 2017, with an exercise price per option share of $1.28, the closing price of one share of common stock of the Company on the NYSE on the date of grant.

The cash incentive component, if any, would be calculated and paid, and 50% of the performance-based stock options earned would vest, if at all, following a determination by the Compensation Committee that operating income for Fiscal 2017 was at or above Threshold. The remaining 50% of the stock options earned, if any, would vest on March 16, 2019.

FY17 AIP Performance Metric and Results.

In approving the FY17 AIP, the Committee selected operating income as the sole metric on which the FY17 AIP was based, as it was a key component of the Company's FY17 operating plan and a metric that the Committee considered to be of significant importance to the Company's stockholders.

"Operating Income" was defined, for purposes of the FY17 AIP, as "income before interest and taxes as reported in the Company's audited financial statements, but excluding the impact (whether positive or negative) thereon of any change in accounting standards, impairment charges or extraordinary items."

In order to establish an appropriate relationship between actual Company performance and the NEOs' potential FY17 AIP - related compensation, the Committee established a Threshold (entry point) and a Target for the metric.

The Committee set the Target performance level for Operating Income at $6.6 million, which represented achievement (before payment of any incentive awards) of the Company's Fiscal 2017 operating plan, as reflected in the Budget approved by the Board for Fiscal 2017. The Committee set the Threshold performance level for Operating Income at $0.0

million, which represented break-even Operating Income (before payment of any incentive awards). Both the Operating Income Threshold and Target performance levels represented substantial improvement over actual Fiscal 2016 Operating Income results.

The Committee desired to place a meaningful portion of a participating NEO’s annual target compensation at risk, thereby aligning the NEO’s compensation both with the Company’s performance, and with our stockholders’ interests.

The table below shows the cash incentive amount and number of stock options that each of the NEOs would have earned at Threshold and Target-level Operating Income performances under the FY17 AIP.

	Threshold		Target	
	Cash	Number of Stock Options	Cash	Number of Stock Options
Marc Ungerman	$4,233	2,688	$33,865	21,500
Pete Michielutti	$23,438	15,625	$187,500	125,000
Monica Dahl	$11,406	7,604	$91,250	60,833
Luke Komarek	$10,094	6,729	$80,750	53,833
Michelle Rice	$9,844	6,563	$78,750	52,500

The Company's Operating Income did not meet the Threshold performance level. Therefore, no cash incentive was paid to any NEO for Fiscal 2017, and all of the performance-based stock option awards made to the NEOs were forfeited.

Long-Term Equity Incentive Compensation

Program Design. The primary objectives of our long-term equity incentive program ("LTIP") are to:

- align executive interests with stockholder interests by conditioning a meaningful portion of the executive’s target compensation on the performance of the Company's stock price, thereby ensuring that realized compensation reflects positive changes in stockholder value over time;

- reward our executives for stock price appreciation over the long-term, rather than focusing solely on short-term financial success, thereby mitigating incentives for management to pursue short-term objectives; and

- attract, motivate, reward and retain key executives in a competitive market for talent.

In general, the Committee determines whether to grant long-term equity incentive awards to our executive officers shortly following each fiscal year-end.

As Mr. Waller had received employee inducement equity awards in connection with his joining the Company in January 2017 as Interim President and CEO, he did not participate in the LTIP for Fiscal 2017.

Fiscal 2017 LTIP ("FY17 LTIP"). The LTIP equity awards granted by the Committee in Fiscal 2017 to the NEOs, other than our CEO, were a time-based non-qualified stock option that vests in one-third increments on the first three anniversaries of the date of grant. The exercise price of these stock options is $1.28 per option share, which represents the closing price on the NYSE of one share of the Company's common stock on the date of grant. The number of options granted were as follows: Pete Michielutti, 120,000; Marc Ungerman, 45,000; Monica Dahl, 90,000; Luke Komarek, 75,000; and Michelle Rice, 90,000. Using a Black-Scholes value of $0.90 per option, the awards represented between 19% and 26% of the individual's annual salary on the date of the Award.

The Committee's practice for making equity awards to the NEOs is to determine the value of compensation that it desires to provide in the form of equity, both as part of the total target compensation for that NEO and, in the aggregate, to all NEOs. As part of this process, our CEO and the Senior Vice President, Chief Human Resources Officer, recommends to the Committee, for executives other than the CEO, the award level and types of equity awards. The Committee then reviews that recommendation and considers the value of such awards to each of the NEOs, as well as the criteria described below under "Analysis".

Analysis. The Committee believes that the use of long-term equity incentives as a significant component of total compensation is consistent with our philosophies of aligning the interests of our executive officers with those of our stockholders and of pay-for-performance. The determination of the targeted value of equity awards at the time of grant includes consideration by the Committee of the following factors: (i) the executive officer's performance; (ii) level of responsibility; (iii) award value; (iv) historical grant practices; (v) the costs and potential dilution to stockholders of the program; (vi) recent and projected financial performance; (vii) targeted total compensation; and (viii) incentive and retention objectives.

For Fiscal 2017, all of the equity awards granted to the NEOs were part of the annual equity awards granted in March 2017, except for the equity award granted to Mr. Waller in January 2018 in connection with the extension of his service as interim President and CEO (discussed further below). The specific number of non-qualified stock options that were awarded to each of the NEOs in Fiscal 2017 is set forth in the "Grants of Plan-Based Awards for Fiscal 2017" table at page 25 of this proxy statement.

Benefits and Perquisites

Primary Benefits. The NEOs are eligible to participate in the same employee benefit plans in which all other eligible full-time employees are eligible to participate. These plans include medical, dental, life insurance, disability and a qualified retirement savings plan to which the Company made a discretionary matching contribution of up to 2.5% of eligible earnings for calendar 2017 on behalf of participating employees. The Company does not maintain any benefit programs which are exclusive to executives (other than nominal perquisites and severance agreements as discussed below).

Perquisites. Perquisites represent a nominal component of our overall executive compensation program. The Committee does not view perquisites to be an important element of the executive compensation program. Pursuant to the terms of his Employment Agreement, Mr. Waller was reimbursed $4,294 for personal commuting expenses between Rancho Mirage, California and Minneapolis, Minnesota in Fiscal 2017. Ms. Rice received the benefit of a Company-leased vehicle for Fiscal 2017 valued at $1,787. Detailed information regarding the personal benefits and perquisites paid to the NEOs in Fiscal 2017 is provided in footnote 5 to the "Summary Compensation Table" at page 24 of this proxy statement.

Compensation Methodology

Committee Independence

The Committee is composed entirely of independent directors, as determined under the applicable SEC and NYSE rules, and the regulations promulgated under Section 162(m) of the Code. The Committee oversees our executive compensation and incentive programs and sets the compensation for the NEOs, except that the compensation of the CEO is recommended by the Committee and approved by all of the non-executive members of the Board. The Committee annually reviews the components of compensation for our CEO and other executive officers. In making its compensation decisions, the Committee takes into account the recommendations of the CEO as described above. Other than providing such recommendations, our CEO does not participate in the Committee's decisions regarding executive compensation. All such decisions are made by the Committee or the independent members of the Board.

Use of Independent Compensation Consultants

The Committee periodically retains an external, independent compensation consultant for objective advice and assistance on executive compensation matters. In Fiscal 2017, it engaged Frederic W. Cook & Co., Inc. ("F.W. Cook") on a limited basis to provide consultation and assistance to the Committee in connection with the Company's search for a CEO. F.W. Cook provided a competitive analysis of target total direct compensation opportunities among the

CEOs within the Company's peer group (as discussed below), together with key compensation considerations and potential offer terms for a potential new CEO. F.W. Cook did not perform any other services for the Company in Fiscal 2017.

The Committee has sole authority to (i) hire F.W. Cook; (ii) approve its compensation and the appropriate funding by the Company for such compensation; (iii) determine the nature and scope of F.W. Cook’s services; (iv) evaluate F.W. Cook’s performance; and (v) terminate F.W. Cook’s engagement.

The Committee annually assesses the independence of its external compensation consultant(s), taking into account the various factors required for consideration under NYSE and SEC listing standards for advisor independence.

F.W. Cook has provided the Committee with appropriate assurances and confirmation of their independent status. The Committee believes that F.W. Cook was independent throughout its service to the Committee, and that there was no conflict of interest between F.W. Cook and the Committee.

Compensation Peer Group

Periodically, the Committee conducts a review of the peer group used to benchmark executive compensation at the Company and revises the peer group as circumstances warrant. The Committee considers the following factors when assessing the appropriate peer group: how similar is the peer company's business to that of Christopher & Banks; the market cap, annual revenues and the number of retail stores it has; and whether Christopher & Banks is in its compensation peer group, as well as the overall number of companies to be included in the peer group. The Committee conducted its last such review in September 2017 and, following that review, the Committee determined that the Company's compensation peer group was the following 14 companies:

• Boot Barn Holdings, Inc.	• Destination Maternity Corporation	• Shoe Carnival, Inc.
• Build-A-Bear Workshop, Inc.	• Destination XL Group, Inc.	• Tilly’s, Inc.
• The Buckle, Inc.	• Francesca’s Holdings Corp.	• Vera Bradley, Inc.
• The Cato Corporation	• J. Jill, Inc.	• Zumiez, Inc.
• Citi Trends, Inc.	• New York & Company, Inc.	

Executive Evaluation Process

CEO. The Committee and the Board typically review our CEO’s performance against pre-established financial, operational, strategic and individual goals for the prior fiscal year. Our CEO is responsible for sharing with the Board and the Committee accomplishments with respect to the fiscal year just completed, as well as proposed objectives for the upcoming year. The Committee reviews the CEO’s goals and overall performance, and reviews and discusses its observations with the Board. Our CEO does not play a role in this process, other than discussing the performance of the Company and the status of the CEO's goals for the fiscal year.

Mr. Waller's compensation is discussed below under "Amended Employment Agreement with Joel Waller".

Other NEOs. The Committee consults with the CEO concerning the performance of the Company’s other executive officers, including each of the other NEOs. The Committee approves the compensation of such officers, taking into account the recommendations of the CEO. Our CEO and Senior Vice President, Chief Human Resources Officer assist the Committee in reaching compensation decisions regarding executives. Our NEOs do not play a role in determining their own compensation, other than discussing their annual performance reviews with the CEO; however our CEO and certain of the NEOs make recommendations regarding performance goals under our AIP and LTIP programs for the Committee's review and consideration. The Committee reviews the recommendations and approves the AIP and LTIP programs in such form as it determines, in its sole discretion, to be in the best interests of our stockholders.

Compensation Recovery or “Clawback” Policy

In November 2015, the Board adopted the Christopher & Banks Corporation Recoupment Policy (the “Clawback Policy”). The Clawback Policy applies to “Incentive Compensation”, as defined in the Clawback Policy, paid or provided to current or former executive officers and to current or former officers of the Company with the title of Vice President or above (“Covered Executives”). Incentive Compensation includes cash and stock-based compensation that is granted, earned or vests based on the attainment of a financial metric.

In the event the Company is required to restate its financial statements due to the Company's material noncompliance with the federal securities laws as a result of fraud or misconduct, the Company will, unless impracticable, require reimbursement or forfeiture from a Covered Executive of any excess Incentive Compensation for the three fiscal years immediately preceding the date on which the Company is required to prepare such an accounting restatement.

Prohibition on Derivatives Trading and Hedging and Pledging of Our Securities

Our Stock Trading Policy prohibits all directors and officers, including the NEOs, from trading in any puts, calls, covered calls or other derivative products involving any Company securities. Additionally, our policy prohibits these individuals from engaging in any hedging transactions with respect to any Company securities, which includes the purchase of certain instruments (including “cashless collars”, forward sales contracts, equity swaps or any other similar instruments) designed to hedge, monetize or offset any decrease in the market value of such securities. The policy also prohibits our officers and directors from pledging, or using as collateral, Company securities in order to secure personal loans or obligations, which includes holding shares of Company stock in a margin account.

Stock Ownership Guidelines

We believe that our executive officers should have a meaningful equity stake in the Company to ensure that their interests are aligned with those of our stockholders. To that end, our Board has adopted stock ownership guidelines that define stock ownership expectations for our executive officers. Under these guidelines, executive officers are expected to own shares of our Common Stock at certain levels within five years of becoming an executive officer.

By the fifth year of service as an executive officer, these guidelines call for:

- the CEO to hold shares of our Common Stock equal in value to at least one times her or his annual salary;
- each Executive Vice President to hold shares of our Common Stock equal in value to at least .75 times her or his annual salary;
- each Senior Vice President to hold shares of our Common Stock equal in value to at least .5 times her or his annual salary; and
- each Vice President to hold shares of our Common Stock equal in value to at least .25 times her or his annual salary.

The Committee intends to continue its practice of periodically reviewing the stock ownership guidelines in conjunction with future equity incentive programs and its overall compensation strategy.

The Board has also established stock ownership guidelines for non-employee directors, which are discussed on page 5 of this proxy statement.

Section 162(m) Policy

Under Section 162(m) of the Code, we must meet specific requirements related to our performance and must obtain stockholder approval of certain compensation arrangements in order for us to deduct fully, for federal income tax purposes, compensation in excess of $1,000,000 paid to certain NEOs. Effective for awards made on or after the beginning of our fiscal year 2018 (i.e., February 4, 2018), this provision of the Code was repealed and no longer applies.

The Company’s Annual Incentive Plan and Stock Incentive Plan were designed to comply with Section 162(m), and were approved by the Company's stockholders. Awards granted under those plans, prior to the repeal of Section 162(m), were also designed to enable the Company to deduct the compensation paid or attributable thereunder for federal income tax purposes.

The compensation paid in Fiscal 2017 subject to the Section 162(m) regulations did not exceed $1,000,000 for any of the NEOs. Therefore, all such compensation should be deductible for federal income tax purposes.

Employment and Severance Agreements with Named Executive Officers

As described below, we have entered into an amended employment agreement with Mr. Waller and have severance (but not employment) agreements with our other NEOs.

Amended Employment Agreement with Joel Waller

In connection with Mr. Waller's joining the Company as interim President and CEO, the Company entered into, effective as

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of January 17, 2017, an employment agreement with Mr. Waller (the "Waller Agreement") and elected him to the Board. As the Waller Agreement was set to terminate on January 17, 2018, effective as of January 15, 2018, Mr. Waller and the Company entered into an amended employment agreement. On February 1, 2018, Mr. Waller and the Company further amended the amended employment agreement (as so amended through February 1, 2018, the "Amended Waller Agreement"). The principal terms of the Amended Waller Agreement are as follows:

- Term. The Amended Waller Agreement commenced effective as of January 15, 2018, and terminates upon the later to occur of (i) October 17, 2018; or (ii) the date on which the Company's new CEO, in consultation with the Board, notifies Mr. Waller that his services as a consultant pursuant to the Amended Waller Agreement are no longer needed (the "Determination Notice").

- Conversion to a Consulting Role and Continued Board Services. In connection with the Company's search for a new CEO, Mr. Waller agreed to serve as a consultant to the Company in the event a new CEO was hired prior to January 17, 2019. In connection with Keri Jones joining the Company as President and CEO on March 12, 2018, Mr. Waller is now serving as a consultant and a member of the Board. Mr. Waller will continue as a member of the Board until receipt of the Determination Notice.

- Compensation Terms. Mr. Waller is entitled to (i) be paid an annualized salary of $600,000 through July 17, 2018, whether he is serving as interim CEO or a consultant; (ii) after July 17, 2018, to be paid $25,000 per month until the later of October 17, 2018 or the date of receipt of the Determination Notice; (iii) while he remains employed by the Company, participate in the employee benefits plans and programs generally applicable to senior executives of the Company, other than any annual or other short-term incentive compensation plan or program; (iv) reimbursement of expenses for commuting periodically between Rancho Mirage, California and Plymouth, Minnesota, in an amount not to exceed $10,000 in the aggregate while serving as interim CEO (calculated from January 15, 2018); and (v) the equity and performance bonus awards described below.

- Equity and Performance Bonus Awards. Effective January 15, 2018, in connection with the extension of Mr. Waller's employment as interim CEO, the Board granted to Mr. Waller the following awards:

- a grant of a non-qualified stock option to acquire 375,000 shares of the Company's common stock under the 2014 Stock Incentive Plan at an exercise price of $1.26 per share, which represents the closing price of one share of Company stock on the NYSE on January 15, 2018. The option has a five-year term and will vest upon the earlier to occur of: (i) October 17, 2018; and (ii) the termination of Mr. Waller's employment without "Cause" (as defined in the award agreement) due to a "Change-in-Control" (as defined in the award agreement) of the Company (the "Vesting Period"). The stock options will be exercisable after vesting and following Mr. Waller's employment termination (assuming such termination is not for Cause) for the lesser of (i) three-years following the employment termination date; and (ii) the remaining term of the option (the "Exercise Period"). In the event of his death or "Disability" (as defined in the award agreement) prior to the end of the Vesting Period, Mr. Waller or his estate will be able to exercise, during the Exercise Period, a pro rata portion of the options equal to 375,000 multiplied by the number of full monthly periods he was employed prior to his employment termination date and divided by 9; and

- a cash performance bonus award which will vest, if at all, in two tranches: one tranche, having a value of $250,000, will vest if, on any date prior to the "Vesting Date" (as defined below), the Company's common stock has a closing price equal to or greater than $2.50 per share on the NYSE, and the second tranche, having a value of $350,000, will vest if, on any date prior to the Vesting Date, the Company's common stock has a closing price equal to or greater than $3.50 per share on the NYSE. If a threshold is not met, the award subject to such threshold will be forfeited. "Vesting Date" means the earlier of the twelve-month anniversary of (i) Mr. Waller's last day of service as interim CEO due to his death or disability; (ii) Mr. Waller's last day of service as interim CEO, due to the commencement of employment of a new CEO, if Mr. Waller elects not to provide consulting services to the Company under the Amended Waller Agreement; and (iii) if Mr. Waller is providing consulting services to the Company under the

Amended Waller Agreement as of the date a new CEO commences employment, the last day of consulting services provided by Mr. Waller to the Company, such determination to be made by the new CEO, in consultation with the Board.

- Restrictive Covenants. In consideration for the payments and benefits provided under the Amended Waller Agreement, Mr. Waller agreed to certain restrictive covenants to protect the Company, including restrictions on post-termination disclosure of confidential information, competitive activity and solicitation of the Company's employees.

Severance Agreements with Other NEOs

We also have severance agreements with each of the other NEOs. These agreements provide for severance benefits in the event the NEO's employment is terminated by the Company without "Cause" (as defined in the applicable agreement) or in connection with a "Change-in-Control" (as defined in the applicable agreement). The type and amount of payments vary for the NEOs and also by the nature of the termination, and require a "double trigger" in connection with a change-in-control.

The Company provides these involuntary termination severance benefits to protect the NEO from events outside his or her control and to offer compensation packages similar to those provided in the retail market for comparable executive talent. In addition, the Company provides these benefits to protect the Company against disruption in the event of a change-in-control as these severance benefits allow the NEOs to assess takeover bids objectively without regard to the potential impact on his or her job security. The Committee believes that these severance agreements serve as an important retention element of the compensation package provided to the NEOs but does not consider severance benefits to be a significant factor in determining annual total compensation. The potential severance benefits payable to our NEOs are described in “Potential Payments upon Termination or a Change-in-Control” on pages 29-30 of this proxy statement.

Retention Agreement with Marc Ungerman

In connection with Mr. Ungerman's election as interim Chief Financial Officer, the Company entered into a retention agreement (the "Retention Agreement") with Mr. Ungerman. The Retention Agreement provides that, if Mr. Ungerman remains employed with the Company through July 17, 2018, he will receive a cash retention bonus in the amount of $50,000 (the "Retention Bonus"). The Retention Bonus amount is payable in a lump sum, provided Mr. Ungerman is actively employed by the Company on July 17, 2018. If Mr. Ungerman resigns or is terminated for "Cause", as defined in the Retention Agreement, prior to July 17, 2018, he will not be eligible for the Retention Bonus. If the Company terminates Mr. Ungerman, other than for "Cause", prior to July 17, 2018, Mr. Ungerman will be entitled to a pro-rated portion of the Retention Bonus.

Compensation Committee Report

The Committee has reviewed and discussed the “Compensation Discussion and Analysis” section set forth above with our management. Based on this review and discussion with management, the Committee recommended to our Board that the “Compensation Discussion and Analysis” be included in this proxy statement and in our Report on Form 10-K for the period ended February 3, 2018.

Members of the Compensation Committee

Kent Kleeberger, Chair
Jonathan Duskin
William Sharpe, III
Laura Weil

Compensation Risk Analysis

The Committee, with the input of management, continues to actively engage in reviewing and modifying aspects of the Company’s executive compensation program in light of the current business environment and the Company’s recent and projected financial performance. As part of that analysis, the Committee has considered and discussed potential risks that could arise from the Company’s compensation policies and practices and the extent to which any of those risks could be reasonably likely to have a material adverse effect on the Company. Based on that review and analysis, the Committee believes that the Company’s compensation program reflects an appropriate mix of compensation elements that balances current and long-term performance objectives, cash and equity compensation, and risks and rewards associated with executives' roles. The following items illustrate this point:

- all members of the Committee are independent within the meaning of the NYSE listing standards;

- the Committee approves goals and objectives in our incentive programs that the Committee believes are reasonable and can be achieved by our executive officers without taking undue risks for the Company;

- equity and cash incentives typically provide for a defined range of payout opportunities and the potential award value is capped, which mitigates undue risk;
- the Committee reviews and determines annually the design of our incentive and equity award programs, including any applicable performance goals under such programs;
- the Committee periodically receives advice from an independent compensation consultant;
- the Company's Stock Trading Policy requires our executives to pre-clear trades in our stock and only trade during pre-established windows; it also prohibits our executives from hedging the Company's stock, pledging the Company's stock or engaging in transactions involving derivative products related to the Company's stock;
- certain incentive-based compensation is subject to the Company's Clawback Policy;
- equity incentive awards are granted annually with multi-year vesting, so executives typically have equity awards that are unvested and which could decrease in or have no value if our business is not managed for the long-term; and
- we provide periodic training on our Code of Conduct to educate our employees as to appropriate behaviors and the consequences of taking inappropriate actions.

Based on the above combination of items, the Committee, with the input of management, believes that (i) our executives are encouraged to manage the Company prudently; and (ii) our incentive programs are designed in a manner to encourage our senior business leaders not to take risks that are inconsistent with the Company's best interests or that are reasonably likely to have a material adverse effect on the Company.

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Compensation Tables

Summary Compensation Table

The following table shows the cash and non-cash compensation for Fiscal 2017 and the previous two fiscal years that was awarded to or earned by individuals who served as our CEO or Chief Financial Officer during Fiscal 2017 and each of our three other most highly compensated executive officers who were serving as executive officers at the end of Fiscal 2017 (collectively the "NEOs").

Name and Principal Position	Fiscal Year	Salary ($)	Bonus ($)(1)	Stock Awards ($)(2)	Option Awards ($)(3)	Non-Equity Incentive Plan Compensation($)(4)	All Other Compensation ($)(5)	Total ($)
Joel Waller	2017	600,000	—	—	274,013	—	4,294	878,307
Former Interim President and Chief Executive Officer(6)(7)	2016	20,769	—	284,000(8)	335,063	—	1,593	641,425
Marc Ungerman Interim Chief Financial Officer and Vice President, Controller	2017	225,769	—	—	49,702 (9)	—	4,521	279,992
Pete Michielutti	2017	230,769	—	—	183,113(9)	—	8,466	422,348
Former Executive Vice President, Chief Operating	2016	500,000	—	25,294	97,597	126,000	5,288	754,179
Officer and Chief Financial Officer (10)	2015	500,000	—	229,993(11)	—	—	6,250	736,243
Monica Dahl	2017	365,000	—	—	112,733(9)	—	6,750	484,483
Senior Vice President, Chief Marketing	2016	362,692	—	16,863	65,073	60,545	6,625	511,798
Officer, Omni-Channel and Public Relations	2015	350,000	—	139,995(11)	—	—	6,625	496,620
Luke Komarek	2017	323,000	—	—	96,290 (9)	—	5,901	425,191
Senior Vice President,	2016	321,769	—	16,863	65,073	53,850	6,625	464,180
General Counsel and Corporate Secretary	2015	311,923	—	139,995(11)	—	—	6,625	458,543
Michelle Rice	2017	315,000	—	—	106,505(9)	—	2,696	424,201
Senior Vice President,	2016	315,000	—	16,863	65,073	52,920	3,886	453,742
Chief Stores Officer	2015	310,385	—	129,996(11)	—	—	5,383	445,764

(1) We generally do not pay our NEOs discretionary bonuses or bonuses that are subjectively determined; we did not pay any such bonuses to any of our NEOs in any of the three most recently completed fiscal years.

(2) The amounts shown in this column represent the grant date fair values of performance-based restricted stock unit awards at Target performance and/or time-based restricted stock awards made in Fiscal 2016 and Fiscal 2015, calculated in accordance with ASC 718 and based on the closing share price of our Common Stock on the date of grant. Additional information related to the calculation of the grant date fair value is set forth in Note 5 of the "Notes to the Consolidated Financial Statements" included in our 10-K Report.

(3) The amounts shown in this column represent the grant date fair values of non-qualified stock option awards. In accordance with ASC 718, the grant date fair values for these awards have been determined using the Black-Scholes method and are based on the assumptions presented in Note 5 of the “Notes to the Consolidated Financial Statements” included in our 10-K Report.

(4) The amounts shown in this column represent amounts awarded and earned under the Company’s annual incentive plan for Fiscal 2016.

(5) All other compensation for Fiscal 2017 consisted of the following:

Name	Accrued Vacation Payout	Auto Allowance/ Car Lease	401(k) Matching Contributions (A)	Personal Expense Payments	Total
Joel Waller	—	—	—	4,294	(B) 4,294
Marc Ungerman	—	—	4,521	—	4,521
Pete Michielutti	4,976	—	3,490	—	8,466
Monica Dahl	—	—	6,750	—	6,750
Luke Komarek	—	—	5,901	—	5,901
Michelle Rice	—	1,787 (C)	909	—	2,696

(A) Represents the amount of the Company's discretionary matching contributions to the Company's 401(k) Plan, including the amount of the contribution, if any, that was subsequently paid directly to the individual in order for the 401(k) Plan to meet, for calendar 2017, the average deferral percentage and actual contribution percentage tests prescribed by the Department of Treasury.

(B) Represents reimbursement for personal commuting expenses in Fiscal 2017 per the terms of Mr. Waller's Employment Agreement.

(C) Represents the taxable amount added to Ms. Rice's income based on personal use of a vehicle leased by the Company for her use.

(6) Mr. Waller does not receive any compensation for his service as a member of the Board.

(7) Mr. Waller became interim President and CEO on January 17, 2017 and his service in that role ended on March 12, 2018 when Keri Jones joined the Company as President and CEO.

(8) The amount includes the total value of a performance-based restricted stock award which consists of two tranches of 100,000 shares each.

(9) The amounts include the grant date fair values at Target, the maximum performance level, for performance-based non-qualified stock options granted on March 16, 2017 as follows: Mr. Ungerman $16,069; Mr. Michielutti $93,425; Ms. Dahl $45,467; Mr. Komarek $40,235; and Ms. Rice $39,239.

(10) Mr. Michielutti resigned his employment with the Company effective as of July 14, 2017.

(11) The amounts include the grant date fair values of the Target payout amounts for performance-based restricted stock unit awards for Fiscal 2015 as follows: Mr. Michielutti $172,496; Ms. Dahl $104,996; Mr. Komarek $104,996; and Ms. Rice $97,500. The grant date fair value of the maximum potential payout amounts for the Fiscal 2015 performance-based restricted stock unit awards is as follows: Mr. Michielutti $344,993; Ms. Dahl $209,992; Mr. Komarek $209,992; and Ms. Rice $195,000.

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Grants of Plan-Based Awards for Fiscal 2017

The following table provides information regarding the grants of plan-based awards made to the NEOs during Fiscal 2017.

Name	Approval Date	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards[(1)]			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)(2)	Exercise or Base Price of Option Awards ($/Sh)	Grant Date Fair Value of Stock and Option Awards ($)(3)
			Threshold ($)	Target ($)	Maximum ($)	Threshold (#)	Target (#)	Maximum (#)				
Joel Waller	1/11/2018	1/15/2018	—	—	—	—	—	—	—	375,000 (4)	1.26	274,013
Marc Ungerman	N/A	N/A	4,233	33,865	N/A	—	—	—	—	—	—	—
	3/14/2017	3/16/2017	—	—	—	—	—	—	—	45,000 (5)	1.28	33,633
	3/14/2017	3/16/2017	—	—	—	2,688 (6)	21,500 (6)	N/A	—	—	1.28	16,069
Pete Michielutti	N/A	N/A	23,438	187,500	N/A	—	—	—	—	—	—	—
	3/14/2017	3/16/2017	—	—	—	—	—	—	—	120,000 (5)(7)	1.28	89,688
	3/14/2017	3/16/2017	—	—	—	15,625 (7)	125,000 (7)	N/A	—	—	1.28	93,425
Monica Dahl	N/A	N/A	11,406	91,250	N/A	—	—	—	—	—	—	—
	3/14/2017	3/16/2017	—	—	—	—	—	—	—	90,000 (5)	1.28	67,266
	3/14/2017	3/16/2017	—	—	—	7,604 (6)	60,833 (6)	N/A	—	—	1.28	45,467
Luke Komarek	N/A	N/A	10,094	80,750	N/A	—	—	—	—	—	—	—
	3/14/2017	3/16/2017	—	—	—	—	—	—	—	75,000 (5)	1.28	56,055
	3/14/2017	3/16/2017	—	—	—	6,729 (6)	53,833 (6)	N/A	—	—	1.28	40,235
Michelle Rice	N/A	N/A	9,844	78,750	N/A	—	—	—	—	—	—	—
	3/14/2017	3/16/2017	—	—	—	—	—	—	—	90,000 (5)	1.28	67,266
	3/14/2017	3/16/2017	—	—	—	6,563 (6)	52,500 (6)	N/A	—	—	1.28	39,239

(1) The amounts in these columns show the potential payout, if any, for each NEO under the FY17 AIP (calculated as a percent of the NEO's salary for the applicable bonus period) if the Threshold or Target goals, as applicable, are met. These potential payouts are performance-driven and at risk and there was no incentive payout under the FY17 AIP. See pages 15-16 in this proxy statement for a description of the performance goals and the method of calculating potential payouts under the FY17 AIP.

(2) The awards in this column were made pursuant to the Stock Incentive Plan.

(3)

The dollar values of stock options disclosed in this column are equal to the grant date fair values computed in accordance with ASC 718. A discussion of the assumptions used in calculating the grant date fair values is set forth in Note 5 of the “Notes to the Consolidated Financial Statements” included in the 10-K Report. The value listed for the awards under the "Estimated Future Payouts Under Equity Incentive Plan Awards" are based on Target.

(4) The option will vest upon the earlier to occur of: (i) October 17, 2018 whether or not Mr. Waller is serving as an employee or consultant to the Company and (ii) termination of Mr. Waller's employment without "Cause" (as defined in the award agreement) due to a "Change-in-Control" (as defined in the award agreement) of the Company.

(5) Options vest as to one-third of the shares on March 16, 2018, March 16, 2019, and March 16, 2020; assuming the NEO remains employed on such dates.

(6) All of these options were forfeited as the Company did not achieve the Threshold (entry point) with respect to the operating income performance metric.

(7) The unvested equity awards held by Mr. Michielutti were forfeited on July 14, 2017, the date his employment with the Company ended.

Outstanding Equity Awards at the End of Fiscal 2017

The following table sets forth certain information concerning equity awards held by each NEO as of the last day of Fiscal 2017.

	Option Awards						Stock Awards			
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)(1)	Option Expiration Date	Equity Incentive Plan Awards: Number of Unearned Options That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Options That Have Not Vested (2)	Number of Shares of Stock or Units That Have Not Vested (#)	Market Value of Shares of Stock or Units That Have Not Vested ($)(3)(4)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)(3)(4)
Joel Waller	375,000	—	1.42	1/17/2022	—	—	—	—	—	—
	—	375,000 [5]	1.26	1/15/2023	—	—	—	—	—	—
	—	—	—	N/A	—	—	—	—	200,000 [6]	248,000
Marc Ungerman	10,406	5,203 [7]	1.39	11/12/2025	—	—	—	—	—	—
	14,337	28,672 [8]	2.12 [9]	9/1/2026	—	—	—	—	—	—
	—	45,000 [10]	1.28	3/16/2027	—	—	—	—	—	—
	—	—	1.28	3/16/2027	22,500 [11]	16,069	—	—	—	—
	—	—	—	—	—	—	2,997 [12]	3,716	—	—
	—	—	—	—	—	—	3,930 [13]	4,873	—	—
Pete Michielutti	—	—	—	—	—	—	—	—	—	—
Monica Dahl	15,000	—	10.56	4/14/2018	—	—	—	—	—	—
	20,200	—	10.80	4/19/2020	—	—	—	—	—	—