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

FORM 10-K

(MARK ONE)
[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE FISCAL YEAR ENDED JANUARY 29, 2000 OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE TRANSITION PERIOD FROM TO

COMMISSION FILE NUMBER 0-20036

THE MEN'S WEARHOUSE, INC.
(Exact name of Registrant as Specified in its Charter)

<TABLE>
<S> <C>

TEXAS (State or Other Jurisdiction of Incorporation or Organization)	74-1790172 (IRS Employer Identification Number)
5803 GLENMONT DRIVE HOUSTON, TEXAS (Address of Principal Executive Offices)	77081-1701 (Zip Code)

</TABLE>

(713) 592-7200
(Registrant's telephone number, including area code)

Securities Registered Pursuant to Section 12(b) of the Act:

<TABLE>
<CAPTION>

TITLE OF EACH CLASS	NAME OF EACH EXCHANGE ON WHICH REGISTERED
<S>	<C>

</TABLE>

NONE

Securities Registered Pursuant to Section 12(g) of the Act: COMMON STOCK, PAR VALUE $.01 PER SHARE

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

The aggregate market value of the voting stock held by non-affiliates of the Registrant, based on the closing price of shares of common stock on the NASDAQ National Market System on April 24, 2000, was approximately $692.4 million.

The number of shares of common stock of the Registrant outstanding on April 24, 2000 was 41,131,259, excluding 161,746 shares classified as Treasury Stock. In addition, there were 683,605 Exchangeable Shares outstanding at April 24, 2000.

DOCUMENTS INCORPORATED BY REFERENCE

<TABLE>
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DOCUMENT	INCORPORATED AS TO
<S>	<C>
Notice and Proxy Statement for the Annual Meeting of Shareholders scheduled to be held June 21, 2000.	Part III: Items 10, 11, 12 and 13

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FORM 10-K REPORT INDEX

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PART I

ITEM 1. BUSINESS

GENERAL

The Men's Wearhouse began operations in 1973 as a partnership and was incorporated as The Men's Wearhouse, Inc. (the "Company") under the laws of Texas in May 1974. Our principal corporate and executive offices are located at 5803 Glenmont Drive, Houston, Texas 77081-1701 (telephone number 713/592-7200), and at 40650 Encyclopedia Circle, Fremont, California 94538-2453 (telephone number 510/657-9821), respectively.

THE COMPANY

We are one of the largest specialty retailers of menswear in the United States and Canada. At January 29, 2000, our U.S. operations included 501 stores in 42 states and the District of Columbia, primarily operating under the brand names of Men's Wearhouse and K&G, with approximately 28% of our locations in Texas and California. At January 29, 2000, our Canadian operations included 113 stores in 10 provinces operating under the brand name of Moores.

Men's Wearhouse

Under the Men's Wearhouse brand, we target middle and upper middle income men by offering quality merchandise at everyday low prices. In addition to value, we provide a superior level of customer service. Men's Wearhouse stores offer a broad selection of designer, brand name and private label merchandise at prices we believe are typically 20% to 30% below the regular prices found at traditional department and specialty stores. Our merchandise includes suits, sport coats, slacks, business casual, sportswear, outerwear, dress shirts, shoes and accessories. We concentrate on business attire that is characterized by infrequent and more predictable fashion changes. Therefore, we believe we are not as exposed to trends typical of more fashion-forward apparel retailers, where significant markdowns and promotional pricing are more common. At January 29, 2000, we operated 450 Men's Wearhouse stores in 42 states and the District of Columbia. These stores are referred to as "Men's Wearhouse stores" or "traditional stores".

We also began a tuxedo rental program in selected Men's Wearhouse stores during the year. We believe this program generates incremental business for us without significant incremental personnel or real estate costs and broadens our customer base by drawing first-time and younger customers into our stores. At the end of fiscal 1999, we offered tuxedo rentals in 43 Men's Wearhouse stores.

K&G

Under the K&G brand, we target the more price sensitive customer. The K&G brand was acquired as a result of our combination with K&G Men's Center, Inc.

("K&G Inc.") in June 1999 in a transaction accounted for as a pooling of interests (see Note 2 of Notes to Consolidated Financial Statements). Under the terms of the combination with K&G Inc., we issued 4.4 million shares of our common stock in exchange for 10.3 million shares of K&G Inc. common stock based on an exchange ratio of 0.43. K&G operated 34 stores at the time of the combination. Prior to the combination, our Value Priced Clothing ("VPC") subsidiary targeted the market for the more price sensitive customer with 20 stores in five states operating under the names "C&R", "SuitMax" and "Suit Warehouse". The four C&R stores were closed in early 1999 as had been previously planned. Following the combination, ten SuitMax stores were transferred and renamed to operate under the K&G brand, while four SuitMax stores (and one K&G Inc. store) that represented duplicative store sites were closed. At January 29, 2000, we operated 47 K&G stores in 18 states and, through VPC, the four Suit Warehouse stores in metropolitan Detroit.

We believe that K&G's more basic, value-oriented superstore approach appeals to certain customers in the menswear market. K&G offers first-quality, current-season men's apparel and accessories comparable in quality to that of traditional department and fine specialty stores, at everyday low prices we believe are

typically 30% to 70% below the regular prices charged by such stores. K&G's merchandising strategy emphasizes broad and deep assortments across all major menswear categories, including tailored clothing, casual sportswear, dress furnishings, footwear and accessories. This merchandise selection, which includes brand name as well as private label merchandise, positions K&G to attract a wide range of menswear customers in each of its markets. As with the Men's Wearhouse brand, K&G's philosophy of delivering everyday value distinguishes K&G from other retailers that adopt a more promotional pricing strategy.

Moores

On February 10, 1999, we combined with Moores Retail Group Inc. ("Moores"), a privately owned Canadian corporation, in exchange for securities ("Exchangeable Shares") exchangeable for 2.5 million shares of our common stock (see Note 2 of Notes to Consolidated Financial Statements). Moores is one of Canada's leading specialty retailers of menswear, with 113 stores in ten Canadian provinces at January 29, 2000. Moores focuses on conservative, basic tailored apparel. This limits exposure to changes in fashion trends and the need for significant markdowns. Approximately 60% of Moores' merchandise consists of men's tailored clothing. The remaining 40% includes dress shirts, sportswear, outerwear and accessories. Moores typically offers a full assortment of suits and sport coats with prices of suits generally ranging from Can$149 to Can$299. At the time of its combination with the Company, Moores also operated eight stores in the United States. These stores were closed in order to eliminate duplicate store sites in existing Men's Wearhouse markets.

Moores distinguishes itself from other Canadian retailers of menswear by manufacturing a significant portion of the tailored clothing for sale in its stores. Moores conducts its manufacturing operations through its wholly owned subsidiary, Golden Brand Clothing (Canada) Ltd. ("Golden Brand"), which is the second largest manufacturer of men's suits and sport coats in Canada. Golden Brand's manufacturing facility in Montreal, Quebec, includes a cutting room, fusing department, pant shop and coat shop. At full capacity, the coat shop can produce 12,000 units per week and the pant shop can produce 25,000 units per week. As a result of the vertical integration and the related cost savings, Moores is able to provide greater value to its customer by offering a broad selection of quality merchandise at everyday low prices, which the Company believes typically range from 20% to 30% below the regular prices charged by traditional Canadian department and specialty stores. Beginning in 1999, Golden Brand also manufactures product for Men's Wearhouse stores.

EXPANSION STRATEGY

Our expansion strategy includes:

- opening additional Men's Wearhouse and K&G stores in new and existing markets,

- increasing the size of certain existing Men's Wearhouse stores,

- expanding our tuxedo rental program to additional Men's Wearhouse stores,

- launching an enhanced and expanded internet presence for e-commerce,

- expanding our distribution facility with a new center to handle tuxedo rental and e-commerce fulfillment,

- identifying strategic acquisition opportunities, and

- testing expanded merchandise categories in selected stores.

In general terms, we consider a geographic area served by a common group of television stations as a single market.

On a limited basis, we have acquired store locations, inventories, customer lists, trademarks and tradenames from existing menswear retailers in both new and existing markets. We may do so again in the future. At present, we plan to open an additional 35 new Men's Wearhouse stores and 10 new K&G stores in 2000, to close approximately two Men's Wearhouse stores and one K&G store in 2000, to expand and relocate

approximately 36 existing Men's Wearhouse stores and to continue expansion in subsequent years. We believe that our ability to increase the number of traditional stores in the United States above 525 will be limited. However, we believe that additional growth opportunities exist through selectively expanding existing stores, improving and diversifying the merchandise mix, relocating stores and expanding our K&G brand.

MERCHANDISING

Our stores offer a broad selection of designer, brand name and private label men's business attire, including a consistent stock of core items (such as navy blazers, tuxedos and basic suits). Although basic styles are emphasized, each season's merchandise reflects current fabric and color trends, and a small percentage of inventory, accessories in particular, are usually more fashion oriented. The broad merchandise selection creates increased sales opportunities by permitting a customer to purchase substantially all of his tailored wardrobe and accessory requirements, including shoes, at our stores. Within our tailored clothing, we offer an assortment of styles from a variety of manufacturers and maintain a broad selection of fabrics and colors. We believe that the depth of selection offered provides us with an advantage over most of our competitors.

The Company's inventory mix includes "business casual" merchandise designed to meet increased demand for such product resulting from the trend toward more relaxed dress codes in the workplace. This merchandise consists of tailored and non-tailored clothing (sport coats, casual slacks, knits and woven sports shirts, sweaters and casual shoes) that complements the existing product mix and provides opportunity for enhanced sales without significant inventory risk.

We do not purchase significant quantities of merchandise overruns or close-outs. We provide recognizable quality merchandise at consistent prices that assist the customer in identifying the value available at our stores. We believe that the merchandise at Men's Wearhouse and Moores stores is generally offered 20% to 30% below traditional department and specialty store regular prices and that merchandise at K&G stores is generally 30% to 70% below retail prices typically charged by such stores. A ticket is affixed to each item, which displays our selling price alongside the price we regard as the regular retail price of the item. At the checkout counter, the customer's receipt reflects the savings from what we consider the regular retail price.

By targeting men's business attire, a category of men's clothing characterized by infrequent and more predictable fashion changes, we believe we are not as exposed to trends typical of more fashion-forward apparel retailers. This allows us to carry basic merchandise over to the following season and reduces the need for markdowns; for example, a navy blazer or gray business suit may be carried over to the next season. Our Men's Wearhouse and Moores stores have a once-a-year sale after Christmas that runs through the month of January, during which prices on many items are reduced 20% to 50% off the everyday low prices. This sale reduces stock at year-end and prepares for the arrival of the new season's merchandise.

During 1997, 1998 and 1999, 67.6%, 65.5% and 62.2%, respectively, of our total net sales were attributable to tailored clothing (suits, sport coats and slacks) and 32.4%, 34.5% and 37.8%, respectively, were attributable to casual attire, sportswear, shoes, shirts, ties, outerwear and other accessories.

In addition to accepting cash, checks or nationally recognized credit cards, beginning in October 1998 we started offering our own private label credit card to Men's Wearhouse customers. We have contracted with a third-party vendor to provide all necessary servicing, processing and to assume all credit risks associated with our private label credit card program. We believe that the private label credit card provides us with an important tool for targeted marketing and presents an excellent opportunity to communicate with our customers. During 1999, our customers used the private label credit card for approximately 10% of our sales.

CUSTOMER SERVICE AND MARKETING

The Men's Wearhouse and Moores sales personnel are trained as clothing consultants to provide customers with assistance and advice on their apparel needs, including product style, color coordination, fabric and garment fit. For example, clothing consultants at Men's Wearhouse stores attend an intensive training program at our training facility in Fremont, California, which is further supplemented with weekly store

meetings, periodic merchandise meetings and frequent interaction with multi-unit

managers and merchandise managers.

We encourage our clothing consultants to be friendly and knowledgeable and to promptly greet each customer entering the store. Consultants are encouraged to offer guidance to the customer at each stage of the decision-making process, making every effort to earn the customer's confidence and to create a professional relationship that will continue beyond the initial visit. Clothing consultants are also encouraged to contact customers after the purchase or pick-up of tailored clothing to determine whether customers are satisfied with their purchases and, if necessary, to take corrective action. Store personnel have full authority to respond to customer complaints and reasonable requests, including the approval of returns, exchanges, refunds, re-alterations and other special requests, all of which we believe helps promote customer satisfaction and loyalty.

K&G stores are designed to allow customers to select and purchase apparel by themselves. For example, each merchandise category is clearly marked and organized by size, and suits are specially tagged "Athletic Fit," "Double-Breasted," "Three Button," etc., as a means of further assisting customers to easily select their styles and sizes. K&G employees assist customers with merchandise selection, including correct sizing.

Each of our stores provides on-site tailoring services to facilitate timely alterations at a reasonable cost to customers. Tailored clothing purchased at a Men's Wearhouse store will be pressed and re-altered (if the alterations were performed at a Men's Wearhouse store) free of charge for the life of the garment.

Because management believes that men prefer direct and easy store access, we attempt to locate our stores in neighborhood strip and specialty retail centers or in freestanding buildings to enable customers to park near the entrance of the store.

Our total annual advertising expenditures, which were $53.3 million, $60.8 million and $64.5 million in 1997, 1998 and 1999, respectively, are significant. The Company advertises principally on television and radio, which we consider the most effective means of attracting and reaching potential customers, and our advertising campaign is designed to reinforce our various brands.

PURCHASING AND DISTRIBUTION

We purchase merchandise from approximately 800 vendors. In 1999, no vendor accounted for 10% or more of purchases. Management does not believe that the loss of any vendor would significantly impact us. While we have no material long-term contracts with our vendors, we believe that we have developed an excellent relationship with our vendors, which is supported by consistent purchasing practices.

We believe we obtain favorable buying opportunities relative to many of our competitors. We do not request cooperative advertising support from manufacturers, which reduces the manufacturers' costs of doing business and enables them to offer us lower prices. Further, we believe we obtain better discounts by entering into purchase arrangements that provide for limited return policies, although we always retain the right to return goods that are damaged upon receipt or determined to be improperly manufactured. Finally, volume purchasing of specifically planned quantities purchased well in advance of the season enables more efficient production runs by manufacturers, who, in turn, are provided the opportunity to pass some of the cost savings back to us.

We purchase a significant portion of our inventory through a direct sourcing program. In addition to finished product, we purchase fabric from mills and contract with certain factories for the assembly of the finished product to be sold in our U.S. stores. Arrangements for fabric and assembly have been with both domestic and foreign mills and factories. Product for stores operating in the U.S. acquired during 1997, 1998 and 1999 through the direct sourcing program represented approximately 20%, 23% and 26%, respectively, of total U.S. inventory purchases. We expect that purchases through the direct sourcing program will represent approximately 27% of total purchases in 2000. During 1997, 1998 and 1999, our manufacturing operations at Golden Brand provided 54%, 55% and 56%, respectively, of inventory purchases for Moores stores and 2% during 1999 of inventory purchases for Men's Wearhouse stores (none in 1997 and 1998).

To protect against currency exchange risks associated with certain firmly committed and certain other probable, but not firmly committed inventory transactions denominated in a foreign currency (primarily the Italian lira), we enter into forward exchange contracts. In addition, many of the purchases from foreign vendors are financed by letters of credit.

We have entered into license agreements with a limited number of parties under which we are entitled to use designer labels, such as "Vito Rufolo" and "Gary Player", and nationally recognized brand labels such as "Botany" and "Botany 500", in return for royalties paid to the licensor based on the costs of the relevant product. These license agreements generally limit the use of the individual label to products of a specific nature (such as men's suits, men's

formal wear or men's shirts). The labels licensed under these agreements will continue to be used in connection with a portion of the purchases under the direct sourcing program described above, as well as purchases from other vendors. We monitor the performance of these licensed labels compared to their cost and may elect to selectively terminate any license. We have also purchased several trademarks, including "Cricketeer," "Joseph & Feiss International," "Baracuta," and "Country Britches," which are used similarly to our licensed labels. Because of the continued consolidation in the men's tailored clothing industry, we may be presented with opportunities to acquire or license other designer or nationally recognized brand labels.

All merchandise for Men's Wearhouse stores is received into our central warehouse located in Houston, Texas. Merchandise for a store is picked and then moved to the appropriate staging area for shipping. In addition to the central distribution center in Houston, we have additional space within certain Men's Wearhouse stores in the majority of our markets, which function as redistribution facilities for their respective areas. Most merchandise for Moores and K&G stores is direct shipped by vendors to the stores.

We lease and operate 29 long-haul tractors and 58 trailers, which, together with common carriers, ship merchandise from the vendors to our distribution facilities and from the distribution facilities to Men's Wearhouse stores within each market. We also lease or own 55 smaller van-like trucks, which are used to ship merchandise locally or within a given geographic region.

MANAGEMENT INFORMATION AND TELECOMMUNICATION SYSTEMS

We have aggressively pursued the implementation of technology which provides the opportunity for competitive advantage and which leverages human resources. By using sophisticated management information systems, and by integrating them with highly functional telecommunication systems, we have effectively managed the operation of our business and inventory while experiencing substantial growth.

To date, the Company has incurred approximately $2.3 million in expenditures to address the Year 2000 issue. No significant additional expenditures are expected. The conversion to the Year 2000 occurred without any significant impact on the Company's operations and none is anticipated in the future.

COMPETITION

We believe that the unit demand for men's tailored clothing has declined. Our primary competitors include specialty men's clothing stores, traditional department stores, off-price retailers, manufacturer-owned and independently owned outlet stores and three-day stores. Over the past several years market conditions have resulted in consolidation of the industry. We believe that the principal competitive factors in the menswear market are merchandise assortment, quality, price, garment fit, merchandise presentation, store location and customer service. We attempt to distinguish ourselves from our competitors by providing what we believe to be the best features of each competing shopping alternative.

We believe that strong vendor relationships, our direct sourcing program and our buying power are the principal factors enabling us to obtain quality merchandise at attractive prices. We believe that our vendors rely on our predictable payment record and history of honoring promises, including our promise not to advertise names of labeled and unlabeled designer merchandise, when requested. Certain of our competitors (principally department stores) are larger and have substantially greater financial, marketing and other

resources than we have and there can be no assurance that we will be able to compete successfully with them in the future.

SEASONALITY

Like most retailers, our business is subject to seasonal fluctuations. Historically, over 30% of our net sales and over 45% of our net earnings have been generated during the fourth quarter of each year. Because of the seasonality of our business, results for any quarter are not necessarily indicative of the results that may be achieved for the full year. See Note 9 of Notes to Consolidated Financial Statements.

TRADEMARKS AND SERVICEMARKS

We are the owner in the United States of the trademark and servicemark, "The Men's Wearhouse(R)", and of federal registrations therefor expiring in 2009 and 2002, respectively, subject to renewal. We have also been granted registrations for that trademark and servicemark in 40 states (including Texas and California) of the 42 states in which we do business and have used those marks. Applications for the remaining two states have been filed. Our rights in the "The Men's Wearhouse" mark are a significant part of our business, as the mark has become well known through our television and radio advertising campaigns. Accordingly, we intend to maintain our mark and the related registrations.

We are also the owner in the United States of the servicemarks "The Suit Warehouse" and The Suit Warehouse and logo, which are tradenames used by the stores operated by VPC, and "MenSmart" and "K&G", which are tradenames used by some of the stores operated by K&G. K&G stores operate under the tradenames K&G Men's Superstore, K&G Men's Center, K&G MenSmart, T&C Men's Center and T&C MenSmart. We own the registrations for K&G and K&G (stylized). The applications for the servicemarks "K&G Men's Superstore" and K&G Men's Superstore (and design) are in process. In addition, we own or license other trademarks/servicemarks used in the business, principally in connection with the labeling of product purchased through the direct sourcing program.

We own Canadian trademark registrations for the marks "Moores The Suit People", "Moores Vetements Pour Hommes" and Moores Vetements Pour Hommes (and design). Moores stores operate under the tradenames Moores The Suit People and Moores Clothing for Men. The applications for the servicemarks for "Moores Clothing for Men" and Moores Clothing for Men (and design) have also been filed.

EMPLOYEES

At January 29, 2000, we had approximately 10,700 employees, of whom approximately 8,000 were full-time and approximately 2,700 were part-time employees. Seasonality affects the number of part-time employees as well as the number of hours worked by full-time and part-time personnel. Approximately 900 of our employees at Golden Brand belong to the Union of Needletrades, Industrial and Textile Employees. Golden Brand is part of a collective bargaining unit, of which it is the largest company.

ITEM 2. PROPERTIES

As of January 29, 2000, we operated 501 stores in 42 states and the District of Columbia and 113 stores in 10 Canadian provinces. The following table sets forth the location, by state or province, of these stores:

<TABLE>
<CAPTION>

	MEN'S WEARHOUSE	K&G/VPC	MOORES
<S>	<C>	<C>	<C>
UNITED STATES			
California	84	5	
Texas	44	9	
Florida	31		
Illinois	22		
Michigan	19	4	
New York	19	1	
Ohio	16	3	
Pennsylvania	16	2	
Virginia	15	1	
Washington	13	2	
Georgia	12	5	
North Carolina	12	1	
Massachusetts	11	3	
Colorado	10	2	
Minnesota	10	2	
New Jersey	10	4	
Maryland	9	3	
Arizona	8		
Indiana	8	1	
Tennessee	8	1	
Connecticut	7		
Missouri	7		
Oregon	6		
Wisconsin	6		
Alabama	5		
Nevada	5		
Utah	5		
Louisiana	4	1	
South Carolina	4		
Kentucky	3		
Nebraska	3		
New Hampshire	3		
Oklahoma	3		
Kansas	2	1	
New Mexico	2		
Arkansas	1		
Delaware	1		
District of Columbia	1		
Idaho	1		
Iowa	1		
Mississippi	1		
Rhode Island	1		
South Dakota	1		
CANADA			
Ontario			

Quebec			23
British Columbia			14
Alberta			12
Manitoba			5
New Brunswick			3
Nova Scotia			3
Saskatchewan			2
Newfoundland			1
Prince Edward Island			1
Total	450	51	113

</TABLE>

Men's Wearhouse and Moores stores vary in size from approximately 2,800 to 15,100 total square feet (average square footage at January 29, 2000 was 5,238 square feet). Men's Wearhouse and Moores stores are primarily located in middle and upper middle income neighborhood strip and specialty retail shopping centers. We believe our customers generally prefer to limit the amount of time they spend shopping for menswear and seek easily accessible store sites.

Men's Wearhouse and Moores stores are designed to further our strategy of facilitating sales while making the shopping experience pleasurable. We attempt to create a specialty store atmosphere in these stores through effective merchandise presentation and sizing, attractive in-store signs and efficient checkout procedures. Most of these stores have similar floor plans and merchandise presentation to facilitate the shopping experience and sales process. Designer, brand name and private label garments are intermixed, and emphasis is placed on the fit of the garment rather than on a particular label or manufacturer. Each store is staffed with clothing consultants and sales associates and has a tailoring facility with at least one tailor.

K&G stores vary in size from approximately 7,900 to 30,000 total square feet (average square footage at January 29, 2000 was 17,425 square feet). K&G stores are "destination" stores located primarily in low-cost warehouses and secondary strip shopping centers that are easily accessible from major highways and thoroughfares. K&G has created a 15,000 to 20,000 square foot prototype superstore with fitting rooms and convenient check-out, customer service and tailoring areas. K&G stores are organized to convey the impression of a dominant assortment of first-quality merchandise and to project a no-frills, value-oriented warehouse atmosphere. Each element of store layout and merchandise presentation is designed to reinforce K&G's strategy of providing unparalleled selection and assortment in each category. We seek to make K&G stores "customer friendly" by utilizing store signage and grouping merchandise by menswear categories and sizes, with brand name and private label merchandise intermixed. We also seek to instill a sense of urgency for the customer to purchase by opening K&G stores for business on Fridays, Saturdays and Sundays only, except for a limited number of Monday holidays and an expanded schedule for the holiday season when stores are open every day. Each store is typically staffed with a manager, assistant manager and other employees who serve as customer service and sales personnel and cashiers. Each store also has a tailoring facility with at least one tailor.

We lease our stores on terms generally from five to ten years with renewal options at higher fixed rates in most cases. Leases typically provide for percentage rent over sales break points. Additionally, most leases provide for a base rent as well as "triple net charges", including but not limited to common area and maintenance expenses, property taxes, utilities, center promotions and insurance. In certain markets, we lease between 1,000 and 5,000 additional square feet in a Men's Wearhouse store to be utilized as a redistribution facility in that geographic area.

We own a 240,000 square foot facility situated on approximately seven acres of land in Houston, Texas which serves as our principal office, warehouse and distribution facility. Approximately 65,000 square feet of this facility is used as office space for our financial, information technology and merchandising departments with the remaining 175,000 square feet serving as a warehouse and distribution center. We also own a 150,000 square foot facility, situated on an adjacent six acres, comprised of approximately 9,000 square feet of office space and 141,000 square feet serving as a warehouse and distribution center. During 1999, we purchased a 46-acre site in Houston on which we will build additional new distribution facilities. The first phase of construction of an approximately 380,000 square foot distribution center to support our e-commerce and tuxedo rental programs, as well as staging for direct sourced merchandise and out-of-season merchandise, will begin in early 2000.

Our executive offices in Fremont, California are housed in a 35,500 square foot facility which we own. This facility serves as an office and training facility.

K&G leases a 100,000 square foot facility in Atlanta, Georgia which serves as an office, distribution and store facility. Approximately 47,000 square feet of this facility is used as office space for financial, information technology and merchandising personnel, 23,000 square feet is used as a distribution center for direct sourced merchandise and the remaining 30,000 square feet is used as a

store.

Moores leases a 37,700 square foot facility in Toronto, Ontario, comprised of approximately 17,900 square feet of office space and 19,800 square feet used as a warehouse and distribution center. Moores also leases a 70,000 square foot warehouse facility in Montreal, Quebec, and a 230,000 square foot facility in Montreal, Quebec, comprised of approximately 10,000 square feet of office space, 70,000 square feet of warehouse space and 150,000 square feet of manufacturing space.

We lease certain of our properties from certain principal shareholders and officers and directors of the Company. These properties are (1) a one acre facility in Houston, Texas used as a supply depot, (2) the 100,000 square foot K&G facility in Atlanta, Georgia, (3) a K&G store in Irving, Texas and (4) the land underlying a Men's Wearhouse store in Dallas, Texas. Management believes that these leases are on terms that are no less favorable than could be obtained from an independent third party.

ITEM 3. LEGAL PROCEEDINGS

We are involved in various routine legal proceedings, including ongoing litigation, incidental to the conduct of our business. Management believes that none of these matters will have a material adverse effect on our financial condition or results of operations.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to a vote of security holders during the fourth quarter of the fiscal year ended January 29, 2000.

PART II

ITEM 5. MARKET FOR THE COMPANY'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Our common stock is traded on the NASDAQ under the symbol "MENS." Prior to April 3, 2000 the Company's stock was traded on the NASDAQ under the symbol "SUIT". The following table sets forth, on a per share basis for the periods indicated, the high and low sale prices per share for our common stock as reported by NASDAQ. The prices set forth below for periods prior to June 19, 1998 have been adjusted to give retroactive effect to the 50% stock dividend paid on that date.

<TABLE>
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	HIGH	LOW
<S>	<C>	<C>
FISCAL YEAR 1998		
First quarter ended May 2, 1998	$29.67	$22.33
Second quarter ended August 1, 1998	36.88	26.67
Third quarter ended October 31, 1998	34.63	14.00
Fourth quarter ended January 30, 1999	32.50	22.00
FISCAL YEAR 1999		
First quarter ended May 1, 1999	$34.94	$21.63
Second quarter ended July 31, 1999	28.38	23.06
Third quarter ended October 30, 1999	25.13	19.50
Fourth quarter ended January 29, 2000	31.00	21.94

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On April 24, 2000, there were approximately 1,000 holders of record and approximately 6,700 beneficial holders of our common stock.

We have not paid cash dividends on our common stock and for the foreseeable future we intend to retain all of our earnings for the future operation and expansion of our business. Our credit agreement prohibits the payment of cash dividends on our common stock. See Note 4 of Notes to Consolidated Financial Statements.

ITEM 6. SELECTED FINANCIAL DATA

The following selected statement of earnings and balance sheet information for the fiscal years indicated has been derived from The Men's Wearhouse, Inc. (the "Company") audited consolidated financial statements. The Selected Financial Data should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the Consolidated Financial Statements and notes thereto. References herein to years are to the Company's 52-week or 53-week fiscal year, which ends on the Saturday nearest January 31 in the following calendar year. For example, references to "1999" mean the fiscal year ended January 29, 2000. All fiscal years for which financial information is included herein had 52 weeks, except 1995 which had 53 weeks.

Financial and operating data for all periods presented reflect the retroactive effect of the February 1999 combination with Moores Retail Group Inc. ("Moores") and the June 1999 combination with K&G Men's Center, Inc., both accounted for as a pooling of interests (see Note 2 of Notes to Consolidated Financial Statements). The pro forma 1999 statement of earnings data excludes the non-recurring charges related to these combinations. The combination with Moores did not affect the statement of earnings data for fiscal 1995 or 1996 as Moores commenced operations on December 23, 1996 and operating results for the 40-day period in fiscal 1996 were not significant.

<TABLE>
<CAPTION>

	1995	1996	1997	1998	1999	PRO FORMA 1999
	(DOLLARS AND SHARES IN THOUSANDS, EXCEPT PER SHARE AND PER SQUARE FOOT DATA)					
<S>	<C>	<C>	<C>	<C>	<C>	<C>
STATEMENT OF EARNINGS DATA:						
Net sales	$466,370	$571,651	$875,319	$1,037,831	$1,186,748	$1,186,748
Gross margin	170,786	207,209	315,169	377,834	438,966	438,966
Operating income	35,706	45,015	74,333	95,045	100,931	115,638
Earnings before extraordinary item	19,694	25,727	37,334	50,142	55,957	67,188
Earnings per share of common stock before extraordinary item(1):						
Basic	$ 0.59	$ 0.72	$ 0.95	$ 1.23	$ 1.34	$ 1.61
Diluted	$ 0.58	$ 0.72	$ 0.93	$ 1.19	$ 1.32	$ 1.58
Weighted average shares outstanding(1)	33,207	35,517	39,194	40,738	41,848	41,848
Weighted average shares outstanding plus dilutive potential common shares(1)	33,725	38,309	42,275	42,964	42,452	42,452
OPERATING INFORMATION:						
Percentage increase in comparable U.S. store sales(2)	7.5%	4.8%	9.2%	9.6%	7.7%	
Percentage increase in comparable Canadian store sales(2)	--	--	4.5%	2.1%	0.3%	
Average square footage -- all stores(3)	5,156	5,422	5,868	6,146	6,193	
Average sales per square foot of selling space(4)	$ 427	$ 416	$ 378	$ 384	$ 400	
NUMBER OF STORES:						
Open at beginning of the period	239	289	460	526	579	
Opened	51	56	65	65	54	
Acquired(5)	--	115	6	4	--	
Closed	(1)	--	(5)	(16)	(19)	
Open at end of the period	289	460	526	579	614	
CAPITAL EXPENDITURES	$ 23,423	$ 27,350	$ 31,825	$ 53,474	$ 47,506	

</TABLE>

<TABLE>
<CAPTION>

	FEBRUARY 3, 1996	FEBRUARY 1, 1997	JANUARY 31, 1998	JANUARY 30, 1999	JANUARY 29, 2000
<S>	<C>	<C>	<C>	<C>	<C>
BALANCE SHEET INFORMATION:					
Working capital	$ 96,611	$181,133	$234,376	$230,624	$280,251
Total assets	221,308	414,979	500,371	535,076	611,195
Long-term debt(6)	4,455	112,250	107,800	44,870	46,697
Shareholders' equity	146,080	192,045	261,357	351,455	408,973

</TABLE>

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(1) Adjusted to give effect to a 50% stock dividend effected on November 15, 1995 and a 50% stock dividend effected on June 19, 1998.
(2) Comparable store sales data is calculated by excluding the net sales of a store for any month of one period if the store was not open throughout the same month of the prior period.
(3) Average square footage -- all stores is calculated by dividing the total square footage for all stores open at the end of the period by the number of stores open at the end of such period.
(4) Average sales per square foot of selling space is calculated by dividing total selling square footage for all stores open the entire year into total sales for those stores.
(5) Stores acquired in fiscal 1996 include 98 Canadian stores acquired by Moores upon the commencement of its operations on December 23, 1996.
(6) February 1, 1997 and January 31, 1998 balances include the 5 1/4% Convertible Subordinated Notes Due 2003. See "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Liquidity and Capital Resources" for a discussion of the redemption of the Notes.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

GENERAL

The Company opened its first store in Houston, Texas in August 1973. The Company combined with Moores Retail Group Inc. ("Moores") in February 1999 and with K&G Men's Center, Inc. ("K&G") in June 1999, with both combinations accounted for as a pooling of interests (see Note 2 of Notes to Consolidated Financial Statements). At January 29, 2000, the Company operated 501 stores in the United States and 113 stores in Canada. The Company opened 65 stores in 1997, 65 stores in 1998 and 54 stores in 1999; in addition, the Company acquired six stores in May 1997 and four stores in February 1998. This growth has resulted in significant increases in net sales and has also contributed to increased net earnings for the Company. Expansion is generally continued within a market as long as management believes it will provide profitable incremental sales volume.

Like most retailers, our business is subject to seasonal fluctuations. Historically, over 30% of our net sales and over 45% of our net earnings have been generated during the fourth quarter of each year. Because of the seasonality of our business, results for any quarter are not necessarily indicative of the results that may be achieved for the full year.

The Company currently intends to continue its expansion in new and existing markets and plans to open approximately 35 new Men's Wearhouse stores and 10 new K&G stores in 2000. The average cost (excluding telecommunications and point-of-sale equipment and inventory) of opening a new store is expected to be approximately $350,000 for a Men's Wearhouse store and approximately $325,000 for a K&G store in 2000.

In addition to increases in net sales resulting from new stores and acquisitions, the Company has experienced comparable store sales increases in each of the past five years, including a 7.7% increase for U.S. stores and a 0.3% increase for Canadian stores for 1999.

The Company has closed 40 stores in the three years ended January 29, 2000. Generally, in determining whether to close a store, the Company considers the store's historical and projected performance and the continued desirability of the store's location. In determining store contribution, the Company considers net sales, cost of sales and other direct store costs, but excludes buying costs, corporate overhead, depreciation and amortization, financing costs and advertising. Store performance is continually monitored and, occasionally, as neighborhoods and shopping areas change, management may determine that it is in the best interest of the Company to close or relocate a store. In 1997, the Company closed five stores due to substandard performance and/or the proximity of a newly opened or acquired store. In 1998, the Company closed three stores due to substandard performance or the proximity of another store. The remaining 13 stores closed in 1998 and four of the stores closed in 1999 were stores acquired in January 1997 that were closed as part of the Company's efforts to integrate and develop its operations that target the more price sensitive clothing customer. Of the remaining 15 stores closed in 1999, two were closed due to substandard performance or lease expiration and 13 were closed to eliminate duplicate store sites following the combinations with Moores and K&G.

The following table sets forth the Company's results of operations expressed as a percentage of net sales for the periods indicated:

<TABLE>
<CAPTION>

	FISCAL YEAR		
	1997	1998	1999
<S>	<C>	<C>	<C>
Net sales	100.0%	100.0%	100.0%
Cost of goods sold, including buying and occupancy costs	64.0	63.6	63.0
Gross margin	36.0	36.4	37.0
Selling, general and administrative expenses	27.3	27.2	27.2
Combination expenses	0.2	--	1.3
Operating income	8.5	9.2	8.5
Interest expense	1.0	0.8	0.2
Earnings before income taxes	7.5	8.4	8.3
Income taxes	3.2	3.6	3.6
Earnings before extraordinary item	4.3%	4.8%	4.7%

</TABLE>

RESULTS OF OPERATIONS

1999 Compared with 1998

The following table presents a breakdown of 1998 and 1999 net sales of the Company by stores open in each of these periods:

<TABLE>
<CAPTION>

	NET SALES		
STORES	1998	1999	INCREASE
- ------			
	(IN MILLIONS)		
<S>	<C>	<C>	<C>
54 stores opened in 1999	$ --	$ 49.5	$ 49.5
69 stores opened or acquired in 1998(1)	66.8	124.5	57.7
Stores opened before 1998	971.0	1,012.7	41.7
Total	$1,037.8	$1,186.7	$148.9

</TABLE>

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(1) Sales include $16.1 million and $18.2 million for 1998 and 1999, respectively, attributable to the four stores acquired in February 1998.

The Company's net sales increased $148.9 million, or 14.3%, to $1,186.7 million for 1999 due primarily to sales resulting from the increased number of stores and increased sales at existing stores. Comparable store sales (which are calculated by excluding the net sales of a store for any month of one period if the store was not open throughout the same month of the prior period) increased 7.7% in the US and 0.3% in Canada from 1998.

Gross margin increased $61.1 million, or 16.2%, to $439.0 million in 1999. As a percentage of sales, gross margin increased from 36.4% in 1998 to 37.0% in 1999. This increase in gross margin resulted mainly from decreases in product and occupancy costs as a percentage of sales, offset by the lower product margins realized in the K&G stores as compared to the traditional Men's Wearhouse stores.

Selling, general and administrative ("SG&A") expenses, as a percentage of sales, were 27.2% in 1999, remaining unchanged from the prior year, while SG&A expenditures increased by $40.5 million to $323.3 million. On an absolute dollar basis, the principal components of SG&A expenses increased primarily due to the Company's growth. Advertising expense decreased from 5.9% to 5.4% of net sales, while store salaries increased from 10.6% to 10.8% of net sales and other SG&A expenses increased from 10.7% to 11.0% of net sales.

As a result of the Moores and K&G combinations, the Company recorded transaction costs of $7.7 million, duplicative stores closing costs of $6.1 million and litigation costs of $0.9 million. The transaction costs were composed primarily of investment banking fees, professional fees and contract termination payments, while the duplicative store closing costs consisted primarily of lease termination payments and the write-off of fixed assets associated with the closing of duplicate store sites in existing markets. The litigation charge resulted from the settlement of a lawsuit filed by a former K&G employee related to his employment relationship with K&G.

Interest expense, net of interest income, decreased from $8.0 million in 1998 to $2.6 million in 1999. Weighted average borrowings outstanding decreased $42.8 million from the prior year to $61.0 million in 1999, and the weighted average interest rate on outstanding indebtedness decreased from 9.7% to 6.8%. The decrease in weighted average borrowings resulted primarily from the redemption of the 5 1/4% Convertible Subordinated Notes in the third quarter of 1998. The decrease in the weighted average interest rate was due primarily to the refinancing of debt concurrent with the Moores combination. Interest expense was offset by interest income of $2.1 million in 1998 and $1.6 million in 1999, which resulted from the investment of excess cash.

The Company's effective income tax rate for the year ended January 29, 2000 was 43.1% and 42.4% for the prior year. The effective tax rate was higher than the statutory federal rate of 35% primarily due to the

effect of state income taxes, the nondeductibility of a portion of meal and entertainment expenses and, in 1999, nondeductible transaction costs.

These factors resulted in 1999 earnings before extraordinary item of $56.0 million or 4.7% of net sales, compared with 1998 earnings before extraordinary item of $50.1 million or 4.8% of net sales. The Company's earnings before extraordinary item, as reported and after the effect of non-recurring charges related to the combinations with Moores and K&G, were as follows (in thousands, except per share amounts):

<TABLE>
<CAPTION>

	FISCAL YEAR	
	1998	1999

<S>	<C>	<C>
Earnings before extraordinary item, as reported.....	$50,142	$55,957
Combination expenses:		
Transaction costs, net of tax benefit of $633.....	--	7,074
Duplicative store closing costs, net of tax benefit of $2,471.....	--	3,599
Litigation costs, net of tax benefit of $372.....	--	558
Earnings before extraordinary item and non-recurring charges.....	$50,142	$67,188
Diluted earnings per share before extraordinary item, as reported.....	$ 1.19	$ 1.32
Diluted earnings per share before extraordinary item and non-recurring charges.....	$ 1.19	$ 1.58

</TABLE>

The Company recorded an extraordinary charge of $2.9 million, net of a $1.4 million tax benefit, related to the write-off of deferred financing costs and prepayment penalties for the refinancing of approximately US$57 million of Moores indebtedness. The extraordinary charge of $0.7 million, net of a $0.5 million tax benefit, in the third quarter of 1998 resulted from the early retirement of the Company's $57.5 million of 5 1/4% Convertible Subordinated Notes.

1998 Compared with 1997

The following table presents a breakdown of 1997 and 1998 net sales of the Company by stores open in each of these periods:

<TABLE>
<CAPTION>

	NET SALES		
STORES	1997	1998	INCREASE
- ------	------	--------	--------
	(IN MILLIONS)		
<S>	<C>	<C>	<C>
69 stores opened or acquired in 1998(1).....	$ --	$ 66.8	$ 66.8
71 stores opened or acquired in 1997(2).....	60.5	117.6	57.1
Stores opened before 1997.....	814.8	853.4	38.6
Total.....	$875.3	$1,037.8	$162.5

</TABLE>

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(1) Sales include $16.1 million attributable to the four stores acquired in February 1998.

(2) Sales include $10.6 million and $15.4 million for 1997 and 1998, respectively, attributable to the six stores acquired in May 1997.

The Company's net sales increased $162.5 million, or 18.6%, to $1,037.8 million for 1998 due primarily to sales resulting from the increased number of stores and increased sales at existing stores. Comparable store sales increased 9.6% in the US and 2.1% in Canada from 1997.

Gross margin increased $62.7 million, or 19.9%, to $377.8 million in 1998. As a percentage of sales, gross margin increased from 36.0% in 1997 to 36.4% in 1998. This increase in gross margin predominantly related to a decrease in product and occupancy costs as a percentage of sales for the traditional Men's Wearhouse stores. This increase was partially offset by the lower product margins realized in the K&G stores as compared to the traditional Men's Wearhouse stores.

SG&A expenses decreased, as a percentage of sales, from 27.3% in 1997 to 27.2% in 1998, while SG&A expenditures increased by $43.5 million to $282.8 million. On an absolute dollar basis, the principal components of SG&A expenses increased primarily due to the Company's growth. The decrease in SG&A expenses as a percentage of sales was related primarily to the impact of comparable sales increases. Advertising expense decreased from 6.1% to 5.9% of net sales and store salaries increased from 10.5% to 10.6% of net sales, while other SG&A expenses decreased from 10.8% to 10.7% of net sales.

Interest expense, net of interest income, decreased from $8.5 million in 1997 to $8.0 million in 1998. Weighted average borrowings outstanding decreased $16.5 million from the prior year to $103.8 million in 1998, while the weighted average interest rates on outstanding indebtedness increased from 9.1% to 9.7%. The change in weighted average borrowings resulted from the early retirement of the $57.5 million of 5 1/4% Convertible Subordinated Notes in the third quarter of 1998, of which $36.8 million was converted to common stock. The impact of the

decrease in weighted average borrowings was partially offset by higher interest rate borrowings under the Company's revolving credit facility during the last half of 1998. Interest expense was offset by interest income of $2.5 million in 1997 and $2.1 million in 1998, which resulted from the investment of excess cash.

The Company's effective income tax rate for the year ended January 30, 1999 was 42.4% and 43.3% for the prior year. The effective tax rate was higher than the statutory federal rate of 35% primarily due to the effect of state income taxes, the nondeductibility of a portion of meal and entertainment expenses and, in 1997, nondeductible transaction costs. This, combined with the factors discussed above, resulted in 1998 earnings before extraordinary item of $50.1 million, or 4.8% of net sales, compared with 1997 earnings before extraordinary item of $37.3 million, or 4.3% of net sales.

The extraordinary item of $0.7 million, net of a $0.5 million tax benefit, related to the early retirement of the Company's 5 1/4% Subordinated Notes.

LIQUIDITY AND CAPITAL RESOURCES

In July 1997, the Company issued 1,500,000 shares of common stock for net proceeds of $30.0 million. The Company used the proceeds from such offering to fund its continued expansion and upgrade its information technology infrastructure. The remaining cash was invested in short-term securities.

In August 1998, the Company gave notice to the holders of its outstanding 5 1/4% Convertible Subordinated Notes (the "Notes") that the Company would redeem the Notes on September 14, 1998. As a result, $36.8 million principal amount of the Notes was converted into 1.6 million shares of the Company's common stock and $20.7 million principal amount was redeemed for an aggregate of $21.5 million.

In February 1999, the Company amended and restated its revolving credit agreement with a group of banks (the "Credit Agreement"). This agreement provides for borrowings of up to $125 million through February 5, 2004. Advances under the Credit Agreement bear interest at a rate per annum equal to, at the Company's option, the agent's prime rate or the reserve adjusted LIBOR rate plus an interest rate margin varying between .75% to 1.25%. The Credit Agreement provides for fees applicable to unused commitments of .125% to .225%. As of January 29, 2000, there was no indebtedness outstanding under the Credit Agreement.

The Credit Agreement contains various restrictive and financial covenants, including the requirement to maintain a minimum level of net worth and certain financial ratios. The Credit Agreement also prohibits payment of cash dividends on the common stock of the Company. The Company is in compliance with the covenants in the Credit Agreement.

In February 1999, the Company also entered into two Canadian credit facilities in conjunction with the combination with Moores. These facilities include a revolving credit agreement which provides for borrowings up to Can$30 million (US$20 million) through February 5, 2004 and a term credit agreement which provides for borrowings of Can$75 million (US$50 million) to be repaid in quarterly installments of Can$0.9 million (US$0.6 million) beginning May 1, 1999; remaining unpaid principal is payable on February 5, 2004. Covenants and interest rates are substantially similar to those contained in the Company's Credit Agreement. Borrowings under these agreements were used to repay approximately US$57 million in outstanding

indebtedness of Moores with the remaining availability used to fund operating and other requirements of Moores.

The Company's primary sources of working capital are cash flow from operations and borrowings under the Credit Agreement. The Company had working capital of $234.4 million, $230.6 million and $280.3 million at the end of 1997, 1998 and 1999, respectively. Historically, the Company's working capital has been at its lowest level in January and February, and has increased through November as inventory buildup is financed with both short-term and long-term borrowings in preparation for the fourth quarter selling season.

Net cash provided by operating activities amounted to $33.8 million, $35.6 million and $101.3 million in 1997, 1998 and 1999, respectively. These amounts primarily represent net earnings plus depreciation and amortization and increases in current liabilities, offset by increases in inventories. The increase in inventories of $48.4 million in 1997, $46.4 million in 1998 and $15.7 million in 1999 resulted from the addition of inventory for new and acquired stores and stores expected to be opened shortly after the year-end, backstocking and the purchase of fabric used in the direct sourcing of inventory.

Capital expenditures totaled $31.8 million, $53.5 million and $47.5 million in 1997, 1998 and 1999, respectively. The following table details capital expenditures (in millions):

<TABLE>
<CAPTION>

	1997	1998	1999
<S>	<C>	<C>	<C>
New store construction	$11.0	$22.7	$17.2
Relocation and remodeling of existing stores	6.7	7.7	13.5
Information technology	6.0	13.6	9.3
Distribution facilities	4.8	3.6	4.0
Other	3.3	5.9	3.5
Total	$31.8	$53.5	$47.5

</TABLE>

Property additions relating to new stores include stores in various stages of completion at the end of the fiscal year (three stores at the end of 1997, two stores at the end of 1998 and one store at the end of 1999). New store construction cost is net of $2.8 million in 1997 related to proceeds from sale and leaseback transactions and includes $2.2 million in 1998 for land costs that the Company recovered from a sale and leaseback transaction in 1999. New store construction costs were higher in 1998 and 1999 due in part to the Company's entering higher cost markets in the northeastern U.S.

The Company had net purchases of short-term investments of $1.9 million in 1997 and net maturities of $11.7 million in 1998 and $6.0 million in 1999. The Company acquired certain other assets in connection with various transactions including, but not limited to, trademarks, tradenames, customer lists, non-compete agreements and license agreements, for $3.9 million in 1997, $6.7 million in 1998 and $0.3 million in 1999. In addition, in 1999 the Company purchased the minority interests in certain K&G stores for $2.1 million.

Net cash provided by financing activities was $28.1 million in 1997 and includes the net proceeds of the public offering of common stock of $31.5 million in 1997. Net cash used in financing activities was $19.7 million in 1998 and $10.5 million in 1999 due mainly to the net payments of long-term debt.

The Company's primary cash requirements are to finance working capital increases as well as to fund capital expenditure requirements which are anticipated to be approximately $72 million for 2000. This amount includes the anticipated costs of opening approximately 35 new Men's Wearhouse stores and 10 new K&G stores in 2000 at an expected average cost per store of approximately $350,000 for the Men's Wearhouse stores and approximately $325,000 for the K&G stores (excluding telecommunications and point-of-sale equipment and inventory). It also includes approximately $14 million for the first phase of construction of a new distribution center. The balance of the capital expenditures for 2000 will be used for telecommunications, point-of-sale and other computer equipment and store remodeling and expansion. The Company anticipates that each of the approximately 35 new Men's Wearhouse stores and each of the approximately 10 new K&G stores will require, on average, an initial inventory costing approximately $550,000 and $880,000, respectively (subject to the same seasonal patterns affecting inventory at all stores), which will be funded by the Company's revolving credit facility, trade credit and cash from operations. The actual amount of future

capital expenditures and inventory purchases will depend in part on the number of new stores opened and the terms on which new stores are leased. Additionally, the continuing consolidation of the men's tailored clothing industry and recent financial difficulties of significant menswear retailers may present the Company with opportunities to acquire retail chains significantly larger than the Company's past acquisitions. Any such acquisitions may be undertaken as an alternative to opening new stores. The Company may use cash on hand, together with its cash flow from operations, borrowings under the Credit Agreement and issuances of equity securities, to take advantage of significant acquisition opportunities.

The Company anticipates that its existing cash and cash flow from operations, supplemented by borrowings under its various credit agreements, will be sufficient to fund planned store openings, other capital expenditures and operating cash requirements for at least the next 12 months.

In connection with the Company's direct sourcing program, the Company may enter into purchase commitments that are denominated in a foreign currency (primarily the Italian lira). The Company generally enters into forward exchange contracts to reduce the risk of currency fluctuations related to such commitments. The majority of the forward exchange contracts are with two financial institutions. Therefore, the Company is exposed to credit risk in the event of nonperformance by these parties. However, due to the creditworthiness of these major financial institutions, full performance is anticipated. The Company may also be exposed to market risk as a result of changes in foreign exchange rates. This market risk should be substantially offset by changes in the valuation of the underlying transactions.

IMPACT OF NEW ACCOUNTING PRONOUNCEMENTS

The Company has adopted Statement of Financial Accounting Standards No. 130, "Reporting Comprehensive Income." For the three years ended January 29,

2000, the accompanying consolidated financial statements are presented in accordance with this statement.

The Company has adopted Statement of Financial Accounting Standards No. 131, "Disclosures about Segments of an Enterprise and Related Information," and reports its operations in one business segment -- retail sales of menswear.

In June 1998, the Financial Accounting Standards Board issued Statement No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("SFAS 133"), which requires that an entity recognize all derivative instruments as either assets or liabilities on its balance sheet at their fair value. Gains and losses resulting from changes in the fair value of derivatives are recorded each period in current earnings or comprehensive earnings, depending on whether a derivative is designated as part of a hedge transaction and, if it is, the type of hedge transaction. Gains and losses on derivative instruments reported in comprehensive earnings will be reclassified as earnings in the period in which earnings are affected by the hedged item. In June 1999, the Financial Accounting Standards Board issued Statement No. 137, "Accounting for Derivatives Instruments and Hedging Activities -- Deferral of the Effective Date of FASB Statement No. 133", which defers the effective date of SFAS 133 until the Company's year ending February 2, 2002. The Company is currently evaluating the impact, if any, of SFAS 133 on its financial position and results of operations.

YEAR 2000 RISKS

To date, the Company has incurred approximately $2.3 million in expenditures to address the Year 2000 issue. No significant additional expenditures are expected. The conversion to the Year 2000 occurred without any significant impact on the Company's operations and none is anticipated in the future.

INFLATION

The impact of inflation on the Company has been minimal.

FORWARD-LOOKING STATEMENTS

Certain statements made herein and in other public filings and releases by the Company contain "forward-looking" information (as defined in the Private Securities Litigation Reform Act of 1995) that

involve risk and uncertainty. These forward-looking statements may include, but are not limited to, future capital expenditures, acquisitions (including the amount and nature thereof), future sales, earnings, margins, costs, number and costs of store openings, demand for men's clothing, market trends in the retail men's clothing business, currency fluctuations, inflation and various economic and business trends. Forward-looking statements may be made by management orally or in writing, including, but not limited to, this Management's Discussion and Analysis of Financial Condition and Results of Operations section and other sections of the Company's filings with the Securities and Exchange Commission under the Securities Exchange Act of 1934 and the Securities Act of 1933.

Actual results and trends in the future may differ materially depending on a variety of factors including, but not limited to, domestic and international economic activity and inflation, the Company's successful execution of internal operating plans and new store and new market expansion plans, performance issues with key suppliers, severe weather, foreign currency fluctuations, government export and import policies and legal proceedings. Future results will also be dependent upon the ability of the Company to continue to identify and complete successful expansions and penetrations into existing and new markets, and its ability to integrate such expansions with the Company's existing operations.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company is subject to exposure from fluctuations in U.S. dollar/Italian lira exchange rates. As further described in Note 8 of Notes to Consolidated Financial Statements, the Company utilizes foreign currency forward exchange contracts to limit exposure to changes in currency exchange rates. At January 29, 2000, the Company had 25 contracts maturing in monthly increments to purchase an aggregate notional amount of $24.3 million in foreign currency. These forward contracts do not extend beyond June 29, 2001. At January 30, 1999, the Company had 15 contracts maturing in monthly increments to purchase an aggregate notional amount of $9.6 million in foreign currency. Unrealized pretax losses on these forward contracts totaled approximately $1.8 million at January 29, 2000 and approximately $0.1 million at January 30, 1999. A hypothetical 10% change in applicable January 29, 2000 forward rates would increase or decrease this pretax loss by approximately $2.2 million related to these positions. However, it should be noted that any change in the value of these contracts, whether real or hypothetical, would be significantly offset by an inverse change in the value of the underlying hedged item.

Moores conducts its business in Canadian dollars. The exchange rate between Canadian dollars and U.S. dollars has fluctuated over the last ten years. If the value of the Canadian dollar against the U.S. dollar weakens, then the revenues and earnings of the Company's Canadian operations will be reduced when they are translated to U.S. dollars. Also, the value of the Company's Canadian net assets

in U.S. dollars may decline.

The Company is also subject to market risk due to its long-term floating rate term loan of $49.3 million at January 29, 2000 (see Note 4 of Notes to Consolidated Financial Statements). An increase in market interest rates would increase the Company's interest expense and its cash requirements for interest payments. For example, an average increase of 0.5% in the variable interest rate would increase the Company's interest expense and payments by approximately $0.2 million.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

INDEPENDENT AUDITORS' REPORT

Board of Directors and Shareholders
The Men's Wearhouse, Inc.
Houston, Texas

We have audited the consolidated balance sheets of The Men's Wearhouse, Inc. and its subsidiaries (the "Company") as of January 30, 1999 and January 29, 2000 and the related consolidated statements of earnings, shareholders' equity, and cash flows for each of the three years in the period ended January 29, 2000. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements based on our audits. The consolidated financial statements give retroactive effect to the mergers of the Company and Moores Retail Group Inc. ("Moores") and K&G Men's Center, Inc. ("K&G") in 1999, each of which has been accounted for as a pooling of interests as described in Note 2 to the consolidated financial statements. We did not audit the balance sheet of Moores as of January 31, 1999, or the related statements of earnings, stockholders' equity, and cash flows of Moores for the years ended January 31, 1998 and 1999, which statements reflect total assets of $74,263,000 as of January 31, 1999, and total revenues of $131,414,000 and $130,675,000 for the years ended January 31, 1998 and 1999, respectively. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Moores for fiscal 1997 and 1998, is based solely on the report of such other auditors. We did not audit the balance sheet of K&G as of January 30, 1999, or the related statements of earnings, stockholders' equity, and cash flows of K&G for the years ended February 1, 1998 and January 31, 1999, which statements reflect total assets of $57,230,000 as of January 31, 1999, and total revenues of $112,795,000 and $139,234,000 for the years ended February 1, 1998 and January 31, 1999, respectively. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for K&G for fiscal 1997 and 1998, is based solely on the report of such other auditors.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the reports of the other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of the other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company and its subsidiaries as of January 30, 1999 and January 29, 2000, and the results of their operations and their cash flows for each of the three years in the period ended January 29, 2000 in conformity with accounting principles generally accepted in the United States of America.

DELOITTE & TOUCHE LLP

Houston, Texas
February 28, 2000

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Moores Retail Group Inc.

We have audited the consolidated balance sheets of Moores Retail Group Inc. as at January 31, 1999 and 1998, and the consolidated statements of income and comprehensive income, stockholders' equity and cash flows for the years then ended (not presented separately herein). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Canada. Those standards require that we plan and perform an audit to

obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at January 31, 1999 and 1998, and the results of its operations and the changes in its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States.

ERNST & YOUNG LLP
Chartered Accountants

Montreal, Canada,
March 5, 1999

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of
K&G Men's Center, Inc.:

We have audited the accompanying balance sheet of K&G Men's Center, Inc. (a Georgia corporation) and subsidiaries as of January 31, 1999 and the related consolidated statements of operations, shareholders' equity, and cash flows for each of the two years in the period ended January 31, 1999. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of K&G Men's Center, Inc. and subsidiaries as of January 31, 1999 and the results of their operations and their cash flows for each of the two years in the period ended January 31, 1999 in conformity with accounting principles generally accepted in the United States.

ARTHUR ANDERSEN LLP

Atlanta, Georgia
March 17, 1999

THE MEN'S WEARHOUSE, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS, EXCEPT SHARES) (NOTE 1)

<TABLE>
<CAPTION>

	JANUARY 30, 1999	JANUARY 29, 2000
<S>	<C>	<C>
ASSETS		
CURRENT ASSETS		
Cash	$ 31,012	$ 77,798
Inventories	302,717	319,940
Other current assets	25,903	25,727
Total current assets	359,632	423,465
PROPERTY AND EQUIPMENT, AT COST		
Land	4,598	5,253
Buildings	12,069	12,854
Leasehold improvements	84,911	99,843
Furniture, fixtures and equipment	110,492	131,973
	212,070	249,923
Less accumulated depreciation and amortization	(88,299)	(111,497)
Net property and equipment	123,771	138,426

OTHER ASSETS, Net	51,673	49,304
TOTAL	$535,076	$ 611,195

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES:		
Accounts payable	$ 64,878	$ 76,420
Accrued expenses	43,748	53,301
Short-term borrowings	7,568	--
Current portion of long-term debt	3,644	2,594
Income taxes payable	9,170	10,899
Total current liabilities	129,008	143,214
LONG-TERM DEBT	44,870	46,697
OTHER LIABILITIES	9,743	12,311
Total liabilities	183,621	202,222
COMMITMENTS AND CONTINGENCIES (Note 8)		
SHAREHOLDERS' EQUITY:		
Preferred stock, $.01 par value, 2,000,000 shares authorized, 1 share issued	--	--
Common stock, $.01 par value, 100,000,000 shares authorized, 41,839,829 and 41,943,143 shares issued or issuable	393	409
Capital in excess of par	178,144	182,662
Retained earnings	174,146	227,191
Accumulated comprehensive (loss) income	(233)	59
Total	352,450	410,321
Treasury stock, 71,384 and 55,373 shares at cost	(995)	(1,348)
Total shareholders' equity	351,455	408,973
TOTAL	$535,076	$ 611,195

</TABLE>

The accompanying notes are an integral part of these consolidated financial statements.

THE MEN'S WEARHOUSE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EARNINGS
FOR THE YEARS ENDED
JANUARY 31, 1998, JANUARY 30, 1999 AND JANUARY 29, 2000
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS) (NOTE 1)

<TABLE>
<CAPTION>

	FISCAL YEAR		
	1997	1998	1999
<S>	<C>	<C>	<C>
Net sales	$875,319	$1,037,831	$1,186,748
Cost of goods sold, including buying and occupancy costs	560,150	659,997	747,782
Gross margin	315,169	377,834	438,966
Selling, general and administrative expenses	239,315	282,789	323,328
Combination expenses:			
Transaction costs	1,521	--	7,707
Duplicate facility costs	--	--	6,070
Litigation costs	--	--	930
Operating income	74,333	95,045	100,931
Interest expense (net of interest income of $2,517, $2,060 and $1,568, respectively)	8,464	7,993	2,580
Earnings before income taxes	65,869	87,052	98,351
Provision for income taxes	28,535	36,910	42,394
Earnings before extraordinary item	37,334	50,142	55,957
Extraordinary item, net of tax	--	701	2,912
Net earnings	$ 37,334	$ 49,441	$ 53,045
Net earnings per basic share:			
Earnings before extraordinary item	$ 0.95	$ 1.23	$ 1.34
Extraordinary item, net of tax	--	(0.02)	(0.07)

	$ 0.95	$ 1.21	$ 1.27
Net earnings per diluted share:			
Earnings before extraordinary item	$ 0.93	$ 1.19	$ 1.32
Extraordinary item, net of tax	--	(0.02)	(0.07)
	$ 0.93	$ 1.17	$ 1.25
Weighted average shares outstanding:			
Basic	39,194	40,738	41,848
Diluted	42,275	42,964	42,452

</TABLE>

The accompanying notes are an integral part of these consolidated financial statements.

THE MEN'S WEARHOUSE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED JANUARY 31, 1998,
JANUARY 30, 1999 AND JANUARY 29, 2000
(IN THOUSANDS, EXCEPT SHARES) (NOTE 1)

<TABLE>
<CAPTION>

	COMMON STOCK	CAPITAL IN EXCESS OF PAR	RETAINED EARNINGS	ACCUMULATED COMPREHENSIVE (LOSS) INCOME	TREASURY STOCK	TOTAL
<S>	<C>	<C>	<C>	<C>	<C>	<C>
BALANCE -- February 1, 1997	$239	$ 104,990	$87,371	$ 24	$ (579)	$192,045
Comprehensive income:						
Net earnings	--	--	37,334	--	--	37,334
Translation adjustment	--	--	--	(212)	--	(212)
Total comprehensive income						229,167
Common stock issued in public offering -- 1,500,000 shares	10	29,951	--	--	--	29,961
Common stock issued upon exercise of stock options -- 268,268 shares	1	1,563	--	--	--	1,564
Common stock withheld to satisfy tax withholding liabilities of optionees -- 84,921 shares	--	(1,949)	--	--	--	(1,949)
Tax benefit recognized upon exercise of stock options	--	1,614	--	--	--	1,614
Treasury stock issued to profit sharing plan -- 56,339 shares	--	762	--	--	238	1,000
BALANCE -- January 31, 1998	250	136,931	124,705	(188)	(341)	261,357
Comprehensive income:						
Net earnings	--	--	49,441	--	--	49,441
Translation adjustment	--	--	--	(45)	--	(45)
Total comprehensive income						310,753
Stock dividend --50%	126	(126)	--	--	--	--
Common stock issued upon conversion of subordinated notes --1,615,501 shares	16	35,909	--	--	--	35,925
Common stock issued to stock discount plan -- 21,588 shares	--	428	--	--	--	428
Common stock issued in public offering -- 37,953 shares	--	1,564	--	--	--	1,564
Common stock issued upon exercise of stock options -- 135,590 shares	1	1,657	--	--	--	1,658
Common stock withheld to satisfy tax withholding liabilities of optionees -- 26,050 shares	--	(905)	--	--	--	(905)
Tax benefit recognized upon exercise of stock options	--	1,458	--	--	--	1,458
Treasury stock purchased -- 55,000 shares	--	--	--	--	(926)	(926)
Treasury stock issued to profit sharing plan -- 64,218 shares	--	1,228	--	--	272	1,500
BALANCE -- January 30, 1999	393	178,144	174,146	(233)	(995)	351,455
Comprehensive income:						
Net earnings	--	--	53,045	--	--	53,045
Translation adjustment	--	--	--	292	--	292
Total comprehensive income						404,792
Common stock issued to stock discount plan -- 47,481 shares	--	1,301	--	--	--	1,301
Common stock issued upon exercise of stock options -- 67,201 shares	1	910	--	--	--	911
Common stock withheld to satisfy tax						

withholding liabilities of optionees -- 11,368 shares	--	(413)	--	--	--	(413)
Conversion of stock options upon combination with Moores	--	1,237	--	--	--	1,237
Conversion of exchangeable shares to common stock -- 1,515,629 shares	15	(15)	--	--	--	--
Tax benefit recognized upon exercise of stock options	--	418	--	--	--	418
Treasury stock purchased -- 50,000 shares	--	--	--	--	(1,273)	(1,273)
Treasury stock issued to profit sharing plan -- 66,011 shares	--	1,080	--	--	920	2,000
BALANCE -- January 29, 2000	$409	$ 182,662	$227,191	$ 59	$(1,348)	$408,973

</TABLE>

The accompanying notes are an integral part of these consolidated financial statements.

THE MEN'S WEARHOUSE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED
JANUARY 31, 1998, JANUARY 30, 1999 AND JANUARY 29, 2000
(IN THOUSANDS) (NOTE 1)

<TABLE>
<CAPTION>

	1997	1998	1999
<S>	<C>	<C>	<C>
CASH FLOWS FROM OPERATING ACTIVITIES			
Net earnings	$ 37,334	$ 49,441	$ 53,045
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Extraordinary item, net of tax	--	701	2,912
Depreciation and amortization	21,884	26,761	30,082
Deferred tax provision (benefit)	(3,810)	2,194	(256)
Stock option compensation expense	211	137	889
Duplicate facility costs	--	--	4,004
Increase in inventories	(48,431)	(46,428)	(15,737)
Increase in other current assets	(1,982)	(1,285)	(1,227)
Increase in accounts payable and accrued expenses	23,377	4,705	23,858
Increase (decrease) in income taxes payable	5,041	(1,343)	3,271
Increase in other liabilities	170	684	444
Net cash provided by operating activities	33,794	35,567	101,285
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditures, net	(31,825)	(53,474)	(47,506)
Investment in trademarks, tradenames and other intangibles	(3,931)	(6,718)	(321)
Maturities of short-term investments	15,774	29,698	8,525
Purchases of short-term investments	(17,658)	(18,045)	(2,500)
Purchases of minority interest	--	--	(2,135)
Net cash used in investing activities	(37,640)	(48,539)	(43,937)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of common stock	31,525	3,649	2,212
Proceeds from (repayment of) revolving credit facility	(4,421)	4,443	--
Long-term borrowings	3,773	42,500	49,688
Principal payments on long-term debt	(423)	(45,809)	(60,113)
Repayment of convertible debt	--	(21,473)	--
Deferred financing and merger costs	(270)	(1,010)	(625)
Distributions to minority interest	(114)	(176)	--
Tax payments related to options exercised	(1,949)	(905)	(413)
Purchase of treasury stock	--	(926)	(1,273)
Net cash provided by (used in) financing activities	28,121	(19,707)	(10,524)
Effect of exchange rate changes on cash	(2,109)	123	(38)
INCREASE (DECREASE) IN CASH	22,166	(32,556)	46,786
CASH:			
Beginning of period	41,402	63,568	31,012
End of period	$ 63,568	$ 31,012	$ 77,798
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:			
Cash paid during the year for:			
Interest	$ 8,644	$ 10,367	$ 1,445
Income taxes	$ 27,526	$ 36,428	$ 39,417

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:			
Additional capital in excess of par, net of unamortized deferred financing costs, resulting from conversion of long-term debt into common stock	$ --	$ 35,909	$ --
Additional capital in excess of par resulting from tax benefit recognized upon exercise of stock options	$ 1,614	$ 1,458	$ 418
Additional capital in excess of par resulting from conversion of stock options upon combination with Moores	$ --	$ --	$ 1,237
Treasury stock contributed to employee stock ownership plan	$ 1,000	$ 1,500	$ 2,000

</TABLE>

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Business -- The Men's Wearhouse, Inc. and its subsidiaries (the "Company") is a specialty retailer of menswear. The Company operates throughout the United States primarily under the brand names of Men's Wearhouse and K&G and in Canada under the brand name of Moores. The Company follows the standard fiscal year of the retail industry, which is a 52-week or 53-week period ending on the Saturday closest to January 31. Fiscal year 1997 ended on January 31, 1998, fiscal year 1998 ended on January 30, 1999 and fiscal year 1999 ended on January 29, 2000. Each of these fiscal years included 52 weeks.

Principles of Consolidation -- The consolidated financial statements include the accounts of The Men's Wearhouse, Inc. and its wholly owned subsidiaries. Intercompany accounts and transactions have been eliminated in the Company's consolidated financial statements. Financial data for all periods presented reflect the retroactive effect of the February 1999 combination with Moores Retail Group Inc. ("Moores") and the June 1999 combination with K&G Men's Center, Inc. ("K&G"), both accounted for as a pooling of interests (see Note 2).

Use of Estimates -- The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash -- For purposes of the statement of cash flows, the Company considers all highly liquid investments with maturities of three months or less to be cash equivalents.

Inventories -- Inventories are valued at the lower of cost or market, with cost determined primarily on the retail first-in, first-out method.

Property and Equipment -- Property and equipment are stated at cost. Normal repairs and maintenance costs are charged to earnings as incurred and additions and major improvements are capitalized. The cost of assets retired or otherwise disposed of and the related allowances for depreciation are eliminated from the accounts in the year of disposal and the resulting gain or loss is credited or charged to earnings.

Buildings are depreciated using the straight-line method over their estimated useful lives of 20 to 25 years. Depreciation of leasehold improvements is computed on the straight-line method over the term of the lease or useful life of the assets, whichever is shorter. Furniture, fixtures and equipment are depreciated using primarily the straight-line method over their estimated useful lives of three to ten years.

Other Assets -- Other assets consist primarily of goodwill and the cost of trademarks, tradenames and other intangibles acquired. These assets are being amortized over estimated useful lives of 15 to 30 years using the straight-line method.

Impairment of Long-Lived Assets -- The Company evaluates the carrying value of long-lived assets, such as property and equipment and goodwill and other intangibles, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If it is determined, based on estimated undiscounted future cash flows, that an impairment has occurred, a loss is recognized currently for the impairment.

Fair Value of Financial Instruments -- As of January 30, 1999 and January 29, 2000, management estimates that the fair value of cash and cash equivalents, receivables, accounts payable, accrued expenses and long-term debt are carried at amounts that reasonably approximate their fair value.

New Store Costs -- Promotion and other costs associated with the opening of new stores are expensed as incurred.

Advertising -- Advertising costs are expensed as incurred. Advertising expenses were $53.3 million, $60.8 million and $64.5 million in fiscal 1997, 1998 and 1999, respectively.

Revenue Recognition -- The Company records revenue at the time of sale and delivery.

Stock Based Compensation -- As permitted by Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" ("SFAS No. 123"), the Company accounts for stock-based compensation using the intrinsic value method prescribed in Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees." The disclosures required by SFAS No. 123 are included in Note 7.

Stock Dividend -- In June 1998, the Company effected a three-for-two common stock split by paying a 50% stock dividend to stockholders of record as of June 12, 1998. All share and per share information included in the accompanying consolidated financial statements and related notes have been restated to reflect the stock dividend.

Derivative Financial Instruments -- The Company enters into foreign currency forward exchange contracts to hedge against foreign exchange risks associated with certain firmly committed, and certain other probable, but not firmly committed, inventory purchase transactions that are denominated in a foreign currency (primarily the Italian lira). Gains and losses associated with these contracts are accounted for as part of the underlying inventory purchase transactions.

Foreign Currency Translation -- Assets and liabilities of foreign subsidiaries are translated into U.S. dollars at the exchange rates in effect at each balance sheet date. Shareholders' equity is translated at applicable historical exchange rates. Income, expense and cash flow items are translated at average exchange rates during the year. Resulting translation adjustments are reported as a separate component of shareholders' equity.

Comprehensive Income -- The Company has adopted Statement of Financial Accounting Standards No. 130, "Reporting Comprehensive Income", which establishes standards for the reporting of comprehensive income in a company's financial statements. Comprehensive income includes all changes in equity during the period presented that result from transactions and other economic events other than transactions with shareholders.

Segment Information -- The Company has adopted Statement of Financial Accounting Standards No. 131, "Disclosures about Segments of an Enterprise and Related Information," which requires disclosure of certain information about operating segments. The Company considers its business as one operating segment -- retail sales of menswear -- based on the similar economic characteristics of its three brands. Revenues of Canadian retail operations were $131.4 million, $130.7 million and $133.2 million for fiscal 1997, 1998 and 1999, respectively. Long-lived assets of the Company's Canadian operations were $32.4 million and $32.7 million as of the end of fiscal 1998 and 1999, respectively.

New Accounting Pronouncements -- In June 1998, the Financial Accounting Standards Board issued Statement No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("SFAS 133"), which requires that an entity recognize all derivative instruments as either assets or liabilities on its balance sheet at their fair value. Gains and losses resulting from changes in the fair value of derivatives are recorded each period in current earnings or comprehensive earnings, depending on whether a derivative is designated as part of a hedge transaction, and if it is, the type of hedge transaction. Gains and losses on derivative instruments reported in comprehensive earnings will be reclassified as earnings in the period in which earnings are affected by the hedged item. In June 1999, the Financial Accounting Standards Board issued Statement No. 137, "Accounting for Derivatives Instruments and Hedging Activities -- Deferral of the Effective Date of FASB Statement No. 133", which defers the effective date of SFAS 133 until the Company's year ending February 2, 2002. The Company is currently evaluating the impact, if any, of SFAS 133 on its financial position and results of operations.

2. BUSINESS COMBINATIONS AND ACQUISITIONS

On February 10, 1999, the Company combined with Moores, a privately owned Canadian corporation, in exchange for securities ("Exchangeable Shares") exchangeable for 2.5 million shares of the Company's common stock. The Exchangeable Shares have substantially identical economic and legal rights as, and will ultimately be exchanged on a one-on-one basis for, shares of the Company's common stock. The Exchangeable Shares were issued to the shareholders and option holders of Moores in exchange for all of the outstanding shares of capital stock and options of Moores because of Canadian tax law considerations. All Exchangeable Shares must be converted into common stock of the Company within five years of the combination. As of January 29, 2000, there were 1.0 million Exchangeable Shares that have not yet been converted but are reflected as common stock outstanding for financial reporting purposes by the Company. The combination with Moores has been accounted for as a pooling of interests.

On June 1, 1999, the Company combined with K&G, a superstore retailer of men's apparel and accessories operating 34 stores in 16 states, with K&G becoming a wholly owned subsidiary of the Company. The Company issued approximately 4.4 million shares of its common stock to K&G shareholders based on an exchange ratio of 0.43 of a share of the Company's common stock for each share of K&G common stock outstanding. In addition, the Company converted the outstanding options to purchase K&G common stock, whether vested or unvested, into options to purchase 228,000 shares of the Company's common stock based on the exchange ratio of 0.43. The combination has been accounted for as a pooling of interests.

In conjunction with the Moores and K&G combinations, the Company recorded transaction costs of $7.7 million, duplicative stores closing costs of $6.1 million and litigation costs of $0.9 million. The transaction costs were composed primarily of investment banking fees, professional fees and contract termination payments, while the duplicative store closing costs consisted primarily of lease termination payments and the write-off of fixed assets associated with the closing of duplicate store sites in existing markets. The litigation charge resulted from the settlement of a lawsuit filed by a former K&G employee related to his employment relationship with K&G. In addition, the Company recorded an extraordinary charge of $2.9 million, net of a $1.4 million tax benefit, related to the write-off of deferred financing costs and prepayment penalties for the refinancing of approximately US$57 million of Moores' indebtedness.

The following is a reconciliation of the amounts of revenues and net earnings previously reported by the Company to the combined amounts of revenues and earnings after giving effect to the combinations with Moores on February 10, 1999 and K&G on June 1, 1999 (in thousands):

<TABLE>
<CAPTION>

	FISCAL YEAR		THREE MONTHS ENDED MAY 1,
	1997	1998	1999
<S>	<C>	<C>	<C>
Revenues			
The Men's Wearhouse (as previously reported)...	$631,110	$ 767,922	$222,183
Moores.....	131,414	130,675	--
K&G.....	112,795	139,234	36,681
Combined.....	$875,319	$1,037,831	$258,864
Net earnings (loss)			
The Men's Wearhouse (as previously reported)...	$ 28,883	$ 40,219	$ (500)
Moores.....	2,068	2,993	--
K&G.....	6,383	6,229	1,338
Combined.....	$ 37,334	$ 49,441	$ 838

</TABLE>

The separate results of Moores' operations during the 10 day period from February 1, 1999 through February 10, 1999 were not material to the Company's operations as a whole, and therefore, are not disclosed separately in the table above.

The separate results of operations for K&G in fiscal 1999 for the period prior to its combination with the Company are reflected in the table above for the three months ended May 1, 1999. The fiscal 1999 extraordinary item of $2,912, net of tax, reported by the Company was not affected by the combination with K&G.

In May 1997, the Company acquired six men's tailored clothing stores, including inventory, operating in Texas and Louisiana. In February 1998, the Company acquired four stores, including inventory, operating in Detroit, Michigan. Also acquired were trademarks, trade names and other intangible assets associated with these businesses.

Transaction costs in fiscal 1997 consist of professional fees, regulatory fees and other costs related to a withdrawn financing initiative by Moores.

3. EARNINGS PER SHARE

Basic EPS is computed using the weighted average number of common shares outstanding during the period and net earnings. Diluted EPS gives effect to the potential dilution which would have occurred if additional shares were issued for stock options exercised under the treasury stock method and, in fiscal 1997 and 1998, conversion of convertible debt, with net earnings adjusted for interest expense associated with the convertible debt. The following table reconciles the earnings and shares used in the basic and diluted EPS computations (in thousands, except per share amounts):

<TABLE>
<CAPTION>

	FISCAL YEAR		
	1997	1998	1999
<S>	<C>	<C>	<C>
Earnings before extraordinary item	$37,334	$50,142	$55,957
Extraordinary item, net of tax	--	701	2,912
Net earnings	$37,334	$49,441	$53,045
Weighted average number of common shares outstanding	39,194	40,738	41,848
Basic EPS			
Earnings before extraordinary item	$ 0.95	$ 1.23	$ 1.34
Extraordinary item, net of tax	--	(0.02)	(0.07)
Net earnings	$ 0.95	$ 1.21	$ 1.27
Earnings before extraordinary item	$37,334	$50,142	$55,957
Interest on notes, net of taxes	1,943	1,144	--
As adjusted	39,277	51,286	55,957
Extraordinary item, net of tax	--	701	2,912
As adjusted	$39,277	$50,585	$53,045
Weighted average number of common shares outstanding	39,194	40,738	41,848
Assumed exercise of stock options	553	684	604
Assumed conversion of notes	2,528	1,542	--
As adjusted	42,275	42,964	42,452
Diluted EPS			
Earnings before extraordinary item	$ 0.93	$ 1.19	$ 1.32
Extraordinary item, net of tax	--	(0.02)	(0.07)
Net earnings	$ 0.93	$ 1.17	$ 1.25

</TABLE>

4. LONG-TERM DEBT

In February 1999, the Company amended and restated its revolving credit agreement with a group of banks (the "Credit Agreement"). This agreement provides for borrowing of up to $125 million through February 5, 2004. Advances under the Credit Agreement bear interest at a rate per annum equal to, at the Company's option, the agent's prime rate or the reserve adjusted LIBOR rate plus an interest rate margin varying between .75% to 1.25%. The Credit Agreement provides for fees applicable to unused commitments of .125% to .225%. As of January 29, 2000, there was no indebtedness outstanding under the Credit Agreement.

The Credit Agreement contains various restrictive and financial covenants, including the requirement to maintain a minimum level of net worth and certain financial ratios. The Credit Agreement also prohibits payment of cash dividends on the common stock of the Company. The Company is in compliance with the covenants in the Credit Agreement.

In February 1999, the Company also entered into two Canadian credit facilities in conjunction with the combination with Moores (see Note 2). These

facilities include a revolving credit agreement (the "Canadian Credit Agreement"), which provides for borrowings up to Can$30 million (US$20 million) through

February 5, 2004 and a term credit agreement (the "Term Loan"), which provides for borrowings of Can$75 million (US$50 million). The Company's total indebtedness of US$49.3 million as of January 29, 2000 consists of Term Loan borrowings. The Term Loan is to be repaid in quarterly installments of Can$0.9 million (US$0.6 million) beginning May 1, 1999, with the remaining unpaid principal payable on February 5, 2004. The effective interest rate for the Term Loan at January 29, 2000 was 6.0%. Covenants and interest rates are substantially similar to those contained in the Company's Credit Agreement. Borrowings under these agreements were used to repay approximately US$57 million in outstanding indebtedness of Moores with the remaining availability used to fund cash operating and other requirements of Moores. The refinanced Moore's debt, which totaled US$55.9 million at January 30, 1999, consisted of a revolving credit facility and three notes payable with effective interest rates ranging from 8.7% to 15.7%.

In June 1999, the Company, in conjunction with the combination with K&G, repaid $0.2 million in outstanding notes payable of K&G. This indebtedness, which was outstanding at January 30, 1999, consisted of two notes payable with fixed interest rates ranging from 6% to 12%.

In August 1998, the Company gave notice to the holders of its outstanding 5 1/4% Convertible Subordinated Notes (the "Notes") that the Company would redeem the Notes on September 14, 1998. As a result, $36.8 million principal amount of the Notes was converted into 1.6 million shares of the Company's common stock and $20.7 million principal amount was redeemed for an aggregate of $21.5 million. An extraordinary charge of $0.7 million, net of tax benefit of $0.5 million, related to the early retirement of the Notes was recognized.

Maturities of long-term debt for the next five fiscal years are as follows: 2000 -- $2.6 million; 2001 -- $2.6 million; 2002 -- $2.6 million; 2003 -- $2.6 million and 2004 -- $38.9 million.

The Company utilizes letters of credit for inventory purchases. At January 29, 2000, letters of credit totaling approximately $13.2 million were issued and outstanding.

5. INCOME TAXES

The provision for income taxes consists of the following (in thousands):

<TABLE>
<CAPTION>

	FISCAL YEAR		
	1997	1998	1999
<S>	<C>	<C>	<C>
Current tax expense:			
Federal	$23,526	$25,715	$32,338
State	4,498	4,558	5,486
Foreign	4,321	4,443	4,826
Deferred tax expense (benefit):			
Federal and state	(3,554)	2,594	125
Foreign	(256)	(400)	(381)
Total	$28,535	$36,910	$42,394

</TABLE>

The table above does not include the tax benefit of $0.5 million in fiscal 1998 and $1.4 million in fiscal 1999 related to extraordinary items. In addition, no provision for U.S. income taxes or Canadian withholding taxes has been made on the cumulative undistributed earnings of Moores (approximately $13.6 million at January 29, 2000) since such earnings are considered to be permanently invested in Canada. The determination of any unrecognized deferred tax liability for the cumulative undistributed earnings of Moores is not considered practicable since such liability, if any, will depend on a number of factors that cannot be known until such time as a decision to repatriate the earnings might be made by management.

A reconciliation of the statutory federal income tax rate to the Company's effective tax rate is as follows:

<TABLE>
<CAPTION>

	FISCAL YEAR		
	1997	1998	1999
<S>	<C>	<C>	<C>
Federal statutory rate	35%	35%	35%
State income taxes, net of federal benefit	5	5	4
Nondeductible transaction costs	1	--	3
Other	2	2	1
	43%	42%	43%

</TABLE>

At January 30, 1999 the Company had net deferred tax assets of $3.9 million with $7.5 million classified as other current assets and $3.6 million classified as other liabilities (noncurrent). At January 29, 2000, the Company had net deferred tax assets of $4.7 million with $10.9 million classified as other current assets and $6.2 million classified as other liabilities (noncurrent). No valuation allowance was required for the deferred tax assets. Total deferred tax assets and liabilities and the related temporary differences as of January 30, 1999 and January 29, 2000 were as follows (in thousands):

<TABLE>
<CAPTION>

	JANUARY 30, 1999	JANUARY 31, 2000
<S>	<C>	<C>
Deferred tax assets:		
Accrued rent and other expenses	$ 5,759	$ 6,615
Accrued compensation	1,034	1,272
Accrued markdowns	1,826	3,088
Deferred intercompany profits	1,486	1,963
Other	437	621
	10,542	13,559
Deferred tax liabilities:		
Capitalized inventory costs	(2,557)	(2,085)
Property and equipment	(2,555)	(3,981)
Intangibles	(1,024)	(1,044)
Deferred intercompany interest	--	(1,174)
Other	(522)	(604)
	(6,658)	(8,888)
Net deferred tax assets	$ 3,884	$ 4,671

</TABLE>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

6. OTHER ASSETS AND ACCRUED EXPENSES

Other assets consist of the following (in thousands):

<TABLE>
<CAPTION>

	JANUARY 30, 1999	JANUARY 29, 2000
<S>	<C>	<C>
Goodwill and other intangibles	$48,796	$51,541
Accumulated amortization	(5,363)	(8,422)
	43,433	43,119
Deposits and other	8,240	6,185
Total	$51,673	$49,304

Accrued expenses consist of the following (in thousands):

Sales, payroll and property taxes payable	$11,440	$11,084
Accrued salary, bonus and vacation	11,472	15,397
Other	20,836	26,820
Total	$43,748	$53,301

</TABLE>

7. CAPITAL STOCK, STOCK OPTIONS AND BENEFIT PLANS

In July 1997, the Company sold 1,500,000 shares of common stock with net proceeds to the Company of $30.0 million. In addition, the Company effected a 50% stock dividend on June 19, 1998. All share and per share amounts reflected in the financial statements give retroactive effect to the stock dividend. In July 1998, K&G issued 88,263 shares of its common stock in a public offering with net proceeds of $1.6 million. As a result of the June 1999 merger (see Note 2), the shares of K&G common stock issued were converted into 37,953 shares of the Company's common stock based upon an Exchange Ratio of .43.

The Company has adopted the 1992 Stock Option Plan ("1992 Plan") which, as amended, provides for the grant of options to purchase up to 1,071,507 shares of the Company's common stock to full-time key employees (excluding certain officers), the 1996 Stock Option Plan ("1996 Plan") which provides for the grant of options to purchase up to 1,125,000 shares of the Company's common stock to full-time key employees (excluding certain officers), and the 1998 Key Employee Stock Option Plan ("1998 Plan") which, as amended, provides for the grant of options to purchase up to 2,100,000 shares of the Company's common stock to full-time key employees (excluding certain officers). Each of the plans will expire at the end of ten years and no option may be granted pursuant to the plans after the expiration date. In fiscal 1992, the Company also adopted a Non-Employee Director Stock Option Plan ("Director Plan") which, as amended, provides for the grant of options to purchase up to 67,500 shares of the Company's common stock to non-employee directors of the Company. Options granted under these plans must be exercised within ten years of the date of grant.

Generally, options granted under the 1992 Plan, 1996 Plan and 1998 Plan vest at the rate of 1/3 of the shares covered by the grant on each of the first three anniversaries of the date of grant and may not be issued at a price less than 50% of the fair market value of the Company's stock on the date of grant. However, a significant portion of options granted under these Plans vest annually in varying increments over a period from one to ten years. Options granted under the Director Plan vest one year after the date of grant and are issued at a price equal to the fair market value of the Company's stock on the date of grant.

In connection with an employment agreement entered into in January 1991 with an officer of the Company, that officer was granted options to acquire 796,705 shares of common stock of the Company at a price of $1.57 per share. Among other things, the employment agreement provides that upon the exercise of any of these options, the Company will pay the officer an amount which, after the payment of income taxes by the officer on such amount, will equal the $1.57 per share purchase price for the shares purchased upon

exercise of the options. The Company recognized compensation expense as the options vested. The officer exercised 110,654 options in fiscal 1997. As of January 31, 1998, all stock options granted in connection with this employment agreement have been exercised.

As discussed in Note 2, the Company converted options to purchase K&G common stock into options to purchase shares of the Company's common stock in connection with the combination with K&G. The following table is a summary of the Company's stock option activity:

<TABLE>
<CAPTION>

	SHARES UNDER OPTION	WEIGHTED AVERAGE EXERCISE PRICE	OPTIONS EXERCISABLE
<S>	<C>	<C>	<C>
Options outstanding, February 1, 1997.....	1,457,668	$11.63	534,770
Granted.....	723,910	23.87	
Exercised.....	(268,268)	5.14	
Forfeited.....	(8,155)	14.27	
Options outstanding, January 31, 1998.....	1,905,155	17.18	548,685
Granted.....	312,390	29.94	
Exercised.....	(135,590)	11.46	
Forfeited.....	(24,977)	20.15	
Options outstanding, January 30, 1999.....	2,056,978	19.46	740,635
Granted.....	142,557	23.46	
Exercised.....	(67,201)	13.08	
Forfeited.....	(79,374)	39.19	
Options outstanding, January 29, 2000.....	2,052,960	19.18	1,063,649

</TABLE>

Grants of stock options outstanding as of January 29, 2000 are summarized as follows:

<TABLE>
<CAPTION>

	OPTIONS OUTSTANDING			OPTIONS EXERCISABLE	
RANGE OF EXERCISE PRICES	NUMBER OUTSTANDING	WEIGHTED-AVERAGE REMAINING CONTRACTUAL LIFE	WEIGHTED-AVERAGE EXERCISE PRICE	NUMBER EXERCISABLE	WEIGHTED-AVERAGE EXERCISE PRICE
<S>	<C>	<C>	<C>	<C>	<C>
$ 3.85 to 15.00	454,665	4.7 Years	$10.53	363,538	$ 8.69
15.01 to 25.00	1,304,361	7.6 Years	19.31	620,218	15.56
25.01 to 50.00	293,934	8.5 Years	31.99	79,893	25.64
3.85 to 50.00	2,052,960		19.18	1,063,649	16.76

</TABLE>

As of January 29, 2000, 1,314,819 options were available for grant under existing plans and 3,367,779 shares of common stock were reserved for future issuance under these plans.

The difference between the option price and the fair market value of the Company's common stock on the dates that options for 268,268, 135,590 and 67,201 shares of common stock were exercised during 1997, 1998 and 1999, respectively, resulted in a tax benefit to the Company of $1.6 million in 1997, $1.5 million in 1998 and $0.4 million in 1999, which has been recognized as capital in excess of par. In addition, the Company withheld 84,921 shares, 26,050 shares and 11,368 shares, respectively, of such common stock for withholding payments made to satisfy the optionees' income tax liabilities resulting from the exercises.

The Company has a profit sharing plan, in the form of an employee stock plan, which covers all eligible employees, and an employee tax-deferred savings plan. Contributions to the plans are made at the discretion of the Board of Directors. During 1997, 1998 and 1999, contributions charged to operations were $1.5 million, $2.1 million and $2.8 million, respectively, for the plans.

In 1998, the Company adopted an Employee Stock Discount Plan ("ESDP"), which allows employees to authorize after-tax payroll deductions to be used for the purchase of up to 1,425,000 shares of the Company's common stock at 85% of the then fair market value. The Company makes no contributions to this plan but pays all brokerage, service and other costs incurred. A participant may not purchase more than $2,500 in value of shares during any calendar quarter. During 1998 and 1999, employees purchased 21,588 and 47,481 shares, respectively, under the ESDP, the weighted-average fair value of which was $19.86 and $21.89 per share, respectively. As of January 29, 2000, 1,355,931 shares were reserved for future issuance under the ESDP.

The Company has adopted the disclosure-only provisions of SFAS No. 123 and continues to apply APB Opinion 25 and related interpretations in accounting for the stock option plans and the employee stock purchase plan. Had the Company elected to apply the accounting standards of SFAS No. 123, the Company's net earnings and net earnings per share would have approximated the pro forma amounts indicated below (in thousands, except per share data):

<TABLE>
<CAPTION>

	FISCAL YEAR		
	1997	1998	1999
<S>	<C>	<C>	<C>
Earnings before extraordinary item:			
As reported	$37,334	$50,142	$55,957
Pro forma	$36,178	$48,325	$53,623
Earnings per share before extraordinary item:			
As reported:			
Basic	$ 0.95	$ 1.23	$ 1.34
Diluted	$ 0.93	$ 1.19	$ 1.32
Pro forma:			
Basic	$ 0.92	$ 1.19	$ 1.28
Diluted	$ 0.90	$ 1.15	$ 1.26

</TABLE>

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model, which resulted in a weighted-average

fair value of $10.90, $13.76 and $14.61 for grants made during fiscal 1997, 1998 and 1999, respectively. The following assumptions were used for option grants in 1997, 1998 and 1999, respectively: expected volatility of 52.15%, 52.07% and 52.92%, risk-free interest rates (U.S. Treasury five year notes) of 5.48%, 4.78% and 5.31%, and an expected life of five years.

8. COMMITMENTS AND CONTINGENCIES

Lease commitments

The Company leases retail business locations, office and warehouse facilities, computer equipment and automotive equipment under operating leases expiring in various years through 2019. Rent expense for fiscal 1997, 1998 and 1999 was $44.7 million, $52.9 million and $61.5 million, respectively, and includes contingent rentals of $0.3 million, $0.1 million and $0.4 million, respectively.

Minimum future rental payments under noncancelable operating leases as of January 29, 2000 for each of the next five years and in the aggregate are as follows (in thousands):

<TABLE>
<CAPTION>

FISCAL YEAR	AMOUNT
<S>	<C>
2000	$ 65,107
2001	61,581
2002	56,525
2003	50,334
2004	42,194
Thereafter	106,205
Total	$381,946

</TABLE>

Leases on retail business locations specify minimum rentals plus common area maintenance charges and possible additional rentals based upon percentages of sales. Most of the retail business location leases provide for renewal options at rates specified in the leases. In the normal course of business, these leases are generally renewed or replaced by other leases.

Legal matters

The Company is a defendant in various lawsuits and subject to various claims and proceedings encountered in the normal conduct of its business. In the opinion of management, any uninsured losses that might arise from these lawsuits and proceedings would not have a material adverse effect on the business or consolidated financial position or results of operations of the Company.

Currency contracts

The Company routinely enters into inventory purchase commitments that are denominated in a foreign currency (primarily the Italian lira). To protect against currency exchange risks associated with certain firmly committed and certain other probable, but not firmly committed inventory transactions, the Company enters into foreign currency forward exchange contracts. At January 29, 2000, the Company held forward exchange contracts with notional amounts totaling $24.3 million. All such contracts expire within 17 months. Gains and losses associated with these contracts are accounted for as part of the underlying inventory purchase transactions. The fair value of the forward exchange contracts is estimated by comparing the cost of the foreign currency to be purchased under the contracts using the exchange rates obtained under the contracts (adjusted for forward points) to the hypothetical cost using the spot rate at year end. At January 29, 2000, the contracts outstanding had a fair value of $1.8 million less than their notional value.

The majority of the forward exchange contracts are with two financial institutions. Therefore, the Company is exposed to credit risk in the event of nonperformance by these parties. However, due to the creditworthiness of these major financial institutions, full performance is anticipated. The Company may also be exposed to market risk as a result of changes in foreign exchange rates. This market risk should be substantially offset by changes in the valuation of the underlying transactions.

9. QUARTERLY RESULTS OF OPERATIONS (UNAUDITED)

The Company's quarterly results of operations reflect all adjustments, consisting only of normal, recurring adjustments, which are, in the opinion of management, necessary for a fair statement of the results for the interim periods presented. The consolidated results of operations by quarter for the 1998 and 1999 fiscal years are presented below (in thousands, except per share amounts):

<TABLE>
<CAPTION>

	FISCAL 1998 QUARTERS ENDED			
	MAY 2, 1998	AUGUST 1, 1998	OCTOBER 31, 1998	JANUARY 30, 1999
<S>	<C>	<C>	<C>	<C>
Net sales	$229,830	$226,580	$234,273	$347,148
Gross margin	80,546	82,990	83,651	130,194
Earnings before extraordinary item	8,126	10,389	8,828	22,799
Net earnings	$ 8,126	$ 10,389	$ 8,127	$ 22,799
Earnings per share before extraordinary item:				
Basic	$ 0.20	$ 0.26	$ 0.22	$ 0.55
Diluted	$ 0.20	$ 0.25	$ 0.21	$ 0.54

</TABLE>

<TABLE>
<CAPTION>

	FISCAL 1999 QUARTERS ENDED			
	MAY 1, 1999	JULY 31, 1999	OCTOBER 30, 1999	JANUARY 29, 2000
<S>	<C>	<C>	<C>	<C>
Net sales	$258,864	$256,567	$272,836	$398,481
Gross margin	91,435	93,294	99,593	154,644
Earnings before extraordinary item	3,750	8,750	12,972	30,485
Net earnings	$ 838	$ 8,750	$ 12,972	$ 30,485
Earnings per share before extraordinary item :				
Basic	$ 0.09	$ 0.21	$ 0.31	$ 0.73
Diluted	$ 0.09	$ 0.21	$ 0.31	$ 0.72

</TABLE>

In the first quarter of 1999, the Company recorded an extraordinary charge of $2.9 million, net of a $1.4 million tax benefit, related to the write-off of deferred financing costs and prepayment penalties for the refinancing of approximately US$57 million of Moores' indebtedness.

An extraordinary charge of $0.7 million, net of tax benefit of $0.5 million, related to the early retirement of the Notes (Note 4) was recognized in the third quarter of 1998.

Due to the method of calculating weighted average common shares outstanding, the sum of the quarterly per share amounts may not equal earnings per share for the respective years.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

The information required by this Item is incorporated herein by reference from the Company's Proxy Statement for its Annual Meeting of Shareholders to be held June 21, 2000.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this Item is incorporated herein by reference from the Company's Proxy Statement for its Annual Meeting of Shareholders to be held June 21, 2000.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information required by this Item is incorporated herein by reference from the Company's Proxy Statement for its Annual Meeting of Shareholders to be held June 21, 2000.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The information required by this Item is incorporated herein by reference from the Company's Proxy Statement for its Annual Meeting of Shareholders to be held June 21, 2000.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(a) 1. FINANCIAL STATEMENTS.

The following consolidated financial statements of the Company are included in Part II, Item 8.

Independent Auditors' Reports
Consolidated Balance Sheets as of January 30, 1999 and January 29, 2000
Consolidated Statements of Earnings for the years ended January 31, 1998, January 30, 1999 and January 29, 2000
Consolidated Statements of Shareholders' Equity for the years ended January 31, 1998, January 30, 1999 and January 29, 2000
Consolidated Statements of Cash Flows for the years ended January 31, 1998, January 30, 1999 and January 29, 2000
Notes to Consolidated Financial Statements

2. FINANCIAL STATEMENT SCHEDULES

All such schedules are omitted because they are not applicable or because the required information is included in the Consolidated Financial Statements or Notes thereto.

3. EXHIBITS

<TABLE>
<CAPTION>

EXHIBIT NUMBER	EXHIBIT INDEX
<C>	<S>
3.1	-- Restated Articles of Incorporation (incorporated by reference from Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 30, 1994).
3.2	-- By-laws, as amended (incorporated by reference from Exhibit 3.2 to the Company's Annual Report on Form 10-K for the fiscal year ended February 1, 1997).
3.3	-- Certificate of Designation, Preferences, Limitations and Relative Rights of the Series A Special Voting Preferred Stock. (incorporated by reference from Exhibit 3.3 to the Company's Annual Report of Form 10-K for the fiscal year ended January 20, 1999).
3.4	-- Articles of Amendment to the Restated Articles of Incorporation (incorporated by reference from Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 31, 1999).
4.1	-- Restated Articles of Incorporation (included as Exhibit 3.1).
4.2	-- By-laws (included as Exhibit 3.2).
4.3	-- Form of Common Stock certificate (incorporated by reference from Exhibit 4.3 to the Company's Registration Statement on Form S-1 (Registration No. 33-45949)).
*4.4	-- Employment Agreement dated as of January 31, 1991, by and between the Company and David H. Edwab, including the First Amendment thereto dated as of September 30, 1991 (incorporated by reference from Exhibit 4.4 to the Company's Registration Statement on Form S-1 (Registration No. 33-45949)).
*4.5	-- Second Amendment effective as of January 1, 1993, to Employment Agreement dated as of January 31, 1991, by and between the Company and David H. Edwab (incorporated by reference from Exhibit 4.5 to the Company's Registration Statement on Form S-1 (Registration No. 33-60516)).
*4.6	-- Second [sic] Amendment dated as of April 12, 1994, to Employment Agreement dated as of January 31, 1991 (incorporated by reference to Exhibit 4.6 to the Company's Annual Report on Form 10-K for the fiscal year ended January 28, 1995).
4.7	-- Registration Rights Agreement dated as of November 18, 1998, by and among The Men's Wearhouse, Inc. and Marpro Holdings, Inc., MGB Limited Partnership, Capital D'Amerique CDPQ Inc., Cerberus International, Ltd., Ultra Cerberus Fund, Ltd., Styx International Ltd., The Long Horizons Overseas Fund Ltd., The Long Horizons Fund, L.P. and Styx Partners, L.P. (incorporated by reference from Exhibit 4.13 to the Company's Registration Statement on Form S-3 (Registration No. 333-69979)).
4.8	-- Support Agreement dated February 10, 1999, between The

Men's Wearhouse, Inc., Golden Moores Company, Moores Retail Group Inc. and Marpro Holdings, Inc., MGB Limited Partnership, Capital D'Amerique CDPQ Inc., Cerberus International, Ltd., Ultra Cerberus Fund, Ltd., Styx International Ltd., The Long Horizons Overseas Fund Ltd., The Long Horizons Fund, L.P. and Styx Partners, L.P. (incorporated by reference from Exhibit 4.2 to the Company's Current Report on Form 8-K (Registration No. 333-72549)).

</TABLE>

<TABLE>
<CAPTION>

EXHIBIT NUMBER	EXHIBIT INDEX
<C>	<S>
4.9	-- Revolving Credit Agreement dated as of February 5, 1999, by and among the Company and NationsBank of Texas N.A. and the Banks listed therein, including form of Revolving Note. (incorporated by reference from Exhibit 4.13 to the Company's Annual Report of Form 10-K for the fiscal year ended January 30, 1999.)
4.10	-- Term Credit Agreement dated as of February 5, 1999, by and among the Company, certain subsidiaries of the Company and NationsBank of Texas N.A. and the Banks listed therein, including form of Term Note. (incorporated by reference from Exhibit 4.14 to the Company's Annual Report of Form 10-K for the fiscal year ended January 30, 1999).
4.11	-- Revolving Credit Agreement dated as of February 10, 1999, by and among the Company, certain subsidiaries of the Company and Bank of America Canada and the Banks listed therein, including form of Revolving Note. (incorporated by reference from Exhibit 4.15 to the Company's Annual Report of Form 10-K for the fiscal year ended January 30,1999).
4.12	-- Certificate of Designation, Preferences, Limitations and Relative Rights of the Series A Special Voting Preferred Stock (included as Exhibit 3.3).
9.1	-- Voting Trust Agreement dated February 10, 1999, by and between The Men's Wearhouse, Inc., Golden Moores Company, Moores Retail Group Inc. and The Trust Company of Bank of Montreal (incorporated by reference from Exhibit 9.1 to the Company's Current Report on Form 8-K (Registration No. 333-72579)).
*10.1	-- Employment Agreement dated as of January 31, 1991, including the First Amendment thereto dated as of September 30, 1991 by and between the Company and David H. Edwab (included as Exhibit 4.4).
*10.2	-- Second Amendment effective as of January 1, 1993, to Employment Agreement dated as of January 31, 1991, by and between the Company and David H. Edwab (included as Exhibit 4.5).
*10.3	-- Second [sic] Amendment dated as of April 12, 1994, to Employment Agreement dated as of January 31, 1991 (incorporated by reference to Exhibit 4.6 to the Company's Annual Report on Form 10-K for the fiscal year ended January 28, 1995).
*10.4	-- 1992 Stock Option Plan (incorporated by reference from Exhibit 10.5 to the Company's Registration Statement on Form S-1 (Registration No. 33-45949)).
*10.5	-- First Amendment to 1992 Stock Option Plan (incorporated by Reference from Exhibit 10.9 to the Company's Registration Statement on Form S-1 (Registration No. 33-60516)).
*10.6	-- Non-Employee Director Stock Option Plan (incorporated by reference from Exhibit 10.7 to the Company's Registration Statement on Form S-1 (Registration No. 33-45949)).
*10.7	-- First Amendment to Non-Employee Director Stock Option Plan (incorporated by reference from Exhibit 10.16 to the Company's Registration Statement on Form S-1 (Registration No. 33-45949)).
10.8	-- Commercial Lease dated September 1, 1995, by and between the Company and Zig Zag, A Joint Venture (incorporated by reference from Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended May 4, 1996).

</TABLE>

<TABLE>
<CAPTION>

EXHIBIT NUMBER	EXHIBIT INDEX

10.9	-- Commercial Lease dated April 5, 1989, by and between the Company and Preston Road Partnership (incorporated by reference from Exhibit 10.10 to the Company's Registration Statement on Form S-1 (Registration No. 33-45949)).
*10.10	-- Stock Agreement dated as of March 23, 1992, between the Company and George Zimmer (incorporated by reference from Exhibit 10.13 to the Company's Registration Statement on Form S-1 (Registration No. 33-45949)).
*10.11	-- Split-Dollar Agreement and related Split-Dollar Collateral Assignment dated November 25, 1994 between the Company, George Zimmer and David Edwab, Co-Trustee of the Zimmer 1994 Irrevocable Trust (incorporated by reference to Exhibit 10.20 to the Company's Annual Report on Form 10-K for the fiscal year ended January 28, 1995).
*10.12	-- 1996 Stock Option Plan (incorporated by reference from Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended August 3, 1996).
*10.13	-- Second Amendment to Non-Employee Director Stock Option Plan (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended August 3, 1996).
10.14	-- 1998 Key Employee Stock Option Plan (incorporated by reference from Exhibit 10.18 to the Company's Annual Report on Form 10-K for the fiscal year ended January 31, 1998).
10.15	-- First amendment to 1998 Key Employee Stock Option Plan (incorporated by reference from Exhibit 4.1 to the Company's registration Statement on Form S-8 (registration No. 333-80033)).
10.16	-- Amended and Restated Employment Agreement dated as of June 1, 1999, by and between K&G Men's Center, Inc. and Stephen H. Greenspan (incorporated by reference from Exhibit 10.1 of the Company's Current Report on Form 8-K dated June 11, 1999).
10.17	-- Lease dated October 1, 1994, by and between Stephen H. Greenspan, Paul Ruben and Richard M. Vehon and T&C Liquidators, Inc. (Filed herewith.)
10.18	-- Amendment to Lease dated April 15, 1996, by and between Stephen H. Greenspan, Paul Ruben and Richard M. Vehon and T&C Liquidators, Inc. (Filed herewith.)
10.19	-- Lease Agreement dated November 20, 1995, by and between Ellsworth Realty, L.L.C. and K&G Men's Center, Inc. (Filed herewith.)
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10.21	-- Second Amendment to Lease Agreement dated July 1, 1999, by and between Ellsworth Realty, L.L.C. and K&G Men's Center, Inc. (Filed herewith.)
10.22	-- Second Amendment to 1998 Key Employee Stock Option Plan. (Filed herewith.)
10.23	-- Limited Liability Company Agreement of Chelsea Market Systems, L.L.C. dated January 3, 2000, between and among Renwick Technologies, Inc. and Harry M. Levy. (Filed herewith.)
10.24	-- Software Development Agreement dated January 3, 2000, by and between the Company and Chelsea Market Systems, L.L.C. (Filed herewith.)
21.1	-- Subsidiaries of the Company. (Filed herewith.)
23.1	-- Consent of Deloitte & Touche LLP, independent auditors. (Filed herewith.)
23.2	-- Consent of Ernst & Young LLP, independent auditors. (Filed herewith.)
23.3	-- Consent of Arthur Andersen LLP, independent auditors. (Filed herewith.)

EXHIBIT NUMBER	EXHIBIT INDEX
27.1	-- Financial Data Schedule. (Filed herewith.)
27.2	-- Restated financial data schedule for the first, second and third quarters in fiscal years 1997 and for fiscal years 1996 and 1997 (incorporated by reference from Exhibit 27.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 31, 1999).
27.3	-- Restated financial data schedule for the first, second and third quarters in fiscal years 1998, for the first quarter in fiscal year 1999 and for fiscal year 1998

		(incorporated by reference from Exhibit 27.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 31, 1999).
27.4	--	Restated financial data schedule, as amended, for the first quarter in fiscal year 1999. (Filed herewith.)

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* Management Compensation or Incentive Plan

As permitted by Item 601(b)(4)(iii)(A) of Regulation S-K, the Registrant has not filed with this Annual Report on Form 10-K certain instruments defining the rights of holders of long-term debt of the Registrant and its subsidiaries because the total amount of securities authorized under any of such instruments does not exceed 10% of the total assets of the Registrant and its subsidiaries on a consolidated basis. The Registrant agrees to furnish a copy of any such agreements to the Securities and Exchange Commission upon request.

The Company will furnish a copy of any exhibit described above to any beneficial holder of its securities upon receipt of a written request therefor, provided that such request sets forth a good faith representation that, as of the record date for the Company's 2000 Annual Meeting of Shareholders, such beneficial holder is entitled to vote at such meeting, and provided further that such holder pays to the Company a fee compensating the Company for its reasonable expenses in furnishing such exhibits.

(b) REPORTS ON FORM 8-K.

On February 25, 1999, the Company filed a report on Form 8-K related to the February 10, 1999 closing of the Moores combination. Moores consolidated financial statements, including a consolidated balance sheet as of January 31, 1998 and October 31, 1998, a consolidated statement of income and comprehensive income, a consolidated statement of stockholders' equity and a consolidated statement of cash flows, each for the year ended January 31, 1998 and for the nine months ended October 31, 1997 and October 31, 1998, as well as pro forma financial statements including a combined balance sheet as of October 31, 1998 and combined statements of earnings for the years ended January 31, 1998 and for the nine months ended November 1, 1997 and October 31, 1998, were included in this current report on Form 8-K.

On March 5, 1999, the Company filed a current report on Form 8-K related to the signing of the merger agreement with K&G.

On April 26, 1999, the Company filed a report on Form 8-K pursuant to the terms of the combination agreement with Moores. The Company's consolidated statements of earnings for each of the two month periods ended April 4, 1998 and April 3, 1999, as well as pro forma statements of earnings for each of the same periods excluding one-time transaction costs, duplicative store closing costs and extraordinary charges associated with Moores, were included in this current report on Form 8-K.

On June 11, 1999, the Company filed a report on Form 8-K related to the June 1, 1999 closing of the K&G merger. K&G consolidated financial statements, including a consolidated balance sheet as of February 1, 1998 and January 31, 1999, a consolidated statement of operations, a consolidated statement of stockholders' equity and a consolidated statement of cash flows, each for the year ended February 2, 1997, February 1,1998 and January 31, 1999, as well as pro forma financial statements including a combined balance sheet as of January 30, 1999 and combined statements of earnings for the years ended February 1, 1997, January 31, 1998 and January 30, 1999, were included in this current report on Form 8-K.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

THE MEN'S WEARHOUSE, INC.

By: /s/ GEORGE ZIMMER

George Zimmer
Chairman of the Board and
Chief Executive Officer

Dated: April 28, 2000

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacity and on the dates indicated.

<TABLE>
<CAPTION>

SIGNATURE	TITLE	DATE
/s/ GEORGE ZIMMER George Zimmer	Chairman of the Board, Chief Executive Officer and Director	April 28, 2000
/s/ DAVID EDWAB David Edwab	President and Director	April 28, 2000
/s/ GARY G. CKODRE Gary G. Ckodre	Vice President -- Finance and Principal Financial and Accounting Officer	April 28, 2000
/s/ RICHARD E. GOLDMAN Richard E. Goldman	Executive Vice President and Director	April 28, 2000
/s/ HARRY M. LEVY Harry M. Levy	Executive Vice President -- Planning and Systems, Assistant Secretary and Director	April 28, 2000
/s/ ROBERT E. ZIMMER Robert E. Zimmer	Senior Vice President -- Real Estate and Director	April 28, 2000
/s/ JAMES E. ZIMMER James E. Zimmer	Senior Vice President -- Merchandising and Director	April 28, 2000
/s/ RINALDO S. BRUTOCO Rinaldo S. Brutoco	Director	April 28, 2000
/s/ MICHAEL L. RAY Michael L. Ray	Director	April 28, 2000
/s/ SHELDON I. STEIN Sheldon I. Stein	Director	April 28, 2000
/s/ STEPHEN H. GREENSPAN Stephen H. Greenspan	Chief Executive Officer -- Value Priced Clothing Division and Director	April 28, 2000

EXHIBIT INDEX

EXHIBIT NUMBER	EXHIBIT INDEX
3.1	-- Restated Articles of Incorporation (incorporated by reference from Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 30, 1994).
3.2	-- By-laws, as amended (incorporated by reference from Exhibit 3.2 to the Company's Annual Report on Form 10-K for the fiscal year ended February 1, 1997).
3.3	-- Certificate of Designation, Preferences, Limitations and Relative Rights of the Series A Special Voting Preferred Stock. (incorporated by reference from Exhibit 3.3 to the Company's Annual Report of Form 10-K for the fiscal year ended January 20, 1999).
3.4	-- Articles of Amendment to the Restated Articles of Incorporation (incorporated by reference from Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 31, 1999).
4.1	-- Restated Articles of Incorporation (included as Exhibit 3.1).
4.2	-- By-laws (included as Exhibit 3.2).
4.3	-- Form of Common Stock certificate (incorporated by reference from Exhibit 4.3 to the Company's Registration Statement on Form S-1 (Registration No. 33-45949)).
*4.4	-- Employment Agreement dated as of January 31, 1991, by and between the Company and David H. Edwab, including the First Amendment thereto dated as of September 30, 1991 (incorporated by reference from Exhibit 4.4 to the Company's Registration Statement on Form S-1 (Registration No. 33-45949)).
*4.5	-- Second Amendment effective as of January 1, 1993, to

		Employment Agreement dated as of January 31, 1991, by and between the Company and David H. Edwab (incorporated by reference from Exhibit 4.5 to the Company's Registration Statement on Form S-1 (Registration No. 33-60516)).
*4.6	--	Second [sic] Amendment dated as of April 12, 1994, to Employment Agreement dated as of January 31, 1991 (incorporated by reference to Exhibit 4.6 to the Company's Annual Report on Form 10-K for the fiscal year ended January 28, 1995).
4.7	--	Registration Rights Agreement dated as of November 18, 1998, by and among The Men's Wearhouse, Inc. and Marpro Holdings, Inc., MGB Limited Partnership, Capital D'Amerique CDPQ Inc., Cerberus International, Ltd., Ultra Cerberus Fund, Ltd., Styx International Ltd., The Long Horizons Overseas Fund Ltd., The Long Horizons Fund, L.P. and Styx Partners, L.P. (incorporated by reference from Exhibit 4.13 to the Company's Registration Statement on Form S-3 (Registration No. 333-69979)).
4.8	--	Support Agreement dated February 10, 1999, between The Men's Wearhouse, Inc., Golden Moores Company, Moores Retail Group Inc. and Marpro Holdings, Inc., MGB Limited Partnership, Capital D'Amerique CDPQ Inc., Cerberus International, Ltd., Ultra Cerberus Fund, Ltd., Styx International Ltd., The Long Horizons Overseas Fund Ltd., The Long Horizons Fund, L.P. and Styx Partners, L.P. (incorporated by reference from Exhibit 4.2 to the Company's Current Report on Form 8-K (Registration No. 333-72549)).
4.9	--	Revolving Credit Agreement dated as of February 5, 1999, by and among the Company and NationsBank of Texas N.A. and the Banks listed therein, including form of Revolving Note. (incorporated by reference from Exhibit 4.13 to the Company's Annual Report of Form 10-K for the fiscal year ended January 30, 1999.)

</TABLE>

<TABLE>
<CAPTION>

EXHIBIT NUMBER		EXHIBIT INDEX
<C>		<S>
4.10	--	Term Credit Agreement dated as of February 5, 1999, by and among the Company, certain subsidiaries of the Company and NationsBank of Texas N.A. and the Banks listed therein, including form of Term Note. (incorporated by reference from Exhibit 4.14 to the Company's Annual Report of Form 10-K for the fiscal year ended January 30, 1999).
4.11	--	Revolving Credit Agreement dated as of February 10, 1999, by and among the Company, certain subsidiaries of the Company and Bank of America Canada and the Banks listed therein, including form of Revolving Note. (incorporated by reference from Exhibit 4.15 to the Company's Annual Report of Form 10-K for the fiscal year ended January 30,1999).
4.12	--	Certificate of Designation, Preferences, Limitations and Relative Rights of the Series A Special Voting Preferred Stock (included as Exhibit 3.3).
9.1	--	Voting Trust Agreement dated February 10, 1999, by and between The Men's Wearhouse, Inc., Golden Moores Company, Moores Retail Group Inc. and The Trust Company of Bank of Montreal (incorporated by reference from Exhibit 9.1 to the Company's Current Report on Form 8-K (Registration No. 333-72579)).
*10.1	--	Employment Agreement dated as of January 31, 1991, including the First Amendment thereto dated as of September 30, 1991 by and between the Company and David H. Edwab (included as Exhibit 4.4).
*10.2	--	Second Amendment effective as of January 1, 1993, to Employment Agreement dated as of January 31, 1991, by and between the Company and David H. Edwab (included as Exhibit 4.5).
*10.3	--	Second [sic] Amendment dated as of April 12, 1994, to Employment Agreement dated as of January 31, 1991 (incorporated by reference to Exhibit 4.6 to the Company's Annual Report on Form 10-K for the fiscal year ended January 28, 1995).
*10.4	--	1992 Stock Option Plan (incorporated by reference from Exhibit 10.5 to the Company's Registration Statement on Form S-1 (Registration No. 33-45949)).
*10.5	--	First Amendment to 1992 Stock Option Plan (incorporated by Reference from Exhibit 10.9 to the Company's Registration Statement on Form S-1 (Registration No. 33-60516)).
*10.6	--	Non-Employee Director Stock Option Plan (incorporated by reference from Exhibit 10.7 to the Company's Registration

	Statement on Form S-1 (Registration No. 33-45949)).
*10.7	-- First Amendment to Non-Employee Director Stock Option Plan (incorporated by reference from Exhibit 10.16 to the Company's Registration Statement on Form S-1 (Registration No. 33-45949)).
10.8	-- Commercial Lease dated September 1, 1995, by and between the Company and Zig Zag, A Joint Venture (incorporated by reference from Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended May 4, 1996).
10.9	-- Commercial Lease dated April 5, 1989, by and between the Company and Preston Road Partnership (incorporated by reference from Exhibit 10.10 to the Company's Registration Statement on Form S-1 (Registration No. 33-45949)).
*10.10	-- Stock Agreement dated as of March 23, 1992, between the Company and George Zimmer (incorporated by reference from Exhibit 10.13 to the Company's Registration Statement on Form S-1 (Registration No. 33-45949)).

<TABLE>
<CAPTION>

EXHIBIT NUMBER	EXHIBIT INDEX
<C>	<S>
*10.11	-- Split-Dollar Agreement and related Split-Dollar Collateral Assignment dated November 25, 1994 between the Company, George Zimmer and David Edwab, Co-Trustee of the Zimmer 1994 Irrevocable Trust (incorporated by reference to Exhibit 10.20 to the Company's Annual Report on Form 10-K for the fiscal year ended January 28, 1995).
*10.12	-- 1996 Stock Option Plan (incorporated by reference from Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended August 3, 1996).
*10.13	-- Second Amendment to Non-Employee Director Stock Option Plan (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended August 3, 1996).
10.14	-- 1998 Key Employee Stock Option Plan (incorporated by reference from Exhibit 10.18 to the Company's Annual Report on Form 10-K for the fiscal year ended January 31, 1998).
10.15	-- First amendment to 1998 Key Employee Stock Option Plan (incorporated by reference from Exhibit 4.1 to the Company's registration Statement on Form S-8 (registration No. 333-80033)).
10.16	-- Amended and Restated Employment Agreement dated as of June 1, 1999, by and between K&G Men's Center, Inc. and Stephen H. Greenspan (incorporated by reference from Exhibit 10.1 of the Company's Current Report on Form 8-K dated June 11, 1999).
10.17	-- Lease dated October 1, 1994, by and between Stephen H. Greenspan, Paul Ruben and Richard M. Vehon and T&C Liquidators, Inc. (Filed herewith.)
10.18	-- Amendment to Lease dated April 15, 1996, by and between Stephen H. Greenspan, Paul Ruben and Richard M. Vehon and T&C Liquidators, Inc. (Filed herewith.)
10.19	-- Lease Agreement dated November 20, 1995, by and between Ellsworth Realty, L.L.C. and K&G Men's Center, Inc. (Filed herewith.)
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10.23	-- Limited Liability Company Agreement of Chelsea Market Systems, L.L.C. dated January 3, 2000, between and among Renwick Technologies, Inc. and Harry M. Levy. (Filed herewith.)
10.24	-- Software Development Agreement dated January 3, 2000, by and between the Company and Chelsea Market Systems, L.L.C. (Filed herewith.)
21.1	-- Subsidiaries of the Company. (Filed herewith.)
23.1	-- Consent of Deloitte & Touche LLP, independent auditors. (Filed herewith.)
23.2	-- Consent of Ernst & Young LLP, independent auditors. (Filed herewith.)
23.3	-- Consent of Arthur Andersen LLP, independent auditors. (Filed herewith.)
27.1	-- Financial Data Schedule. (Filed herewith.)

</TABLE>

<TABLE>

<CAPTION>

EXHIBIT NUMBER	EXHIBIT INDEX
<C>	<S>
27.2	-- Restated financial data schedule for the first, second and third quarters in fiscal years 1997 and for fiscal years 1996 and 1997 (incorporated by reference from Exhibit 27.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 31, 1999).
27.3	-- Restated financial data schedule for the first, second and third quarters in fiscal years 1998, for the first quarter in fiscal year 1999 and for fiscal year 1998 (incorporated by reference form Exhibit 27.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 31, 1999).
27.4	-- Restated financial data schedule, as amended, for the first quarter in fiscal year 1999. (Filed herewith.)

</TABLE>

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* Management Compensation or Incentive Plan

EXHIBIT 10.17

STATE OF GEORGIA
COUNTY OF FULTON

LEASE

THIS Lease, made and entered into this 1st day of October, 1994, by and between STEPHEN H. GREENSPAN, PAUL RUBEN and RICHARD M. VEHON (herein referred to as the "Lessor") and T&C LIQUIDATORS, INC., a Texas corporation (herein referred to as the "Lessee").

ARTICLE I. DEMISE OF PREMISES

Section 1.01 Demise. For and in consideration of the payment of rent herein reserved and the performance of the covenants and agreements herein on the part of Lessee to be observed and performed, Lessor does hereby demise and lease to Lessee that certain tract of land being Lot 5 and the South 20 feet of Lot 4, in BLOCK D, of FREEWAY INDUSTRIAL DISTRICT, an Addition to the City of Irving, Dallas County, Texas, according to the Map or Plat thereof recorded in Volume 402, Page 1437, of the Map Records of Dallas County, Texas together with all buildings, structures and other improvements, now or hereafter located thereon (herein collectively referred to as the "Premises").

ARTICLE II. TERM OF LEASE

Section 2.01 Term of Lease. The term of this Lease shall commence on the 1st day of October, 1994 and, unless sooner terminated or extended as herein provided, shall continue thereafter for two (2) years until midnight on the 30th day of September, 1996.

ARTICLE III. COVENANTS AND WARRANTIES OF LESSOR

Section 3.01 Leasehold Estate of Lessor. Lessor warrants that it has full right and lawful authority to enter into this Lease; that it is lawfully seized of a fee simple estate in the Premises, subject to those matters set forth on Exhibit "A" hereof.

Section 3.02 Quiet Possession. On paying the rent herein reserved and performing and observing each and every covenant to be observed, kept and performed by Lessee under this Lease, Lessee shall peaceable hold and enjoy the Premises during the term of this Lease.

ARTICLE IV. ANNUAL RENT AND ADDITIONAL RENT

Section 4.01 Rent. During the term of this Lease, Lessee agrees to pay Lessor, as rent hereunder, an annual rent as follows:

<TABLE>
<CAPTION>

YEAR	ANNUAL RENT	MONTHLY INSTALLMENT
<S>	<C>	<C>
10/1/94 - 9/30/95	$ 60,000.00	$ 5,000.00
10/1/95 - 9/30/96	$ 63,000.00	$ 5,250.00

</TABLE>

The rent shall be paid in equal monthly installments on the first day of each calendar month during the term of this Lease, at the office of Lessor, 1750-A Ellsworth Industrial Boulevard, Atlanta, Georgia 30318, or at such other address as Lessor may from time to time designate in writing to Lessee.

Section 4.02 Additional Rent. Lessee agrees to pay, from time to time as provided in this Lease (i) all other amounts and sums which Lessee herein assumes and agrees to pay, (ii) interest at the rate of ten percent (10%) per annum on such of the foregoing amounts and sums as are payable to Lessor and are not paid within five (5) days after the due date or if a demand therefor is required by terms of this Lease, within five (5) days after the date of such

demand, from the due date or the date of such demand, as the case may be, until payment thereof, and (iii) interest at the rate of ten percent (10%) per annum on all installments of rent not paid by the due date, from the due date thereof until paid (each and all of the sums provided in this Section 4.02 are herein referred to as the "Additional Rent"). If Lessee fails to pay any Additional Rent, Lessor shall have all the fights, powers and remedies provided for in this Lease or at law or in equity or otherwise in the event of nonpayment of the rent.

Section 4.03 Net Lease; Non-Termination. This Lease is a net lease and the rent and Additional Rent shall be paid without notice, demand, counterclaim, set-off, deduction or defense and, without abatement, suspension, deferment, diminution or reduction. Except as otherwise expressly provided in the Lease, this Lease shall not terminate nor shall Lessee have any right to terminate this Lease or be entitled to the abatement of any rent hereunder or any reduction thereof, nor shall the obligations of Lessee under this Lease be otherwise affected, by reason of (i) any damage to or destruction of all or any portion of the Premises from whatever cause, (ii) any taking of all or any part of the Premises by condemnation, requisition or otherwise, (iii) the prohibition, limitation, or restriction of or interference with Lessee's use of all or any portion of the Premises, (iv) any title defect or encumbrance or any eviction by paramount title or otherwise, (v) failure on the part of Lessor to perform or comply with any term, provision or covenant of this Lease or any other agreement to which Lessor and Lessee may be parties, (vi) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to Lessor, or any action taken with respect to this Lease by any trustee or receiver of Lessor or by any court in which such proceedings so long as the rights and interest of Lessee hereunder are not materially altered by such proceeding, (vii) any claim which Lessee has or might have against

Lessor, or (viii) for any other cause whether similar or dissimilar to the foregoing. Except as otherwise expressly provided in this Lease, Lessee waives all rights now or hereafter conferred by statute or otherwise to quit, terminate or surrender this Lease or the leasehold estate in the Premises or any part thereof, or to any abatement, suspension, deferment, diminution or reduction of the rent.

ARTICLE V. TAXES ASSESSMENTS AND CHARGES

Section 5.01 Taxes and Assessments. Subject to the provisions of Section 14.01 hereof, Lessee agrees to discharge and pay before the same become delinquent and before any fine, penalty, or interest may be added for nonpayment, any and all taxes, assessments, license fees, excises, imposts and charges of every nature and classification (all or any one of which are herein referred to as a "Tax") that at any time during the term of this Lease and any extension hereof are levied, assessed, charged or imposed on the Premises, this Lease, the leasehold estate of Lessee created hereby or any rent reserved or payable hereunder including any gross receipts or other taxes levied upon, assessed against or measured by the rent; provided, however, that Lessee shall not be obligated to pay any income, inheritance or estate tax or any tax imposed, levied or assessed with respect to or because of the income, appreciation or other benefits derived by Lessor from or by virtue of this Lease.

Section 5.02 Charges. Subject to the provisions of Section 14.01 hereof, Lessee agrees that it shall pay when due all charges for all public or private utility services including, but not limited to water, sewer, gas, light, heat and air conditioning, telephone, electricity, trash removal, power and other utility and communications services (all or anyone of which are herein referred to as a "Charge") that at any time during the term of this Lease are rendered with respect to the Premises.

Section 5.03 General. Lessee agrees to deliver to Lessor, within thirty (30) days after the same shall become due, receipts evidencing the payment of any Tax or Charge required to be paid by Lessee. If any Tax or Charge may be paid in installments, Lessee shall be obligated to pay only such installments as they become due. Any Tax for the year in which this Lease commences and terminates shall be prorated between Lessor and Lessee as of such dates.

ARTICLE VI. CONDITION AND USE OF THE PREMISES

Section 6.01 Condition of the Premises. Lessee acknowledges that (i) the Premises are in good order and condition and comply in all respects with the requirements of this Lease, (ii) Lessor has made no representation or warranty with respect to the condition of the Premises or their fitness or ability to be used for any particular purpose and (iii) Lessee has made a complete inspection

of the Premises and that all risks with respect to the Premises are to be borne by Lessee. Lessor leases and Lessee takes the Premises "as-is" with all faults and defects.

Section 6.02 Use of the Premises. Lessee may use the Premises for any lawful retail purpose. Lessee shall not use the Premises or any portion thereof for any other purpose without the prior written consent of Lessor. Lessee agrees that the use or occupation of the Premises or any part thereof shall not violate any permit, license or franchise with respect thereto, vitiate or increase the rate of insurance with respect to the Premises, cause the value or usefulness thereof to diminish or constitute a public or private nuisance or waste.

ARTICLE VII. COMPLIANCE WITH LAW LIENS AND ENCUMBRANCES

Section 7.01 Compliance with Laws. Subject to the provisions of Section 14.01 hereof, Lessee, at its sole cost and expense, shall comply with and cause the Premises and any improvements located thereon to comply with (i) all federal, state, county, municipal and other government statutes, laws, rules, regulations and ordinances affecting the Premises or any part thereof, or the use thereof, including those which require the "Repairs", as that term is defined in Section 8.01 hereof, "Alterations", as that term is defined in Section 8.02 hereof, or any structural changes in the improvements whether or not any such statutes, laws, rules, orders, regulations or ordinances which may hereafter be enacted involve a change of policy on the part of the governmental body enacting the same, (ii) all rules, orders and regulation of the National Board of Fire Underwriters or other bodies exercising similar functions and responsibilities in connection with the prevention of fire or the correction of hazardous conditions which apply to the Premises and (iii) the requirements of all policies of public liability, fire and other insurance which at the time may be in force with respect to the Premises (any one of the items enumerated in this Section 7.01 is herein referred to as a "Regulation" and all or more than one of which are herein referred to as the "Regulations").

Section 7.02 Liens and Encumbrances. Subject to the provisions of Section 14.01 hereof, Lessee shall not create or permit to be created or to remain, and, shall promptly discharge, at its sole cost and expense, any lien, encumbrance or charge (each or all of which are herein referred to as "Lien") on the Premises or any part thereof or on Lessee's leasehold estate hereunder that arises from the use or occupancy of the Premises by Lessee or by reason of any labor, service or material furnished or claimed to have been furnished to Lessee or by reason of any construction, Alteration, Repair or demolition by Lessee of all or any part the Premises. The existence of any Lien shall not constitute a violation of this Section 7.02 if payment is not then due upon the contract or for the material or services for which such Lien has been claimed. Notice is hereby given that Lessor will not be liable for the cost and expense of any labor, services or materials furnished or to be furnished with respect to the Premises at or by the direction of Lessee or anyone holding the Premises or any part thereof by, through or under Lessee and that no laborer's, mechanic's or materialman's or other lien for such labor, services or materials shall attach to or affect the interest of Lessor in and to the Premises or the fee simple title in the Premises.

ARTICLE VIII. REPAIRS AND ALTERATIONS

Section 8.01 Maintenance and Repair. Lessee, at its sole cost and expense, shall keep the Premises in good order, condition and repair ordinary wear and tear excepted and shall promptly make or cause to be made any and all necessary or appropriate repairs, replacements, or renewals (herein collectively referred as the "Repairs"). Lessor shall not be required to make any Repairs in, on or to the Premises during the term of this Lease. Lessee hereby waives any right to make repairs at the expense of Lessor which may or hereafter be provided by statute or law.

Section 8.02 Alterations and Additions. Lessee, at its sole cost and expense, may make additions to, alterations and replacements of and substitutions for the building and improvements (herein singularly referred to as an "Alteration" and collectively referred to as the "Alterations"); provided, however, that any Alteration shall (i) not reduce or diminish the market value of the Premises; (ii) be performed in a good workmanlike manner and with such

materials and in such manner as is consistent in character and quality with construction of the building; (iii) conform with all the requirements of this Lease including, but not limited to, those under Section 7.01 and Article X hereof and (v) be expeditiously completed free of any Lien and in compliance with any applicable Regulation. If the aggregate cost of any Alteration shall exceed Fifty Thousand Dollars ($50,000.00) or if the Alteration substantially affects the exterior appearance of any part of the building and/or the improvements located on the Premises, prior to the commencement thereof, Lessee shall obtain the prior written consent of Lessor.

Section 8.03 Inspection by Lessor. Lessor and its authorized representatives may enter the Premises or any part thereof at all reasonable times for the purpose of inspecting the same. Lessor shall not have any duty to make any such inspection nor shall it incur any liability or obligation for not making any such inspection.

ARTICLE IX. DAMAGE AND DESTRUCTION

Section 9.01 Notices. If any damage to or destruction of all or any part of the Premises occurs, Lessee will promptly give written notice thereof to Lessor generally describing the nature and extent of such damage or destruction.

Section 9.02 Total or Partial. If the Premises are (i) partially damaged and restoration thereof cannot, in Lessor's sole discretion, be completed within one hundred and fifty (150) days after the date of such destruction or (ii) totally destroyed, Lessor, at its sole and exclusive option by notice to Lessee given on or before sixty (60) days after the date of such casualty, may terminate this Lease in which event the rent shall abate for the unexpired portion of the term of this Lease effective as of the date of the notice of termination. If this Lease is terminated, Lessor and Lessee shall be released and discharged from any obligations or liabilities under this Lease except for those which by there express terms survive the expiration or termination of this Lease.

Section 9.03 Restoration. If Lessor elects to restore the Premises after a casualty (whether total or partial), Lessor shall, at its sole cost and expense, proceed with reasonable diligence to restore the Premises to substantially the same condition as they were prior to such casualty. During such restoration, if all or a portion of the Premises are untenantable and the damage or destruction was not caused in whole or in part by any negligent act or omission of Lessee, its agents, employees, invitees or others for whom the Lessee is responsible, the rent payable under this Lease during the period in which the Premises are untenantable shall be adjusted in such a manner as is fair and reasonable under the circumstances. If Lessor elects to restore the Premises and thereafter fails to complete the necessary restoration of the Premises to permit Lessee to reoccupy the Premises on or before one hundred and fifty (150) days after the date such destruction, Lessee may, at its option and as its sole right and exclusive remedy, terminate this Lease by notice to Lessor given on or before thirty (30) days after the date on which the Premises were required to be restored by Lessor. If this Lease is terminated, Lessor and Lessee shall be released and discharged from any obligations or liabilities under this Lease except for those which by there express terms survive the expiration or termination of this Lease.

Unless otherwise expressly provided in this Lease, there shall be no abatement or reduction or any rent payable by Lessee under this Lease during the Restoration or on account of such damage or destruction.

ARTICLE X. INSURANCE.

Section 10.01 Classes of Insurance. Lessee shall keep the Premises insured against the risks and hazards and with coverage in amounts not less than those specified as follows:

A. Insurance against loss or damage to the Premises by fire and other risks customarily included under a standard ISO form of commercial property insurance with a special form coverage in an amount equal to the full and actual replacement cost, including the costs of debris removal, less physical depreciation of the improvements located on the Premises and with replacement cost endorsements and deductible provisions which do not exceed One Thousand and No/100 Dollars ($1,000.00);

B. General public liability and property damage insurance (including, but not limited to, coverage for any construction on or

about the Premises) covering the legal liability of Lessor and Lessee against claims for any bodily injury or death of persons and for damage to or destruction of property occurring on, in or about the Premises and the adjoining streets, sidewalks and passageways and arising out of the use or occupation of the Premises by Lessee in the minimum amounts of One Million Dollars ($1,000,000.00) for each occurrence in connection with any one death or bodily injury, Three Million Dollars ($3,000,000.00) in connection with any single occurrence, and Five Hundred Thousand Dollars ($500,000.00) in connection with claims for property damage; and

C. Such other insurance on the Premises in such amounts and against such other insurable hazards which at the time are commonly obtained in the case of property similar to the Premises, due regard being given to the height and type off the improvements and their construction, composition, location and use.

Section 10.02 Requirements. All insurance required under Section 10.01 hereof shall be written by companies of recognized financial standing i.e., A Best Rating of at least A and a Financial Size Category of at least XI which are authorized to do insurance business in the state where the Premises are located; shall name as the insured parties Lessor and Lessee, as their respective interest may appear; shall be reasonably satisfactory to Lessor in all respects and shall specifically provide (i) an effective waiver by the insurer of all rights of subrogation against any named insured or such insured's interest in the Premises or any income derived therefrom, (ii) that all insurance proceeds for losses shall be adjusted by Lessor, (iii) that all insurance proceeds shall be payable to Lessor for the benefit of Lessor and Lessee, as their respective interests may appear, (iv) that no cancellation, reduction in amount or material change in coverage thereof shall be effective until at least ten (10) days after receipt by Lessor and Lessee of written notice thereof, and (v) that during construction of improvements on the Premises such policies shall be in "Builder's Risk" form. Lessee, at its cost and expense, shall permit Lessor to examine all policies evidencing the insurance required to be maintained by Lessee under this Lease. Nothing contained in this Lease shall be construed to require Lessor to prosecute any claim against any insurer or to contest any settlement proposed by any insurer.

Section 10.03 Certificates. Lessee shall deliver to Lessor promptly after the execution and delivery of this Lease and on each anniversary of the date of this Lease, a certificate addressed to Lessor, signed by Lessee and dated within thirty (30) days prior to the delivery thereof (i) listing the insurers and policy numbers evidencing all the insurance then required to be maintained by Lessee hereunder and (ii) certifying that said insurance is in full force and effect and that such insurance and the policies evidencing the same comply with the requirements of this Lease. Lessee's failure to effect, maintain or renew any insurance provided for in this Article X, to pay the premiums therefor or to deliver to Lessor any of such certificates shall entitle Lessor, at its option but without obligation, upon ten (10) days notice to Lessee, to procure such insurance, pay the premiums therefor or obtain such certificates and any sums expended by Lessor for such purposes shall be Additional Rent hereunder and shall be repaid by Lessee within ten (10) days following the date on which such expenditure shall be made by Lessor.

Section 10.04 General. Lessee shall not obtain or carry separate insurance concurrent in form or contributing in the event of loss in addition to the insurance required under Section 10.01 hereof unless Lessor is included therein as a named insured, with loss payable as in this Lease provided. Lessee shall promptly notify Lessor whenever any such separate insurance is obtained and shall, if requested, deliver to Lessor the policy, policies or certificates evidencing the same.

ARTICLE XI. INDEMNIFICATION

Section 11.01 Indemnification. Lessee agrees to defend, indemnify and save harmless Lessor from and against any and all liability, loss, damage, cost, expense including all attorney's fees and expenses of Lessee and of Lessor, causes of action, suits, claims, demands or judgments of any nature whatsoever (i) arising from any injury to or to the death of any person or damage to any

property occurring on the Premises or on adjoining sidewalks, streets or ways, (ii) in any manner arising out of or connected with the use, non-use, condition or occupation of the Premises or any part thereof or of adjoining sidewalks, streets or ways or (iii) resulting from the violation by Lessee of any term, condition or covenant of this Lease or of any contract, agreement, restriction or Regulation affecting the Premises or any part thereof or the ownership, occupancy or use thereof. The obligations of Lessee under this Section 11.01 shall survive the expiration or earlier termination of this Lease and any transfer or assignment by Lessor or Lessee of this Lease or any interest hereunder.

ARTICLE XII. OWNERSHIP OF IMPROVEMENTS

Section 12.01 Title to Improvements. Ownership of and title to the building, the improvements and all machinery and equipment now or hereafter constructed, installed or placed by Lessee on the Premises and all Alterations thereto when constructed, installed or placed on the Premises, shall be and remain in Lessor. Any improvements constructed by Lessee on the Premises, whether by obligation created hereunder or otherwise, shall not in any way constitute a substitute for or a credit against any obligation of Lessee under this Lease to pay rent or Additional Rent.

Section 12.02 Surrender. On the expiration or earlier termination of the term of this Lease, Lessee shall peaceable quit and surrender the Premises to Lessor, any and all machinery and equipment and all Alterations constructed, installed or placed by Lessee thereon in good order and condition, ordinary wear and tear excepted. If there is not then a Default under this Lease, Lessee shall have the right upon the expiration of the term of this Lease to remove from the Premises all machinery and equipment placed or installed by Lessee thereon. Any machinery and equipment not removed by Lessee on or before the termination of this Lease shall become the property of Lessor immediately upon such termination.

Section 12.03 Removal of Improvements. Lessee, at its sole cost and expense, shall, upon Lessor's written request therefor, promptly remove all or any part of the improvements, machinery and equipment from the Premises subsequent to the expiration or earlier termination of this Lease. Lessee, at its sole cost and expense, shall repair any damage caused thereby to the Premises or any improvements, buildings or structures remaining thereon.

ARTICLE XIII. ASSIGNMENT AND SUBLETTING

Section 13.01 Assignment with Consent. Lessee shall have the right to assign all of its interest in, to and under this Lease for any portion of the unexpired term hereof at any time to any

person or entity (herein referred to as the "Assignee") provided that (i) the Assignee is approved and accepted by any franchisor under any franchise agreement or license pursuant to which the improvements on the Premises are operated, (ii) the Assignee shall be approved and accepted by Lessor which approval and acceptance shall be based upon the net worth of the Assignee being sufficient to insure the timely performance of all terms, conditions, provisions, agreements and covenants to be observed, performed and complied with by Lessee under the provisions of this Lease, (iii) Lessee delivering to Lessor an assumption agreement duly executed by the Assignee, in substance and form satisfactory to Lessor and its counsel, legally effective to cause the Assignee to assume all of the terms, conditions, provisions, agreements and covenants to be observed, performed or complied with by Lessee under this Lease, (iv) the Assignee shall have paid or caused to be paid all rent and Additional Rent and other sums required to be paid hereunder to and including the date of such assumption, and (v) the Assignee completely and totally remedying or curing any Default existing prior to the date of such assumption so that, at the time of such assumption, there shall exist no Default or event which, with notice or lapse of time, or both, would constitute a Default. Any assignee of Lessee's interest under this Lease, immediate or remote, shall have like power of assignment on the same conditions and subject to the same restrictions as those imposed on Lessee under this Section 13.01.

Section 13.02 Subleases. Lessee shall have the right to sublease all or any portion of the Premises without the consent or approval of Lessor. In no event shall any sublease relieve the Lessee of any of its obligations under this Lease, including the payment of the rent.

Section 13.03 Termination of Subleases. If this Lease is terminated by Lessor prior to the expiration of the term hereof, Lessor agrees that, subject to the conditions hereinafter set forth, such termination shall not result in a

termination of any bona fide sublease entered into by Lessee pursuant to Section 13.02 hereof of all or any portion of the Premises and that any such sublease shall continue for the duration of its term and any extension thereof as a direct lease between Lessor and the sublessee thereunder with the same force and effect as if Lessor hereunder had originally entered into such sublease as the lessor thereunder. The application of the provisions of this Section 13.03 shall be conditioned upon (i) the sublease being submitted to Lessor for recognition and Lessor failing to object thereto by written notice to the sublessee at its address shown in the lease within thirty (30) days after the date of the receipt thereof by Lessor, (ii) the sublessee under the lease agreeing, in the event of the termination of this Lease, to attorn to Lessor, (iii) the sublease being in good standing at the time of the termination of this Lease and (iv) that the sublease be for a use authorized and not prohibited by the provisions of Section 6.02 hereof. On the satisfaction of the foregoing conditions and on request and at Lessee's expense, Lessor agrees to execute, acknowledge and deliver such reasonable agreements evidencing and agreeing to the foregoing as said sublessee may reasonably require.

ARTICLE XIV. RIGHT TO CONTEST.

Section 14.01 Permitted Contests. Lessee, at its expense, may contest (by appropriate legal

proceedings conducted in good faith and with due diligence) the amount, validity or application, in whole or in part, of any Tax, Charge, Regulation or Lien provided that (i) Lessee shall give Lessor prior written notice of such contest, (ii) Lessee shall first make all contested payments (under protest if it desires) unless such proceeding shall suspend the collection thereof from Lessor and from the rent under this Lease or from the Premises, (iii) no part of the Premises or any interest therein or the rent under this Lease shall be exposed or subjected thereby to sale, forfeiture, foreclosure or interference, (iv) Lessor shall not be exposed thereby to any civil or criminal liability for failure to comply with any Regulation and the Premises shall not be subject to the imposition of any Lien as a result of such failure and (v) Lessee shall have furnished any security required in such proceeding or under this Lease or reasonably requested by Lessor to insure payment of any Tax, Charge, Lien or compliance with any Regulation. Lessee agrees to pay and save Lessor harmless from and against any and all losses, judgments, decrees and costs including all attorney's fees and expenses in connection with such contest, promptly after the final determination of such contest, pay and discharge the amounts which shall be levied, assessed, charged or imposed or be determined to be payable therein together with all penalties, fines, interest, costs and expenses resulting therefrom and will promptly comply with any Regulation under which compliance is required. The obligations of Lessee under this Section 14.01 shall survive the expiration or earlier termination of this Lease and any transfer or assignment by Lessor or Lessee of this Lease or any interest hereunder.

ARTICLE XV. CONDEMNATION

Section 15.01 Total. If all or any portion of the Premises is taken for any public or quasi-public use under any governmental law, ordinance or regulation or by right of eminent domain or by private purchase in lieu thereof and the taking would prevent the use of the Premises for the purpose for which they are then being used, this Lease shall terminate and the rent shall be abated during the unexpired portion of the term of this Lease effective on the date the condemning authority takes possession of the Premises. Lessor shall notify Lessee in the event Lessor receives notice of a proposed taking.

Section 15.02 Partial. If a portion of the Premises shall be subject to a taking and this Lease is not terminated as provided in Section 15.01 hereof, Lessor, at its sole and exclusive option, may either (i) terminate this Lease by notice to Lessee effective as of the date which is ninety (90) days after the date of such notice or (ii) restore and reconstruct the Premises and any other improvements situated on the Premises to the extent necessary to make the Premises tenantable. If Lessor elects to restore the Premises, the rent payable under this Lease for the unexpired portion of the term of this Lease shall be equitably adjusted to reflect the effects of the taking.

Section 15.03 Award. In any taking of all or a portion of the Premises, Lessor shall be entitled to receive all of the award made in connection therewith, including, without limitation, any award for the value of the unexpired term of this Lease. Lessee shall not be entitled to receive any award for the loss of its leasehold advantage. If there is an allocation in the award made to Lessor for moving or business interruption expenses of Lessee, Lessor shall pay such designated portion

of the award to Lessee on or before fifteen (15) days after its actual receipt thereof. Notwithstanding anything contained herein to the contrary, Lessor shall not be obligated to seek recovery of such expense for or on behalf of Lessee.

ARTICLE XVI. DEFAULT

Section 16.01 Events of Default. The occurrence of any of the following acts, events or conditions (herein referred to as a "Default") regardless of the pendency of any proceeding which has or might have the effect of preventing Lessee from complying with the terms, conditions or covenants of this Lease, shall constitute a default on an event of default under this Lease.

A. Lessee fails to make any payment of rent or Additional Rent required to be paid by Lessee or to fulfill or perform any other covenants, agreements or obligations of Lessee hereunder and such failure continues for ten (10) days after the payment is due or the performance required.

B. The Premises are abandoned or left unoccupied for a period of thirty (30) consecutive days and Lessee does not deliver to Lessor during such period a written certification that Lessee is prevented from occupying the Premises by circumstances beyond its control and describing said circumstances and that Lessee intends to reoccupy the Premises on the termination of such circumstances.

C. The estate or interest of Lessee in the Premises is levied on or attached in any proceedings and such process in not vacated or discharged within thirty (30) days after the date of such levy or attachment.

Section 16.02 Termination. On the occurrence of any Default hereunder, Lessor shall have the right, at its election and regardless of the availability to Lessor of any other remedy under this Lease or by law or in equity provided, to give Lessee then or at any time thereafter while any such Default exists or continues written notice of the termination of this Lease as of the date specified in such notice of termination, which date shall be not less than ten (10) days after the date of the giving of such notice. On such termination date this Lease and the term and estate herein granted shall, subject to the provisions of Section 16.05 hereof, expire and terminate by limitation, and all rights of Lessee under this Lease shall expire and terminate, unless prior to such termination date, Lessee pays to Lessor all arrears of rent and Additional Rent payable by Lessee under this Lease together with interest thereon at the rate of 10% per annum and all cost and expenses, including, without limitation, attorney's fees and expenses incurred by or on behalf of Lessor by reason of any Default and fully remedy any other Default then existing to the satisfaction of Lessor.

Section 16.03 Reentry by Lessor. Whether or not this Lease has been terminated pursuant to Section 16.02 hereof, if a Default occurs, Lessor may, for and on behalf of Lessee and as Lessee's legal representative, enter upon and repossess the Premises or any part thereof by force, summary

proceedings, ejectment or otherwise and may remove Lessee and all other persons and any and all property therefrom. Lessor shall not be liable to Lessee or to any person or entity claiming by, through or under Lessee for or by reason of any such entry, repossession or removal.

Section 16.04 Rights upon Repossession. At any time or from time to time after the repossession of the Premises or any part thereof pursuant to Section 16.03 hereof and whether or not this Lease shall have been terminated pursuant to Section 16.02 hereof, Lessor may at its option (i) repair or alter the Premises in such manner as Lessor may deem necessary or advisable so as to put the Premises in good order and make the same rentable and (ii) relet or operate the Premises or any part thereof for the account of Lessee for such term or terms which may be greater or less than the period which would otherwise have constituted the remainder of the term of this Lease on such conditions which may include concessions or free rent and for such uses as Lessor in its discretion may determine, and may collect and receive the rents therefor. Lessor shall not be responsible or liable for any failure to collect any rent due upon any such reletting. No repossession of the Premises by Lessor shall be construed as an election to terminate this Lease and the term herein demised unless, in

connection therewith, a written notice of termination evidencing such intention is given to Lessee as provided in Section 16.02 hereof.

Section 16.05 Liability of Lessee. No termination of this Lease pursuant to Section 16.02 hereof or by operation of law or otherwise except as expressly provided herein and no repossession of the Premises or any part thereof pursuant to Section 16.03 hereof or otherwise, shall relieve Lessee of its liabilities and obligations hereunder, all of which shall survive such termination or repossession.

Section 16.06 Right of Lessor to Perform for Lessee. Notwithstanding any other provision of this Lease to the contrary, upon the occurrence of any Default, Lessor, at its exclusive option on behalf of Lessee, may take whatever steps it deems reasonably necessary to cure any Default and to charge Lessee for the cost and expenses attributable thereto. Lessee shall pay all costs and expenses immediately upon receipt of a statement thereof from Lessor. Any amounts not so paid shall be deemed Additional Rent hereunder.

Section 16.07 General. Each right, power and remedy of Lessor provided in this Lease or now or hereafter existing at law or in equity or by statute or otherwise shall be cumulative and concurrent and shall be in addition to each and every other right, power or remedy provided in this Lease or now or hereafter existing at law or in equity or by statute or otherwise. In addition to any other remedy provided in this Lease, Lessor shall be entitled, to the extent permitted by applicable law, to injunctive relief in the event of the violation or attempted or threatened violation of any term, condition or covenant of this Lease or to a decree compelling performance thereof. The exercise by Lessor of any one or more of the rights, powers or remedies provided in this Lease or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by Lessor of any such right, power or remedy. Lessor shall have no obligations to mitigate any damages it may incur by reason of default of Lessee.

ARTICLE XVII. LIABILITY OF LESSOR

Section 17.01 Limitation on Liability. Notwithstanding anything contained in this Lease or otherwise at law to the contrary, Lessee agrees that Lessor and its partners, shall have no personal liability under this Lease and that, in any action brought to enforce the covenants, agreements and warranties of Lessor under this Lease, Lessee shall in no event be entitled to seek and shall not seek any damages against Lessor or any of its partners for the breach or default of any covenant, warranty or agreement under this Lease and any judgment or decree against Lessor or any of its partners shall be enforceable against Lessor and any of its partners only to the extent of its interest in the Premises. Any judgment or decree shall not be subject to enforcement and execution against any other asset of Lessor or any of its partners. In the event of the sale or other transfer of the Premises, all obligations of Lessor hereunder shall be transferred to the new owner of the Premises as of the date of the sale of the Premises and Lessor shall have no obligations or liability, as landlord, from and after the date of the sale or transfer of the Premises.

ARTICLE XVIII. MISCELLANEOUS

Section 18.01 Waiver. The failure of Lessor to insist on the strict performance by Lessee of any term, condition or covenant on Lessee's part to be performed pursuant to the terms of this Lease or to exercise any option, right, power or remedy of Lessor contained in this Lease shall not be deemed nor construed as a waiver of such performance or relinquishment of such right now or subsequent hereto. The receipt by Lessor of any rent or Additional Rent required to be paid by Lessee hereunder with knowledge of any Default by Lessee shall not be deemed a waiver of such Default. No waiver by Lessor of any provision of this Lease shall be deemed to have been made unless expressed in writing and signed by Lessor.

Lessee hereby waives and surrenders any right or privilege under any present or future constitution, statute or law to redeem the Premises or to continue this Lease for the term herein demised after the termination of this Lease and the benefits of any present or future constitution, statute or rule of law which exempts property from liability for debt or for distress for rent.

Section 18.02 Estoppel Certificates. Lessee shall execute, acknowledge and deliver to Lessor and to any mortgagee of Lessor upon request, a written statement certifying (i) that this Lease is unmodified and in full force and effect or if there have been modifications, that the Lease is in full force and effect as modified, and stating the modifications, (ii) the dates to which rent and Additional Rent payable by Lessee hereunder have been paid and (iii) that no

notice has been received by Lessee of any Default which has not been cured, except as to any Default specified in said certificate.

Lessor shall execute, acknowledge and deliver to Lessee a written certificate certifying (i) that this Lease is unmodified and in full force and effect or if there have been modifications, that this Lease is in full force and effect as modified, and stating the modifications, (ii) the dates to which rent and Additional Rent payable by Lessee hereunder have been paid and (iii) whether or not, to the

knowledge of Lessor, there is then existing any Default under this Lease and if so, specifying the same.

Section 18.03 No Merger of Title. There shall be no merger of the leasehold estate created by this Lease with the leasehold estate of Lessor and or the fee estate in the Premises by reason of the fact that the same person may own or hold both the leasehold estate created by this Lease or any interest therein, the leasehold estate or the fee estate in the Premises by reason of the fact that the same person may own or hold both the leasehold estate created by this Lease or any interest therein, the leasehold estate or the fee estate in the Premises or any interest therein; and no such merger shall occur unless and until all persons or entities having any interest in the leasehold estate created by this Lease or the fee estate in the Premises shall join in a written instrument effecting such merger and shall duly record the same.

Section 18.04 Transfer by Lessor. If Lessor shall transfer or assign or otherwise dispose of its interest under this Lease, it shall thereupon be released and discharged from any and all liabilities and obligations under this Lease except those accruing prior to such transfer, assignment or other disposition and such liabilities and obligations shall thereafter be binding upon the assignee of Lessor's interest under this Lease.

Section 18.05 Separability. Each and every covenant and agreement contained in this Lease shall be for any and all purposes hereof construed as separate and independent and the breach of any covenant by Lessor shall not discharge or relieve Lessee from its obligation to perform each and every covenant and agreement to be performed by Lessee under this Lease. All rights, powers and remedies provided herein may be exercised only to the extent that the exercise thereof does not violate applicable law and shall be limited to the extent necessary to render this Lease valid and enforceable. If any term, provision or covenant of this Lease or the application thereof to any person or circumstances shall be held to be invalid, illegal or unenforceable, the validity of the remainder of this Lease or the application so such term, provision or covenant to persons or circumstances other than those to which it is held invalid or unenforceable shall not be affected hereby.

Section 18.06 Notices Demands and Other Instruments. All notices, demands, requests, consents, approvals and other instruments required or permitted to be given pursuant to the terms of this Lease shall be in writing and shall be deemed to have been properly given if sent by first class registered or certified United States mail, return receipt requested, addressed to each party hereto at the following address:

Lessor: c/o K&G Associates, Inc.
1750-A Ellsworth Industrial Boulevard
Atlanta, Georgia 30318
Attention: Stephen H. Greenspan

Lessee: T&C Liquidators, Inc.
3417 E. John W. Carpenter Freeway
Irving, Texas 75062
Attention: Richard M. Vehon

or at such other address in the United States as Lessor or Lessee may from time to time designate in writing delivered to the other party.

Section 18.07 Successors and Assigns. Each and every covenant, term, condition and obligation contained in this Lease shall apply to and be binding upon and inure to the benefit or detriment or the respective legal representatives, successors and permitted assigns of Lessor and Lessee. Whenever

reference to the parties hereto is made in this Lease, such reference shall be deemed to include the legal representatives, successors and assigns of said party the same as if in each case expressed. The term "person" when used in this Lease shall mean any individual, corporation, limited liability company, partnership, firm, trust, joint venture, business association, syndicate, government or governmental organization or any other entity.

Section 18.08 Headings. The headings to the various sections of this Lease have been inserted for purposes of reference only and shall not limit or define the express terms and provisions of this Lease.

Section 18.09 Counterparts. This Lease may be executed in any number of counterparts, each of which is an original, but all of which shall constitute one instrument.

Section 18.10 Applicable Law. This Lease shall be construed under and enforced in accordance with the law of the State of Georgia.

Section 18.11 Exhibits. Exhibit A attached hereto is by this reference incorporated herein and made a part hereof.

Section 18.12 Entire Agreement; Amendments. This Lease sets forth the entire understanding and agreement of Lessor and Lessee with respect to the Premises. All courses of dealing, usage of trade and all prior representations, promises, understandings and agreements, whether oral or written, are superseded by and merged into this Lease. No modification or amendment of this Lease shall be binding on Lessee and/or Lessor unless in writing and signed by both parties hereto.

Section 18.13 All Genders and Numbers Included. Whenever the singular or plural number, or masculine, feminine, or neuter gender is used in this Lease, it shall equally apply to, extend to, and include the other.

Section 18.14 Time is of Essence. All time limits stated in this Lease are of the essence.

Section 18.15 Memorandum of Lease. Lessor and Lessee hereby agree that this Lease shall

not be recorded in the public records of Dallas, County, Texas. Lessor and Lessee may, contemporaneously with the execution of this Lease, execute a memorandum of this Lease, in recordable form satisfactory to Lessor and Lessee, wherein a legal description of the Premises, the term of this Lease and certain other terms and provisions hereof, excepting, however, the provisions hereof relating to the amount of the rent payable hereunder, shall be set forth. The memorandum of this Lease shall be filed for record with the Clerk of the Superior Court of Dallas County, Texas. Any and all recording cost and stamps, if any, required in connection with the recording of the memorandum of this Lease shall be at sole cost and expense of Lessee.

IN WITNESS WHEREOF, Lessor and Lessee have caused these presents to be duly executed and their seals to be affixed hereunto as of the day and year first above written.

Signed, sealed and delivered
delivered in the presence of:

"LESSOR"

/s/ J. SAUER
- ----------
Witness

/s/ STEPHEN H. GREENSPAN (SEAL)

STEPHEN H. GREENSPAN

/s/ KEELA BISHOP
- ----------
Notary Public

[NOTARY SEAL]

Signed, sealed and delivered

delivered in the presence of:

/s/ J. SAUER
- ----------
Witness

/s/ PAUL RUBEN (SEAL)

PAUL RUBEN

/s/ KEELA BISHOP
- ----------
Notary Public

[NOTARY SEAL]

Signed, sealed and delivered
delivered in the presence of:

/s/ J. SAUER
- ----------
Witness

/s/ RICHARD M. VEHON (SEAL)

RICHARD M. VEHON

/s/ KEELA BISHOP
- ----------
Notary Public

[NOTARY SEAL]

Signed, sealed and delivered
delivered in the presence of:

"LESSEE"

/s/ J. SAUER
- ----------
Witness

T&C LIQUIDATORS, INC.,
a Georgia corporation

/s/ KEELA BISHOP
- ----------
Notary Public

By: /s/ STEPHEN H. GREENSPAN

Its:

[NOTARY SEAL] [CORPORATE SEAL]

EXHIBIT "A"

TITLE ENCUMBRANCES

1. Visible easements on the property.

2. An easement for utilities, 6 feet in width as shown by the plat recorded in Volume 402, Page 1437, Map Records, Dallas County, Texas. Affects: North and West sides of Lot 4.

3. An easement for utilities, 6 feet in width as shown by the plat recorded in Volume 402, Page 1437, Map Records, Dallas County, Texas. Affects: Southwest side of Lot 5.

4. Part of Irving Flood Control District Section I as set out in instrument filed 8/31/89, recorded in Volume 89170, Page 1576, Real Property Records, Dallas County, Texas.

5. Building Line 25 feet from Royalty Row and along Southwest side as shown by plat recorded in Volume 402, Page 1437, Map Records of Dallas County, Texas.

6. Subject to the Order Adopting Airport Zoning Regulations of the Dallas-Fort Worth Regional Airport, Ordinance No. 71-100, imposed by the Joint Airport Zoning Board of the Dallas-Fort Worth Regional Airport, filed September 2, 1982, recorded in Volume 82173, Page 0178,

Real Property Records of Dallas County, Texas, and in Volume 7349, Page 1106, Real Property Records, Tarrant County, Texas.

7. All other matters in the public records.

EXHIBIT 10.18

STATE OF GEORGIA
COUNTY OF FULTON

AMENDMENT TO LEASE

THIS AMENDMENT TO LEASE is made and entered into as of the 15th day of April, 1996, by and between STEPHEN H. GREENSPAN, PAUL RUBEN and RICHARD M. VEHON (herein referred to as the "Lessor") and T&C LIQUIDATORS, INC., a Texas corporation (herein referred to as the "Lessee").

WHEREAS, Lessor and Lessee entered into that certain lease (herein referred to as the "Lease") dated October 1, 1994 regarding that certain tract of land being Lot 5 and the South 20 feet of Lot 4, in BLOCK D, of FREEWAY INDUSTRIAL DISTRICT, an Addition to the City of Irving, Dallas County, Texas, according to the Map or Plat thereof recorded in Volume 402, Page 1437, of the Map Records of Dallas County, Texas together with all buildings, structures and other improvements, now or hereafter located thereon (herein collectively referred to as the "Premises");

WHEREAS, Lessor and Lessee desire to amend the Lease as herein set forth; and

NOW, THEREFORE, in consideration of Ten and No/100 Dollars ($10.00) in hand paid by each party to the other and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee agree that the Lease is hereby amended as follows:

1. Section 2.01 of the Lease is amended by providing that the term of the Lease shall be extended to include the period from and including October 1, 1996 through September 30, 2001 (herein referred to as the "Extended Initial Term").

Provided Lessee is not in default under the terms of the Lease, Lessee shall have the right and option (herein referred to as the "First Renewal Option") to extend the term of the Lease for an additional five (5) years (herein referred to as the "First Extension Term") after the expiration of the Extended Initial Term on the same terms and conditions set forth herein except the annual rent shall be determined as herein set forth. Lessee shall exercise the First Renewal Option by notice to Lessor given not less than one hundred eighty (180) nor more than three hundred sixty (360) days prior to the expiration of the Extended Initial Term.

Provided Lessee has exercised the First Renewal Option and provided Lessee is not in default hereunder, Lessor shall have the further right and option (herein referred to as the "Second Renewal Option") to extend the term of the Lease for an additional five (5) years (herein referred to as the "Second Extension Term") after the expiration of the First Extension Term upon the same terms and conditions as set forth herein except that the annual rent shall be determined as herein set forth. Lessee shall exercise the Second Renewal Option by notice to Lessor given not less than one hundred eighty (180) nor more than three hundred sixty (360) days prior to the expiration of the First Renewal Term.

2. Section 4.01 of the Lease is amended by providing that during the Extended Initial Term of the Lease, Lessee agrees to pay Lessor, as rent hereunder, an annual rent as follows:

<TABLE>
<CAPTION>

EXTENDED INITIAL TERM	ANNUAL RENT	MONTHLY INSTALLMENTS
<S>	<C>	<C>
10/1/96 - 9/30/97	$66,000.00	$5,500.00
10/1/97 - 9/30/98	$66,000.00	$5,500.00
10/1/98 - 9/30/99	$66,000.00	$5,500.00

10/1/99 - 9/30/00	Adjusted as herein provided
10/1/00 - 9/30/01	Same annual rent and monthly installments as for year 10/1/99 - 9/30/00

FIRST EXTENSION

TERM	ANNUAL RENT AND MONTHLY INSTALLMENTS
10/1/01 - 9/30/02	Adjusted as herein provided
10/1/02 - 9/30/03	Same annual rent and monthly installments as for 10/1/01 - 9/30/02
10/1/03 - 9/30/04	Same annual rent and monthly installments as for 10/1/01 - 9/30/02
10/1/04 - 9/30/05	Adjusted as herein provided
10/1/05 - 9/30/06	Same annual rent and monthly installments as for 10/1/04 - 9/30/05

SECOND EXTENSION

TERM	ANNUAL RENT AND MONTHLY INSTALLMENTS
10/1/06 - 9/30/07	Adjusted as herein provided
10/1/07 - 9/30/08	Same annual rent and monthly installments as for 10/1/06 - 9/30/07
10/1/08 - 9/30/09	Same annual rent and monthly installments as for 10/1/06 - 9/30/07
10/1/09 - 9/30/10	Adjusted as herein provided
10/1/10 - 9/30/11	Same annual rent and monthly installments as for 10/1/09 - 9/30/10

On October 1, 1999 and again on October 1, 2001, October 1, 2004, October 1, 2006 and October 1, 2009 (herein each referred to as an "Adjustment Date") the annual rent shall be increased as follows:

A. For the year from October 1, 1999 through September 30, 2000, the annual rent shall be increased by an amount equal to the lesser of the product obtained by multiplying (i) the annual rent for the preceding year (i.e., October 1, 1998 through September 30, 1999) by one hundred fifteen percent (115%) or (ii) the annual rent for the preceding year by (B) the percentage change of the "CPI" (as that term is herein defined) for December 1998 from the CPI for the month of December 1995 plus one hundred percent (100%).

B. For the year from October 1, 2001 through September 30, 2002, the annual rent shall be increased by an amount equal to the lesser of the product obtained by multiplying (i) the annual rent for the

preceding year (i.e., October 1, 2000 through September 30, 2001) by one hundred ten percent (110%) or (ii) the annual rent for the preceding year by (B) the percentage change of the "CPI" (as that term is herein defined) for December 2000 from the CPI for the month of December 1998 plus one hundred percent (100%).

C. For the year from October 1, 2004 through September 30, 2005, the annual rent shall be increased by an amount equal to the lesser of the product obtained by multiplying (i) the annual rent for the preceding year (i.e., October 1, 2003 through September 30, 2004) by one hundred fifteen percent (115%) or (ii) the annual rent for the preceding year by (B) the percentage change of the "CPI" (as that term is herein defined) for December 2003 from the CPI for the month of December 2000 plus one hundred percent (100%).

D. For the year from October 1, 2006 through September 30, 2007, the annual rent shall be increased by an amount equal to the lesser of the product obtained by multiplying (i) the annual rent for the preceding year (i.e., October 1, 2005 through September 30, 2006) by one hundred ten percent (110%) or (ii) the annual rent for the preceding year by (B) the percentage change of the "CPI" (as that term is herein defined) for December 2005 from the CPI for the month of December 2003 plus one hundred percent (100%).

E. For the year from October 1, 2009 through September 30, 2010, the annual rent shall be increased by an amount equal to the lesser of the product obtained by multiplying (i) the annual rent for the preceding year (i.e.,

October 1, 2008 through September 30, 2009) by one hundred fifteen percent (115%) or (ii) the annual rent for the preceding year by (B) the percentage change of the "CPI" (as that term is herein defined) for December 2008 from the CPI for the month of December 2005 plus one hundred percent (100%).

An example on how to determine the change in the annual rent is set forth below. In no event shall the annual rent for any year during the term of the Lease be less than the annual rent for the next preceding year of the term of the Lease.

EXAMPLE

<TABLE>
<CAPTION>

	Index Point Change	
<S>		<C>
	CPI (for December 1998)	118.5
	Less CPI for December 1995	113.8
	Equals Index Point Change	4.7
	Percentage Change	
	Index Point Change	4.7
	Divided by CPI for December 1995	113.8
	Equals Percentage of Change	0.041
	Annual Rent	
	Annual Rent for preceding year	$ 100.00
	Multiplied by Percentage of Change	1.041
	Equals Annual Rent for current year	$ 104.10

</TABLE>

For the purpose hereof, the term "CPI" shall mean the Consumer Price Index, All Urban Consumers (CPI-U), U.S. City Average, All Items - 1982 - 84 = 100 which is published by the United States Bureau of Labor Statistics (herein referred to as "BLS").

If the standard reference base for the CPI is changed, the CPI shall be converted using factors supplied by BLS which are based on the percentage change and not the index point change in the reference base. If an error is discovered in the CPI and is changed by BLS, the annual rent shall be recomputed based on the correct CPI and any payments required by reason thereof shall be promptly made by Lessor or Lessee, as the case may be. If the CPI is discontinued or is no longer published on a monthly basis, the annual rent for any calendar year after the year in which the CPI is discontinued or is no longer published on a monthly basis shall be an amount equal to one hundred three percent (103%) of the annual rent for the preceding calendar year of the Lease Term.

3. The Lease, as amended hereby, is and shall remain in full force and effect and is hereby ratified and confirmed in all respects.

4. Each and every covenant, term, condition and obligation contained in this Lease shall apply to and be binding upon and inure to the benefit or detriment or the respective legal representatives, successors and permitted assigns of Lessor and Lessee. Whenever reference to the parties hereto is made in this Lease, such reference shall be deemed to include the legal representatives, successors and assigns of said party the same as if in each case expressed.

IN WITNESS WHEREOF, Lessor and Lessee have caused these presents to be duly executed and their seals to be affixed hereunto as of the day and year first above written.

Signed, sealed and delivered
delivered in the presence of:

"LESSOR"

/s/ CYNTHIA LE MONS
- ----------
Witness

/s/ STEPHEN H. GREENSPAN (SEAL)

STEPHEN H. GREENSPAN

/s/ KEELA BISHOP
- ---------------------------------
Notary Public

[NOTARY SEAL]

Signed, sealed and delivered
delivered in the presence of:

/s/ CYNTHIA LE MONS
- ---------------------------------
Witness

/s/ W. PAUL RUBEN (SEAL)

PAUL RUBEN

/s/ KEELA BISHOP
- ---------------------------------
Notary Public

[NOTARY SEAL]

Signed, sealed and delivered
delivered in the presence of:

/s/ JUDY MERRELL
- ---------------------------------
Witness

/s/ RICHARD M. VEHON (SEAL)

RICHARD M. VEHON

/s/ LINDA TIETZE
- ---------------------------------
Notary Public

[NOTARY SEAL]

Signed, sealed and delivered
delivered in the presence of:

"LESSEE"

/s/ JUDY MERRELL
- ---------------------------------
Witness

T&C LIQUIDATORS, INC.,
a Texas corporation

/s/ LINDA TIETZE
- ---------------------------------
Notary Public

By: /s/ RICHARD M. VEHON

Its:

[NOTARY SEAL] [CORPORATE SEAL]

EXHIBIT 10.19

LEASE AGREEMENT

THIS LEASE AGREEMENT is made and entered into this 20th day of November, 1995, between ELLSWORTH REALTY. L.L.C., a Georgia limited liability company (herein referred to as the "Landlord") and K&G MEN'S CENTER, INC., a Georgia corporation (herein referred to as the "Tenant").

W I T N E S S E T H :

1. PREMISES

In consideration of the rents and other covenants of this Lease, Landlord hereby leases to Tenant and Tenant hereby takes from Landlord those certain premises (herein referred to as the "Premises") containing approximately 5.5 acres more or less and the brick building containing approximately 100,000 square feet and referred to alternately as 1225 Chattahoochee Avenue. Atlanta, Georgia 30318 and 1750 Ellsworth Industrial Blvd., Atlanta, Georgia 30318. The Premises are comprised of approximately 70,000 square feet of leaseable area to be used for "office/warehouse" purposes (herein referred to as the "Office/Warehouse Space") and 30,000 square feet of leaseable space to be used for retail purposes (herein referred to as " Retail Space"). A legal description of the premises is attached as Exhibit "A" hereto and made part hereof.

2. TERM

Subject to the terms and conditions hereinafter set forth, the term of this Lease shall commence on the November 20, 1995 (herein referred to as the "Commencement Date") and expire unless extended as hereinafter provided, at midnight on the 31st day of December, 2005. The term of this Lease and any extension thereof shall be referred to herein as the "Lease Term".

3. RENT

A. Fixed Rent. Tenant agrees to pay to Landlord, as an initial annual rent for the Premises during the Lease Term, without notice, demand, deduction or offset, the sum of Two hundred and thirty thousand Dollars ($230,000.00). Tenant shall pay the annual rent, in advance, in equal monthly installments of Nineteen thousand One Hundred and Sixty and 66/100 Dollars ($19,166.67) on the first (1st) day of each month during the Lease Term upon the store opening. Before the store opening the Tenant will pay to the Landlord Four thousand dollars ($4,000) a month. The Tenant agrees to open the store as of February 1, 1996. The annual rent shall be paid to Landlord at the address set forth in Paragraph 24 hereof or at such other place designated by Landlord. If the Lease Term shall begin on any date other than the first day of a month or shall end on any date other than the last day of a month, the monthly installment (prorated on a thirty (30) day month) shall be paid in advance for such month.

B. Percentage Rent. In addition to the fixed rent and all other sums payable hereunder, Tenant agrees to pay to Landlord annually on January 20 of each calendar year during the Lease Term and any extension thereof, as percentage rent, (herein referred to as the "Percentage Rent") for the Retail Space a sum equal to one (1%) percent of the amount by which Tenant's "Gross Sales", as that term is herein defined, from January 1 to December 31 of the preceding calendar year exceeds Fifteen Million and No/100 Dollars ($15,000,000.00).

C. Rent Increase for Premises. Commencing on January 1, 1997 and on each January 1st of each year thereafter during the Lease Term, Tenant agrees to pay, as an annual rent for such calendar year for the Premises, without notice, demand, offset or deduction, an amount determined by multiplying (i) the annual rent for the Premises for the preceding calendar year of the Lease Term by (ii) the percentage change of the "CPI" (as that term is herein defined) for the month of November of the preceding calendar year of the Lease Term from the CPI for the month of January of the preceding calendar year of the Lease Term plus one hundred percent (100%). The percentage change of the annual rent for each calendar year shall be the

same as the percentage change in the CPI for the one (1) month period for the preceding calendar year. An example of how to determine the change in the annual rent is set forth below. In no event shall the annual rent during the Lease Term be less than the annual rent required to be paid during the First or preceding calendar year of the Lease Term whichever is higher. The monthly installments of the annual rent for the Premises shall be adjusted accordingly and shall be due and payable, in advance, on the first (1st) day of each month of such calendar year.

For purposes hereof, the term "CPI" shall mean the Consumer Price Index. All Urban Consumers (CPI-U), U.S. City Average, All Items - 1982 - 84 = 100 which is published by the United States Bureau of Labor Statistics (herein called "BLS").

If the standard reference base for the CPI is changed, the CPI shall be convened using factors supplied by BLS which are based on the percentage change and not the index point change in the reference base. If an error is discovered in the CPI and is changed by the BLS, the annual rent shall be recomputed based on the correct CPI and any payments required by reason thereof shall be promptly made by Landlord and Tenant, as the case may be. If the CPI is discontinued or is no longer published on a monthly basis the percentage change shall be an amount equal to one hundred and three percent (103%) of the annual rent for the preceding calendar year of the Lease Term.

Example:

<TABLE>
<S> <C>

Index Point Change

CPI (for November) 118.5
Less CPI (for January) 113.8
Equals Index Point Change 4.7

Percentage Change

Index Point Change 4.7
Divided by CPI for January 113.8
Equals Percentage Change 0.041

Annual Rent

Annual Rent preceding year $100.00
Multiplied by Percentage of Change 1.041
Equals Annual Rent Current Year $104.10
</TABLE>

D. Definition of Gross Sales. The term "Gross Sales" as used herein shall mean the total amount of the actual total sales price (whether for cash or on credit or partly on credit) of all sales or rentals of goods, wares, merchandise, services, and all credit charges and all other receipts and revenues from business conducted in or from the Retail Space, including, but not limited to, all sales to employees of Tenant, all mail or telephone orders received or filed at or from the Retail Space, all deposits not refunded to purchasers, all orders taken at the Retail Space whether or not said orders are filled elsewhere, all receipts or sales through any vending machine or other coin operated machine or device, and all sales and revenues by any sublessee, occupant, concessionaire, licensee and any other party or parties in any way using the Retail Space. Gross Sales shall not include any sums collected and actually paid by Tenant for any sales or retail excise tax imposed by any duly constituted governmental authority, refunds, returns and allowances; amounts received for merchandise transferred to any other place of business of Tenant and service charges on credit card sales. Each sale upon installment or credit shall be treated as a sale for the full price in the month in which such sale shall be made, irrespective of the time when Tenant shall receive payment.

E. Reports. Tenant shall use a tape-recording cash register or such other sales-recording device which makes a permanent written record of each

sale. During the Lease Term and any extension thereof,

Tenant shall maintain and keep on the Premises or at the principal office of Tenant (or its parent corporation) for the immediately preceding three (3) calendar years, full, complete and accurate permanent bank deposit records and receipts, and business records and ledgers of all of the Gross Sales arising out of the business conducted at or from the Retail Space. Landlord may, at all times during normal business hours, inspect and audit such books and records at the Premises. If the results of any audit disclose that any statement of Gross Sales made by Tenant for any calendar year has been misstated by four (4%) percent or more, Tenant shall immediately pay to Landlord the cost of such audit. The failure to deliver any statement of Gross Sales promptly when due shall constitute a default by Tenant under this Lease.

On or before the twentieth (20th) day of the month after the end of each calendar quarter during the Lease Term and any extension thereof. Tenant shall deliver to Landlord, a complete and accurate written statement showing, in reasonable detail, the amount of the Gross Sales for the preceding calendar quarter, including a complete and accurate copy of the Georgia Sales and Use Tax return for such calendar quarter and a statement of the total amount of sales taxes and excise taxes paid or payable for such calendar quarter. Each such statement shall be signed and verified by Tenant, or, if Tenant is a corporation, by one of its principal officers. Tenant shall, on or before the 20th day of January of each year during the term of this Lease, deliver to Landlord a complete and accurate copy of the Sales and Use Tax return filed or required to be filed by Tenant for the preceding calendar year.

4. USE AND INSURANCE

A. Use. The Premises may be used for any lawful purpose, including retail and general office and warehouse use. Tenant, at its sole cost and expense, shall during the Lease Term (i) obtain and maintain any and all licenses and permits necessary for any such use and (ii) comply with all governmental laws, ordinances, regulations, orders and directives applicable to the use of the Premises. Tenant shall not receive, store or otherwise handle any product, material or merchandise which is explosive or highly inflammable, including, but not limited to, any "hazardous substances" as dm1 term is defined in Paragraph 8 hereof or permit the Premises to be used for any purpose which would render the insurance thereon void or the insurance risk more hazardous. The Premises shall not be used for any illegal purposes, in violation of any regulation of any governmental body or in any manner to create any nuisance.

B. Insurance Requirements. Tenant shall during the Lease Term, at its sole cost and expense, obtain and maintain (i) comprehensive general public, liability insurance (with contractual liability endorsement) with coverage in amounts of not less than $2,000,000.00 with respect to property damage, bodily injury, personal injury or death to one or more persons and (ii) standard fire and extended coverage insurance on all buildings and other improvements which comprise the Premises in an amount which shall equal the replacement cost for the buildings and improvements and shall include business and rental interruption insurance. Any insurance policy required hereunder shall insure Landlord and Tenant and any designees of Landlord (including, the holder of any security deed encumbering the Premises, which as of the date hereof is SunTrust Bank, Atlanta), contain such mortgage endorsements as required by Landlord and any such designee, be written by a responsible insurance Company licensed to do business in Georgia, be in form and substance satisfactory to Landlord and contain endorsements that such insurance may not be canceled or materially altered by the insurance company except upon thirty (30) days prior written notice to Landlord and any such designee. Upon taking or accepting possession of the Premises and thereafter, at least seven (7) days prior to the expiration of each policy required to be carried by Tenant hereunder, Tenant shall deliver to Landlord and any such designee either a duplicate original or a certificate of insurance of all substitute or renewal policies required to be carried by Tenant hereunder together with evidence that the entire premium therefor has been paid.

5. SERVICES

A. Utilities. Tenant shall pay for all public and other utilities and

related services rendered or furnished to the Premises during the Lease Term, including, but not limited to gas, heat, light, power, telephone, sprinkler charges and other utilities and services used on or provided to the Premises and any taxes, penalties, surcharges or the like pertaining thereto and any cost to maintain and repair the facilities and

equipment used in providing such utilities and services.

B. Janitorial Service. Tenant, at its sole cost, shall provide its own janitorial services to be performed in the Premises during the Lease Term.

C. Interruption of Service. Except for the gross negligence of Landlord, Landlord shall not be liable for any interruption, discontinuance or failure of any utility or other service furnished to the Premises. Any interruption, discontinuance or failure of any utility or other service to the Premises shall not constitute an eviction (constructive or otherwise) or give Tenant the right to claim any damages against Landlord or any right to withhold, reduce or abate the payment of the annual rent or any other sum required to be paid to Landlord under the terms of this Lease.

6. ADDITIONAL CHARGES

A. Taxes. Commencing on the Commencement Date and continuing thereafter during the Lease Term, Tenant agrees to pay to Landlord annually, without offset or deduction, on or before seven (7) days after notice, the real estate ad valorem taxes, governmental and public charges and special and general assessments, including all costs and fees incurred by Landlord in contesting same (herein collectively referred to as the "Taxes") imposed against the building and the real property and the buildings and improvements which comprise the Premises for each calendar year during the Lease Term.

B. Water and Sewer Charges. Commencing on the Commencement Date and continuing thereafter periodically during the Lease Term, Tenant agrees to pay to Landlord, without offset or deduction, on or before seven (7) days after notice any and all water and sanitary sewer charges incurred by Landlord for the Premises.

C. Rent Tax. If any governmental authority imposes a tax, levy or other imposition upon Landlord based upon the rent received by Landlord under this Lease, Tenant shall pay to Landlord, on or before seven (7) days after notice and without offset or deduction, the amount thereof. The tax, levy or imposition to which reference is made shall include sales, use, excise or similar tax, but shall not include capital stock, estate, or inheritance taxes imposed upon Landlord. The sums contemplated in this Paragraph shall be paid in addition to the sums required to be paid by Tenant pursuant to Paragraph 6.A. hereof.

D. Payments. The payments required under this Paragraph 6 shall be made to Landlord at the address set forth in Paragraph 24 hereof.

7. REPAIRS

A. Tenant. Tenant, at its sole cost and expense, shall make all repairs, replacements, alterations and maintenance to the Premises including, but not limited to, the roof, exterior walls, foundation of the building, windows, doors and glass, heating, ventilating and air conditioning systems and any repairs, replacements, damage or injury to all or any part of the Premises caused by Tenant or its agents, employees, invitees or licensees. Landlord shall not be required to make any repairs, replacements, alterations or improvements to the building or the Premises. Landlord shall not be liable to Tenant for any damage or inconvenience which occurs by reason of the Premises being in need of repair.

B. Waste. Tenant shall not commit or allow any waste or damage to be committed on or to any portion of the Premises. At the expiration or termination of this Lease, Tenant shall deliver and surrender the Premises to Landlord in good order, condition and repair, ordinary wear and tear excepted. The cost and expense of any repair necessary to restore the Premises to such order, condition and repair shall be paid by Tenant; and, if Landlord undertakes to perform such restoration, Tenant shall, on or before seven (7) days after notice, reimburse

Landlord for the cost thereof.

C. Self Help by Landlord. In the event Tenant fails to promptly make any repairs or replacements, or perform any alteration or maintenance required to be made by Tenant hereunder, Landlord

may, at its option and at Tenant's expense, make the repairs or replacements and perform the maintenance for and on behalf of Tenant. Tenant shall, on or before seven (7) days after notice, pay to Landlord all cost and expense incurred by Landlord in making such repairs and replacements and performing such alteration or maintenance.

8. COMPLIANCE WITH LAWS, RULES AND REGULATIONS

A. General. Tenant, at its sole cost and expense, shall promptly comply with all laws, ordinances, orders, rules and regulations of state, federal, municipal or other agencies or bodies having jurisdiction now or hereafter affecting the use, condition and occupancy of the Premises.

B. Hazardous Substance. Tenant shall not, on or about the Premises, make, store, use, treat, dispose of or permit any person or entity to make, store, use, treat or dispose of any (i) "hazardous substance", as that term is defined in the Comprehensive Environmental Response, Compensation and Liability Act, and the Rules and Regulations promulgated pursuant thereto, as from time to time amended (herein collectively called "CERCLA") or (ii) any other hazardous waste, contaminant, petroleum, oil, radioactive or other materials the removal of which is required or the maintenance of which is prohibited, penalized or regulated by any local, state or federal agency, authority or governmental unit.

C. Indemnity. Tenant agrees to defend, indemnify and hold Landlord and its successors and assigns harmless from and against any and all claims or demands arising out of or in any manner connected with the "release" or "threatened release" of "hazardous substances", as those terms are defined in CERCLA, or contaminants, oil, petroleum, radioactive or other materials from the Premises or any portion or portions thereof, arising out of or in any manner connected with the occupancy or use of the Premises by Tenant during the Lease Term and any and all actions, suits and proceedings in connection with any such claim or demand and any and all loss, cost, damage, liability and expense incurred by Landlord in connection therewith, including, but not limited to, attorneys fees and other costs of litigation. The terms of this Paragraph shall survive the expiration or termination of this Lease.

9. ALTERATIONS AND IMPROVEMENTS

A. General. Tenant shall not make or permit any alteration, addition or improvement to be made in or to the Premises without the consent of Landlord which consent shall not be unreasonably withheld. Any alteration, addition or improvement to the Premises permitted by Landlord shall be performed by Tenant at its expense in accordance with any license or permit required with respect thereto and in a good workmanlike manner and in compliance with all applicable governmental laws, titles, regulations and ordinances. Any alteration, addition or improvement shall, on completion, be the property of Landlord and shall be surrendered to Landlord on the expiration or termination of this Lease.

B. No Liens. Tenant shall have no authority, express or implied, to create or place any lien or encumbrance on the Premises. Tenant shall pay or cause to be paid all sums due and payable by Tenant on account of any labor performed or materials furnished in connection with any work performed on the Premises.

C. Indemnify. Tenant agrees to defend, indemnify and hold Landlord harmless from and against any and all claims or demands based on any act or omission of Tenant which gives rise to any lien or claim of lien against the Premises or the right, title and interest of Landlord in the Premises and any and all actions, suits and proceedings in connection with any such claim or demand and any and all loss, cost, damage, liability and expense incurred by Landlord in connection therewith, including attorneys fees and other costs of litigation. The terms of this Paragraph shall survive the expiration of the Lease Term.

10. CONDEMNATION

A. Total. In the event all or a substantial portion (but in any event greater than 30% of the total square feet) of the Premises is taken for any public or quasi-public use under any governmental law, ordinance or regulation or by right of eminent domain or by private purchase in lieu thereof (herein collectively referred to as a "Taking") and the Taking would prevent or materially interfere with the use of the Premises for the purpose for which they are then being used, this Lease shall terminate and the rent shall be abated during the unexpired portion of the Lease Term effective on the date the condemning authority takes possession of the Premises. Landlord shall notify Tenant in the event Landlord receives notice of a proposed Taking.

B. Partial. In the event a portion of the Premises shall be subject to a Taking and this Lease is not terminated as provided in the Paragraph 10.A. hereof, Landlord may, at its sole and exclusive option, either (i) terminate this Lease by notice to Tenant effective as of the date which is ninety (90) days after the date of such notice or (ii) restore and reconstruct the Premises to the extent necessary to make the Premises tenantable. In the event Landlord elects to restore the Premises, the rent payable under this Lease for the unexpired portion of the Lease Term shall be adjusted in such a manner which is fair and reasonable under the circumstances.

C. Award. In the event of any Taking of all or a portion of the Premises, Landlord shall be entitled to receive all of the award made in connection with such Taking, including, without limitation, any award for the value of the unexpired term of this Lease. Tenant shall not be entitled to receive any award for the loss of its leasehold advantage. In the event there is an allocation in the award made to Landlord for moving or business interruption expenses of Tenant, Landlord shall pay such designated portion of the award to Tenant on or before ten (10) days after its actual receipt thereof. Notwithstanding anything contained herein to the contrary, Landlord shall not be obligated to seek recovery of such expense for or on behalf of Tenant.

11. FIRE AND CASUALTY

A. Total. In the event the Premises are totally destroyed or partially damaged by fire, tornado or other casualty, Tenant shall immediately notify Landlord. In the event (i) the Premises are partially damaged and restoration thereof cannot, in Landlord's sole discretion, be completed within one hundred and fifty (150) days after the date of notice to Landlord by Tenant of such destruction or (ii) the Premises are totally destroyed. Landlord, at its sole and exclusive option by notice to Tenant, terminate this Lease in which event the rent shall abate for the unexpired portion of the Lease Term effective as of the date of the notice of termination.

B. Partial. In the event Landlord elects to restore the Premises after a casualty (whether total or partial), Landlord shall, at its sole cost and expense, proceed with reasonable diligence to restore the Premises or the building in which the Premises are located to substantially the same condition as they were prior to such casualty. During such restoration, in the event all or a portion of the Premises are untenantable and the damage or destruction as not caused in whole or in part by any negligent act or omission of Tenant, its agents, employees, invitees or others for whom the Tenant is responsible, the rent payable under this Lease during the period in which the Premises are untenantable shall be adjusted in such a manner as is fair and reasonable under the circumstances. In the event Landlord elects to restore the Premises and thereafter fails to complete the necessary restoration of the Premises to permit Tenant to reoccupy the Premises within one hundred and fifty (150) days after receipt by Landlord of Tenant's notice of such destruction, Tenant may, at its option and as its sole right and exclusive remedy, terminate this Lease by notice to Landlord.

C. Mortgagee. Notwithstanding anything contained in this Lease to the contrary, in the event the "Mortgagee", as that term is herein defined, requires that the insurance proceeds received by Landlord in connection with any casualty be applied to repay the indebtedness secured by the "Mortgage", as that term is herein defined. Landlord shall have the right to terminate this Lease by notice to Tenant on or before thirty (30) days after the date on which Landlord

receives written notice from the Mortgagee that such proceeds shall be applied to repay such indebtedness.

12. WAIVER OF SUBROGATION

Notwithstanding anything contained in this Lease to the contrary, Landlord and Tenant hereby each waive and release the other from any and all rights of recovery, claim, action or cause of action, against each other, their agents, officers, and employees for any loss or damage that may occur to the Premises, or personal property (building contents) within the building, by reason of fire, the elements or any other cause which could be insured against under the terms of standard fire and extended coverage insurance policies, regardless of cause or origin, including negligence of Landlord or Tenant and their agents, officers and employees, as the case may be. Landlord and Tenant each agree to give to their respective insurance companies which have issued policies of fire and extended coverage insurance, written notice of the terms of the mutual waivers contained in this Paragraph and to have the insurance policies properly endorsed, if necessary, to prevent the invalidation of the insurance coverages by reason of the mutual waivers contained in this Paragraph.

13. LANDLORD LIABILITY

A. Disclaimer of Liability. Landlord shall not be liable to Tenant, its employees, agents, invitees, licensees or visitors, or to any other person for any injury to person or damage to property on or about the Premises caused by (i) the negligence or misconduct of Tenant, its agents, servants or employees or by any other person entering the Premises under express or implied invitation of Tenant, (ii) the building and improvements being out of repair or in disrepair, (iii) leakage of gas, oil, water, steam or electricity into the Premises, (iv) the breakage of pipes and plumbing in the Premises or (v)any latent defect, deterioration or change in the condition of the Premises.

B. Indemnity. Tenant agrees to defend, indemnify and hold Landlord harmless from and against any claim or demand arising out of any damage or injury contemplated in Paragraph 13.A. hereof, and any action, suit and proceeding in connection with any such claim or demand and any and all loss, cost, damage, liability or expense incurred by Landlord in connection therewith including attorney's fees and other costs of litigation. The terms of this Paragraph shall survive the expiration of the Lease Term.

14. QUIET ENJOYMENT

Landlord represents to Tenant that it has full right and authority to execute and deliver this Lease. Upon payment of the rent and performance by Tenant of each of the covenants and agreements contained in this Lease which require its performance, Tenant shall peaceably and quietly have, hold and enjoy the Premises during the Lease Term without hindrance by Landlord.

15. LANDLORD'S RIGHT OF ENTRY

Landlord shall have the right, at all reasonable hours, to enter the Premises for the purpose of determining Tenant's use of the Premises or if any default has occurred under this Lease.

16. ASSIGNMENT OR SUBLEASE

Landlord shall have the right to transfer and assign, in whole or in part, its rights and obligations in this Lease. Tenant may assign this Lease or sublet all (but not any part) of the Premises with the prior written consent of Landlord which consent shall not be unreasonably withheld provided such assignee assumes the obligations of Landlord under this Lease. Upon receipt from Tenant of written request for Landlord's consent to any proposed assignment or sublease, Landlord shall have the option, by notice delivered to Tenant on or before fifteen (15) days after receipt of tenant's notice to Landlord, to terminate this Lease as of the date the proposed assignment or sublease would have been effective. The failure of Landlord to exercise its option hereunder shall not be deemed to be the consent of Landlord to any proposed assignment or sublease. IN THE EVENT LANDLORD CONSENTS TO ANY PROPOSED ASSIGNMENT OR SUBLEASE, TENANT SHALL NEVERTHELESS AT ALL TIMES,

REMAIN FULLY RESPONSIBLE AND LIABLE FOR THE PAYMENT OF THE RENT AND FOR COMPLIANCE WITH ALL OF ITS OTHER OBLIGATIONS UNDER THIS LEASE.

17. HOLDING OVER

In the event Tenant holds over after the expiration or termination of this Lease. Tenant shall be a tenant at will and all of the terms and provisions of this Lease shall be applicable during that period, except that Tenant shall pay to Landlord, as annual rent, an amount equal to one and one-half (1.5) times the annual rent which would have been payable by Tenant had the period during which Tenant is holding over been a part of the Lease Term. Tenant agrees to vacate and deliver the Premises to Landlord upon Tenant's receipt of notice from Landlord to vacate. The rent payable during the hold over period shall be payable to Landlord on or before the fifth (5th) day of each month. No holding over by Tenant, whether with or without the consent of Landlord, shall operate to extend the Lease Term.

18. DEFAULT BY TENANT

The following events shall be deemed to be events of default by Tenant under this Lease:

(i) Tenant shall fail to pay the annual rent or any installment thereof when due and such failure shall continue for a period of five (5) days from the date such payment was due.

(ii) Tenant shall fail to pay any additional charge contemplated under Paragraph 6 hereof which is required to be paid by Tenant hereunder and such failure shall continue for a period of five (5) days after such payment was due.

(iii) The entry of a decree or order for relief by a court having jurisdiction of Tenant in an involuntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of Tenant or for any substantial part of its property, or ordering the winding-up or liquidation of its affairs and the continuance of any such decree or order unstayed and in effect for a period of sixty (60) consecutive days.

(iv) The commencement by Tenant of a voluntary case under the federal bankruptcy laws, as now constituted or hereafter amended, or any other applicable federal or state bankruptcy, insolvency or other similar law, or the consent by Tenant to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) of Tenant or for any substantial part of its property, or the making of any assignment for the benefit of creditors, or the failure of Tenant generally to pay its debts as such debts become due, or the taking of any action by Tenant in furtherance of any of the foregoing.

(v) Tenant shall abandon or vacate the Premises.

(vi) Tenant shall fail to comply with or perform any other term or provision of this Lease and such failure shall not be cured within twenty (20) days after written notice by Landlord thereof to Tenant.

19. REMEDIES

Upon the occurrence of an event of default, Landlord shall have the option to pursue any one or more of the following remedies without further notice or demand whatsoever.

Landlord may terminate this Lease in which event Tenant shall immediately surrender possession of the Premises to Landlord. In the event Tenant fails to surrender possession of the Premises, Landlord may, without prejudice to any other remedy which it may have for possession or past due payments of the rent, enter upon and take possession of the Premises and remove Tenant and any other person who may be occupying the Premises or any part thereof without being liable for prosecution or any claim of damages

therefor. Tenant shall be liable for any and all damages therefor to which Landlord is entitled by law by reason of the termination of this Lease.

Without terminating this Lease, Landlord may enter upon and take possession of the Premises and cause Tenant and any other person who may be occupying the Premises or any part thereof to be removed without being liable or prosecution or any claim for damages therefor, and relet the Premises on behalf of Tenant and receive the rent therefor. Tenant agrees to pay to Landlord, on or before seven (7) days after notice, any deficiency that may arise by reason of such reletting including any and all costs to release the Premises.

Landlord may enter upon the Premises without being liable for prosecution or any claim for damages therefor and do whatever Tenant is obligated to do under the terms of this Lease. Tenant agrees to reimburse Landlord, on or before seven (7) days after notice, for any costs, fees or expenses which Landlord may incur in effecting compliance with Tenant's obligations under this Lease. Tenant further agrees that Landlord shall not be liable for any damages to Tenant from such action, whether caused by the negligence of Landlord or otherwise.

Each right and remedy of Landlord provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise shall be cumulative and concurrent and shall be in addition to every other right or remedy provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise. The exercise or commencement by Landlord of any one or more of the rights or remedies provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by Landlord of any or all of such other rights or remedies.

No waiver by Landlord of any breach by Tenant of any of the terms, provisions and covenants contained herein shall be deemed or construed to constitute a waiver of any other or subsequent breach by Tenant of any of the terms, provisions and covenants contained herein. Landlord's acceptance of the payment of rent (or portions thereof or any other payments hereunder after the occurrence of and during the continuance of an event of default (or with knowledge of a breach of any term or provision of this Lease which with the giving of notice and the passage of time, or both, would constitute an event of default) shall not be construed as a waiver of such default.
Forbearance by Landlord to enforce one or more of the remedies herein provided upon the occurrence of an event of default shall not be deemed or construed to constitute a waiver of such default. No act or omission by Landlord or its agents during the Lease Term shall be deemed an acceptance of the surrender of the Premises, and no agreement to accept a surrender of the Premises shall be valid unless in writing and signed by Landlord. No surrender of the Premises or any part thereof by delivery of keys or otherwise shall operate to terminate this Lease unless and until expressly accepted in writing by Landlord.

Landlord shall not be required to relet the Premises nor exercise any other right granted to Landlord hereunder nor shall Landlord be under any obligation to minimize or mitigate Tenants loss or damage as a result of the default of Tenant under this Lease.

Unless otherwise expressly provided in this Lease, Tenant shall not have the right to terminate this Lease by reason of any default or breach by Landlord of any provision of this Lease or by reason of the condition or state of repair of the Premises.

20. LATE CHARGES

In the event Tenant fails to pay any installment or payment of rent hereunder or any other payments required to be paid to Landlord pursuant to (the terms of this Lease on or before five (5) days after the date the installment or payment is due, Tenant shall pay to Landlord as a late charge an amount equal to five percent (5%) of the amount of such installment or payment. The failure by Tenant to pay the late charge shall be an event of default hereunder. The provision for a late charge shall be in addition to all of other rights and remedies of Landlord hereunder or at law and shall not be construed as

liquidated damages or as limiting Landlord's remedies in any manner.

21. ATTORNEY'S FEES

Upon the occurrence of an event of default by Tenant under this Lease or in the event it shall become necessary or appropriate for Landlord to employ or consult with an attorney concerning or regarding any rights or remedies of Landlord hereunder and Landlord consults with or engages an attorney regarding the enforcement of this Lease, the collection of any rent due or to become due or the recovery of the possession of the Premises, Tenant agrees to pay landlord any reasonable attorney's fees incurred by Landlord for the services of the attorney whether or not suit is actually filed.

22. TENANT ESTOPPEL CERTIFICATE

Upon taking possession of the Premises and periodically thereafter during the Lease Term, Tenant shall, on or before ten (10) days after notice from Landlord, deliver to Landlord a letter certifying (i) the Commencement Date, (ii) whether or not Tenant is in possession of the Premises, (iii) the date to which the annual rent and all other sums required to be paid by Tenant hereunder have been paid, (iv) whether or not Tenant has knowledge of any default by either party under this Lease and (v) to such other items as Landlord or the Mortgagee or any prospective purchaser may require.

23. RIGHTS OF MORTGAGEE

A. Right to Cure. In the event Tenant has the express right to terminate this Lease by reason of the default or breach of Landlord under this Lease, Tenant shall not exercise any such right unless and until it shall have first given written notice to Landlord and the owner (herein called the "Mortgagee") of any deed to secure debt (herein called the "Mortgage") now or hereafter encumbering the land on which the building and the Premises are located (if the name and address of the Mortgagee shall previously have been furnished to Tenant) specifying in such notice the acts or omissions which constitute the default or breach by Landlord which permit Tenant to terminate this Lease. The Mortgagee shall have a reasonable period (but in no event less than 30 days) to remedy such act or omission after receipt of such notice. Landlord and the Mortgagee, or either of them, their agents or employees, shall be entitled to enter the Premises and do therein whatever may be necessary to cure such default or breach.

B. Subordination. This Lease is and shall be automatically subject and subordinate to any security deed (including the Mortgage) and to any and all advances to be made thereunder and to all renewals, notifications and extensions thereof. It is the intention of Landlord and Tenant that the foregoing subordination shall be self-operating without any further agreement of Tenant.

C. Attornment. In the event the Mortgagee exercises the power of sale or accepts a deed in lieu of foreclosure under the Mortgage, Tenant agrees, in consideration for the subordination of this Lease set forth above, to attorn to and recognize the purchaser at such sale, as landlord under this Lease. Tenant acknowledges that the purchaser at such sale shall not be liable for any act or omission of Landlord (or any prior landlord) or subject to any claims which Tenant may have against Landlord (or any prior Landlord) except for claims which Tenant notified the Mortgagee of pursuant to Paragraph 23.A. hereof and which Mortgagee elects to perform to prevent Tenant from Terminating the Lease.

D. Confirmation. In the event the Mortgagee requires confirmation of the agreements contemplated in Paragraph 28.C. hereof, including, but not limited to. the subordination of this Lease to the Mortgage, Tenant agrees, on or before seven (7) days after request to execute and deliver to Landlord such instrument as the Mortgagee may reasonably require. In the event Tenant fails to do so, Landlord is hereby irrevocably vested with full power and authority to confirm the subordination of Tenant's interest under this Lease to the Mortgagee.

24. NOTICES

A. Landlord Address. Any payments required to be made by Tenant to

Landlord under this Lease shall be paid to Landlord at the address set forth below or at any other address within the United States as Landlord may specify from time to time.

B. Notices. Any notice, consent, approval or other communication which may be required or permitted to be given or delivered hereunder shall be in writing and shall be deemed to have been given, delivered and received if mailed or delivered to the party at the address set forth below (i) as of the date when the notice is personally delivered (to a member, if the addressee is a limited liability company or to any officer [if none is designated] if the addressee is a corporation, and/or (ii) if mailed, in the United States Mail, certified, return receipt requested, as of the date which is three (3) days after the date of the postmark on such notice and/or (iii) if delivered by courier or express mail service, telegram or mailgram where the carrier provides or retains evidence of the date of delivery, as of the date of such delivery.

TO THE LANDLORD:	TO THE TENANT:
Ellsworth Realty, L.L.C.	K & G Men's Centers, Inc.
1750 Ellsworth Industrial Blvd.	1777 Ellsworth Industrial Blvd.
Atlanta, Georgia 30318	Atlanta, Georgia 30318

Landlord and Tenant may by notice to the other in the manner provided above, designate a different address for receiving notices under this Lease. A post office box shall not be the only notice address for a party. Any notice which is delivered to the notice address on a non-business day shall be deemed given the next business day if left at the notice address; or, if not left at the notice address, the next business day when re-delivered to the notice address. The refusal to accept delivery of. notice or the absence of anyone at a notice address to accept delivery shall not prevent any notice from being effectively given. A non-business day is a Saturday, Sunday or legal holiday generally observed in the city where notice is delivered.

25. CORPORATE AUTHORITY

If Tenant signs as a corporation, each person executing this Lease on behalf of Tenant does hereby covenant and warrant that Tenant is a duly authorized and existing corporation in good standing in the state of its incorporation, that Tenant has and is qualified to do business in Georgia, and that the corporation has full right and authority to enter into this Lease, and that each person signing on behalf of the corporation is authorized to do so.

26. MISCELLANEOUS

A. Limitation on Liability. The term "Landlord" as used in this Lease shall mean only the owner for the time being of the Premises. Landlord shall have no personal liability with respect to any of the provisions of this Lease. If Landlord is in default with respect to its obligations under this Lease. Tenant shall look solely to the equity of Landlord in the Premises for the satisfaction of Tenant's remedies. In the event of the sale or transfer of the Premises by Landlord all obligations of Landlord hereunder shall be transferred to the new owner of the Premises as of the date of sale of the Premises and the transfer of this Lease and Landlord shall have no obligation or liability, as landlord, from and after the date of the transfer of this Lease.

B. Survival. All obligations of Tenant hereunder which are not fully performed as of the expiration or termination of this Lease shall survive the expiration or termination of this Lease, including without limitation, all payment obligations with respect to taxes, insurance premiums, sanitary and water charges and all obligations concerning the condition of the Premises. Upon the expiration or termination of this Lease and prior to Tenant vacating the Premises, Tenant shall pay to Landlord an amount reasonably estimated by Landlord to (i) restore the Premises, including without limitation, the heating and air conditioning systems, in good order, condition and repair, normal wear and tear excepted. and (ii) pay the obligations of Tenant for real estate taxes, insurance premiums and sanitary and water charges for the year in which the Lease expires or terminates. All such amounts shall be used and held by Landlord for payment of such obligations of Tenant and Tenant shall be liable for any

additional costs therefor and shall pay to Landlord, on or before seven (7) days after notice, any such additional costs. Any portion of the estimated payment in excess of the actual costs shall be returned to Tenant after all such obligations have been determined and satisfied.

C. Applicable Law. This Lease shall be governed by and construed in accordance with the laws of the State of Georgia and, if any provision of this Lease shall to any extent be invalid or unenforceable, the remainder of this Lease shall not be affected thereby.

D. Time of the Essence. Time is of the essence with respect to this Lease.

E. Relationship. This Lease shall create the relationship of landlord and tenant between Landlord and Tenant and no estate shall pass out of or be conveyed by Landlord. Tenant has only a usufruct which is not subject to levy and sale and is not assignable.

F. Successors and Assigns. This lease shall be binding on and inure to the benefit of Landlord and Tenant and their respective heirs, personal representatives, successors and permitted assigns.

G. Entire Agreement. This lease contains the entire agreement of the parties and there are, and were, no verbal representations. understandings, stipulations, agreements or promises pertaining to this Lease and not incorporated in this Lease. This Lease may not be altered, waived, amended or extended except by an instrument in writing, signed by both Landlord and Tenant.

H Severability. If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, such provision, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall be deemed severable, and the remainder hereof shall not be affected thereby, and each term, covenant, or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

I. Net Lease. This Lease is net to Landlord.

IN WITNESS WHEREOF, the parties herein have hereunto set their hands and seals this 20th day of November 1995.

TENANT:	LANDLORD:
/s/ JOHN C. DANCU	/s/ STEPHEN H. GREENSPAN
K&G MEN'S CENTER, INC.	ELLSWORTH REALTY, L.L.C.
By: John C. Dancu Title: Chief Financial Officer	By: Stephen Greenspan Title: Member
Attest/Witness:	Attest/Witness:
Name:	Name:
(CORPORATE SEAL)	(CORPORATE SEAL)

EXHIBIT "A"

LEGAL DESCRIPTION

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lot 192 of the 17th District, City of Atlanta, Fulton County, Georgia containing 5.4381 acres, more or less, and being more particularly described as follows:

COMMENCE at a point located at the intersection of the northernmost right-of-way line of Chattahoochee Avenue (being 50 feet from centerline) with the westernmost right-of-way line of Ellsworth Industrial Drive (25 feet from centerline); thence run north along the westernmost right-of-way line of Ellsworth Industrial Drive a distance of 180 feet to an iron pin found (being 25 feet from centerline) and the TRUE POINT OF BEGINNING; thence leave said right-of-way line and run South 89(0) 41' West a distance of 175.1 feet to an iron pin found; thence run South 00(0) 32' East a distance of 167.0 feet to a 3/4" iron rod found on the northernmost right-of-way line of Chattahoochee Avenue (being 50' from centerline); thence run along the northernmost right-of-way line of Chattahoochee Avenue and along the arc of a curve to the right whose arc distance is 128.22 feet and being subtended by a chord of North 79(0) 32' West and having a chord distance of 128.21 feet to an iron pin found (being 50 feet from centerline); thence leave said right-of-way line and run North 00(0) 13' West a distance of 988.5 feet to an iron pin placed; thence run North 89(0) 47' East a distance of 50.0 feet to a pk nail placed; thence run South 00(0) 13' East a distance of 145.0 feet to a pk nail found; thence run North 89(0) 47' East a distance of 50.00 feet to a pk nail placed; thence run South 00(0) 13' East a distance of 145.0 feet to a pk nail found; thence run North 89(0) 47' West a distance of 250.0 feet to a pk nail found on the westernmost right-of-way line of Ellsworth Industrial Drive (being 25 feet from centerline); thence run along said right-of-way line South 00(0) 13' East a distance of 700.0 feet to an iron pin found and the TRUE POINT OF BEGINNING, as per Survey prepared for Ellsworth Realty, L.L.C., General Electric Company, SunTrust Bank, Atlanta and Chicago Title Insurance Company, prepared by Metro Engineering and Surveying Co., Inc., bearing the certification and seal of Chester M. Smith, Jr., Georgia Registered Land Surveyor Number 1445, dated December 1, 1971, last revised November 7, 1995.

EXHIBIT 10.20

AMENDMENT TO LEASE AGREEMENT

This amendment is entered into as of this 29th day of November, 1995 by and between ELLSWORTH REALTY, L.L.C., a Georgia limited liability company (herein referred to as the "Landlord") and K&G MEN'S CENTER, INC., a Georgia corporation (herein referred to as the "Tenant").

In consideration of ten and no/100 Dollars ($10.00) paid by each party hereto to the other and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant agree that the Lease Agreement between Landlord and Tenant dated November 20, 1995 is hereby amended by providing that the portion of the Premises outlined in red on Exhibit "A" attached hereto and made a part hereof containing approximately 20,000 square feet of gross leasable area (herein referred to as the "Office/Warehouse Space") shall, on or before thirty (30) days after notice from Landlord, be surrendered by Tenant to Landlord in the same condition as required as if the term of the Lease had expired and Tenant shall have no rights, obligations or liabilities with respect to the Office/Warehouse Space. The Lease shall otherwise continue in full force and effect and all terms and conditions thereof shall not be modified or amended in any manner (including the payment of any rent contemplated in Paragraph 3 of the Lease and the payment of the Taxes contemplated in Paragraph 6 of the Lease) except, that (i) any utilities or other charges for services provided to the entire building in which the Premises are located shall be prorated based on the gross leasable area of the Office/Warehouse Space to the gross leasable area of the entire building and (ii) Tenant shall not be responsible for (A) any repairs to the Office/Warehouse Space contemplated to be made by Tenant under Paragraph 7 of the Lease and/or (B) compliance with any laws with respect to the Office/Warehouse Space contemplated under Paragraph 8 of the Lease.

IN WITNESS WHEREOF, Landlord and Tenant have hereunto set their hands and seals as of this 29th day of November, 1995.

TENANT:	LANDLORD:
K&G MEN'S CENTER, INC. a Georgia limited liability company	ELLSWORTH REALTY, L.L.C., a Georgia corporation
By: /s/ JOHN C. DANCU	By: /s/ PAUL RUBEN
Title: Chief Financial Officer	Its: Member

[CORPORATE SEAL]

EXHIBIT A

[DIAGRAM]

EXHIBIT 10.21

SECOND
AMENDMENT TO LEASE AGREEMENT

This Amendment, effective July 1, 1999, entered into by and between ELLSWORTH REALTY, L.L.C., a Georgia limited liability company (herein referred to as the "Landlord") and K&G MEN'S CENTER, INC., a Georgia corporation (herein refereed to as the "Tenant").

In consideration of ten and no/100 Dollars ($10.00) paid by each party hereto to the other and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant agree that the Lease Agreement between Landlord and Tenant dated November 20, 1995, as amended by the original parties thereto by Amendment dated November 29, 1995 (herein referred to collectively as the "Lease") for 1225 Chattahoochee Avenue, Atlanta, Georgia 30318/1750 Ellsworth Industrial Boulevard, Atlanta, Georgia 30318 ("Premises") is to be further amended by providing that the portion of the building outlined in red on EXHIBIT "A" attached hereto and made a part hereof containing approximately 20,000 square feet of gross leaseable area (herein referred to as the "Additional Space") shall, as of July 1, 1999, be a part of the Premises and, for such purpose, Landlord hereby leases to Tenant and Tenant hereby takes from Landlord the Additional Space "as-is", on the following terms and conditions:

1. Term. Subject to the terms and conditions hereinafter set forth, the Additional Space shall be included as part of the Premises and subject to the terms of the Lease beginning on July 1, 1999. Tenant shall have the right of possession of the Additional Space as of the date hereof. From and after July 1, Tenant shall have the same rights and options with respect to the Additional Space as it has with respect to the Premises.

2. Rent. Beginning on July 1, 1999, Tenant agrees to pay to Landlord, as annual rent for the Additional Space during the Lease Term, without notice, demand, deduction or offset, the sum of Sixty Thousand Eight Hundred and No/100 Dollars ($60,800.00). Landlord agrees that Tenant shall pay the annual rent in advance, in equal monthly installments of Five Thousand Sixty-Six and 67/100 Dollars (5,066.67) on the first (1st) day of each month during the Lease Term, commencing July 1, 1999. The annual rent for the Additional Space shall be adjusted at the same time the annual rent is adjusted for the Premises on a stand alone basis pursuant to Paragraph 3 (c) of the Lease.

3. General. All other terms of the Lease shall apply to the Additional Space.

This Lease, as amended, hereby, is hereby ratified and confirmed in all other respects.

IN WITNESS WHEREOF, Landlord and Tenant have hereunto set their hands and seals, effective July 1, 1999.

TENANT:	LANDLORD:
K&G MEN'S CENTER, INC. A Georgia corporation	ELLSWORTH REALTY, L.L.C. a Georgia limited liability company
By: /s/ BRADLEY M. BELL	By: /s/ JOHN C. DANCU
Title: Vice President Finance	Its: Member

[CORPORATE SEAL]

EXHIBIT A

EXHIBIT 10.22

SECOND AMENDMENT
TO THE MEN'S WEARHOUSE, INC.
1998 KEY EMPLOYEE STOCK OPTION PLAN

THIS AGREEMENT by The Men's Wearhouse, Inc. (the "Sponsor"),

WITNESSETH:

WHEREAS, the Sponsor maintains the Plan known as "The Men's Wearhouse, Inc. 1998 Key Employee Stock Option Plan" (the "Plan"); and

WHEREAS, the Sponsor retained the right in Article VII of the Plan to amend the Plan from time to time; and

WHEREAS, the Board of Directors of the Sponsor approved resolutions on the 25th day of March, 2000, to amend the Plan;

NOW, THEREFORE, the Sponsor agrees that, effective as of March 25, 2000, Section 4.2 of the Plan is hereby amended in its entirety to read as follows:

> 4.2 DEDICATED SHARES. The total number of shares of Stock with respect to which Options may be granted under the Plan shall be 2,100,000 shares. The shares may be treasury shares or authorized but unissued shares. The number of shares stated in this Section 4.2 shall be subject to adjustment in accordance with the provisions of Section 4.5. If any outstanding Option expires or terminates for any reason or any Option is surrendered, the shares of Stock allocable to the unexercised portion of that Option may again be subject to an Option under the Plan.

EXHIBIT 10.23

LIMITED LIABILITY COMPANY AGREEMENT

OF

CHELSEA MARKET SYSTEMS, L.L.C.

BETWEEN

RENWICK TECHNOLOGIES, INC.

AND

HARRY M. LEVY

AS THE MEMBERS

DATED AS OF JANUARY 3, 2000

TABLE OF CONTENTS

<TABLE>
<S> <C>

</TABLE>

<TABLE>
<S> <C>

</TABLE>

<TABLE>
<S> <C>

</TABLE>

LIMITED LIABILITY COMPANY AGREEMENT OF CHELSEA MARKET SYSTEMS, L.L.C.

THIS AGREEMENT is made as of the 3rd day of January, 2000, between and among Renwick Technologies, Inc., a Texas corporation, and Harry M. Levy

WHEREAS, the parties hereto desire to form a limited liability company under and pursuant to the Act;

NOW, THEREFORE, in consideration of the premises and the mutual undertakings contained herein, the parties hereto hereby agree as follows:

DEFINITIONS

The following definitions shall be applicable to the terms set forth below as used in this Agreement:

"ACT" means the Delaware Limited Liability Company Act, 6 Del. Code Sections 18-101 et seq., as it may be amended from time to time, and any successor to said Act.

"AFFILIATE" means any corporation, partnership, trust or other entity controlling, controlled by or under direct or indirect common control with a Member or in which a Member directly or indirectly holds ten percent (10%) or more of the outstanding voting or equity interests.

"AGREED VALUE" means, in the case of any contributions or distributions of property, the fair market value of such property net of any indebtedness or other liability either assumed or to which such property is subject, as such fair market value is determined by the Members using such reasonable method of valuation as they may adopt.

"AGREEMENT" means this Limited Liability Company Agreement of Chelsea Market Systems, L.L.C. as the same may be amended or modified from time to time in accordance with Article XIX hereof.

"ALTERNATE REPRESENTATIVES" has the meaning ascribed thereto in Section 14.2(a).

"APPROVED BUSINESS PLAN" means a Business Plan and any amendments and revisions thereto that have been approved by the Management Committee pursuant

to Section 14.2(b).

"BANKRUPTCY" means the occurrence of any of the events described in Section 18-304 of the Act with respect to a specified person.

"BUILT-IN GAIN" with respect to any Company property means (i) the excess of the Agreed Value of any Contributed Property over its adjusted basis for federal income tax purposes as of the time of contribution and (ii) in the case of any adjustment to the Carrying Value of any Company property subject to depreciation, cost recovery or amortization pursuant to Section 7.4 as a result of a contribution of cash for a Membership Interest, the Unrealized Gain with respect to such property.

"BUILT-IN LOSS" with respect to any Company property means (i) the excess of its adjusted basis for federal income tax purposes of any Contributed Property over its Agreed Value as of the time of contribution and (ii) in the case of any adjustment to the Carrying Value of any Company property subject to depreciation, cost recovery or amortization pursuant to Section 7.4 as a result of a contribution of cash for a Membership Interest, the Unrealized Loss with respect to such property.

"BUSINESS DAY" means any day other than a Saturday, Sunday or bank holiday in Houston, Texas.

"BUSINESS PLAN" shall mean the projected operating and capital spending budgets of the Company for each fiscal year (or in the case of the initial Business Plan the applicable portion thereof) after completion of the Development Contract and shall set forth income and expense projections and planned contributions and financing.

"CAPITAL ACCOUNT" means the account established for each Member pursuant to Section 7.3.

"CAPITAL CONTRIBUTIONS" means the Agreed Value of any property and the amount of cash contributed by a Member to the Company.

"CARRYING VALUE" with respect to any Capital Contribution means the Agreed Value of such property reduced as of the time of determination by all depreciation, cost recovery and amortization deductions charged to the Capital Accounts with respect to such property and an appropriate amount to reflect any sales, retirements or other dispositions of assets included in such property and, with respect to any other Company property, the adjusted basis of such property for federal income tax purposes as of the time of determination. The Carrying Values shall be further adjusted as provided in Section 8.4.

"CERTIFICATE" means the Certificate of Formation of the Company to be filed in the Office of the Secretary of State of the State of Delaware pursuant to the Act, and any and all amendments thereto and restatements thereof.

"CODE" means the Internal Revenue Code of 1986, as amended and in effect on the effective date hereof and, to the extent applicable, as subsequently amended.

"COMPANY" means Chelsea Market Systems, L.L.C., the limited liability company formed hereunder.

"CONTRIBUTED PROPERTY" means any Capital Contribution of property other than cash.

"DEFAULT INTEREST RATE" means a floating rate per annum equal to the lesser of (a) 2% per annum over the borrowing rate of The Men's Wearhouse, Inc. under its $125,000,000 Revolving Credit Agreement dated February 15, 1999, or such other credit facility as may be substituted therefor, as the case may be with adjustments in such varying rate hereunder to be made on the same date as any change in the aforesaid rate or (b) the maximum rate permitted by Law.

"DELINQUENT CONTRIBUTION" has the meaning ascribed thereto in Section 7.1(c).

"DELINQUENT MEMBER" has the meaning ascribed thereto in Section 7.1(c).

"DEVELOPMENT CONTRACT" means that certain Software Development Agreement between the Company and The Men's Wearhouse, Inc. dated effective January 3, 2000, concerning the development, testing and completion of a POS software system by the Company for The Men's Wearhouse.

"DISTRIBUTABLE CASH" means, at the time of determination, all Company

cash derived from the conduct of the Company's business, other than (i) Capital Contributions, together with interest earned thereon pending utilization thereof, (ii) financing proceeds, (iii) reserves for working capital and (iv) other amounts that the Members reasonably determine to be necessary for the proper operation of the Company's business and its winding up and liquidation.

"HARRY" means Harry M. Levy, an individual residing in Houston, Harris County, Texas.

"INDEMNITEE" has the meaning ascribed thereto in Section 14.7(a).

"LENDING MEMBER" has the meaning ascribed thereto in Section 7.1(c).

"LIQUIDATOR" has the meaning ascribed thereto in Section 17.1.

"MANAGEMENT COMMITTEE" has the meaning ascribed thereto in Section 14.2.

"MEMBERS" means Renwick and Harry or their respective successors or permitted assigns and "MEMBER" means any one of them.

"MEMBER'S OPTIONAL CONTRIBUTION" has the meaning ascribed thereto in Section 7.1(c).

"MEMBERSHIP INTEREST" as to any Member means the entire ownership interest and rights of that Member in the Company, including, without limitation, its right to a distributive share of the profits and losses of the Company, its right to a distributive share of the assets of the Company in accordance with the provisions hereof, and its right to participate in the management of the affairs of the Company.

"RENWICK" means Renwick Technologies, Inc., a Texas corporation.

"REPRESENTATIVE" has the meaning given such term in Section 14.2(a).

"SHARING RATIO" means the percentages set forth below:

<TABLE>
<CAPTION>

MEMBER	SHARING RATIO
<S>	<C>
Renwick	50%
Harry	50%

</TABLE>

"SYSTEMS COMPLETION" has the meaning ascribed thereto in the Development Contract.

"TMP" has the meaning ascribed thereto in Section 9.6(a).

"UNREALIZED GAIN" attributable to a Company property means, as of the date of determination, the excess of the fair market value of such property as of such date of determination over the Carrying Value of such property as of such date of determination.

"UNREALIZED LOSS" attributable to a Company property means, as of the date of such determination, the excess of the Carrying Value of such property as of such date of determination over the fair market value of such property as of such date of determination.

ARTICLE I

FORMATION OF LIMITED LIABILITY COMPANY

SECTION 1.1 FORMATION. The Members hereby form the limited liability company pursuant to the Act. The rights and liabilities of the Members shall be as provided in the Act, except as herein otherwise expressly provided. The Membership Interests of any Member shall be personal property for all purposes. Each Member shall execute, acknowledge, swear to, and deliver all certificates and other instruments conforming with this Agreement that are necessary to qualify, continue, or terminate the Company as a limited liability company under the laws of the State of Delaware and to qualify the Company to do business in such other states or other jurisdictions where such qualification is necessary or desirable.

SECTION 1.2 PARTNERSHIP FOR TAX PURPOSES ONLY. The Members intend that the Company not be a partnership (including a limited partnership) or joint venture, and that no Member be a partner or joint venturer of any other Member, for any purposes other than U.S. federal and state tax purposes, and this Agreement may not be construed to suggest otherwise.

ARTICLE II

NAME

The name of the Company shall be, and the business of the Company shall be conducted under the name of, Chelsea Market Systems, L.L.C. or such other name or names that comply with applicable law as the Members may designate from time to time. The Management Committee shall take any action that they determine is required to comply with the Act, assumed name act, fictitious name act, or similar statute in effect in each jurisdiction or political subdivision in which the Company proposes to do business.

ARTICLE III

PURPOSE AND POWERS

SECTION 3.1 PURPOSE. The purpose of the Company is to design, create and market computer software for use in retail operations, and to market products and services related to the software and to engage in any and all activities necessary, convenient, desirable or incidental to the foregoing.

SECTION 3.2 POWERS OF THE COMPANY. Subject to the terms of this Agreement, the Company shall have the power and authority to take any and all actions necessary, appropriate, proper, advisable, convenient or incidental to or for the furtherance of the purposes set forth in Section 3.1, including the power to conduct the Company's business and to carry on the Company's operations. The Company shall have and exercise the powers granted to a limited liability company by the Act in any state, territory, district or possession of the United States, or in any foreign country that may be necessary, convenient or incidental to the accomplishment of the purposes of the Company.

ARTICLE IV

NAMES AND ADDRESSES OF MEMBERS

The names and mailing addresses of the Members are as set forth on the signature pages hereof.

ARTICLE V

REGISTERED AGENT; REGISTERED OFFICE;
PRINCIPAL OFFICE; ADDITIONAL OFFICES

The name and address of the registered office of the Company in the State of Delaware is c/o The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801. The principal office of the Company shall be 4611 Montrose Blvd., Suite A205, Houston, Texas 77006. The name and address of the registered agent for service of process on the Company in the State of Delaware is The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801. The Members may change the registered agent or the registered office of the Company and may establish such additional offices of the Company as they may, from time to time determine.

ARTICLE VI

TERM

The term of the Company shall be perpetual from the date of the filing of the Certificate in the Office of the Secretary of State of the State of Delaware unless sooner liquidated or dissolved in accordance with this Agreement.

ARTICLE VII

CAPITAL CONTRIBUTIONS

SECTION 7.1 CONTRIBUTIONS.

(a) Upon execution of this Agreement, the Members shall contribute the amounts set forth below.

<TABLE>
<CAPTION>

	Capital

Member	Contribution
<S>	<C>
Renwick	$5,000
Harry	$5,000
Total	$10,000

</TABLE>

(b) Each Member shall be required during each fiscal year to make the additional Capital Contributions (i) included in the Business Plan for such fiscal year or any amendment thereto, in either case as approved by the Management Committee pursuant to this Agreement or (ii) otherwise required by the Management Committee. Renwick shall

contribute the Surplus Amount as defined in the Development Contract to fund the first Approved Business Plan and, unless otherwise agreed by the Management Committee, all other capital contribution shall be made pro rata in accordance with the Members' Sharing Ratios. Unless otherwise provided in the Business Plan, each such contribution shall be made in cash.

(c) If a Member does not contribute by the time required all or any portion of a Capital Contribution (the "Delinquent Contribution") that the Member is required to make as provided in this Agreement, the Company may, with notice to that Member (the "DELINQUENT MEMBER") and each of the other Members request that the Capital Contribution be made by the other Members. The Company shall give a written notice to the Delinquent Member and to the other Members specifying the amount of the Capital Contribution which has not been made. Each Member that elects to do so, shall, within five Business Days, notify the Company of the portion of such Delinquent Contribution the Member desires to make to the Company. If the Members, in the aggregate, elect to make contributions which would exceed the Delinquent Contribution, the amount to be contributed by each Member shall be reduced on a pro rata basis based on the amount each Member elected to contribute compared to the aggregate of the amounts all Members elected to contribute. The contribution made by a Member pursuant to this subparagraph (c) is referred to herein as a "Member's Optional Contribution."

SECTION 7.2 NO LIABILITY FOR ADDITIONAL CONTRIBUTIONS. The liability of each Member to the Company shall be limited to the amount of its Capital Contribution made and to be made pursuant to Section 7.1, and no Member shall have any further personal liability to contribute money to, or in respect of, the liabilities or the obligations of the Company unless it agrees in writing to make additional Capital Contributions to the Company, nor shall any Member be personally liable for any obligations of the Company, except as may be provided in the Act. No Member shall be entitled to the return of any part of its Capital Contribution or to be paid interest in respect of either its Capital Account or any Capital Contribution made by such Member. No unrepaid Capital Contribution shall be deemed or considered to be a liability of the Company or any Member. No Member shall be required to contribute or lend any cash or property to the Company to enable the Company to return any Member's Capital Contribution to the Member.

SECTION 7.3 CAPITAL ACCOUNTS. A capital account ("CAPITAL ACCOUNT") shall be established for each Member and shall be maintained in such a manner as to correspond with the requirements of Treasury Regulations promulgated from time to time under section 704(b) of the Code. The respective Capital Accounts of the Members shall not bear interest.

SECTION 7.4 ADJUSTMENT OF CAPITAL ACCOUNTS. If any Company property is to be distributed in liquidation of the Company or a Membership Interest, the Capital Accounts of the Members (and the amounts at which all Company properties are carried on its books and records) shall, immediately prior to such issuance or distribution, as the case may be, be adjusted (consistent with the provisions of section 704(b) of the Code and the Treasury Regulations promulgated

thereunder) upward or downward to reflect any Unrealized Gain or Unrealized Loss attributable to all Company properties (as if such Unrealized Gain or Unrealized Loss had been recognized upon actual sale of such properties upon a liquidation of the Company immediately prior to such issuance). If the Carrying Value of any property of the Company is properly reflected on the books of the Company at a value that differs from the adjusted tax basis of such property, this Section 7.4 shall be applied with reference to such value.

ARTICLE VIII

DISTRIBUTIONS

SECTION 8.1 AMOUNT; TIMING.

(a) Except as otherwise provided herein or by the Act, Distributable Cash shall be distributed among the Members pro rata in accordance with their Sharing Ratios in such aggregate amounts and at such times as shall be determined by the Management Committee.

(b) Notwithstanding the foregoing, in the event a Member is a Delinquent Member and any other Member has made a Member's Optional Contribution with respect to the Delinquent Contribution of such Delinquent Member, all distributions to be made to such Delinquent Member shall first be made to the Members who have made such Member's Optional Contributions until such time as such Members have received an amount equal to 400% of the amount of their Member's Optional Contributions. In the event that more than one Member has made a Member's Optional Contribution with respect to a Delinquent Contribution, the distribution which would otherwise be made to the Delinquent Member of such Delinquent Contribution shall be divided among such Members pro rata based on the amount of each Member's Optional Contribution made with respect to such Delinquent Contribution compared to the aggregate amount of all Member's Optional Contributions with respect to such Delinquent Contribution. In the event there are outstanding Member's Optional Contributions with respect to more than one Delinquent Contribution of a Delinquent Member, all distributions which would otherwise be paid to that Delinquent Member shall first be paid to the Member or Members who made Member's Optional Contributions with respect to the oldest Delinquent Contribution of that Delinquent Member until such Members shall have received 400% of such Member's Optional Contributions and then with respect to the next oldest and in such order until all Members making Member's Optional Contributions with respect to Delinquent Contributions of such Delinquent Member have received 400% of the aggregate of all Delinquent Contributions of such Delinquent Member. When the amounts required to be paid pursuant hereto with respect to Member's Optional Contributions have been made with respect to all Delinquent Contributions of a Delinquent Member, such Delinquent Member shall cease being a Delinquent Member.

SECTION 8.2 FAILURE TO WITHDRAW. If any Member does not withdraw the whole or any part of its share of any cash distribution made pursuant to Section 8.1, such Member shall not be entitled to receive any interest thereon without the express written consent of the other Member.

SECTION 8.3 TRANSFEROR/TRANSFEREE ALLOCATIONS. Unless otherwise agreed in writing by a transferor and transferee of a Membership Interest herein, Distributable Cash distributable with respect to any Membership Interest which may have been transferred during any year shall be distributed to the holder of such Membership Interest who was recognized as the owner on the date of such distribution, without regard to the results of Company operations during the year.

SECTION 8.4 MEMBER ADVANCES. Notwithstanding the foregoing, if any Member advances any funds or makes any other payment to or on behalf of the Company, not required pursuant to the provisions hereof, to cover operating or capital expenses of the Company which cannot be paid out of the Company's operating revenues, such advance or payment shall be deemed a loan to the Company by such Member, bearing interest from the date such advance or payment was made until such loan is repaid at the Default Interest Rate. Notwithstanding Section 8.1 above, all distributions of Distributable Cash shall first be distributed to the Members making such loans until all such loans have been repaid to such Members, together with interest thereon as above provided, and, thereafter, the balance of such distributions, if any, shall be made in accordance with the terms of Section 8.1 above. If distributions are insufficient to repay and return all such loans as provided above, the funds available from time to time shall first be applied to repay and retire the oldest loan first and, if any funds thereafter remain available, such funds shall be applied in a similar manner to remaining loans in accordance with the order of the dates on which they were made; however, as to loans made on the same date, each such loan shall be repaid pro rata in the proportion that such loan bears to the total loans made on said date.

ARTICLE IX

ALLOCATIONS OF INCOME, GAIN,
LOSS, DEDUCTION AND CREDIT

SECTION 9.1 GENERAL. Except as otherwise provided herein or unless

another allocation is required by Treasury Regulations issued under section 704(b) of the Code (including, but not limited to, provisions pertaining to qualified income offsets and minimum gain chargebacks) for purposes of maintaining the Capital Accounts, all items of Company income, gain, loss, deduction and credit shall be allocated among the Members pro rata in accordance with their Sharing Ratios. For purposes of computing the amount of each item of income, gain, deduction or loss to be charged or credited to the Capital Accounts, the determination, recognition and classification of such item shall be the same as its determination, recognition and classification for federal income tax purposes, provided that:

(a) Any deductions for depreciation, cost recovery, or amortization attributable to any Company property shall be determined as if the adjusted basis of such property were

equal to the Carrying Value of such property. Upon an adjustment to the Carrying Value of any Company property subject to depreciation, cost recovery, or amortization pursuant to Section 7.4, any further deductions for such depreciation, cost recovery, or amortization attributable to such property shall be determined as if the adjusted basis of such property were equal to the Carrying Value of such property immediately following such adjustment.

(b) Any income, gain or loss attributable to the taxable disposition of any Company property shall be determined by the Company as if the adjusted basis of such property as of such date of disposition were equal in amount to the Carrying Value of such property as of such date.

(c) All fees and other expenses incurred by the Company to promote the sale of a Membership Interest that can neither be deducted nor amortized under section 709 of the Code shall be treated as an item of deduction.

(d) Computation of all items of income, gain, loss and deduction shall be made without regard to any election under section 754 of the Code which may be made by the Company and, as to those items described in section 705(a)(1)(B) or section 705(a)(2)(B) of the Code, without regard to the fact that such items are not includable in gross income or are neither currently deductible nor capitalizable for federal income tax purposes.

SECTION 9.2 SPECIAL ALLOCATION.

(a) All items of deduction or loss attributable to the non-pro rata Capital Contribution to be made by Renwick pursuant to Section 7.1(b) shall be allocated solely to Renwick.

(b) Once a Member that makes Member's Optional Contribution has received distributions under Section 8.1(b) in any amount equal to such Member's Optional Contribution, such Member shall be allocated gross income equal to the amount of all additional distributions received under Section 8.1(b) during any fiscal year of the Company as a result of such Member's Optional Contribution.

SECTION 9.3 ALLOCATIONS FOR TAX PURPOSES.

(a) The Company shall, except to the extent such item is subject to allocation pursuant to subsection (b) below, allocate each item of income, gain, loss, deduction and credit, as determined for federal and other income tax purposes, in the same manner as such item was allocated for book purposes.

(b) The Company, for federal and other income tax purposes shall, in the case of Contributed Properties, allocate items of income, gain, loss, depreciation and cost recovery

deductions attributable to those properties with a Built-In Gain or a Built-In Loss pursuant to section 704(c) of the Code. Similar allocations shall be made in the event that the Carrying Value of Company properties subject to depreciation, cost recovery or amortization are adjusted pursuant to Section 7.4 upon the issuance of Membership Interests for cash. If an existing Member acquires additional Membership Interests, such allocations shall apply only to the extent of his or its additional Membership Interests. No allocation under section 704(c) of the Code shall be charged or credited to a Member's Capital Account.

SECTION 9.4 TRANSFER/TRANSFEREE ALLOCATIONS. Income, gain, loss, deduction or credit attributable to any Membership Interest which has been transferred shall be allocated between the transferor and the transferee allocated equally among the days of the Company's fiscal year without regard to Company operations during such days.

SECTION 9.5 RELIANCE ON ADVISORS. The Management Committee may rely upon, and shall have no liability to the Members or the Company if it does rely upon, the written opinion of tax counsel or accountants retained by the Company from time to time with respect to all matters (including disputes with respect thereto) relating to computations and determinations required to be made under this Article IX or other provisions of this Agreement.

SECTION 9.6 TAX MATTERS PARTNER.

(a) Renwick is designated tax matters partner ("TMP") as defined in section 6231(a)(7) of the Code. The TMP and the other Member shall use their best efforts to comply with responsibilities outlined in this Section 9.6 and in sections 6222 through 6232 of the Code (including any Treasury Regulations promulgated thereunder) and in doing so shall incur no liability to any other Member.

(b) If any Member intends to file a notice of inconsistent treatment under section 6222(b) of the Code, such Member shall, prior to the filing of such notice, notify the TMP of such intent and the manner in which the Member's intended treatment of a Company item is (or may be) inconsistent with the treatment of that item by the Company.

(c) No Member other than the TMP shall file a request pursuant to section 6227 of the Code for an administrative adjustment of partnership items for any Company taxable year.

(d) No Member other than the TMP shall file a petition under Code sections 6226, 6228 or other Code sections with respect to any Company item, or other tax matters involving the Company. In the case where the TMP files such petition, he shall determine the forum in which such petition will be filed.

ARTICLE X

BOOKS OF ACCOUNT, RECORDS AND TAX INFORMATION

SECTION 10.1 MAINTENANCE OF BOOKS AND RECORDS. Proper and complete records and books of account (including those required by the Act) shall be kept by the Company in which shall be entered all transactions and other matters relative to the Company's business as are usually entered into records and books of account maintained by persons engaged in businesses of like character. The Company books and records shall be maintained in accordance with accounting principles described herein, and shall be kept on the accrual basis. The books and records shall at all times be made available and shall be open to the reasonable inspection and examination of the Members or their duly authorized representatives during the business hours of the Company for any purpose reasonably related to the interest of such Member as a member of the Company.

SECTION 10.2 REPORTS.

(a) As soon as reasonably practicable after the end of each fiscal year, the Company shall send each person who was a holder of a Membership Interest at any time during the fiscal year then ended:

(i) All Company tax information as shall be necessary for the preparation by such holder of its federal and any applicable state and local income tax returns; and

(ii) A balance sheet, profit and loss statement and statement of cash flows for such year; and

(b) Once the Company has adopted its first Approved Business Plan, a quarterly statement of income and cash flow compared to the applicable Approved Business Plan with an explanation of each deviation of more than 5% from any item in the Approved Business Plan.

ARTICLE XI

FISCAL YEAR

The fiscal year of the Company shall end on December 31st of each year.

ARTICLE XII

COMPANY FUNDS

The funds of the Company shall be deposited in such bank account or accounts, or invested in such interest-bearing or non-interest-bearing accounts, as shall be designated by the Management Committee. All withdrawals from any such bank accounts shall be made by Company officers, employees or agents duly authorized by the Management Committee.

ARTICLE XIII

STATUS OF MEMBERS

No Member shall have any personal liability whatever, whether to the Company, to any of the Members or to the creditors of the Company, for the debts of the Company or any of its losses beyond the amount agreed to be contributed by it to the capital of the Company as set forth in Section 7.1 except to the extent required by the Act. No Member shall be obligated to restore any deficit in its Capital Account upon the liquidation of the Company or its Membership Interest.

ARTICLE XIV

MANAGEMENT AND OPERATION OF BUSINESS

SECTION 14.1 MEMBER MANAGEMENT. Subject tp Section 14.2 below, the management of the Company is vested in the Members, acting exclusively in their membership capacities and all actions of the Members shall require approval of Members holding at least a majority of the total of all Sharing Ratios.

SECTION 14.2 MANAGEMENT COMMITTEE. The Company shall be managed by a committee which is hereby named the "MANAGEMENT COMMITTEE." Decisions or actions taken by the Management Committee in accordance with the provisions of this Agreement shall constitute decisions or actions by the Company and shall be binding on each Member of the Company. The Management Committee shall conduct its affairs in accordance with the following provisions and the other provisions of this Agreement:

(a) Organization of Management Committee:

(i) George Zimmer, Harry Levy and David Edwab shall be the initial members of the MANAGEMENT COMMITTEE with Messrs. Zimmer and Edwab being "REPRESENTATIVES" of Renwick and Harry as his own REPRESENTATIVE. Upon Systems Completion, the Management Committee shall be increased to four persons and Harry shall appoint the fourth person as his Representative. No individual may serve as the Representative of more than one Member. Each of Renwick and Harry

may also appoint one or more individuals ("ALTERNATE REPRESENTATIVES") with the power of substitution and authority to act in place of its Representatives in case of the unavailability thereof. Each Representative and Alternate Representative shall be duly authorized to act on behalf of and to bind the appointing Member. Each of Renwick and Harry reserves the right to remove any one or more of its Representative or Alternate Representatives, as the case may be, and to appoint successors and substitutes therefor, from time to time, and any such change shall be effective upon such Member's delivering a written notice of such change to the other Member.

(ii) In the event the individual serving as the president/chief executive officer of the Company is not a Representative, he or she shall be an additional member of the Management Committee; however, that individual shall be a nonvoting member.

(iii) Each Representative shall have one vote on all matters to be decided by the Management Committee. Voting may occur by voice vote at a meeting of the committee or by written consent.

(iv) Any action of the Management Committee shall require the affirmative vote of a majority of the persons on the Management Committee. In addition, if, at any time, any Member is a Delinquent Member, its Representative and

Alternate Representative(s) may not participate in the Management Committee and all decisions shall be made by the Representative or Alternate Representative(s) of the other Member.

(v) To expedite the handling of Company business, it is understood and agreed that any document executed by a Representative or any Alternate Representative of each Member shall, as to any third parties, be deemed to be the action of the Member appointing such Representative or Alternate Representative. Further, any Person dealing with the Company may rely upon a certificate signed by a Representative or any Alternate Representative of both Members as to:

(A) the identity of the Members, their Representatives and Alternate Representatives;

(B) the existence or nonexistence of any fact or facts that constitute conditions precedent to acts by the Company or are in any other manner related to the affairs of the Company;

(C) the Persons who are authorized to execute and deliver any instrument or document of the Company;

(D) any act or failure to act by the Company or the Management Committee; or

(E) any other matter whatsoever involving the Company or the Management Committee.

(b) Matters Requiring Management Committee Consent: Notwithstanding any other provision of this Agreement, the following actions require the consent of the Management Committee:

(i) the annual Business Plan and any amendments to the Approved Business Plan;

(ii) the incurrence of, or commitment to incur, any capital cost for any project that exceeds $25,000 (to the extent not covered by the Approved Business Plan) or that would cause the Company to exceed its annual capital budget as reflected on the Approved Business Plan;

(iii) the sale or divestiture of any asset of the Company having a fair market value in excess of $25,000, to the extent not covered in the Approved Business Plan;

(iv) material contracts and agreements covering amounts in excess of $100,000 or for a term in excess of 36 months, and amendments thereof, to the extent these matters are not covered by the Approved Business Plan;

(v) borrowings or issuances of debt securities (excluding trade credits and advances under working capital funding facilities) of the Company, to the extent these matters are not covered in the Approved Business Plan;

(vi) issuances by the Company of any new Membership Interests;

(vii) entering into or amending contracts between the Company and any Member or its Affiliates; and

(viii) the filing or settlement of any lawsuit involving a claim or settlement payment of more than $1,000.

(c) Meetings of the Management Committee:

(i) Regular meetings of the Management Committee shall be held periodically, but no less frequently than quarterly, on such dates, at such times and at such locations as the members of such committee shall from time to time

determine, taking into account the convenience of all parties. The individual then serving as the president/chief executive

officer of the Company or any Representative or Alternate Representative may call a special meeting of the Management Committee. Notice of any special meeting shall include a statement of the matters proposed to be considered at such meeting and shall be given to all participants by the Person calling the meeting, under normal circumstances at least ten (10) Business Days prior to the meeting, although shorter notice of a meeting (but not less than eight (8) hours) may be given if the circumstances of urgency so require. All notices of Management Committee meetings shall be given either in writing, or by telephone if immediately followed by written confirmation, and no Management Committee meeting shall be held unless the president/chief executive officer of the Company and a Representative or Alternate Representative of each Member participates in such meeting. Each Member agrees to use reasonable efforts to cause at least one of its Representatives or an Alternate Representative to participate, in the manner provided for herein, in all Management Committee meetings.

(ii) Representatives and Alternate Representatives may participate in any Management Committee meeting by means of telephone conference call or similar communications equipment so long as all Persons participating in the meeting can hear each other simultaneously. If required, the Management Committee may act without a meeting by written consent.

(iii) The individual serving as the president/chief executive officer of the Company shall preside at all Management Committee meetings.

(d) A Member may exercise all rights or powers provided to members of a limited liability company by the Act, except to the extent that any such exercise is inconsistent with, or contrary to, an express provision of this Agreement.

SECTION 14.3 INABILITY TO AGREE ON A BUSINESS PLAN. In the event the Management Committee does not approve the Business Plan within 30 day of the submission of a Business Plan by any of the Representatives to the Management Committee, except where a majority of the Management Committee expressly agree to defer approval of a Business Plan, the Management Committee shall meet to agree upon a person to either arbitrate or mediate the disagreement among the Representatives. If the Management Committee agrees upon a person to arbitrate the disagreement between the Representatives, the Management Committee shall submit the matter to such arbiter within 14 days. Each Representative shall have the right to make written and oral submissions to the arbiter. Within 14 days of the last of such submissions, the arbiter shall issue his or her ruling which shall be binding on all Members. If the Management Committee selects a mediator, all Representatives shall have the opportunity to meet together with the mediator on a date specified by the mediator upon 21 days' advance notice to the Representatives, which notice can be waived. The Representatives, with the assistance of the mediator, shall attempt in good faith to reach agreement on a Business Plan. If the Management Committee can not agree on either an arbiter or

a mediator, Michael W. Conlon shall select a mediator and the Representatives shall meet with such mediator in the same manner as set forth in the previous sentence. If, notwithstanding completion of the foregoing, the Management Committee has not agreed on a Business Plan and a Business Plan has not been ordered by an arbiter, the Company shall be liquidated and terminated in accordance with Article XVII.

SECTION 14.4 COMPENSATION AND REIMBURSEMENT. The Management Committee is not entitled to compensation for its services. Each Representative and Alternate Representative shall be reimbursed by their respective Member for out-of-pocket costs and expenses incurred in serving on the Management Committee.

SECTION 14.5 OFFICERS.

(a) Subject to the provisions hereof, the Management Committee shall from time to time designate officers of the Company to carry out the day-to-day business of the Company.

(b) The officers of the Company shall be comprised of one or more individuals designated from time to time by the Management Committee. No officer need be a resident of the State of Delaware. Each officer shall hold his or her office for such terms and shall have such authority and exercise such powers and perform such duties as shall be determined from time to time by the Management Committee. Any number of offices may be held by the same individual. The salaries or other

compensation, if any, of the officers and agents of the Company shall be fixed from time to time by the Management Committee.

(c) The officers of the Company may consist of a president/chief executive officer, a secretary and a treasurer. The Management Committee may also designate one or more vice presidents, assistant secretaries, and assistant treasurers. The Management Committee may designate such other officers and assistant officers and agents as the Management Committee shall deem necessary.

(d) Any officer may be removed as such at any time by the Management Committee, either with or without cause, in the discretion of the Management Committee; provided, that such removal shall be without prejudice to the contract rights, if any, of the person so removed. Designation of an officer shall not of itself create contract rights.

SECTION 14.6 EXCULPATION. NEITHER THE MANAGEMENT COMMITTEE, THE MEMBERS, THEIR RESPECTIVE AFFILIATES, NOR ANY OWNER, OFFICER, DIRECTOR, PARTNER, EMPLOYEE OR AGENT OF THE MEMBERS OR THEIR RESPECTIVE AFFILIATES, SHALL BE LIABLE, RESPONSIBLE OR ACCOUNTABLE IN DAMAGES OR OTHERWISE TO THE COMPANY OR ANY MEMBER FOR ANY ACTION TAKEN OR FAILURE TO ACT (EVEN IF SUCH ACTION OR FAILURE TO ACT CONSTITUTED THE NEGLIGENCE OF A PERSON) ON BEHALF OF THE COMPANY WITHIN THE SCOPE OF THE AUTHORITY CONFERRED ON THE PERSON DESCRIBED IN THIS AGREEMENT OR BY LAW UNLESS SUCH ACT OR OMISSION WAS PERFORMED OR

OMITTED FRAUDULENTLY OR CONSTITUTED GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. TO THE EXTENT THAT, AT LAW OR IN EQUITY, THE MANAGEMENT COMMITTEE, THE MEMBERS, THEIR RESPECTIVE AFFILIATES, OR ANY OWNER, OFFICER, DIRECTOR, PARTNER, EMPLOYEE OR AGENT THEREOF HAVE DUTIES (INCLUDING FIDUCIARY DUTIES) AND LIABILITIES RELATING TO THE COMPANY OR TO ANOTHER MEMBER, THE MANAGEMENT COMMITTEE, THE MEMBERS, THEIR RESPECTIVE AFFILIATES, OR ANY OWNER, OFFICER, DIRECTOR, PARTNER, EMPLOYEE OR AGENT THEREOF ACTING UNDER THE AGREEMENT SHALL NOT BE LIABLE TO THE COMPANY OR TO ANY OTHER MEMBER OR ITS AFFILIATES FOR THEIR RELIANCE ON THE PROVISIONS OF THIS AGREEMENT. THE PROVISIONS OF THIS AGREEMENT, TO THE EXTENT THAT THEY EXPAND OR RESTRICT THE DUTIES AND LIABILITIES OF THE MANAGEMENT COMMITTEE, THE MEMBERS, THEIR RESPECTIVE AFFILIATES, OR ANY OWNER, OFFICER, DIRECTOR, PARTNER, EMPLOYEE OR AGENT THEREOF OTHERWISE EXISTING AT LAW OR IN EQUITY, ARE AGREED BY THE MEMBERS TO REPLACE SUCH OTHER DUTIES AND LIABILITIES OF THE MANAGEMENT COMMITTEE, THE MEMBERS, THEIR RESPECTIVE AFFILIATES, OR ANY OWNER, OFFICER, DIRECTOR, PARTNER, EMPLOYEE OR AGENT THEREOF.

SECTION 14.7 INDEMNIFICATION. (a) TO THE FULLEST EXTENT PERMITTED BY LAW, THE MANAGEMENT COMMITTEE, THE MEMBERS, THEIR RESPECTIVE AFFILIATES AND THEIR RESPECTIVE OFFICERS, DIRECTORS, PARTNERS, EMPLOYEES AND AGENTS OR ANY PERSON PERFORMING A SIMILAR FUNCTION (INDIVIDUALLY, AN "INDEMNITEE") SHALL BE INDEMNIFIED AND HELD HARMLESS BY THE COMPANY FROM AND AGAINST ANY AND ALL LOSSES, CLAIMS, DAMAGES, JUDGMENTS, LIABILITIES, OBLIGATIONS, PENALTIES, SETTLEMENTS AND REASONABLE EXPENSES (INCLUDING LEGAL FEES) ARISING FROM ANY AND ALL CLAIMS, DEMANDS, ACTIONS, SUITS OR PROCEEDINGS, CIVIL, CRIMINAL, ADMINISTRATIVE OR INVESTIGATIVE, IN WHICH THE INDEMNITEE MAY BE INVOLVED, OR THREATENED TO BE INVOLVED, AS A PARTY OR OTHERWISE, BY REASON OF ITS STATUS AS (x) A MEMBER OF THE MANAGEMENT COMMITTEE, A MEMBER OR AN AFFILIATE THEREOF, OR (y) AN OFFICER, DIRECTOR, PARTNER, EMPLOYEE OR AGENT OF A MEMBER OR AN AFFILIATE THEREOF, REGARDLESS OF WHETHER THE INDEMNITEE CONTINUES TO BE A MEMBER OF THE MANAGEMENT COMMITTEE, A MEMBER OR AN AFFILIATE THEREOF OR AN OFFICER, DIRECTOR, EMPLOYEE OR AGENT OF A MEMBER OR AN AFFILIATE THEREOF AT THE TIME ANY SUCH LIABILITY OR EXPENSE IS PAID OR INCURRED, UNLESS THE ACT OR FAILURE TO ACT GIVING RISE TO INDEMNITY HEREUNDER WAS PERFORMED OR OMITTED FRAUDULENTLY OR CONSTITUTED GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

(b) The Company may purchase and maintain insurance on behalf of the Management Committee and such other Persons as the Management Committee shall determine against any liability that may be asserted against or expense that may be incurred by such Person in connection with the Company's activities, regardless of whether the Company would have the power to indemnify such Person against such liability under the provisions of this Agreement.

(c) Expenses incurred by any Indemnitee in defending any claim with respect to which such Indemnitee may be entitled to indemnification by the Company hereunder (including without limitation reasonable attorneys' fees and disbursements) shall, to the maximum extent permitted by law, be advanced by the Company prior to the final

disposition of such claim, upon receipt of a written undertaking by or on behalf of such Indemnitee to repay the advanced amount of such

expenses unless it is determined ultimately that the Indemnitee is entitled to indemnification by the Company under Section 14.7(a).

(d) The indemnification provided in this Section 14.7 is for the benefit of the Indemnitees and shall not be deemed to create any right to indemnification for any other Persons.

SECTION 14.8 CERTAIN AFFILIATE TRANSACTIONS. It is understood and agreed that after Systems Completion each Member and its Affiliates shall be entitled to acquire any computer software upgrades, improvements or additions marketed by the Company or its Affiliates at cost to the Company or its Affiliates. It is also understood that the Company will enter into system maintenance agreements with its Members and their affiliates.

SECTION 14.9 OTHER ACTIVITIES. It is further understood and agreed that the other business interests and activities of the Members and Affiliates of the Members may be of any nature or description. Neither the Company nor any Member or its Affiliates shall have any right, by virtue of this Agreement or the relationship created hereby, in or to the business activities of the other Members or of such Affiliates or to the income or proceeds derived therefrom, and the pursuit of such business activities, even if competitive with the business of the Company, shall not be deemed wrongful or improper. Any Member or any Affiliate of a Member shall have the right to take for its own account or to recommend to others any investment opportunity without being required to offer the same to the other Members of the Company.

ARTICLE XV

TRANSFER OF MEMBERSHIP INTERESTS

SECTION 15.1 RESTRICTIONS ON TRANSFER. No Member shall have the right to directly or indirectly transfer, sell, assign, pledge, hypothecate or otherwise dispose of its interest in the Company, or any portion thereof, without complying with the provisions of this Article XV. Any attempted transfer or assignment of any interest in the Company in violation of the provisions of this Article XV shall be void and of no force and effect.

SECTION 15.2 PROCEDURES. Any Member who desires to transfer all or any portion of its Membership Interest shall arrange for any permitted transferee to be bound by the provisions of this Agreement, as it may then be amended, including, specifically, this Article XV, by having such transferee execute two counterparts of an instrument of assignment satisfactory in form and substance to the other Member and by delivering the same to the Company together with any such other information that may be required by counsel to the Company to determine whether the proposed transfer violates applicable federal or state securities or other laws or regulations. If and when the other requirements of this Article XV are satisfied, the transferee shall become a substituted Member as to the Membership Interest thus transferred effective as of the first day of the

calendar month during which the Company actually receives the aforesaid instrument of assignment executed by both the transferor and transferee and, in the case of the transfer of a Member's entire Membership Interest, until such time as the transferee is admitted to the Company as a Member of the Company, the transferor Member shall not cease to be a Member of the Company. The transferee shall be required to pay any and all reasonable filing and recording fees, legal fees, accounting fees, and other charges and fees incurred by the Company and its counsel as a result of such transfer.

SECTION 15.3 CONSENT TO TRANSFER. Harry shall not directly or indirectly transfer, sell, assign, pledge, hypothecate or otherwise dispose of all or any portion of his interest in the Company if, as a result thereof, he would own less than a 1% interest in the Company.

SECTION 15.4 COMPLIANCE WITH SECURITIES LAWS. All Members acknowledge that the Membership Interests have not been registered under (i) the Securities Act of 1933, as amended (the "1933 ACT"), in reliance on the exemptions afforded by Section 4(2) of the 1933 Act, or (ii) applicable state securities laws in reliance on exemptions under such laws. Therefore, to preserve said exemptions and notwithstanding anything contained herein to the contrary, the Members hereby agree that Membership Interests shall be nontransferable and nonassignable, except in compliance with the registration provisions of the 1933 Act and the Act, or an exemption or exemptions therefrom, and any attempted or purported transfer or assignment in violation of the foregoing shall be void and of no effect. Accordingly, as an additional condition precedent to any assignment or other transfer of any interest in the Company, the Management Committee may require an opinion of counsel satisfactory to the Management Committee that such assignment or transfer will be made in compliance with the registration provisions of the 1933 Act and applicable state securities laws or exemption(s) therefrom, and such transferor or assignor shall be responsible for paying said counsel's fee for the opinion.

SECTION 15.5 BUY-OUT. Upon the happening of a Buy-Out Event, as defined below, Renwick shall, within 30 days of receipt of notice of the Buy-Out Event, make an offer to purchase all of the interests in the Company not held by Renwick (the "Subject Interests"). The offer, which shall be in writing and shall be delivered to Harry, unless Harry shall be deceased or mentally incapacitated, in which case it shall be delivered to the executor of his estate or his legal guardian, shall specify a dollar amount in cash for the Subject Interests. Harry, or his executor or legal guardian as the case may be, shall have thirty days in which to advise Renwick in writing whether the holders of the Subject Interests elect to sell the Subject Interests for the amount offered by Renwick or elect to buy Renwick's interest in the Company for cash in an amount equal to the price offered by Renwick divided by the Subject Interests times Renwick's interest in the Company. Within ten business days of the notice to Renwick indicating whether the holders of the Subject Interests elect to sell the Subject Interests to Renwick or elect to buy from Renwick its interest in the Company, Renwick and the holders of the Subject Interests shall complete the sale and purchase by the purchaser delivering the purchase price in cash by wire transfer to the account specified by the seller and the seller delivering such documents of transfer evidencing the sale and transfer of the applicable interests in the Company as the purchaser may reasonably request.

SECTION 15.6 BUY-OUT EVENT. For purpose of this Agreement, a Buy-Out Event shall mean any of the following:

(a) The death or mental or physical incapacity of Harry such that he is unable to perform his normal working duties for a period of more than six months.

(b) The election by Harry to sell so much of his interest in the Company so that he will own less than a 1% interest in the Company. If Harry decides to make any such sell, prior to his doing so, he must give written notice of a Buy-Out Event to Renwick and in such notice must specify the terms of all offers or reasonably anticipated offers to purchase all of the Company, including all or substantially all of the assets of the Company, or to purchase any interests in the Company.

(c) Harry shall desire to have all of the interest in the Company or, all or substantially all of its assets sold to a person or group of persons. In this case, Harry shall give written notice to Renwick of a Buy-Out Event and in such notice shall specify the terms on which any person or group of persons, specifying such person or group of persons, proposal to purchase all or substantially all of the assets of the Company or the entire interest in the Company. If, within 10 business days of receipt of such notice, Renwick advises Harry that it concurs with the proposed sale, the notice from Harry shall cease to be considered a notice of a Buy-Out Event, and Renwick and Harry shall proceed in good faith to close the sale of the entire interest in the Company or of all or substantially all of the assets of the Company.

(d) In the event that the Management Committee does not approve the Business Plan, the terms of Section 14.3 have been satisfied, and the Company is required to be liquidated pursuant to Section 14.3, either Harry or Renwick may declare and give notice of a Buy-Out Event provided such notice is given within 30 days of the final meeting with the mediator as contemplated by Section 14.3.

ARTICLE XVI

DISSOLUTION OF THE COMPANY

SECTION 16.1 EVENTS OF DISSOLUTION. The happening of any one of the following events shall work an immediate dissolution of the Company:

(a) The death, retirement, resignation, expulsion, bankruptcy or dissolution of a Member unless the business of the Company is continued by the written consent of the remaining Member within 90 days following the occurrence of any such event;

(b) The receipt by the Company of the final payment due on the sales price of all or substantially all the assets of the Company or the Company's business following the Company's sale thereof;

(c) The agreement by all of the Members to dissolve;

(d) Inability to agree on a Business Plan;

(e) The expiration of the term of the Company as provided in Article VI of this Agreement, unless all Members agree to extend the term of the Company past the date set forth in Article VI; and

(f) The entry of a decree of judicial dissolution underss. 18-802 of the Act.

Each Member covenants and agrees that it will not retire, resign or voluntarily dissolve, without the prior written consent of the other Member, which consent may be granted or withheld in the sole discretion of the other Member.

SECTION 16.2 OPTION TO PURCHASE INTEREST OF BANKRUPT MEMBER.

(a) If within 90 days of the Bankruptcy of any Member, the other Member elects to continue the business of the Company, the Bankruptcy shall be deemed to be an offer by the bankrupt Member of its Membership Interest to the other Member at a price equal to the fair market value of such bankrupt Member's Membership Interest determined by agreement between the bankrupt Member (or its legal representative) and the other Member; provided, however, if those Persons do not agree on the fair market value on or before the 30th day following the election of the other Member to continue the business of the Company, such value shall be determined pursuant to the appraisal procedures set forth in Section 16.2(b).

(b) If the Members cannot agree on the fair market value of a Membership Interest or one or more of the assets or businesses of the Company within 15 days after such value is to be determined under any provisions of this Agreement, either Member, by notice to the other, may require the determination of such fair market value to be made by an independent appraiser specified in a written notice to the other Member. If the Member receiving that notice objects to the independent appraiser designated in that notice on or before the 15th day following receipt, and the Members otherwise fail to agree on an independent appraiser, either Member may petition the United States District Judge for the Southern District of Texas then senior in service to designate an independent appraiser. The determination of the fair market value by the independent appraiser, however designated, shall be final and binding on all parties. Each Member shall be responsible for 50% of the cost of such appraisal.

ARTICLE XVII

WINDING UP AND TERMINATION OF THE COMPANY

SECTION 17.1 LIQUIDATOR. If the Company is dissolved for any reason, a liquidator (the "LIQUIDATOR") shall commence to wind up the affairs of the Company and to liquidate and sell its assets. The members of the Management Committee shall serve as the Liquidator unless they appoint another person to serve as the Liquidator. The Liquidator shall have full right and discretion to determine the time, manner and terms of sale or sales of Company property pursuant to such liquidation having due regard to the activity and condition of the relevant market and general financial and economic conditions. The Liquidator appointed in the manner provided herein shall have and may exercise, without further authorization or consent of any of the parties hereto or their legal representatives or successors in interest, all of the powers conferred upon the Members under the terms of this Agreement (but subject to all of the applicable limitations, contractual and otherwise, upon the exercise of such powers) to the extent necessary or desirable in the good faith judgment of the Liquidator to carry out the duties and functions of the Liquidator hereunder for and during such period of time, not to exceed two (2) years after the date of dissolution of the Company, as shall be reasonably required in the good faith judgment of the Liquidator to complete the liquidation and dissolution of the Company as provided for herein, including, without limitation, the following specific powers:

(a) The power to continue to manage and operate any business of the Company during the period of such liquidation or dissolution proceedings, excluding, however, the power to make and enter into contracts which may extend beyond the period of liquidation.

(b) The power to make sales and incident thereto to execute deeds, bills of sale, assignments and transfers of assets and properties of the Company; provided, that the Liquidator may not impose personal liability upon any of the Members under any such instrument.

(c) The power to borrow funds as may, in the good faith judgment of the Liquidator, be reasonably required to pay debts and obligations of the Company or operating expenses, and to execute and/or grant deeds of trust, mortgages, security agreements, pledges and

collateral assignments upon and encumbering any of the Company properties as security for repayment of such loans or as security for payment of any other indebtedness of the Company; provided, that the Liquidator shall not have the power to create any personal obligation on any of the Members to repay such loans or indebtedness other than out of available proceeds of foreclosure or sale of the properties or assets as to which a lien or liens are granted as security for payment thereof.

(d) The power to settle, release, compromise or adjust any claims asserted to be owing by or to the Company, and the right to file, prosecute or defend lawsuits and legal proceedings in connection with any such matters.

SECTION 17.2 RESERVES. In making payment or provision for payment of all debts and liabilities of the Company and all expenses of liquidation, the Liquidator may set up such cash reserves as the Liquidator may deem reasonably necessary for any contingent liabilities or obligations of the Company. Upon the satisfaction or other discharge of such contingency, the amount of the reserves not retired, if any, will be distributed in accordance with this Article.

SECTION 17.3 SALE OF ASSETS; DISTRIBUTION OF PROCEEDS. Upon the winding up and termination of the business and affairs of the Company, its assets (other than cash) shall be sold, its liabilities and obligations to creditors and all expenses incurred in its liquidation shall be paid (either by payment or the making of reasonable provision for payment). All items of Company income, gain, loss or deduction shall be credited or charged to the Capital Accounts of the Members in accordance with the applicable provisions of Article IX. Thereafter, the net proceeds from such sales (after deducting all selling costs and expenses in connection therewith), together with the reserve account referred to in Section 17.2 above, shall be distributed among the Members in accordance with their respective positive balances in their Capital Accounts.

SECTION 17.4 FINAL ACCOUNTING. Within a reasonable time following the completion of the liquidation of the Company's properties, the Liquidator shall supply to each of the Members a statement prepared by the Company's accountants which shall set forth the assets and the liabilities of the Company as of the date of complete liquidation, each Member's pro rata portion of distributions pursuant to Section 17.3, and the amount retained as reserves by the Liquidator pursuant to Section 17.2.

SECTION 17.5 RECOURSE LIMITED TO COMPANY ASSETS. Each holder of an interest in the Company shall look solely to the assets of the Company for all distributions with respect to the Company and his Capital Contribution thereto (including the return thereof) and share of profits or losses thereof, and shall have no recourse therefor (upon dissolution or otherwise) against the Company, the Members or the Liquidator. No holder of an interest in the Company shall have any right to demand or receive property other than cash upon dissolution and termination of the Company.

SECTION 17.6 TERMINATION. Upon the completion of the liquidation of the Company and the distribution of all Company funds, the existence of the Company shall terminate and the Liquidator shall (and is hereby given the power and authority to) execute, acknowledge, swear to and record all documents required to effectuate the dissolution and termination of the Company. No Member shall be required to restore any deficit balance existing in its Capital Account upon the liquidation and termination of the Company.

ARTICLE XVIII

NOTICES

To be effective, all notices and demands under this Agreement must be in writing and must be given (i) by depositing same in the United States mail, postage prepaid, certified or registered, return receipt requested, (ii) by telecopier with receipt confirmed by return telecopy, or (iii) by delivering same in person or by overnight courier and receiving a signed receipt therefor. For purposes of notice, the address of the Company shall be the address of its then principal office and the addresses of the Members or their respective assigns shall be as set forth on the signature pages hereof. Notices made in accordance with the foregoing shall be deemed to have been given and made upon receipt. Any Member or his assignee may designate a different address or telecopier number to which notices or demands shall thereafter be directed by written notice given in the manner hereinabove required and directed to the Company.

ARTICLE XIX

AMENDMENTS AND MEETINGS

SECTION 19.1 AMENDMENTS. This Agreement may be modified or amended from time to time by the written agreement of the Members.

SECTION 19.2 MEETINGS OF THE MEMBERS.

(a) Meetings of the Members may be called at any time by a Member. Notice of any meeting shall be given to all Members not less than two (2) days nor more than thirty (30) days prior to the date of such meeting. Each Member may authorize any person to act for it by proxy on all matters in which a Member is entitled to participate, including waiving notice of any meeting, or voting or participating at any such meeting. Every proxy must be signed by the Member or its attorney-in-fact.

(b) Each meeting of Members shall be conducted by the person that the Member calling the meeting shall designate. The Members shall establish all other provisions relating to meetings of Members, including notice of the time, place or purpose of any meeting at which any matter is to be voted on by any Members, waiver of any such notice, action by consent without a meeting, the establishment of a record date, quorum requirements, voting in person or by proxy or any other matter with respect to the exercise of any such right to vote.

(c) No business may be conducted at a meeting of Members unless Members holding at least a majority of the total of all Sharing Ratios are present and to be a valid act of the Members at a meeting, the action must be approved by Members holding at least a majority of the total of all Sharing Ratios.

ARTICLE XX

REPRESENTATIONS, WARRANTIES AND COVENANTS

The Members each hereby respectively represent and warrant to the others that (i) it is duly organized, validly existing and in good standing under the jurisdiction of its organization, with full power and authority to enter into and perform its obligations under this Agreement; (ii) it has validly executed this Agreement, and upon delivery, this Agreement shall be a binding obligation of such party, enforceable against such party in accordance with its terms; and (iii) its entry into this Agreement and the performance of its obligations hereunder will not require the approval of any governmental body or regulatory authority and will not violate, conflict with or cause a default under, any of its organizational documents, any contractual covenant or restriction by which such party is bound, or any applicable law, regulation, rule, ordinance, order, judgment or decree.

ARTICLE XXI

MISCELLANEOUS

SECTION 21.1 NO RIGHT OF PARTITION. The Members agree that the Company properties are not and will not be suitable for partition. Accordingly, each of the Members hereby irrevocably waives any and all rights that it may have to maintain any action for partition of any of the Company property.

SECTION 21.2 ENTIRE AGREEMENT; SUPERSEDURE. This Agreement and the additional documents and agreements referred to herein constitute the entire agreement among the parties. It supersedes any prior agreement or understandings among them with regard to the subject matter hereof, and it may not be modified or amended in any manner other than as set forth herein.

SECTION 21.3 GOVERNING LAW. This Agreement and the rights of the parties hereunder shall be governed by and interpreted in accordance with the laws of the State of Delaware.

SECTION 21.4 BINDING EFFECT. Except as herein otherwise specifically provided, this Agreement shall be binding upon and inure to the benefit of the parties and their legal representatives, heirs, administrators, executors, successors and assigns.

SECTION 21.5 CONSTRUCTION OF AGREEMENT. Wherever from the context it appears appropriate, each term stated in either the singular or the plural shall include the singular and the plural, and pronouns stated in the masculine, the feminine or the neuter gender shall include the masculine, feminine and neuter. The term "person" means any individual, corporation, partnership, trust or other entity.

SECTION 21.6 CAPTIONS. Captions contained in this Agreement are inserted only as a matter of convenience and in no way define, limit or extend the scope or intent of this Agreement or any provision hereof.

SECTION 21.7 EFFECT OF INVALID PROVISION. If any provision of this Agreement, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

SECTION 21.8 COUNTERPARTS. This Agreement may be executed in several counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. It shall not be necessary for all Members to execute the same counterpart hereof.

SECTION 21.9 WAIVER. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach or any other covenant, duty, agreement or condition.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and in the year first above written.

Address:

5803 Glenmont
Houston, Texas 77081
Telecopy: (713) 592-7152
and
40650 Encyclopedia Circle
Freemont, California 94538
Telecopy: (510) 657-0875

RENWICK TECHNOLOGIES, INC.

By: /s/ DAVID EDWAB

Name: David Edwab

Title: President

/s/ HARRY M. LEVY

Harry M. Levy

Address:

9211 Reid Lake Dr.
Houston, Texas 77036

EXHIBIT 10.24

SOFTWARE DEVELOPMENT AGREEMENT

PARTIES

This Software Development Agreement ("Agreement") is made as of the 3rd day of January, 2000 ("Effective Date"), by and between The Men's Wearhouse, Inc., a Texas corporation ("TMW"), and Chelsea Market Systems, L.L.C., a Delaware limited liability company ("Chelsea").

INTRODUCTION

Chelsea has undertaken to develop, test and complete certain computer software known as * (collectively the "Systems"). TMW has agreed to fund the development of the Systems in exchange for a non-exclusive license to use the Systems. In consideration of the premises, conditions and covenants herein contained, Chelsea and TMW agree as follows:

I. DEFINITIONS

1.1 "Acceptance Date" shall mean with respect to each System, that date upon which TMW accepts the System as completely developed in accordance with the specifications and development schedule to be agreed to in writing by TMW and Chelsea and when so agreed attached hereto as Exhibit A, as evidenced by the parties' signature on Exhibit A.

1.2 "Development Period" shall mean the development time period for the Systems subsequent to the signing of this Agreement and prior to termination of this Agreement.

1.3 "Development Costs" shall mean direct costs incurred by Chelsea related to development of the Systems, including, but not limited to, taxes, labor, overhead and other expenses.

1.4 "Documentation" shall mean documentation developed by Chelsea related to the Object Code or Source Code of the Systems.

1.5 "Improvements" shall mean any improvements, advancements, modifications, alterations, or derivative works related to the Documentation, Object Code or Source Code of the Systems authored, developed, conceived or reduced to practice by Chelsea, whether or not

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* Omitted pursuant to Rule 24b-2 of the General Rules and Regulations Under the Securities Exchange Act of 1934 and filed separately with the Commission.

protectable by patent, trade secret or copyright and whether or not fixed in a tangible medium of expression.

1.6 "Object Code" shall mean the machine language code of the individual program units of the Systems that are linked together to create an executable form of the Systems.

1.7 "Payment Period" shall mean a calendar year.

1.8 "Software Package" shall mean the Improvements, Object Code, Source Code and Documentation of the Systems.

1.9 "Source Code" shall mean the human readable computer code for the Systems.

1.10 "Surplus Amount" shall have the meaning ascribed in Section 3.3.

1.11 "Systems Completion" shall mean the Acceptance Date for the last to be delivered of the Systems.

II. SOFTWARE PACKAGE RIGHTS

2.1 Ownership and License Rights. Chelsea shall own all right, title and interest in and to the Software Package and shall grant TMW a non-exclusive, perpetual license in the Software Package. The non-exclusive license granted to TMW shall:

(i) allow TMW and TMW's subsidiaries and affiliates to use, reproduce, make derivative works of, and internally distribute copies of the Software Package;

(ii) obligate Chelsea to provide TMW with Software Package support services pursuant to the Maintenance Agreement separately executed by both parties; and

(iii) obligate TMW to reimburse Chelsea for Chelsea's actual costs associated with obtaining of licenses from third parties necessary to complete and deliver the Software Package.

2.2 Transfer in the Event of Termination Prior to Acceptance Date. In the event of termination of this Agreement prior to the Acceptance Date for any of the Systems, Chelsea shall: (1) execute all such documents necessary to assign to and vest in TMW, and subject to Section 5.1, the other Members of Chelsea any and all rights to the Software Package related to such System, including, but not limited to, any patent rights, copyrights, trademarks, or trade secrets; and (2) cause its respective officers, employees and agents to execute such documents necessary to assign to and vest in TMW, and subject to Section 5.1, the other Members of Chelsea any and all such rights.

2.3 Not withstanding the above, TMW's rights do not extend to the ability to market or sublicense such Software Package.

III. BUDGETING AND COSTS

3.1 Development Budget. Chelsea shall prepare and submit a budget and schedule of anticipated costs at the signing of this Agreement. This budget and schedule shall become Exhibit "B" appended hereto and incorporated by reference. In any given Payment Period, Chelsea shall not exceed any budgeted line item by more than 10% without, to the extent practicable, notifying and consulting with TMW prior to the incurrence thereof.

3.2 Costs. TMW shall reimburse Chelsea for all reasonable Development Costs provided the aggregate of all such costs shall not exceed $ * . Chelsea shall submit copies of invoices from third parties directly to TMW for payment. Chelsea shall also bill TMW at the beginning of each month for any other Development Costs. TMW shall pay all reasonable Development Costs within a commercially reasonable time period and shall provide Chelsea with notice concerning any disputed amount. TMW shall work with Chelsea to resolve any disputed amounts and shall promptly pay any amounts once resolved. In the event Chelsea determines that in its judgment the Development Costs may exceed $ * , Chelsea will immediately notify TMW to discuss the reasons for and nature of such Development Costs overrun. Chelsea and TMW shall discuss the desirability for and means to pay any such Developments Costs overrun but, absent its written agreement, TMW shall have no obligation to pay any such Development Costs overruns.

3.3 Surplus Amount. In the event the aggregate of all Development Costs which TMW is required to pay to Chelsea for the complete development and acceptance of all of the Systems is less than $ * , the amount (the "Surplus Amount") by which such aggregate Development Costs is less that $ * shall be contributed to Chelsea as contemplated by Section 7.1(b) of the Limited Liability Company Agreement of Chelsea.

IV. WARRANTIES AND INDEMNITY

4.1 Warranties. Chelsea warrants and represents that it has the proper skill, training and background to develop the Systems in a competent and professional manner. Chelsea warrants and represents that the Systems when completed and delivered to TMW in accordance herewith will perform the functions in accordance with the specifications set forth in Exhibit A; provided that Chelsea's sole obligation shall be to provide such labor and services as shall be necessary to cause the Systems to perform in accordance with such specifications, and that Chelsea not be liable for any consequential or incidental damages, including, without limitation, loss of profits.

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* Omitted pursuant to Rule 24b-2 of the General Rules and Regulations Under the Securities Exchange Act of 1934 and filed separately with the Commission.

4.2 Indemnity. Chelsea agrees to indemnify and hold TMW, its affiliates, directors, officers, employees and agents harmless from and against any liability or damages (including any consequential damages or lost profits) or expenses in connection therewith (including reasonable attorneys' fees and litigation costs) resulting from any claim asserted by any individual or third Party (other than TMW, its subsidiaries or affiliates) which relates to the development or use of the Systems. Notwithstanding the above, Chelsea disclaims any liability and duty of indemnification resulting from use or development of any version of the Software Package that has been modified by TMW without specific, written authorization of Chelsea if the unauthorized modification directly or indirectly contributes to the basis of the claim.

V. RESTRICTIONS ON MARKETING

5.1 Prohibited Licenses. Chelsea agrees that it will not license, sell or in any other way transfer any rights to use any of the Software Package to any company or business whose primary business at such time is the sale of tailored men's clothing without the written consent of TMW. Chelsea further agrees that if it at any time licenses, sells or otherwise assigns or transfers, whether voluntarily, involuntarily or in liquidation or otherwise, any rights in or to own or use any of the Software Package where such license, sale, assignment or transfer may purport to grant to the transferee the right to license, sell, assign or transfer any rights to use the Software Package or any part thereof, such license, sell, assignment or transfer by Chelsea shall be made expressly subject to this Section 5.1.

5.2 Limited Marketing Activities. Chelsea acknowledges and agrees that its paramount obligations are to develop and deliver the Systems on or before June 30, 2000. To that end, Chelsea agrees that it will not permit any of its personnel working on the Software Package or whose attention to or work on the Software Package is needed to assure timely Systems Completion to engage in any other activity on behalf of Chelsea which would interfere with timely Systems Completion. To this end, Chelsea personnel will not spend any time on marketing the Software Package to third parties nor will Chelsea incur any cost or expense to so market the Software Package prior to Systems Completion without the written consent of TMW; provided however that Chelsea may make expenditures not exceeding $25,000 and Chelsea personnel may do work that does not materially interfere with timely Systems Completion where such expenditures and work relate to the participation by Chelsea in technology shows in the Spring and Summer of the year 2000 for the purpose of marketing the Software Package or parts thereof.

VI. TERMINATION

6.1 Term. This Agreement shall begin as of the Effective Date and shall continue until terminated as provided for herein.

6.2 Termination. This Agreement shall terminate as follows:

(i) Chelsea may terminate this Agreement at its sole discretion by providing TMW with thirty (30) days advance written notice;

(ii) TMW may terminate this Agreement at its sole discretion by providing Chelsea with thirty (30) days advance written notice; or

(iii) this Agreement shall terminate of its own accord on at Systems Completion.

6.3 Effect of Termination. Termination of this agreement shall relieve TMW and Chelsea of any and all obligations contained herein with the exceptions of:

(i) Chelsea's obligation to transfer ownership to TMW in the event of termination prior to the Acceptance Date in accordance with Section 2.2;

(ii) Chelsea's obligation to grant TMW a non-exclusive license that meets the requirements of Section 2.1 in the event of termination on the Acceptance Date;

(iii) TMW's obligation to pay Development Costs to the date of Termination;

(iv) Chelsea's obligation under Sections 4.1, 4.2 and 5.1, only if Acceptance has occurred with respect to the relevant System ; and

(v) the Parties' mutual confidentiality obligations of Paragraph 6.4.

6.4 Safeguarding Proprietary Information. Each Party shall keep confidential any information relating the other Party's business which is clearly designated or described in writing to be confidential. It is hereby acknowledged by Chelsea that all information provided by TMW to Chelsea for use in developing and testing the Software Package are confidential.

Each Party shall keep and instruct its employees and agents to keep such information confidential by using at least the same care and discretion as used with that Party's own confidential information. If either Party, its employees or agents, breaches or threatens to breach the confidentiality obligations, the other Party may obtain injunctive relief, in addition to its other remedies, inadequate monetary damages and irreparable harm being acknowledged. Upon TMW's request, but in any event upon termination of the Agreement, Chelsea shall surrender to TMW all of TMW's confidential information, including all copies and reproductions of any portion of TMW's confidential information in any tangible form. These confidentiality obligations shall survive termination of this Agreement.

VII. GENERAL PROVISIONS

7.1 Complete Agreement. This Agreement represents the complete and final agreement between the parties regarding the development of the Software Package.

7.2 Governing Law. This Agreement shall be deemed made and entered into in the State of Texas and shall be governed and construed under and in accordance with the laws of the State of Texas. No conflicts of law rule or law that might refer such construction interpretation to the laws of another state, republic or country shall be considered. The Parties further acknowledge and agree that any legal action arising as a result of this Agreement shall occur in Houston, Texas, and the Parties hereto agree to consent to jurisdiction and venue within the courts therein.

7.3 Modifications. Neither this Agreement nor any term or provision hereof may be changed, waived, discharged, or amended in any manner other than by an instrument in writing, signed by the Party against which the enforcement of the change, waiver, discharge, or amendment is sought.

7.4 Binding Effect of Agreement. This Agreement shall be binding upon the parties hereto, their heirs, legal representatives, successors, and assigns.

7.5 Waiver. The parties covenant and agree that if either Party fails or neglects for any reason to take advantage of any of the terms provided for herein, any such failure or neglect by either Party shall not be a waiver of any of the terms, covenants or conditions of this Agreement or of the performance thereof. None of the terms, covenants and conditions of this Agreement can be waived by either Party except by its written consent.

7.6 No Partnership or Joint Venture. Chelsea undertakes this agreement as an independent contractor, not as an employee of TMW. This Agreement does not render either Party as the agent of the other or create a partnership or joint venture between the parties, and neither Party shall have the power to bind the other in any way.

7.7 Assignment. This Agreement may not be assigned or otherwise transferred without the other Party's prior written consent.

7.8 Severability. If any word, sentence, paragraph, clause or a combination thereof in this Agreement is found by a court or executive body with judicial powers having jurisdiction over this Agreement or any of the Parties hereto, in a final and unappealable order, to be in violation of any law, such words, sentences, paragraph, clauses or combinations shall be inoperative and the remainder of this Agreement shall remain binding upon the Parties hereto as to fulfill the original intent of this Agreement.

IN WITNESS WHEREOF, the respective representative of the Parties hereto duly authorized have caused this Agreement to be executed in multiple originals as of the date written below, but effective as of the Effective Date.

THE MEN'S WEARHOUSE, INC.	CHELSEA MARKET SYSTEMS, L.L.C.
BY: /s/ DAVID EDWAB	BY: /s/ HARRY LEVY
Its: President	Its: President

EXHIBIT 21.1

SUBSIDIARIES OF THE REGISTRANT
AS OF JANUARY 29, 2000(1)

DOMESTIC SUBSIDIARIES:
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The Men's Wearhouse of Michigan, Inc., a Delaware corporation(2)

Value Priced Clothing, LLC, a Delaware limited liability company(3)

TMW Realty Inc., a Delaware corporation(2)

TMW Texas General LLC, a Delaware limited liability company(4)

The Men's Wearhouse of Texas LP, a Delaware limited partnership(5)

TMW Capital Inc., a Delaware corporation(2)

TMW Equity LLC, a Delaware limited liability company(6)

TMW Finance LP, a Delaware limited partnership(7)

TMW Marketing Company, Inc., a California corporation(2)(8)

TMW Licensing I, Inc., a California corporation(9)

TMW Licensing II, Inc., a California corporation(10)

TMW Merchants LLC, a Delaware limited liability company(9)

TMW Purchasing LLC, a Delaware limited liability company(11)

Renwick Technologies, Inc., a Texas corporation(2)

K&G Men's Center, Inc., a Delaware corporation(2)(12)

K&G of Indiana, Inc., a Georgia corporation(12)(13)

K&G of Ohio, Inc., a Georgia corporation(12)(13)

K&G Associates of New Jersey, Inc., a New Jersey corporation(12)(13)

T&C Liquidators, Inc., a Texas corporation(13)(14)

K&G Men's Company, Inc., a Delaware corporation(13)

Moores The Suit People U.S., Inc., a Delaware corporation(15)

FOREIGN SUBSIDIARIES:
- ----------

Golden Moores Finance Company, a Nova Scotia unlimited liability company(2)

Golden Moores Company, a Nova Scotia unlimited liability company(2)

Moores Retail Group Inc., a New Brunswick corporation(15)

Moores The Suit People Inc., a New Brunswick corporation(16)(17)

Golden Brand Clothing (Canada) Ltd., a New Brunswick corporation(16)

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(1) The names of certain subsidiaries are omitted because such unnamed subsidiaries, considered in the aggregate as a single subsidiary, do not constitute a significant subsidiary as of January 29, 2000.

(2) 100% owned by The Men's Wearhouse, Inc.

(3) 100% owned by The Men's Wearhouse of Michigan, Inc. Value Priced Clothing, LLC does business under the name "Suit Warehouse".

(4) 100% owned by TMW Realty Inc.

(5) TMW Realty Inc. owns a 99% interest as limited partner and TMW Texas General LLC owns a 1% interest as general partner.

(6) 100% owned by TMW Capital Inc.

(7) TMW Capital Inc. owns a 99% interest as limited partner and TMW Equity LLC owns a 1% interest as general partner.

(8) Formerly known as TMW Licensing Company, Inc.

(9) 100% owned by TMW Marketing Company, Inc.

(10) 100% owned by TMW Licensing I, Inc.

(11) 100% owned by TMW Merchants LLC.

(12) Does business under the names K&G Men's Center, K&G Men's Superstore, K&G Men's Mart and K&G MenSmart.

(13) 100% owned by K&G Men's Center, Inc.

(14) T&C Liquidators, Inc. does business under the names T&C Men's Center, T&C Men's Mart and T&C MenSmart.

(15) All outstanding shares of common stock are owned by Golden Moores Company.

(16) 100% owned by Moores Retail Group Inc.

(17) Moores The Suit People Inc. does business under the name Moores Clothing for Men as well as Moores The Suit People.

EXHIBIT 23.1

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in Registration Statement No. 333-80609 of the Men's Wearhouse, Inc. on Form S-3 and Registration Statement No. 33-48108, Registration Statement No. 33-48109, Post-Effective Amendment No. 1 to Registration Statement No. 33-48110, Registration Statement No. 33-61792, Registration Statement No. 333-21109, Registration Statement No. 333-21121, Registration Statement No. 33-74692, Registration Statement No. 333-53623, Registration Statement No. 333-80033 and Registration Statement No. 333-72549 of the Men's Wearhouse, Inc. on Form S-8 of our report dated February 28, 2000 appearing in this Annual Report on Form 10-K of the Men's Wearhouse, Inc. for the year ended January 29, 2000.

DELOITTE & TOUCHE LLP

Houston, Texas
April 25, 2000

EXHIBIT 23.2

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in Registration Statement No. 333-80609 of The Men's Wearhouse, Inc. on Form S-3 and Registration Statement No. 33-48108, Registration Statement No. 33-48109, Post-Effective Amendment No. 1 to Registration Statement No. 33-48110, Registration Statement No. 33-61792, Registration Statement No. 333-21109, Registration Statement No. 333-21121, Registration Statement No. 33-74692, Registration Statement No. 333-53623, Registration Statement No. 333-72549 and Registration Statement No. 333-80033 of the Men's Wearhouse, Inc. on Form S-8 of our report dated March 5, 1999 appearing in this Annual Report on Form 10-K of the Men's Wearhouse, Inc. for the year ended January 29, 2000.

Ernst & Young LLP

Montreal, Canada
April 27, 2000

EXHIBIT 23.3

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation of our report dated March 17, 1999 appearing in this Annual Report on Form 10-K of the Men's Wearhouse, Inc. for the year ended January 29, 2000, into The Men's Wearhouse, Inc.'s previously filed Registration Statement No. 333-80609 of the Men's Wearhouse, Inc. on Form S-3 and Registration Statement No. 33-48108, Registration Statement No. 33-48109, Post-Effective Amendment No. 1 to Registration Statement No. 33-48110, Registration Statement No. 33-61792, Registration Statement No. 333-21109, Registration Statement No. 333-21121, Registration Statement No. 33-74692, Registration Statement No. 333-53623, Registration Statement No. 333-80033 and Registration Statement No. 333-72549 of the Men's Wearhouse, Inc. on Form S-8.

Atlanta, Georgia
April 25, 2000

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