Registration No. 333-

As filed with the Securities and Exchange Commission on October 6, 2015

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

FORM S-1
REGISTRATION STATEMENT
UNDER THE SECURITIES ACT OF 1933

Duluth Holdings Inc.

(Exact Name of Registrant as Specified in Its Charter)

Wisconsin	**5611**	**39-1564801**
(State or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

P.O. Box 409
170 Countryside Drive
Belleville, Wisconsin 53508-0409
(608) 424-1544
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

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Executive Chairman
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Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box: ☐

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

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

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

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

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

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	**Proposed maximum aggregate offering price(1)(2)**	**Amount of registration fee**
Class B Common Stock, no par value per share	$115,000,000	$11,580.50

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended.
(2) Includes offering price of shares of Class B Common Stock that the underwriters have the option to purchase.

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

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The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities, and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

PRELIMINARY—SUBJECT TO COMPLETION—DATED OCTOBER 6, 2015

PROSPECTUS

Shares

Duluth Holdings Inc.

Class B Common Stock

Duluth Holdings Inc. is offering shares of Class B common stock. This is our initial public offering and no public market currently exists for our Class B common stock. We anticipate the initial public offering price to be between $ and $ per share.

Duluth Holdings Inc. has two classes of authorized common stock: Class A common stock and Class B common stock. The rights of holders of Class A common stock and Class B common stock are identical, except for voting and conversion rights. Each share of Class A common stock is entitled to ten votes per share and is convertible at any time into one share of Class B common stock. Each share of Class B common stock is entitled to one vote per share. Outstanding shares of Class A common stock will represent approximately % of our outstanding capital stock immediately following the completion of this offering.

We have applied to have our Class B common stock listed on the NASDAQ Global Select Market under the symbol "DLTH."

Following this offering, we will be a "controlled company" under the corporate governance rules for NASDAQ-listed companies, and our board of directors has determined not to have an independent nominating function and instead to have the full board of directors be directly responsible for nominating members of our board.

We are an "emerging growth company" as defined under federal securities laws and are subject to reduced public company reporting requirements. Investing in our Class B common stock involves a high degree of risk. See "Risk Factors" beginning on page 12 of this prospectus.

	Per Share	Total
Initial public offering price	$	$
Underwriting discounts and commissions(1)	$	$
Proceeds, before expenses, to us	$	$

(1) See "Underwriting" for a description of the compensation payable to the underwriters.

We have granted the underwriters an option for a period of 30 days to purchase up to an additional shares of our Class B common stock at the initial public offering price after deducting underwriting discounts and commissions.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares of Class B common stock to purchasers on or about , 2015.

William Blair **Baird** **Raymond James** **BMO Capital Markets**

, 2015

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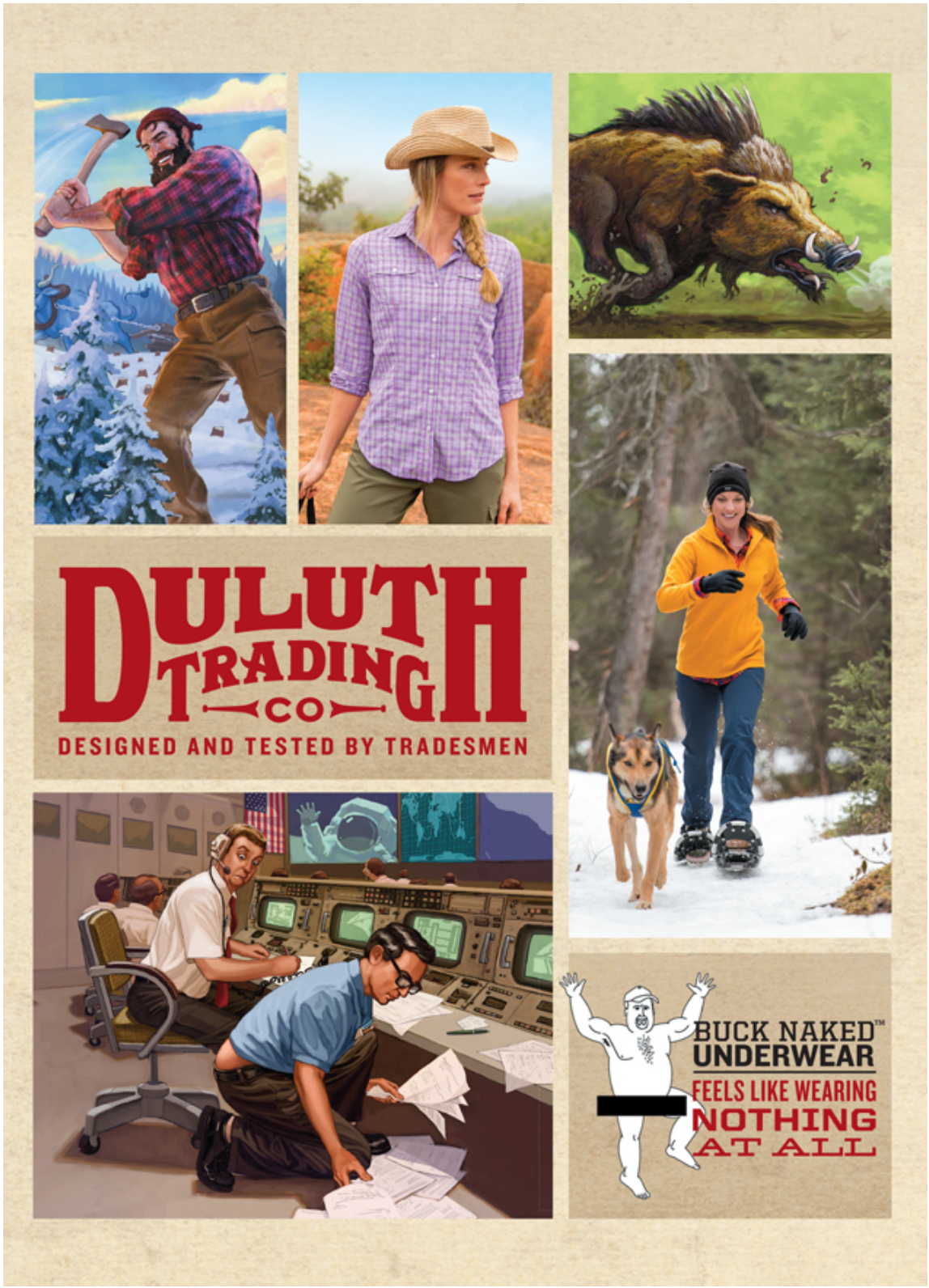

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You should rely only on the information contained in this prospectus and any free writing prospectus prepared by us or on our behalf or to which we have referred you. Neither we nor the underwriters have authorized anyone to provide you with additional or different information. We are offering to sell, and seeking offers to buy, shares of our Class B common stock only in jurisdictions where offers and sales are permitted. The information in this prospectus is complete and accurate only as of the date on the front cover of this prospectus, regardless of the time of delivery of this prospectus or any sale of shares of our Class B common stock. Our business, financial condition, results of operations and prospects may have changed since that date.

For investors outside the United States: we have not, and the underwriters have not, done anything that would permit this offering, or possession or distribution of this prospectus, in any jurisdiction where action for that purpose is required, other than in the United States. Persons who come into possession of this prospectus in jurisdictions outside the United States are required to inform themselves about, and to observe, any restrictions as to this offering and the distribution of this prospectus applicable to those jurisdictions.

Trademarks, Trade Names and Service Marks

We use various trademarks, trade names and service marks in our business including without limitation Duluth Trading Co.®, Duluth Trading Company®, Alaskan Hardgear®, Armachillo®, Ballroom®, Buck Naked™, Bucket Master®, Cab Commander®, Crouch Gusset®, Dry on the Fly®, Duluthflex®, Fire Hose®, Longtail T®, No Polo Shirt® and Wild Boar Mocs®. For convenience, we may not include the ® or ™ symbols, but such omission is not meant to indicate that we would not protect our intellectual property rights to the fullest extent allowed by law. Any other trademarks, trade names or service marks referred to in this registration statement are the property of their respective owners.

Industry and Market Data

This prospectus includes industry and market data that we obtained from industry sources, third-party studies, including market analyses and reports prepared for us by Information Resources, Inc., or IRI, and internal company surveys. Industry sources generally state that the information contained therein has been obtained from sources believed to be reliable. Although we are responsible for all of the disclosure contained in this prospectus and we believe the industry and market data to be reliable as of the date of this prospectus, this information could prove to be inaccurate.

Basis of Presentation

Effective February 2013, we changed our fiscal year end from December 31 to the Sunday nearest to January 31. Accordingly, references in this prospectus to fiscal 2014 and 2013 refer to years ended February 1, 2015 and February 2, 2014, respectively. Certain differences in numbers in the tables and text throughout this prospectus may exist due to rounding.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. This summary does not contain all of the information you should consider before investing in our Class B common stock. Before you decide to invest in our Class B common stock, you should read this entire prospectus carefully, including our financial statements and the related notes thereto and the matters discussed in the sections titled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained elsewhere in this prospectus. Unless we state otherwise or the context otherwise requires, references in this prospectus to "we," "our," "us," "Duluth Trading" and "the Company" refer to Duluth Holdings Inc. and its subsidiary on a consolidated basis.

Our Company

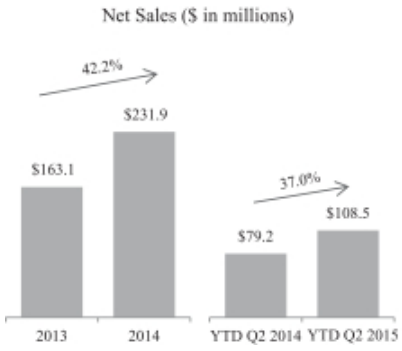
Duluth Trading is a rapidly growing lifestyle brand of men's and women's casual wear, workwear and accessories sold exclusively through our own channels. We offer a comprehensive line of innovative, durable and functional products, such as our Longtail T® shirts, Buck Naked™ underwear and Fire Hose® work pants, which reflect our position as the Modern, Self-Reliant American Lifestyle brand. Our brand has a heritage in workwear that transcends tradesmen and appeals to a broad demographic of men and women for everyday and on-the-job use. Approximately 88% of our fiscal 2014 net sales consisted of proprietary products sold under our Duluth Trading brand name. We believe the foundation of our success is our culture of "poking average in the eye" *by seeing things for what they could be and should be and finding a way to make them exactly that, and we like to do it all with a big, toothy grin.* Our brand is defined by: solution-based products manufactured with high quality craftsmanship, humorous and distinctive marketing and an outstanding customer experience.

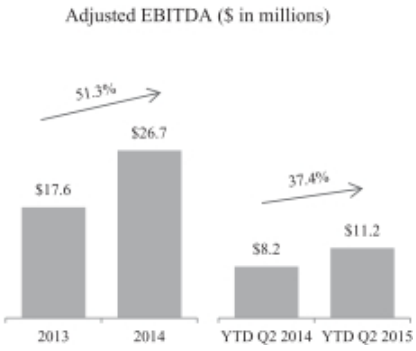
Our design process reflects a "there's gotta be a better way" attitude, resulting in differentiated products with enhanced features and enduring styles that go beyond short-lived fashion trends. We strive to make shopping for our products fun by using attention-grabbing advertisements that serve to reinforce our brand identity. We also use storytelling to differentiate our products in the marketplace and create emotional connections with our customers. We provide our customers with a unique and entertaining experience across all channels through our content-rich website, catalogs and "store like no other" retail environment. We treat our customers like next-door neighbors, as exemplified by our exceptional customer service and unconditional "No Bull Guarantee" on all purchases. To protect the integrity of the Duluth Trading brand, we offer our products exclusively through our omnichannel distribution network, consisting of our website, catalogs and retail stores. This model creates multiple touch points with our customers and enables us to control both the expression of our Duluth Trading brand and the pricing of our products. Our distribution strategy eliminates the need to sell through third-party retailers, allowing us to focus on our core competencies of product development, storytelling and serving customers.

Duluth Trading was founded in 1989 when two brothers in the home construction industry were tired of dragging tools from job to job using discarded five-gallon drywall compound buckets. The two brothers were never satisfied with the status quo and believed "there's gotta be a better way." So they invented the Bucket Boss®—a ruggedly durable canvas tool organizer that fits around a drywall bucket and transformed the way construction workers organized their tools. Capitalizing on their initial success, these brothers launched a catalog that later became known as Duluth Trading Company. Under the initial philosophy of "Job Tough, Job Smart," this catalog was dedicated to improving and expanding on existing methods of tool storage, organization and transport. In December 2000, GEMPLER'S Inc., an agricultural and horticultural supply catalog business founded and owned by Stephen L. Schlecht, acquired Duluth Trading and brought the two mail order companies together. Both catalogs had customers who worked outside and embraced the spirit of hands-on, self-reliant Americans. In February 2003, the GEMPLER'S catalog business was sold to W.W. Grainger (NYSE:GWW) and proceeds from that sale have been used to fund the growth of Duluth Trading. With that transaction, GEMPLER'S, Inc. changed its corporate name to Duluth Holdings Inc.

From what began as an idea aimed at those working in the building trades, Duluth Trading has become a widely recognized brand and proprietary line of innovative and functional apparel and gear. We have created strong brand awareness, built a loyal customer base and generated robust net sales momentum. We have done so by sticking to our roots of "there's gotta be a better way" and through our relentless focus on providing our customers with quality, functional products. We have established a strong track record of growth and profitability as demonstrated by our net sales and operating income compound annual growth rates, or CAGRs, between calendar 2009 and fiscal 2014 of 28% and 51%, respectively. We believe that the foregoing attributes have enabled us to deliver strong financial results, as evidenced by:

- net sales have increased year-over-year for 24 consecutive quarters through August 2, 2015;
- net sales in fiscal 2014 increased by 42.2% over the prior year to $231.9 million and net sales in the first six months of fiscal 2015 increased by 37.0% over the first six months of the prior year to $108.5 million;
- Adjusted EBITDA in fiscal 2014 increased by 51.3% over the prior year to $26.7 million and Adjusted EBITDA in the first six months of fiscal 2015 increased 37.4% over the first six months of the prior year to $11.2 million; and
- our retail stores have achieved an average payback of less than two years.





See "Summary Consolidated Financial and Other Data—Non-U.S. GAAP Financial Measures" for a reconciliation of our net income to Adjusted EBITDA, a non-U.S. GAAP financial measure. See "Management's Discussion and Analysis of Financial Condition and Results of Operations" for our definition of Adjusted EBITDA.

What Makes Us Different

We believe the following strengths differentiate us and provide a foundation for future growth:

Differentiated, Everyday Lifestyle Brand

Our understanding of the Modern, Self-Reliant American Lifestyle enables us to create personal connections with our customers, who lead a hands-on lifestyle, value a job well-done and are often outdoors for work and hobbies. The workwear heritage of our products is the foundation of our authentic and differentiated brand. We communicate our brand values and product performance nationally through multiple mediums, including television, catalogs, digital advertising and sponsored events. We believe these marketing efforts make our brand synonymous with this lifestyle, validate our authenticity and establish us as a trusted provider of durable and functional casual wear and workwear.

Solution-Based Design

Our products solve the problems our customers experience with commonly available apparel and gear. We generate new product ideas in part by proactively seeking input from our customers, including our trades panels, which are comprised of select groups located across the United States with expertise in various fields. Our trades panels test our products in intense conditions and offer suggestions for new and improved features. We believe that our focus on thoughtful product design and commitment to quality, such as "triple stitching the extra stitch" and "doubling down on extra durable fabric," keeps our existing customers engaged while also attracting new customers to our brand. *And we do it all because there are a whole lotta legs, torsos, feet and crotches out there counting on us.*

Humorous and Distinctive Marketing

We make shopping for our products fun by using attention-grabbing advertisements that are humorous, irreverent and quirky. Our national advertising campaigns that feature characters such as our Giant Angry Beaver, Buck Naked Guy and Grab-Happy Grizzly continue to increase our brand awareness and drive customers to our brand. We use storytelling to differentiate our products in the marketplace and create emotional connections with our customers. For example, we inspire our female customers by featuring women of "grit and substance" whose professions range from ranching to horse training to dog sled racing to landscape design. We believe our approach to marketing gives our products a distinct identity, enhances our brand and helps us stand out in the market.

Outstanding and Engaging Customer Experience

An important principle that shapes the Duluth Trading brand is our commitment to treat our customers like next-door neighbors by providing a shopping experience that is fun, inviting and hassle-free. We are dedicated to delivering outstanding customer service by standing behind all purchases with our unconditional "No Bull Guarantee." Our content-rich, user-friendly website is designed to provide an enjoyable, informative and efficient shopping experience. Our call center is open 24 hours a day, seven days a week and is staffed with friendly, knowledgeable representatives dedicated to making every customer experience positive. Our retail stores are designed to bring our brand to life by creating a unique and entertaining experience with engaging sales associates and a compelling and complete assortment of our products. We believe these elements help promote customer loyalty and drive repeat purchases.

Attractive, Loyal Customer Base

The quality and consistency of our product offering attracts a broad demographic of men and women who lead the Modern, Self-Reliant American Lifestyle. According to an internal company survey, 87% of our customers identified themselves as working outside of the building trades. Our average customer is a long-standing homeowner with an annual household income of over $75,000. Based on these characteristics, we believe our customers have a high level of disposable income and are attracted by the high quality craftsmanship and enhanced features of our products. We enjoy a high level of brand satisfaction as evidenced by our Net Promoter Score of approximately 70% and the fact that 76% of our customers would recommend Duluth Trading to a friend or colleague, according to IRI. In addition, we currently have over 200,000 online product reviews, over 90% of which are four or five star ratings.

Omnichannel Presence with Complete Distribution Control

We sell our products exclusively through our direct and retail channels, giving us complete control of the presentation of our brand and the relationships with our customers. This strategy allows us to present our brand in a consistent manner, including marketing, pricing and product presentation. It also enables us to reduce

logistical complexities and costs because we are not subject to timing, delivery and quantity requirements set by third-party retailers. We believe this approach to distribution is a significant advantage for our brand, allowing us to deliver feature rich, superior quality products at competitive prices.

- *Direct Segment*. We have an established direct platform that reaches customers nationwide through our website and catalogs, which together comprised approximately 90% of our fiscal 2014 net sales. Our duluthtrading.com website serves as a storefront to our entire product collection, and approximately 78% of our fiscal 2014 net sales in the direct segment were transacted online. Our catalog business is an important part of our heritage, and approximately 22% of our fiscal 2014 net sales in the direct segment were transacted via our call center. Our catalogs also serve as a tangible vehicle for our authentic and humorous storytelling and often drive customers who wish to further interact with our brand to visit our website and retail stores.
- *Retail Segment*. In 2010, we opened our first retail store and have since expanded our retail presence, operating six retail stores and two outlet stores as of September 2015. Retail sales represented approximately 10% of our fiscal 2014 net sales, and we expect retail sales to represent an increasing percentage of our net sales over time. Our retail stores allow us to reach customers who prefer to shop in a brick and mortar setting and give new and existing consumers the opportunity to touch and feel our innovative products.

Seasoned Management Team Driving an Impassioned Culture

Our senior management team has extensive experience across a broad range of key disciplines. With an average of approximately 30 years of experience in their respective functional areas, our management team has been instrumental in driving results and in developing a robust and scalable infrastructure to support our continued growth. Our senior management team embraces the Modern, Self-Reliant American Lifestyle and has fostered a culture committed to “outthink, outsmart and outcraft average,” which is shared by employees throughout our organization. Our strong company culture and spirited corporate personality are exemplified by the long tenure of our team members with us. We believe the strength of our senior management team, supported by our dedicated board of directors and passionate employees, is a key driver of our success and positions us well to execute our long-term growth strategy.

Our Growth Strategies

Our goal is to expand the reach of the Duluth Trading brand, using strategies that will further drive growth and profitability:

- ***Building Brand Awareness to Continue Customer Acquisition***. We are a rapidly growing lifestyle brand, have built strong brand awareness and have successfully acquired customers over the past five years. As a relatively young brand, we believe that we have a significant opportunity to build even greater brand awareness. According to IRI, once we bring customers to our brand, they are more satisfied with Duluth Trading than any other brand in our competitive set. We intend to leverage our unique and compelling marketing strategy, retail expansion and continued catalog prospecting to capture potential new customers.
- ***Accelerating Retail Expansion***. IRI has validated that our customers’ purchasing decisions are heavily influenced by the availability of our retail stores. We believe that our customers’ desire to shop in stores, combined with the number of potential markets for our stores and the compelling unit economics of our existing retail stores, provide us with a significant opportunity to grow our U.S. retail presence. We have identified markets with the potential for approximately 100 U.S. store locations that feature high concentrations of existing Duluth Trading customers and potential customers that fit our

brand demographics. Our existing retail stores have been highly profitable in both metropolitan and rural locations across multiple markets and have achieved an average payback of less than two years. We plan to continue building our organization and investing in software systems and operational infrastructure to support the growth in our retail segment. Based on our experience to date, we believe the combination of our direct and retail channels in an individual geographic market substantially increases the net sales and customer acquisition potential in that market.

- ***Selectively Broadening Assortments in Certain Men's Product Categories***. We intend to continue to expand our men's business by selectively broadening our assortment in certain product categories that exhibit high potential and resonate with the lifestyle of our men's customers, such as outerwear and footwear. Through product introductions that expand seasonality and occasions for wear, we believe we can grow our share of closet with existing and new men's customers.
- ***Growing Our Women's Business***. Since launching in 2005, our women's business has grown significantly to represent approximately 19% of our net sales in fiscal 2014 and has achieved a 55% CAGR from fiscal 2012 to fiscal 2014. According to IRI, women have lower awareness of our brand but report high levels of satisfaction with Duluth Trading once they have tried our products. We expect that our women's business will continue to represent an increasing portion of our overall business going forward and intend to grow it through acquiring new customers, by broadening our women's product assortment and by leveraging all of our marketing channels, including national television and digital advertising, our catalogs and retail stores.

Market Opportunity

We operate in the U.S. apparel, footwear and accessories market, primarily in the everyday casual wear and workwear categories. According to IRI, the total market, including men's, women's and children's apparel, footwear and accessories (such as jewelry, bags and small leather goods), is estimated to be $334 billion in 2015. Within this industry, apparel is expected to account for approximately 65% of sales, footwear is expected to account for approximately 19% of sales and accessories is expected to account for approximately 16% of sales. IRI expects total U.S. apparel dollar sales to continue to grow at 2% to 4% annually. We believe that we are well-positioned to capture an increasing share of this attractive market by continuing to execute on our growth strategies of building customer awareness, accelerating our retail store expansion, selectively broadening our assortment in certain men's product categories and growing our women's business.

Summary Risk Factors

Our ability to implement our business strategy is subject to numerous risks and uncertainties. You should carefully consider all of the information set forth in this prospectus and, in particular, the information under the heading "Risk Factors," prior to making an investment in our Class B common stock. These risks include, among others, the following:

- We may fail to offer products that customers want to purchase.
- We may not be able to maintain and enhance our brand image.
- We may not be able to effectively execute our growth strategies, including growing our retail presence.
- Our marketing strategy of associating our Duluth Trading brand with the Modern, Self-Reliant American Lifestyle may not be successful with future customers.
- Our business may be subject to system interruptions or performance failures in our technology infrastructure, which could impair customer access to our sites.

- We rely on our key suppliers and/or third-party service providers, and any interruptions in our supply chain could impair our ability to service our customers.
- The dual class structure of our common stock and the existing ownership of capital stock by our executive officers, directors and their affiliates have the effect of concentrating voting control with our executive officers, directors and their affiliates for the foreseeable future.
- Following this offering, our Executive Chairman will own shares representing approximately % of the voting power of our outstanding capital stock.

Our Corporate Information

Our principal executive office is located at 170 Countryside Drive, Belleville, Wisconsin 53508, and our telephone number is (608) 424-1544. Our website address is www.duluthtrading.com. Our website and the information contained on, or that can be accessed through, our website will not be deemed to be incorporated by reference in, and are not considered part of, this prospectus. You should not rely on any such information in making your decision whether to purchase our shares of Class B common stock.

Implications of Being an Emerging Growth Company

As a company with less than $1.0 billion in gross revenue during our last fiscal year, we qualify as an "emerging growth company" as defined under the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. An emerging growth company may take advantage of reduced regulatory and reporting requirements that are otherwise generally applicable to public companies. As an emerging growth company:

- we may present only two years of audited financial statements and only two years of related Management's Discussion and Analysis of Financial Condition and Results of Operations in this prospectus;
- we are exempt from the requirement to obtain an audit of our internal control over financial reporting pursuant to the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act;
- we are permitted to provide less extensive disclosure about our executive compensation arrangements; and
- we are not required to hold non-binding advisory votes on executive compensation or golden parachute arrangements.

We remain an emerging growth company and may continue to take advantage of these provisions until the earliest to occur of: (i) the last day of our fiscal year following the fifth anniversary of this offering, which anniversary will occur on the last day of fiscal 2020; (ii) the date on which we are deemed to be a "large accelerated filer" (which means (a) the market value of our common stock that is held by non-affiliates exceeds $700 million as of the last business day of our most recently completed second fiscal quarter, (b) we have filed at least one annual report on Form 10-K, and (c) we have been subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act, for at least twelve months); (iii) the last day of our fiscal year during which our annual gross revenue exceeds $1.0 billion; and (iv) the date on which we issue more than $1.0 billion of non-convertible debt during the previous three-year period.

The JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. Thus, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected not to avail ourselves of this extended transition period.

The Offering	
Issuer in this offering	Duluth Holdings Inc.
Class B common stock to be offered by us	shares (or shares of Class B common stock if the underwriters' option to purchase additional shares is exercised in full)
Class B common stock to be outstanding immediately following this offering	shares (or shares of Class B common stock if the underwriters' option to purchase additional shares is exercised in full)
Class A common stock to be outstanding immediately following this offering	shares
Use of Proceeds	We estimate that the net proceeds to us from this offering will be approximately $ million, or approximately $ million if the underwriters exercise in full their option to purchase additional shares, assuming an initial public offering price of $ per share, the midpoint of the price range set forth on the cover of this prospectus, and after deducting estimated underwriting discounts and offering expenses. We intend to make a final "S" corporation distribution to shareholders who were shareholders immediately prior to this offering in an amount equal to 100% of our cumulative undistributed taxable income prior to our conversion to a "C" corporation, which we currently estimate to be $51.1 million. We intend to use a portion of the net proceeds from this offering to repay borrowings which we intend to fund part of this final distribution and to use a portion of the net proceeds from this offering to fund the balance of this final distribution. We estimate net proceeds in excess of the final "S" corporation distribution to be approximately $, and we intend to use such proceeds to fund growth initiatives and for other general corporate purposes, which may include funding new retail store expansion and infrastructure expenditures. See "Use of Proceeds."
Voting Rights	The rights of holders of Class A common stock and Class B common stock are identical, except for voting and conversion rights. Each share of Class A common stock is entitled to ten votes per share, and each share of Class B common stock is entitled to one vote per share. Following completion of this offering, each share of Class A common stock may be converted into one share of Class B common stock at the option of its holder and will be automatically converted into one share of Class B common stock upon transfer, subject to certain exceptions. See "Description of Capital Stock."
Dividend Policy	We do not anticipate paying dividends on our Class B common stock for the foreseeable future. See "Dividend Policy."

Risk Factors	You should read the "Risk Factors" section of this prospectus for a discussion of factors to carefully consider before deciding to invest in our Class B common stock.
Proposed NASDAQ Global Select Market Symbol	"DLTH"
Directed Share Program	At our request, the underwriters have reserved up to shares of our Class B common stock, or approximately % of the shares being offered by this prospectus, for sale at the initial public offering price to our directors, officers, certain employees and other parties with a connection to the Company. Any reserved shares not purchased will be offered by the underwriters to the general public on the same terms as the other shares. See "Underwriting."

The number of shares of Class B common stock to be outstanding after this offering is based on 5,618 shares of Class B common stock outstanding as of August 2, 2015 and excludes shares of Class B common stock reserved for issuance under the 2015 Equity Incentive Plan of Duluth Holdings Inc., or the 2015 Equity Incentive Plan.

In addition, except when otherwise indicated, information in this prospectus reflects or assumes:

- completion of the one-for- stock split of our Class A common stock and Class B common stock, effective on , 2015;
- completion of our conversion from an "S" corporation to a "C" corporation for income tax purposes;
- no exercise by the underwriters of their option to purchase additional shares of Class B common stock; and
- no purchases by our directors, officers, certain employees and other parties with a connection to the Company, who have indicated an interest in purchasing shares of Class B common stock in this offering at the initial public offering price, in an amount which we do not currently expect will exceed . See "Principal Shareholders" and "Underwriting."

SUMMARY CONSOLIDATED FINANCIAL AND OTHER DATA

The following tables present summary consolidated financial and other data as of and for the periods indicated, and certain unaudited pro forma information to reflect our conversion from an "S" corporation to a "C" corporation for income tax purposes. The summary consolidated statements of operations data for the fiscal years ended February 2, 2014, February 1, 2015 and the summary consolidated balance sheet data as of February 2, 2014 and February 1, 2015 are derived from our audited consolidated financial statements included elsewhere in this prospectus. The summary consolidated statements of operations data for the six months ended August 3, 2014 and August 2, 2015 and the summary consolidated balance sheet data as of August 2, 2015 are derived from our unaudited financial statements included elsewhere in this prospectus. The historical results presented below are not necessarily indicative of the results to be expected for any future period. You should read this summary consolidated financial and other data in conjunction with the consolidated financial statements and accompanying notes and the information under "Management's Discussion and Analysis of Financial Condition and Results of Operations" appearing elsewhere in this prospectus.

	Fiscal Year Ended[1]		Six Months Ended (unaudited)	
(in thousands, except per share data)	February 2, 2014	February 1, 2015	August 3, 2014	August 2, 2015
Consolidated Statements of Operations Data:				
Direct	$ 152,896	$ 208,909	$ 71,840	$ 94,698
Retail	10,193	22,958	7,330	13,786
Net sales	163,089	231,867	79,170	108,484
Cost of goods sold[2]	71,088	100,877	33,417	45,359
Gross profit	92,001	130,990	45,753	63,125
Selling, general and administrative expenses	75,786	106,964	38,846	54,616
Operating income	16,215	24,026	6,907	8,509
Interest expense	248	341	127	112
Other income (expense), net	86	422	75	75
Income before income taxes	16,053	24,107	6,855	8,472
Income tax expense	—	—	—	—
Net income	16,053	24,107	6,855	8,472
Less: Net income attributable to noncontrolling interest	537	460	101	82
Net income attributable to controlling interest	$ 15,516	$ 23,647	$ 6,754	$ 8,390
Pro forma net income information (unaudited):[3]				
Income before provision for income taxes	$ 16,053	$ 24,107	$ 6,855	$ 8,472
Pro forma provision for income taxes	6,206	9,459	2,702	3,356
Pro forma net income	$ 9,847	$ 14,648	$ 4,153	$ 5,116
Per share data:				
Basic net income per share attributable to controlling interest (Class A and Class B)	$ 2,454.34	$ 3,711.71	$ 1,060.11	$ 1,316.85
Diluted net income per share attributable to controlling interest (Class A and Class B)	2,446.98	3,682.81	1,052.19	1,292.71
Pro forma basic net income per share attributable to controlling interest (Class A and Class B)	$ 1,557.56	$ 2,299.13	$ 651.92	$ 803.02
Pro forma diluted net income per share attributable to controlling interest (Class A and Class B)	1,552.89	2,281.22	647.05	788.30

(in thousands)	Actual February 1, 2015	Actual August 2, 2015	Pro Forma August 2, 2015(4)	Pro Forma As Adjusted August 2, 2015(5)
Consolidated Balance Sheet Data (unaudited):				
Cash	$ 7,881	$ 366	$ 366	$
Working capital	25,714	28,683	(22,417)	
Total assets	70,949	74,402	74,402	
Total debt, including current portion	5,684	12,654	58,954	
Shareholders' equity (deficit)	38,262	37,505	(13,595)	

	Fiscal Year Ended		Six Months Ended	
(in thousands, except store data)	February 2, 2014	February 1, 2015	August 3, 2014	August 2, 2015
Operating Data (unaudited):				
Number of Stores(6)	4	6	4	7
Capital expenditures	$ 3,952	$ 5,269	$ 2,715	$ 3,841
EBITDA	$ 17,548	$ 26,269	$ 7,805	$ 9,758
Adjusted EBITDA	$ 17,624	$ 26,661	$ 8,155	$ 11,205

(1) Effective February 2013, we changed our fiscal year end from December 31 to the Sunday nearest to January 31.

(2) Includes the direct cost of purchased merchandise; inventory shrinkage; inventory adjustments due to obsolescence, including excess and slow-moving inventory and lower of cost or market reserves; inbound freight; and freight from our distribution centers to our retail stores.

(3) The unaudited pro forma net income information for all years and periods presented gives effect to an adjustment for income tax expense on the income attributable to controlling interest as if we had been a "C" corporation at an assumed combined federal, state and local effective income tax rate, which approximates our statutory income tax rate, of 40%. No pro forma income tax expense was calculated on the income attributable to noncontrolling interest because this entity will not convert to a "C" corporation.

(4) This column gives effect to the "S" corporation conversion, including (i) a final distribution resulting from the termination of our "S" corporation status equal to 100% of our cumulative undistributed taxable income from the date of our formation through , 2015, which we currently estimate to be $51.1 million, funded in part by borrowings under a short-term note in the aggregate principal amount of $46.3 million, and (ii) an increase in net deferred tax assets of $ assuming our "S" corporation status terminated on , 2015.

(5) This column gives effect to (i) the sale by us of shares of our Class B common stock in this offering assuming an initial public offering price of $ per share, the midpoint of the filing range set forth on the cover page of this prospectus, after deducting the underwriting discounts and commissions and estimated offering expenses payable by us and (ii) the application of the estimated proceeds from this offering as described under "Use of Proceeds."

(6) Includes one outlet store.

Non-U.S. GAAP Financial Measures

We report our financial results in accordance with U.S. generally accepted accounting principles, or U.S. GAAP. To supplement this information, we also use non-U.S. GAAP financial measures in this prospectus, including EBITDA and Adjusted EBITDA. EBITDA is calculated as net income before interest expense, income tax expense, and depreciation and amortization expenses. Adjusted EBITDA is calculated as EBITDA further adjusted for non-cash stock based compensation expense and a payment for a portion of the grantees' tax liabilities associated with a grant of restricted stock awards. See "Management's Discussion and Analysis of Financial Condition and Results of Operations" for our definition of Adjusted EBITDA.

The following table represents reconciliations of net income to EBITDA and EBITDA to Adjusted EBITDA for the periods indicated below:

	Fiscal Year Ended		Six Months Ended	
(in thousands)	**February 2, 2014**	**February 1, 2015**	**August 3, 2014**	**August 2, 2015**
Net income	$ 16,053	$ 24,107	$ 6,855	$ 8,472
Depreciation and amortization	1,247	1,821	823	1,174
Interest expense	248	341	127	112
EBITDA	17,548	26,269	7,805	9,758
Non-cash stock based compensation expense	76	74	32	332
Payment for a portion of the grantees' tax liabilities associated with a grant of restricted stock awards	—	318	318	1,115
Adjusted EBITDA	$ 17,624	$ 26,661	$ 8,155	$ 11,205

RISK FACTORS

Investing in our Class B common stock involves a high degree of risk. Before you invest, you should carefully consider the following risks, as well as general economic and business risks and all of the other information contained in this prospectus. Any of the following risks could have a material adverse effect on our business, operating results and financial condition and cause the trading price of our Class B common stock to decline, which could cause you to lose all or part of your investment.

Risks Related to Our Business

If we fail to offer products that customers want to purchase, our business and results of operations could be adversely affected.

Our products must satisfy the desires of customers, whose preferences change over time. In order to be successful, we must design, obtain and offer to customers innovative and high-quality products on a continuous and timely basis. Failure to effectively respond to customer needs and preferences, or convey a compelling brand image or price-to-value equation to customers may result in lower net sales and gross profit margins.

Our success depends in part on management's ability to effectively anticipate or identify customer needs and preferences and respond quickly with marketable product offerings in advance of the actual time of sale to the customer. Even if we are successful in anticipating or identifying our customers' needs and preferences, we must continue to develop and introduce innovative, high-quality products and product features in response to changing consumer demand.

Factors that could affect our ability to accurately forecast consumer demand for our products include:

- a failure in our solution-based design process to accurately identify the problems our customers are experiencing with commonly available apparel and gear or a lack of customer acceptance of new products or product features we design;
- customer unwillingness to attribute premium value to our new products or product features we design relative to the commonly available apparel and gear they were intended to replace;
- new, well-received product introductions by competitors;
- weak economic conditions or consumer confidence, which reduce demand for our products; and
- terrorism, civil unrest or acts of war, or the threat thereof, which adversely affect consumer confidence and spending and/or interrupt production and distribution of products and raw materials.

There can be no assurance that we will be able to successfully anticipate or identify our customers' needs and preferences and design products and product features in response. As a result, we may not successfully manage inventory levels to meet our future order requirements. If we fail to accurately forecast consumer demand, we may experience excess inventory levels or a shortage of product required to meet the demand. Inventory levels in excess of consumer demand may result in inventory write-downs and the sale of excess inventory at discounted prices, which could have an adverse effect on the image and reputation of our brand and negatively impact profitability. On the other hand, if we underestimate demand for our products, our third-party manufacturers may not be able to produce sufficient quantities of our products to meet consumer requirements, and this could result in delays in the shipment of products and lost revenue, as well as damage to the image and reputation of our brand and our relationship with our customers. These risks could have a material adverse effect on our brand as well as our results of operations and financial condition.

Our business depends on our ability to maintain a strong brand. We may not be able to maintain and enhance the Duluth Trading brand if we receive unfavorable complaints, negative publicity or otherwise fail to live up to consumers' expectations, which could materially adversely affect our business, results of operations and growth prospects.

We currently offer a differentiated brand to our customers defined by solution-based products manufactured with high quality craftsmanship, humorous and distinctive marketing, and an outstanding customer experience. Maintaining and enhancing the Duluth Trading brand is critical to expanding our base of customers. If we fail to maintain our brand, or if we incur excessive expenses in this effort, our business, operating results and financial condition may be materially adversely affected. We anticipate that, as we raise our profile nationally and attract an increasing amount of competition, maintaining and enhancing our brand may become increasingly difficult and expensive and may require us to make substantial additional investments in areas such as marketing, store operations, merchandising, technology and personnel.

Customer complaints or negative reactions to, or unfavorable publicity about, our product quality or product features, our storytelling or irreverent advertising, the shopping experience on our website or in our retail stores, product delivery times, customer data handling and security practices or customer support, especially on blogs, social media, other third-party websites and our website, could rapidly and severely diminish consumer use of our website and catalogs, visits to our retail stores and consumer confidence in us and result in harm to our brand. Furthermore, these factors could cause our customers to no longer feel a personal connection with the Duluth Trading brand, which could result in the loss of customers and materially adversely affect our business, results of operations and growth prospects.

Our marketing strategy of associating our brand and products with the Modern, Self-Reliant American Lifestyle may not be successful with future customers.

We have been successful in marketing our products by associating our brand and products with a heritage of workwear and the Modern, Self-Reliant American Lifestyle. To sustain long-term growth, we must continue to be successful in promoting our products to customers who identify with this lifestyle. If our customer base declines through natural attrition and is not replaced by new customers due to, for example, a lack of personal identification with this lifestyle, our net sales could decline, which could adversely affect our business, results of operations and financial condition.

Our net sales and profits depend on the level of consumer spending for apparel, footwear and accessories, which is sensitive to general economic conditions and other factors. An economic recession or a decline in consumer spending could have a material adverse effect on our business and results of operations.

The apparel, footwear and accessories industry has historically been subject to cyclical variations and is particularly affected by adverse trends in the general economy. The success of our business depends on consumer spending. There are a number of factors that influence consumer spending, including actual and perceived economic conditions, disposable consumer income, interest rates, consumer credit availability, unemployment, stock market performance, extreme weather conditions, energy prices and tax rates in the national, regional and local markets where we sell our products. A decline in actual or perceived economic conditions or other factors could negatively impact the level of consumer spending and have a material adverse impact on our business and results of operations.

Retail store expansion could adversely affect the operating results of our retail channel and reduce the revenue of our direct channel.

As we increase the number of our retail stores, our stores may become more highly concentrated in the geographic regions we serve. As a result, the number of customers and related net sales at individual stores may decline and the payback period may be increased. In addition, as we open more retail stores, and if our competitors open stores with similar formats, our retail store format may become less unique and may be less

attractive to customers as a shopping destination. If either of these events occurs, the operating results of our retail channel could be materially adversely affected. The growth in the number of our retail stores may also draw customers away from our website and catalogs, which could materially adversely affect net sales from our direct channel.

If we cannot successfully implement future retail store expansion, our growth and profitability could be adversely impacted.

After the completion of this offering, we plan to open new retail stores. Our ability to open new retail stores in a timely manner and operate them profitably depends on a number of factors, many of which are beyond our control, including:

- our ability to manage the financial and operational aspects of our retail growth strategy, including making appropriate investments in our software systems, information technology and operational infrastructure;
- our ability to identify suitable locations, including our ability to gather and assess demographic and marketing data to accurately determine consumer demand for our products in the locations we select;
- our ability to negotiate favorable lease agreements;
- our ability to properly assess the profitability and payback period of potential new retail store locations;
- the availability of financing on favorable terms;
- our ability to secure required governmental permits and approvals;
- our ability to hire and train skilled store operating personnel, especially management personnel;
- the availability of construction materials and labor and the absence of significant construction delays or cost overruns;
- our ability to provide a satisfactory mix of merchandise that is responsive to the needs of our customers living in the areas where new retail stores are built;
- our ability to establish a supplier and distribution network able to supply new retail stores with inventory in a timely manner;
- our competitors building or leasing stores near our retail stores or in locations we have identified as targets for a new retail store;
- consumer demand for our products, which drives traffic to our retail stores; and
- general economic and business conditions affecting consumer confidence and spending and the overall strength of our business.

We may not be able to grow the number of our retail stores, accelerate the rate of new store openings, achieve the net sales growth and payback periods historically achieved by our retail stores or maintain consistent levels of profitability in our retail stores, particularly as we expand into markets now served by other apparel chains, outdoor specialty stores, apparel catalog businesses and online apparel businesses. In addition, the substantial management time and resources which our retail store expansion strategy requires may result in disruption to our existing business operations which may decrease our profitability.

We may face risks and new challenges associated with our geographic expansion.

Our retail stores as of August 2, 2015 are concentrated in the Midwest. As we expand our retail store locations, we may face new challenges that are different from those we currently encounter. Our expansion into new geographic markets could result in increased competitive, merchandising, distribution and other challenges. We may encounter difficulties in attracting customers in our new retail locations due to a lack of customer familiarity with our brand, our lack of familiarity with local customer preferences, competition with new

competitors or with existing competitors with a large, established market presence and seasonal differences in the market. Our ability to expand successfully into other geographic markets will depend on acceptance of our retail store experience by customers in those markets, including our ability to design our stores in a manner that resonates locally and to offer the correct product assortment to appeal to consumers in such markets. There can be no assurance that any newly opened stores will be received as well as, or achieve net sales or profitability levels consistent with, our projected targets or be comparable to those of our existing stores in the time periods estimated by us, or at all. If our stores fail to achieve, or are unable to sustain, acceptable net sales and profitability levels, our business, results of operations and growth prospects may be materially adversely affected.

Furthermore, our retail stores may be located in regions that will be far from our Belleville, Wisconsin headquarters and will require additional management time and attention. Failure to properly supervise the operation and maintain the consistency of the customer experience in those retail stores could result in loss of customers and potentially harm future net sales prospects.

We may be unable to keep existing retail store locations or open new retail locations in desirable places, which could materially adversely affect our sales and profitability.

We may be unable to keep existing retail locations or open new retail locations in desirable places in the future. We compete with other retailers and businesses for suitable retail locations. Local land use, local zoning issues, environmental regulations and other regulations may affect our ability to find suitable retail locations and also influence the cost of leasing or buying them. We also may have difficulty negotiating real estate leases for new stores, renewing real estate leases for existing stores or negotiating purchase agreements for new sites on acceptable terms. In addition, construction, environmental, zoning and real estate delays may negatively affect retail location openings and increase costs and capital expenditures. If we are unable to keep up our existing retail store locations or open new retail store locations in desirable places and on favorable terms, our net sales and profits could be materially adversely affected.

The success of our direct channel depends on customers' use of our digital platform, including our website, and response to catalogs and digital marketing; if our overall marketing strategies, including our maintenance of a robust customer list, is not successful, our business and results of operations could be materially adversely affected.

The level of customer traffic and volume of customer purchases through our direct channel, which accounted for approximately 90% of our net sales in fiscal 2014, is substantially dependent on our ability to provide a content-rich and user-friendly website, widely distributed and informative catalogs, a fun, easy and hassle-free customer experience and reliable delivery of our products. If we are unable to maintain and increase customers' use of our e-commerce platform, including our website, which accounted for 78% of our direct channel net sales in fiscal 2014, and the volume of purchases decline, our business and results of operations could be adversely affected.

Customer response to our catalogs and digital marketing is substantially dependent on merchandise assortment, merchandise availability and creative presentation, as well as the selection of customers to whom our catalogs are sent and to whom our digital marketing is directed, changes in mailing strategies and the size of our mailings. Our maintenance of a robust customer list, which we believe includes desirable demographic characteristics for the products we offer, has also been a key component of our overall strategy. If the performance of our website, catalogs and email declines, or if our overall marketing strategy is not successful, our business and results of operations could be adversely affected.

Dependence on our e-commerce sales channel subjects us to numerous risks that could have a material adverse effect on our business, financial condition and results of operations.

Sales through our e-commerce business accounted for 70% of our total net sales in fiscal 2014. Our results of operations and financial condition are dependent on maintaining our e-commerce business and expanding our e-commerce business is an important part of our growth strategy. Dependence on our e-commerce business and its continued growth subjects us to certain risks, including:

- diversion of traffic from our stores;
- liability for online content;
- the need to keep pace with rapid technological change;
- government regulation of the Internet, including taxation; and
- risks related to the computer systems that operate our website and related support systems, including computer viruses, systems failure or inadequacy, electronic break-ins and similar disruptions.

Our failure to successfully respond to these risks and uncertainties could reduce our e-commerce sales, increase our costs, diminish our growth prospects, and damage our brand, which could negatively impact our business, financial condition and results of operations.

Competitive pricing pressures with respect to shipping our products to our customers may harm our business and results of operations.

Given the size of our direct segment net sales relative to our total net sales, shipping and handling revenue has had a significant impact on our gross profit and gross profit margin. Historically, this revenue has partially offset our shipping and handling expense included in selling, general and administrative expenses. Online and omnichannel retailers are increasing their focus on delivery services, with customers increasingly seeking faster, guaranteed delivery times and low-price or free shipping. To remain competitive, we may be required to offer discounted, free or other more competitive shipping options to our customers, which may result in declines in our shipping and handling revenue and increased shipping and handling expense. Declines in shipping and handling revenues may have a material adverse effect on our gross profit and gross profit margin, as well as our Adjusted EBITDA to the extent there are not commensurate declines, or if there are increases, in our shipping and handling expense.

We are subject to payment-related risks.

We accept payments using a variety of methods, including credit cards, debit cards, gift cards and physical bank checks. For existing and future payment methods we offer to our customers, we may become subject to additional regulations and compliance requirements (including obligations to implement enhanced authentication processes that could result in increased costs and reduce the ease of use of certain payment methods), as well as fraud. For certain payment methods, including credit and debit cards, we pay interchange and other fees, which may increase over time, raising our operating costs and lowering profitability. We rely on third-party service providers for payment processing services, including the processing of credit and debit cards. In each case, it could disrupt our business if these third-party service providers become unwilling or unable to provide these services to us. We are also subject to payment card association operating rules, including data security rules, certification requirements and rules governing electronic funds transfers, which could change or be reinterpreted to make it difficult or impossible for us to comply. If we fail to comply with these rules or requirements, or if our data security systems are breached or compromised, we may be liable for card issuing banks' costs, subject to fines and higher transaction fees and/or lose our ability to accept credit and debit card payments from our customers and process electronic funds transfers or facilitate other types of payments, and our business and operating results could be adversely affected.

We rely on third-party service providers, such as UPS and the United States Postal Service, or USPS, to deliver products purchased through our direct channel to our customers and our business could be negatively impacted by disruptions in the operations of these third-party service providers.

Relying on third-party service providers puts us at risk from disruptions in their operations, such as employee strikes, inclement weather and their inability to meet our shipping demands. If we are forced to use other delivery service providers, our costs could increase and we may be unable to meet shipment deadlines. Moreover, we may be unable to obtain terms as favorable as those received from the transportation providers we currently use, which would further increase our costs. In addition, if our products are not delivered to our customers on time, our customers may cancel their orders or we may lose business from these customers in the future. These factors may negatively impact our financial condition and results of operations.

Increases in postage, paper and printing costs could adversely affect the costs of producing and distributing our catalogs and promotional mailings, which could have an adverse effect on our business and results of operations.

Catalog mailings are a key aspect of our business and increases in costs relating to postage, paper and printing would increase the cost of our catalog mailings and could reduce our profitability to the extent that we are unable to offset such increases by raising prices, by implementing more efficient printing, mailing, delivery and order fulfillment systems or by using alternative direct-mail formats.

We currently use the USPS for distribution of substantially all of our catalogs and are therefore vulnerable to postal rate increases. The current economic and legislative environments may lead to further rate increases or a discontinuation of the discounts for bulk mailings and sorting by zip code and carrier routes, which we currently leverage for cost savings.

Paper for catalogs and promotional mailings is a vital resource in the success of our business. The market price for paper has fluctuated significantly in the past and may continue to fluctuate in the future. In addition, the continued consolidation or closings of production facilities in the United States may have an impact on future pricing and supply availability of catalog paper. We do not have multi-year fixed-price contracts for the supply of paper and are not guaranteed access to, or reasonable prices for, the amounts required for the operation of our business over the long term.

We also depend upon external vendors to print and mail our catalogs. The limited number of printers capable of handling such needs subjects us to risks if any printer fails to perform under our agreement. Most of our catalog-related costs are incurred prior to mailing, and we are not able to adjust the costs of a particular catalog mailing to reflect the actual subsequent performance of the catalog.

If we fail to acquire new customers, or fail to do so in a cost-effective manner, we may not be able to increase net revenue or profit per active customer.

Our success depends on our ability to acquire customers in a cost-effective manner. In order to expand our customer base, we must appeal to and acquire customers who identify with the Duluth Trading brand. We have made significant investments related to customer acquisition and expect to continue to spend significant amounts to acquire additional customers. For example, we have recently expanded our national television advertising campaigns. Such campaigns are expensive and may not result in the cost-effective acquisition of customers. Furthermore, as our brand becomes more widely known in the market, future marketing campaigns may not result in the acquisition of new customers at the same rate as past campaigns.

We believe that many of our new customers originate from word-of-mouth and other non-paid referrals from existing customers. Therefore, we must ensure that our existing customers remain loyal in order for us to continue receiving those referrals. If our efforts to satisfy our existing customers are not successful, we may not be able to acquire sufficient numbers of new customers through word-of-mouth and other non-paid referrals so as to continue to grow our business in a cost-effective manner, and we may be required to incur significantly higher marketing expenses in order to acquire new customers.

We also use other paid and non-paid advertising. Our paid advertising includes search engine marketing, display advertising and paid social media. Our non-paid advertising efforts include search engine optimization, non-paid social media and email. We obtain a significant amount of traffic via search engines and, therefore, rely on search engines such as Google, Yahoo! and Bing. Search engines frequently update and change the logic that determines the placement and display of results of a user's search, such that the purchased or algorithmic placement of links to our sites can be negatively affected. Moreover, a search engine could, for competitive or other purposes, alter its search algorithms or results, causing our sites to place lower in search query results. A major search engine could change its algorithms in a manner that negatively affects our paid or non-paid search ranking, and competitive dynamics could impact the effectiveness of search engine marketing or search engine optimization. We also obtain a significant amount of traffic via social networking websites or other channels used by our current and prospective customers. As e-commerce and social networking continue to rapidly evolve, we must continue to establish relationships with these channels and may be unable to develop or maintain these relationships on acceptable terms. Additionally, digital advertising costs may continue to rise and as our usage of these channels expands, such costs may impact our ability to acquire new customers in a cost-effective manner. If the level of usage of these channels by our customer base does not grow as expected, we may suffer a decline in customer growth or net sales. A significant decrease in the level of usage or customer growth would have a material adverse effect on our business, financial condition and operating results.

We cannot assure you that the net profit from new customers we acquire will ultimately exceed the cost of acquiring those customers. If we fail to deliver an outstanding customer experience, or if consumers do not perceive the products we offer to be manufactured with high quality craftsmanship, we may not be able to acquire new customers. If we are unable to acquire new customers, our growth prospects may be materially adversely affected.

If we fail to manage our growth effectively, our business, financial condition and operating results could be harmed.

To manage our growth effectively, we must continue to implement our operational plans and strategies, improve and expand our infrastructure of people, information systems and facilities and expand, train and manage our employee base. We have rapidly increased employee headcount to support the growth in our business, and we intend for this growth to continue for the foreseeable future. The number of our employees increased from 89 full-time employees and 220 part-time and flexible part-time employees as of December 31, 2009 to 265 full-time employees and 570 part-time and flexible part-time employees as of August 30, 2015, and we expect to add a significant number of employees in 2016. To support continued growth, we must effectively integrate, develop and motivate a large number of new employees. We face significant competition for personnel, particularly in Wisconsin and Minnesota, where most of our retail stores and associates are located. Failure to manage our hiring needs effectively or successfully integrate new employees may have a material adverse effect on our business, financial condition and operating results.

Additionally, the growth of our business places significant demands on our management and other employees. The growth of our business may require significant additional resources to meet these daily demands, which may not scale in a cost-effective manner or may negatively affect the quality of our website, retail stores, call center and other aspects of the customer experience. We are also required to manage relationships with a growing number of suppliers, customers and other third parties. Our information technology systems and our internal controls and procedures may not be adequate to support future growth of these relationships. If we are unable to manage the growth of our organization effectively, our business, financial condition and operating results may be materially adversely affected.

We depend on cash generated from our operations to support our growth, which could strain our cash flow.

We primarily rely on cash flow generated from our direct and retail sales to fund our current operations and our growth initiatives. It takes a significant amount of cash to open a new retail store. If we open a large number of stores relatively close in time, the cost of these retail store openings and the cost of continuing operations

could reduce our cash position. An increase in our cash flow used for new stores could adversely affect our operations by reducing the amount of cash available to address other aspects of our business.

In addition, as we expand our business, we will need significant amounts of cash from operations to pay our existing and future lease obligations, purchase inventory, pay personnel, pay for the increased costs associated with operating as a public company and, if necessary, further invest in our infrastructure and facilities. If our business does not generate sufficient cash flow from operations to fund these activities and sufficient funds are not otherwise available from our existing revolving credit facility or future credit facilities, we may need additional equity or debt financing. If such financing is not available to us on satisfactory terms, our ability to operate and expand our business or to respond to competitive pressures would be limited and we could be required to delay, curtail or eliminate planned store openings. Moreover, if we raise additional capital by issuing equity securities or securities convertible into equity securities, your ownership may be diluted. Any debt financing we may incur may impose on us covenants that restrict our operations and will require interest payments that would create additional cash demands and financial risk for us.

We may be unable to accurately forecast our operating results and growth rate, and our growth rate may decline over time.

We may not be able to accurately forecast our operating results and growth rate. We use a variety of factors in our forecasting and planning processes, including historical results, recent history and assessments of economic and market conditions, among other things. The growth rates in net sales and profitability that we have experienced historically may not be sustainable as our customer base expands and we achieve higher market penetration rates, and our percentage growth rates may decrease. The growth of our sales and profitability depends on the continued growth of demand for the products we offer, and our business is affected by general economic and business conditions. A softening of demand, whether caused by changes in customer preferences or a weakening of the economy or other factors, may result in decreased net sales or growth. In addition, we experience seasonal trends in our business, and this variability may make it difficult to predict net sales and could result in significant fluctuations in our operating results from period to period. Furthermore, most of our expenses and investments are fixed, and we may not be able to adjust our spending in a timely manner to compensate for any unexpected shortfall in our net sales results. Failure to accurately forecast our operating results and growth rate could cause our actual results to be materially lower than anticipated, and if our growth rates decline as a result, investors' perceptions of our business may be adversely affected, and the market price of our Class B common stock could decline.

If we cannot compete effectively in the apparel, footwear and accessories industry, our business and results of operations may be adversely affected.

The apparel, footwear and accessories industry is highly competitive. We compete with a diverse group of direct-to-consumer companies and retailers, including men's and women's specialty apparel chains, outdoor specialty stores, apparel catalog businesses and online apparel businesses that sell competing lines of merchandise. Our competitors may be able to adopt more aggressive pricing policies, adapt to changes in customers' needs and preferences more quickly, devote greater resources to the design, sourcing, distribution, marketing and sale of their products or generate greater national brand recognition than us. In addition, as our business continues to expand, our competitors may seek to increase efforts to imitate our product designs, which could adversely affect our business and results of operations. An inability to overcome these potential competitive disadvantages or effectively market our products relative to our competitors could have an adverse effect on our business and results of operations.

Our product designs are not protected by substantial intellectual property rights.

Due to the rapid pace of change in the apparel, footwear and accessories industry, the length of time it takes to obtain patents and the expense and uncertainty of obtaining patent protection, we have not taken steps to obtain patent protection for our innovative product designs. Competitors have attempted to copy our product

designs in the past, and we expect that if we are able to raise our national profile, our products may be subject to greater imitation by existing and new competitors. If we are not able to continue rapid innovation of new products and product features, our brand may be harmed and our results of operations may be materially adversely affected.

If we are unable to protect or preserve our brand image and our proprietary rights, our business may be adversely affected.

We regard our trademarks, copyrights, trade secrets and similar proprietary rights as critical to our success. As such, we rely on trademark and copyright law, trade secret protection and confidentiality agreements with our associates, consultants, suppliers and others to protect our proprietary rights. Nevertheless, the steps we take to protect our proprietary rights may be inadequate and we may experience difficulty in effectively limiting the unauthorized use of our trademarks and other intellectual property worldwide. Unauthorized use of our trademarks, copyrights, trade secrets or other intellectual property rights may cause significant damage to our brand and our ability to effectively represent ourselves to agents, suppliers, vendors, licensees and/or customers. While we intend to enforce our intellectual property rights, there can be no assurance that we are adequately protected in all countries or that we will prevail when defending our trademark and proprietary rights. If we are unable to protect or preserve the value of our trademarks, copyrights or other intellectual property rights for any reason, or if we fail to maintain our brand image due to merchandise and service quality issues, actual or perceived, adverse publicity, governmental investigations or litigation or other reasons, our brand and reputation could be damaged and our business may be adversely affected.

We may be subject to liability if we infringe upon the intellectual property rights of third parties.

Third parties may sue us for alleged infringement of their proprietary rights. The party claiming infringement might have greater resources than we do to pursue its claims, and we could be forced to incur substantial costs and devote significant management resources to defend against such litigation. If the party claiming infringement were to prevail, we could be forced to discontinue the use of the related trademark or design and/or pay significant damages or enter into expensive royalty or licensing arrangements with the prevailing party, assuming these royalty or licensing arrangements are available at all on an economically feasible basis, which they may not be. We could also be required to pay substantial damages. Such infringement claims could harm the Duluth Trading brand. In addition, any payments we are required to make and any injunction we are required to comply with as a result of such infringement could adversely affect our financial results.

If our key suppliers or service providers were unable or unwilling to provide the products and services we require, our business could be adversely affected.

During calendar 2014, approximately 57% of our products were sourced through a third-party purchasing agent and 86% of our products were sourced through our top six suppliers. The remaining products were sourced from a variety of domestic and international suppliers. If these suppliers are unable or unwilling to provide the products or services that we require or materially increase their costs, our ability to offer and deliver our products on a timely and profitable basis could be impaired, which could have a material adverse effect on our business, financial condition and results of operations. We do not have written agreements with our top suppliers, and we cannot assure that any or all of our relationships will not be terminated or that such relationships will continue as presently in effect. Furthermore, if any of our significant suppliers were to become subject to bankruptcy, receivership or similar proceedings, we may be unable to arrange for alternate or replacement relationships on terms as favorable as our current terms, which could adversely affect our sales and operating results.

Our growth strategy is influenced by the willingness and ability of our suppliers to efficiently manufacture our products in a manner that is consistent with our standards for quality and value. If we cannot obtain a sufficient amount and variety of quality products at acceptable prices, it could have a negative impact on our competitive position. This could result in lower revenue and decreased customer interest in our product offerings, which, in turn, could adversely affect our business and results of operations.

Our arrangements with our suppliers are generally not exclusive. As a result, our suppliers might be able to sell similar or identical products to certain of our competitors, some of which purchase products in significantly greater volume. Our competitors may enter into arrangements with suppliers that could impair our ability to obtain our products from those suppliers, including by requiring suppliers to enter into exclusive arrangements, which could limit our access to such arrangements or products.

We rely on third parties to provide us with services in connection with certain aspects of our business, and any failure by these third parties to perform their obligations could have an adverse effect on our business and results of operations.

We have entered into agreements with third parties for logistics services, information technology systems (including hosting our website), operating our call center during certain hours, software development and support, catalog production, select marketing services, distribution and packaging and employee benefits. Services provided by any of our third-party suppliers could be interrupted as a result of many factors, such as acts of nature or contract disputes. Any failure by a third party to provide us with services for which we have contracted on a timely basis or within service level expectations and performance standards could result in a disruption of our business and have an adverse effect on our business and results of operations.

Increases in the price of raw materials, fuel and labor, or their reduced availability, could increase our cost of goods and cause delays.

We could again experience inflation in our raw materials, fuel and labor costs as we did during 2011. The cost of cotton, which is a key raw material in many of our products, had the most dramatic increase in 2011. The price and availability of cotton may fluctuate substantially, depending on a variety of factors, including demand, acreage devoted to cotton crops and crop yields, weather patterns, supply conditions, transportation costs, energy prices, work stoppages, government regulation and government policy, economic climates, market speculation and other unpredictable factors. Fluctuations in the price and availability of fuel, labor and raw materials, such as cotton, could again affect our cost of goods and an inability to mitigate these cost increases, unless sufficiently offset with our pricing actions, might cause a decrease in our profitability, while any related pricing actions might cause a decline in our sales volume. Additionally, any decrease in the availability of raw materials could impair our ability to meet our production or purchasing requirements in a timely manner. Both the increased cost and lower availability of merchandise, raw materials, fuel and labor may have an adverse impact on our cash flow and working capital needs as well as those of our suppliers.

Our business is seasonal, and if we do not efficiently manage inventory levels, our results of operations could be adversely affected.

Our business is subject to seasonal influences, with approximately 48% of net sales and approximately 59% of net income realized during the fourth quarter of the last two fiscal years, which includes the holiday season.

We must maintain sufficient inventory levels to operate our business successfully, but we must also avoid accumulating excess inventory, which increases working capital needs and potentially lowers gross margins. We obtain substantially all of our inventory from suppliers located outside the United States. Some of these suppliers often require lengthy advance notice of order requirements in order to be able to manufacture and supply products in the quantities requested. This usually requires us to order our products, and enter into commitments for the purchase of our products, well in advance of the time these products will be offered for sale. As a result, it may be difficult to respond to changes in customer demand. If we do not accurately anticipate the future demand for a particular product or the time it will take to obtain new inventory, inventory levels will not be appropriate and our results of operations could be adversely affected.

We expect a disproportionate amount of our net sales to occur during our fourth quarter. If we do not stock or restock popular products in amounts sufficient to meet customer demand, it could significantly affect our revenue and our future growth. If we overstock products, we may be required to take significant inventory

markdowns or write-offs and incur commitment costs, which could reduce profitability. We may experience an increase in our net shipping cost due to complimentary upgrades, split-shipments and additional long-zone shipments necessary to ensure timely delivery for the holiday season. Furthermore, if too many customers access our website within a short period of time due to increased holiday demand, we may experience system interruptions that could make our website unavailable or prevent us from efficiently fulfilling orders, which may reduce the volume of products we sell as well as the attractiveness of our product offerings. In addition, we or our third-party service providers may be unable to adequately staff our fulfillment and customer service centers during these peak periods, and our delivery service providers and other fulfillment companies may be unable to meet the peak seasonal demand.

As a result of holiday sales, inventories, accounts payable and borrowings under our line of credit typically reach their highest levels in October of each year (other than as a result of cash flow provided by or used in investing and financing activities). Inventories, accounts payable and borrowings under our line of credit then decline steadily during the holiday season, resulting in our cash typically reaching its highest level, and borrowings under our line of credit reaching their lowest level, as of December 31 of each year.

If our independent suppliers do not use ethical business practices or comply with applicable regulations and laws, our reputation could be materially harmed and on our business and results of operations may be adversely affected.

Our reputation and customers' willingness to purchase our products depend in part on our suppliers' compliance with ethical employment practices, such as with respect to child labor, wages and benefits, forced labor, discrimination, freedom of association, unlawful inducements, safe and healthy working conditions and with all legal and regulatory requirements relating to the conduct of their business. While we operate compliance and monitoring programs to promote ethical and lawful business practices, we do not exercise ultimate control over our independent suppliers or their business practices and cannot guarantee their compliance with ethical and lawful business practices. Violation of labor or other laws by our suppliers, or the divergence of a supplier's labor practices from those generally accepted as ethical in the United States, could materially hurt our reputation, which could have an adverse effect on our business and results of operations.

We rely on sources for merchandise located in foreign markets, and our business may therefore be adversely affected by legal, regulatory, economic and political risks associated with international trade and those markets.

Substantially all of our merchandise is imported from suppliers in China and other emerging markets in Asia and Central America, either directly by us or through our agents. Our reliance on suppliers in foreign markets creates risks inherent in doing business in foreign jurisdictions, including:

- the burdens of complying with a variety of foreign laws and regulations, including trade and labor restrictions;
- economic and political instability in the countries and regions where our suppliers are located;
- compliance with U.S. and other country laws relating to foreign operations, including the Foreign Corrupt Practices Act, which prohibits U.S. companies from making improper payments to foreign officials for the purpose of obtaining or retaining business;
- changes in U.S. and non-U.S. laws (or changes in the enforcement of those laws) affecting the importation and taxation of goods, including duties, tariffs and quotas, enhanced security measures at U.S. ports or imposition of new legislation relating to import quotas;
- increases in shipping, labor, fuel, travel and other transportation costs;
- the imposition of anti-dumping or countervailing duty proceedings resulting in the potential assessment of special anti-dumping or countervailing duties;

- transportation delays and interruptions, including due to the failure of suppliers or distributors to comply with import regulations; and
- political instability and acts of terrorism.

Any increase in the cost of merchandise purchased from these suppliers or restriction on the merchandise made available by these suppliers could have an adverse effect on our business and results of operations.

Manufacturers in China have experienced increased costs in recent years due to shortages of labor and the fluctuation of the Chinese Yuan in relation to the U.S. dollar. If we are unable to successfully mitigate a significant portion of such product cost increases, our results of operations could be adversely affected.

New initiatives may be proposed in the United States that may have an impact on the trading status of certain countries and may include retaliatory duties or other trade sanctions that, if enacted, would increase the cost of products purchased from suppliers in such countries with which we do business. Any inability on our part to rely on our foreign sources of production due to any of the factors listed above could have an adverse effect on our business, results of operations and financial condition.

If we fail to timely and effectively obtain shipments of products from our suppliers and deliver merchandise to our customers, our business and operating results could be adversely affected.

We do not own or operate any manufacturing facilities and therefore depend upon independent third-party suppliers for the manufacture of our merchandise. We cannot control all of the various factors that might affect timely and effective procurement of supplies of product from our third-party suppliers and delivery of merchandise to our customers. A majority of the products that we purchase must be shipped to our distribution centers in Wisconsin and Nevada. While our reliance on a limited number of distribution centers provides certain efficiencies, it also makes us more vulnerable to natural disasters, weather-related disruptions, accidents, system failures or other unforeseen causes that could delay or impair our ability to fulfill customer orders and/or ship merchandise to our stores, which could adversely affect sales. Our ability to mitigate the adverse impacts of these events depends in part upon the effectiveness of our disaster preparedness and response planning, as well as our business continuity planning. Our use of imports also makes us vulnerable to risks associated with products manufactured abroad, including, among other things, risks of damage, destruction or confiscation of products while in transit to a distribution center, organized labor strikes and work stoppages such as the recent labor dispute that disrupted operations at ports-of-entry on the west coast of the United States, transportation and other delays in shipments, including as a result of heightened security screening and inspection processes or other port-of-entry limitations or restrictions in the United States, unexpected or significant port congestion, lack of freight availability and freight cost increases. In addition, if we experience a shortage of a popular item, we may be required to arrange for additional quantities of the item, if available, to be delivered through airfreight, which is significantly more expensive than standard shipping by sea. We may not be able to obtain sufficient freight capacity on a timely basis or at favorable shipping rates and, therefore, may not be able to receive merchandise from suppliers or deliver products to customers in a timely and cost-effective manner.

We rely upon third-party land-based and air freight carriers for merchandise shipments from our distribution centers to customers and our retail stores. Accordingly, we are subject to the risks, including labor disputes, union organizing activity, inclement weather and increased transportation costs, associated with such carriers' ability to provide delivery services to meet outbound shipping needs. In addition, if the cost of fuel rises, the cost to deliver merchandise from distribution centers to customers and our retail stores may rise and, although some of these costs are paid by our customers, such costs could have an adverse impact on our profitability. Failure to procure suppliers of products from our third-party suppliers and deliver merchandise to customers and our retail stores in a timely, effective and economically viable manner could damage our reputation and adversely affect our business. In addition, any increase in distribution costs and expenses could adversely affect our future financial performance.

Inventory shrinkage could have a material adverse effect on our business, financial condition and results of operations.

We are subject to the risk of inventory loss and theft. Although our inventory shrinkage rates have not been material, or fluctuated significantly in recent years, we cannot assure you that actual rates of inventory loss and theft in the future will be within our estimates or that the measures we are taking will effectively reduce the problem of inventory shrinkage. Although some level of inventory shrinkage is an unavoidable cost of doing business, if we were to experience higher rates of inventory shrinkage or incur increased security costs to combat inventory theft, it could have a material adverse effect on our business, financial condition and results of operations.

We are subject to data security and privacy risks that could negatively affect our results, operations or reputation.

In the normal course of business we often collect, retain and transmit certain sensitive and confidential customer information, including credit card information, over public networks. There is a significant concern by consumers and employees over the security of personal information transmitted over the Internet, identity theft and user privacy. Despite the security measures we currently have in place, our facilities and systems and those of our third-party service providers may be vulnerable to security breaches, and we and our customers could suffer harm if sensitive and confidential customer information were accessed by third parties due to a security failure in our systems or one of our third-party service providers. It could require significant expenditures to remediate any such failure or breach, severely damage our reputation and our relationships with customers and expose us to risks of litigation and liability. In addition, as a result of recent security breaches at a number of prominent retailers, the media and public scrutiny of information security and privacy has become more intense and the regulatory environment has become more uncertain. As a result, we may incur significant costs to comply with laws regarding the protection and unauthorized disclosure of personal information.

We rely significantly on information technology, and any inadequacy, interruption, integration failure or security failure of this technology could harm our ability to effectively operate our business.

Our ability to effectively manage and operate our business depends significantly on information technology systems. We rely heavily on information technology to track sales and inventory and manage our supply chain. We are also dependent on information technology, including the Internet, for our direct-to-consumer sales, including our e-commerce and catalog operations and retail business credit card transaction authorization. Despite our preventative efforts, our systems and those of our third-party service providers may be vulnerable to damage or interruption. The failure of these systems to operate effectively, problems with transitioning to upgraded or replacement systems, difficulty in integrating new systems or systems of acquired businesses or a breach in security of these systems could adversely impact the operations of our business, including disruption of our ability to accept and fulfill customer orders, effective management of inventory, inefficient ordering and replenishment of products, e-commerce operations, retail business credit card transaction authorization and processing, corporate email communications and our interaction with the public on social media.

Our failure to retain our executive management team and to attract qualified new personnel could adversely affect our business and results of operations.

We depend on the talents and continued efforts of our executive management team. The loss of members of our executive management may disrupt our business and adversely affect our results of operations. Furthermore, our ability to manage further expansion will require us to continue to attract, motivate and retain additional qualified personnel. We believe that having an executive management team with qualified personnel who are passionate about our brand, have extensive industry experience and have a strong customer service ethic has been an important factor in our historical success, and we believe that it will continue to be important to growing our business. Competition for these types of personnel is intense, and we may not be successful in attracting, integrating and retaining the personnel required to grow and operate our business profitably.

An inability to attract and retain qualified employees to meet our staffing needs in our stores, distribution center or call center could result in higher payroll costs and adversely affect our operating results.

Our performance is dependent on attracting and retaining a large number of qualified employees. Many of those employees are in entry level or part-time positions with historically high rates of turnover. Many of our strategic initiatives require that we hire and/or develop associates with appropriate experience. Attracting and retaining a sufficient number of qualified employees to meet our staffing needs may be difficult, since the competition for these types of personnel is intense. If we cannot attract and retain employees with the qualifications we deem necessary to meet our staffing needs in our stores, fulfillment centers and call center, our ability to effectively operate may be adversely affected. In addition, our staffing needs are especially high during the peak holiday season. We cannot be sure that we will be able to attract and retain a sufficient number of qualified personnel in future periods.

We may be subject to increased labor costs due to external factors, including changes in laws and regulations, and we may be subject to unionization, work stoppages or slowdowns.

Our ability to meet our labor needs while controlling costs is subject to external factors such as unemployment levels, prevailing wage rates, minimum wage legislation, actions by our competitors with respect to compensation levels and changing demographics. Changes that adversely impact our ability to meet our labor needs in a cost-effective manner could adversely affect our operating results. In addition, the employer mandate provisions of the Patient Protection and Affordable Health Care Act, or the PPACA, changes in regulations under the PPACA, changes in federal and state minimum wage laws and other laws and regulations relating to employee benefits could cause us to incur additional wage and benefit costs, which could negatively impact our business, financial condition and results of operations.

Currently, none of our employees are represented by a union. However, our employees have the right under the National Labor Relations Act to form or affiliate with a union.

The National Labor Relations Board continually considers changes to labor regulations, many of which could significantly affect the nature of labor relations in the United States and how union elections and contract negotiations are conducted. If some or all of our employees were to become unionized and the terms of the collective bargaining agreement were significantly different from our current compensation arrangements, it could increase our costs and adversely impact our profitability. Moreover, participation in labor unions could put us at increased risk of labor strikes and disruption of our operations.

Prior to this offering, we were treated as an "S" corporation under Subchapter S of the Internal Revenue Code, and claims of taxing authorities related to our prior status as an "S" corporation could harm us.

Concurrent with and as a result of this offering, our "S" corporation status will terminate and we will be treated as a "C" corporation for federal and applicable state income tax purposes. As a "C" corporation, we will become subject to federal and state income taxes. In addition, if the unaudited, open tax years in which we were an "S" corporation are audited by the Internal Revenue Service, or the IRS, and we are determined not to have qualified for, or to have violated, our "S" corporation status, we will be obligated to pay back taxes for all relevant open tax years on all of our taxable income while we were an "S" corporation, interest and possibly penalties, however, we may have the right to reclaim tax distributions we made to our shareholders during those periods pursuant to the indemnification agreement. Any such claims could result in additional costs to us and could have a material adverse effect on our results of operations and financial condition.

We will enter into a tax indemnification agreement with our existing shareholders and could become obligated to make payments to them for any additional federal, state or local income taxes assessed against them for fiscal periods prior to the completion of this offering.

We have historically been treated as an "S" corporation for U.S. federal income tax purposes. Concurrent with and as a result of this offering, our "S" corporation status will terminate and we will thereafter be subject to federal income taxes and state income taxes. In the event of an adjustment to our reported taxable income for a period or periods prior to termination of our "S" corporation status, our shareholders during those periods could be liable for additional income taxes for those prior periods. Therefore, we will enter into a tax indemnification agreement with the existing shareholders prior to the consummation of this offering. Pursuant to the tax indemnification agreement, we will agree to indemnify and hold harmless each such shareholder on an after-tax basis against additional income taxes, plus interest and penalties, resulting from adjustments made, as a result of a final determination made by a competent tax authority, to the taxable income we reported as an "S" corporation. Such indemnification will also include any reasonable and documented out-of-pocket expenses arising out of a claim for such tax liability.

Unseasonal or severe weather conditions may adversely affect our merchandise sales.

Our business is adversely affected by unseasonal weather conditions. Sales of certain seasonal apparel items, especially outerwear, are dependent in part on the weather and may decline in years in which weather conditions do not favor the use of these products. Sales of our spring and summer products, which traditionally consist of lighter weight clothing, are adversely affected by cool or wet weather. Similarly, sales of our fall and winter products, which are traditionally weighted toward outerwear, are adversely affected by mild, dry or warm weather. Severe weather events may impact our ability to supply our retail stores, deliver orders to customers on schedule and staff our retail stores, fulfillment centers and call center, which could have an adverse effect on our business and results of operations.

We may be subject to assessments for additional taxes, including sales taxes, which could adversely affect our business.

In accordance with current law, we pay, collect and/or remit taxes in those states where we or our subsidiary, as applicable, maintain a physical presence. While we believe that we have appropriately remitted all taxes based on our interpretation of applicable law, tax laws are complex and their application differs from state to state. It is possible that some taxing jurisdictions may attempt to assess additional taxes and penalties on us or assert either an error in our calculation, a change in the application of law or an interpretation of the law that differs from our own, which may, if successful, adversely affect our business and results of operations.

Several proposals have been made at the state and local level that would impose additional taxes on the sale of goods and services through the Internet. These proposals, if adopted, could substantially impair the growth of e-commerce and could diminish our opportunity to derive financial benefit from our activities. The U.S. federal government's moratorium on states and other local authorities imposing Internet access or discriminatory taxes on electronic access is effective through October 1, 2015. This moratorium, however, does not prohibit federal, state or local authorities from collecting taxes on our income or generally from collecting taxes that are due under existing tax rules.

In conjunction with the "Streamlined Sales Tax Project," an ongoing, multi-year effort by certain state and local governments to require collection and remittance of distant sales tax by out-of-state sellers, bills have been introduced in the U.S. Congress to overturn the U.S. Supreme Court's decision in *Quill Corp. v. North Dakota*, 540 U.S. 298 (1992), which limits the ability of state governments to require sellers outside of their own state to collect and remit sales taxes on goods purchased by in-state residents. An overturning of this decision may harm our customers and our business.

We may become involved in a number of legal proceedings and audits, and outcomes of such legal proceedings and audits could adversely affect our business, financial condition and results of operations.

Our business requires compliance with many laws and regulations, including labor and employment, customs, truth-in-advertising, consumer protection and zoning and occupancy laws and ordinances that regulate retailers generally and/or govern the importation, promotion and sale of merchandise and the operation of stores and warehouse facilities. Failure to achieve compliance could subject us to lawsuits and other proceedings, and could also lead to damage awards, fines and penalties. We may become involved in a number of legal proceedings and audits including government and agency investigations, and consumer, employment, tort and other litigation. We cannot predict with certainty the outcomes of these legal proceedings and other contingencies. The outcome of some of these legal proceedings, audits and other contingencies could require us to take, or refrain from taking, actions which could negatively affect our operations or require us to pay substantial amounts of money adversely affecting our financial condition and results of operations. Additionally, defending against these lawsuits and proceedings may be necessary, which could result in substantial costs and diversion of management's attention and resources, causing a material adverse effect on our business, financial condition and results of operations. There can be no assurance that any pending or future legal proceedings and audits will not have a material adverse effect on our business, financial condition and results of operations.

We may engage in strategic transactions that could negatively impact our liquidity, increase our expenses and present significant distractions to management.

We may consider strategic transactions and business arrangements, including, but not limited to, acquisitions, asset purchases, partnerships, joint ventures, restructurings and investments. Any such transaction may require us to incur non-recurring or other charges, may increase our near and long-term expenditures and may pose significant integration challenges or disrupt our management or business, which could harm our operations and financial results.

We maintain debt that could adversely affect our operating flexibility and put us at a competitive disadvantage.

As of August 2, 2015, we had $12.7 million of total debt. The borrowings under our revolving credit facility typically peak during our third fiscal quarter and reached a peak of $25.7 million in fiscal 2014. Our level of debt and the limitations imposed on us by our credit agreement could have important consequences for investors, including the following:

- we may not be able to obtain additional debt financing for future working capital, capital expenditures or other corporate purposes or may have to pay more for such financing;
- borrowings under our revolving credit facility are at a variable interest rate, making us more vulnerable to increases in interest rates; and
- we could be less able to take advantage of significant business opportunities and to react to changes in market or industry conditions.

Our failure to comply with restrictive covenants under our revolving credit facility and other debt instruments could trigger prepayment obligations.

Our failure to comply with the restrictive covenants under our revolving credit facilities and other debt instruments could result in an event of default, which, if not cured or waived, could result in us being required to repay these borrowings before their due date. If we are forced to refinance these borrowings on less favorable terms, our results of operations and financial condition could be adversely affected by increased costs and rates.

Changes to accounting rules or regulations could significantly affect our financial results.

Our consolidated financial statements are prepared in accordance with U.S. GAAP. New accounting rules or regulations and changes to existing accounting rules or regulations have occurred and may occur in the future. Future changes to accounting rules or regulations could negatively affect our results of operations and financial condition through increased compliance costs.

Risks Related to this Offering and Ownership of our Class B Common Stock

There has been no prior market for our Class B common stock. An active market may not develop or be sustainable, and investors may not be able to resell their shares at or above the initial public offering price.

There has been no public market for our Class B common stock prior to this offering. The initial public offering price for our Class B common stock will be determined through negotiations between a representative of the underwriters and us and may vary from the market price of our Class B common stock following the completion of this offering. An active or liquid market in our Class B common stock may not develop upon the completion of this offering or, if it does develop, it may not be sustainable. In the absence of an active trading market for our Class B common stock, you may not be able to resell those shares at or above the initial public offering price or at all. We cannot predict the prices at which our Class B common stock will trade.

The dual class structure of our common stock and the existing ownership of common stock by our executive officers, directors and their affiliates have the effect of concentrating voting control with our executive officers, directors and their affiliates for the foreseeable future, which will limit your ability to influence corporate matters.

Our Class A common stock has ten votes per share, and our Class B common stock, which is the stock we are offering in this initial public offering, has one vote per share. Given the greater number of votes per share attributed to our Class A common stock, our existing Class A shareholders will collectively beneficially own shares representing approximately % of the voting power of our outstanding capital stock following the completion of this offering. As a result of our dual class ownership structure, our existing Class A shareholders will collectively be able to exert a significant degree of influence or actual control over our management and affairs and over matters requiring shareholder approval, including the election of directors, a merger, consolidation or sale of all or substantially all of our assets and any other significant transaction. Furthermore, the holders of Class A common stock will collectively continue to exert a significant degree of influence or actual control over matters requiring shareholder approval, even if they own as few as approximately 10% of the outstanding shares of our capital stock. Further, our Executive Chairman of the board will own shares representing approximately % of the economic interest and % of the voting power of our outstanding capital stock following this offering and, together with our other executive officers, directors and their affiliates, will own shares representing approximately % of the economic interest and % of the voting power of our outstanding capital stock following this offering. This concentrated control will limit your ability to influence corporate matters for the foreseeable future. For example, these shareholders will be able to control elections of directors, amendments of our articles of incorporation or bylaws, increases to the number of shares available for issuance under our equity incentive plans or adoption of new equity incentive plans and approval of any merger or sale of assets for the foreseeable future. This control may materially adversely affect the market price of our Class B common stock.

Additionally, the holders of our Class A common stock may cause us to make strategic decisions or pursue acquisitions that could involve risks to you or may not be aligned with your interests. The holders of our Class A common stock will also be entitled to a separate vote in the event we seek to amend our articles of incorporation in a manner that alters or changes the powers, preferences or special rights of the Class A common stock in a manner that affects its holders adversely.

Future transfers by holders of Class A common stock will generally result in those shares converting on a one-to-one basis to Class B common stock, which will have the effect, over time, of increasing the relative voting power of those holders of Class A common stock who retain their shares in the long-term, which may include our executive officers, directors and their affiliates.

We will be a controlled company within the meaning of the NASDAQ rules, and as a result, we may rely on exemptions from certain corporate governance requirements that provide protection to shareholders of other companies.

Upon completion of this offering, Mr. Schlecht will control more than 50% of the total voting power of our common stock, and we will be considered a controlled company under the NASDAQ corporate governance listing standards. As a controlled company, certain exemptions under the NASDAQ listing standards will exempt us from the obligation to comply with certain NASDAQ corporate governance requirements, including the requirements:

- that a majority of our board of directors consist of independent directors, as defined under the rules of NASDAQ;
- that we have a nominating committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities; and
- that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities.

Although we intend to have a majority of independent directors on our board even though we will be a controlled company, there is no guarantee that we will not take advantage of this exemption in the future. Accordingly, as long as we are a controlled company, holders of our Class B common stock may not have the same protections afforded to shareholders of companies that are subject to all of the NASDAQ corporate governance requirements.

Purchasers in this offering will experience immediate and substantial dilution in the book value of their investment.

The initial public offering price of our Class B common stock is expected to be substantially higher than the net tangible book value per share of our Class B common stock immediately prior to this offering. Therefore, if you purchase our Class B common stock in this offering, you will incur an immediate dilution of $ in pro forma as adjusted net tangible book value per share as of August 2, 2015 from the price you paid, based on the assumed initial public offering price of $ per share. In addition, new investors who purchase shares in this offering will contribute approximately % of the total amount of equity capital raised by us through the date of this offering, but will only own approximately % of the outstanding share capital and approximately % of the voting rights. We also intend to register all shares of Class B common stock that we may issue under our stock-based compensation plans. Once we register these shares, they can be freely sold in the public market upon issuance, subject to the lock-up agreements and the restrictions imposed under Rule 144 under the Securities Act, which may cause our stockholders to experience additional dilution. In addition, if we issue additional equity securities, investors purchasing shares in this offering will experience additional dilution.

Future sales of shares by existing shareholders could cause our stock price to decline.

Prior to this offering, there has been no public market for shares of our Class B common stock. Future sales of substantial amounts of shares of our Class B common stock in the public market after this offering, or the possibility of these sales occurring, could cause the prevailing market price for our Class B common stock to fall or impair our ability to raise equity capital in the future. Upon the completion of this offering, based on the number of shares outstanding as of August 2, 2015, we will have shares of Class B common stock

outstanding, assuming no exercise of the underwriters' option to purchase additional shares. Of these outstanding shares, all shares of Class B common stock sold by us in this offering, plus any shares sold upon exercise of the underwriters' option to purchase additional shares, will be freely tradable in the public market without restriction or further registration under the Securities Act, and shares of Class B common stock held by our affiliates, as that term is defined in Rule 144 under the Securities Act, and the shares purchased in this offering by our existing shareholders and certain affiliates of us, certain existing shareholders and our directors, may only be sold in compliance with the limitations described below. The remaining shares of Class B common stock outstanding after this offering will be deemed restricted because of securities laws or lock-up agreements. After the lock-up agreements expire, based on shares outstanding as of August 2, 2015, all other outstanding shares of Class B common stock (including Class B common stock issued upon conversion of outstanding shares of Class A common stock) will be eligible for sale in the public market, of which are held by directors, executive officers and other affiliates and will be subject to volume limitations under Rule 144 under the Securities Act. See "Shares eligible for future sale."

Our stock price may be volatile or may decline regardless of our operating performance, resulting in substantial losses for investors purchasing shares in this offering.

The market price of our Class B common stock may fluctuate significantly in response to numerous factors, many of which are beyond our control, including:

- actual or anticipated fluctuations in our results of operations;
- the financial projections we may provide to the public, any changes in these projections or our failure to meet these projections;
- failure of securities analysts to initiate or maintain coverage of our company, changes in financial estimates or ratings by any securities analysts who follow our company or our failure to meet these estimates or the expectations of investors;
- announcements by us or our competitors of significant technical innovations, acquisitions, strategic partnerships, joint ventures, operating results or capital commitments;
- changes in operating performance and stock market valuations of other technology or retail companies generally, or those in our industry in particular;
- price and volume fluctuations in the overall stock market, including as a result of trends in the economy as a whole;
- changes in our board of directors or management;
- sales of large blocks of our Class B common stock, including sales by our executive officers, directors and significant shareholders;
- lawsuits threatened or filed against us;
- changes in laws or regulations applicable to our business;
- the expiration of contractual lock-up agreements;
- changes in our capital structure, such as future issuances of debt or equity securities;
- short sales, hedging and other derivative transactions involving our capital stock;
- general economic conditions in the United States and abroad;
- other events or factors, including those resulting from war, incidents of terrorism or responses to these events; and
- the other factors described in the sections of the prospectus titled "Risk Factors" and "Special Note Regarding Forward-Looking Statements."

In addition, stock markets have experienced extreme price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many retail and e-commerce companies. Stock prices of many retail companies and e-commerce companies have fluctuated in a manner unrelated or disproportionate to the operating performance of those companies. In the past, shareholders have instituted securities class action litigation following periods of market volatility. If we were to become involved in securities litigation, it could subject us to substantial costs, divert resources and the attention of management from our business and materially adversely affect our business, financial condition and operating results.

If securities or industry analysts do not publish research or reports about our business, or publish negative reports about our business, our share price and trading volume could decline.

The trading market for our Class B common stock will depend in part on the research and reports that securities or industry analysts publish about us or our business, our market and our competitors. We do not have any control over these analysts. If one or more of the analysts who cover us downgrade our shares or change their opinion of our shares, our share price would likely decline. If one or more of these analysts cease coverage of our company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which could cause our share price or trading volume to decline.

We are an "emerging growth company," and we cannot be certain if the reduced disclosure and exemption from the auditor attestation requirements applicable to "emerging growth companies" will make our Class B common stock less attractive to investors.

We are an "emerging growth company," as defined in the JOBS Act, and we intend to take advantage of certain exemptions from various reduced regulatory and reporting requirements that are otherwise generally applicable to other public companies. As an emerging growth company: (i) we may present only two years of audited financial statements and only two years of related Management's Discussion and Analysis of Financial Condition and Results of Operations in this prospectus; (ii) we are exempt from the requirement to obtain an audit of our internal control over financial reporting pursuant to the Sarbanes-Oxley Act; (iii) we are permitted to provide less extensive disclosure about our executive compensation arrangements; and (iv) we are not required to hold non-binding advisory votes on executive compensation or golden parachute provisions.

We remain an emerging growth company and may continue to take advantage of these provisions until the earliest to occur of: (i) the last day of our fiscal year following the fifth anniversary of this offering, which anniversary will occur on the last day of fiscal 2020; (ii) the date on which we are deemed to be a "large accelerated filer" (which means (a) the market value of our common stock that is held by non-affiliates exceeds $700 million as of the last business day of our most recently completed second fiscal quarter, (b) we have filed at least one annual report on Form 10-K, and (c) we have been subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act, for at least twelve months); (iii) the last day of our fiscal year during which our annual gross revenue exceeds $1.0 billion; and (iv) the date on which we issue more than $1.0 billion of non-convertible debt during the previous three-year period.

We cannot predict if investors will find our Class B common stock less attractive or our company less comparable to certain other public companies because we will rely on these exemptions. If some investors find our Class B common stock less attractive as a result of our reliance on these exemptions, there may be a less active trading market for our Class B common stock, and our stock price may be more volatile. We also cannot predict if the failure to seek independent auditor attestation of our internal controls over financial reporting pursuant to Section 404 will cause certain inadequacies or weaknesses in our internal controls to go undetected.

The requirements of being a public company may strain our resources, divert management's attention and affect our ability to attract and retain additional executive management and qualified board members.

As a public company, we will be subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the listing requirements of the

NASDAQ Global Select Market and other applicable securities rules and regulations. Compliance with these rules and regulations will increase our legal and financial compliance costs, make some activities more difficult, time-consuming or costly and increase demand on our systems and resources, particularly after we are no longer an "emerging growth company." The Exchange Act requires, among other things, that we file annual, quarterly and current reports with respect to our business and results of operations. The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and, if required, improve our disclosure controls and procedures and internal control over financial reporting to meet this standard, significant resources and management oversight may be required. As a result, management's attention may be diverted from other business concerns, which could materially adversely affect our business and results of operations. We will need to hire additional employees or engage outside consultants to comply with these requirements, which will increase our costs and expenses.

In addition, changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time-consuming. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We intend to invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expenses and a diversion of management's time and attention from revenue-generating activities to compliance activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against us, and our business may be materially adversely affected.

We also expect that being a public company will make it more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These factors could also make it more difficult for us to attract and retain qualified members of our board of directors, particularly to serve on our audit committee and compensation committee, and qualified executive officers.

As a result of disclosure of information in this prospectus and in filings required of a public company, our business and financial condition will become more visible, which we believe may result in threatened or actual litigation, including by competitors and other third parties. If such claims are successful, our business and results of operations could be materially adversely affected, and even if the claims do not result in litigation or are resolved in our favor, these claims, and the time and resources necessary to resolve them, could divert the resources of our management and materially adversely affect our business, financial condition and operating results.

In connection with the preparation of our financial statements, we identified a material weakness in our internal control over financial reporting. Any failure to maintain effective internal control over our financial reporting could materially adversely affect us.

In connection with the preparation of our fiscal 2013 and fiscal 2014 consolidated financial statements, we identified a material weakness in our internal control over financial reporting relating to period cutoffs impacting revenue recognition and inventory receipts. Our practice with respect to revenue recognition had been to recognize revenue upon shipment of the product (for direct sales) or at the point of sale (for retail store transactions). This had been our practice because we believed that these were the points when the following four revenue recognition criteria were met: (a) persuasive evidence of an arrangement exists; (b) title has passed to the customer; (c) the sales price is fixed and determinable and no further obligations exist; and (d) collectability is reasonably assured. Upon further evaluation of the revenue guidance, we concluded that the appropriate time to

recognize revenue with respect to our direct sales is upon receipt by the customer in accordance with U.S. GAAP. Accordingly, we have changed our revenue recognition policy for our direct business to recognize revenue upon receipt by the customer. The financial statements for all periods presented in this document have been corrected to reflect the impacts of this change in policy.

With respect to inventory receipts, we have certain suppliers for whom we had recognized inventory and accounts payable upon receipt of invoice and proof of shipment from the supplier. The actual term for these shipments was FOB Shipping Point, indicating that we should have recognized inventory and accounts payable at the time of shipment by the suppliers. We have revised our accounting policy to record these transactions at the time of shipment. The financial statements for all periods presented in this document have been corrected to reflect the impact of this change in policy. This change in policy with respect to inventory receipts had no impact on our reported income for any period presented. However, it did have the effect of increasing inventories and accounts payable.

Under standards established by the Public Company Accounting Oversight Board, a deficiency in internal control over financial reporting exists when the design or operation of a control does not allow management or personnel, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected and corrected on a timely basis. We are in the process of remediating the identified material weakness. Additional material weaknesses or significant deficiencies may be identified in the future. If we identify such issues or if we are unable to produce accurate and timely financial statements, our stock price may be adversely affected and we may be unable to maintain compliance with the NASDAQ Stock Market listing requirements.

Anti-takeover provisions in our charter documents and under Wisconsin law could make an acquisition of our company more difficult, limit attempts by our shareholders to replace or remove our current management and limit the market price of our Class B common stock.

Provisions in our articles of incorporation and bylaws, as will be amended and restated upon the completion of this offering, may have the effect of delaying or preventing a change of control or changes in our management. In addition to the dual class structure of our common stock, our amended and restated articles of incorporation and amended and restated bylaws include provisions that:

- permit the board of directors to establish the number of directors and fill any vacancies and newly created directorships;
- authorize the issuance of “blank check” preferred stock that our board of directors could use to implement a shareholder rights plan;
- provide that the board of directors is expressly authorized to make, alter or repeal our bylaws; and
- establish advance notice requirements for nominations for election to our board of directors or for proposing matters that can be acted upon by shareholders at annual or special shareholder meetings.

These provisions may frustrate or prevent any attempts by our shareholders to replace or remove our current management by making it more difficult for shareholders to replace members of our board of directors, which is responsible for appointing the members of our management. In addition, because we are incorporated in Wisconsin, the Wisconsin control share acquisition statute and Wisconsin’s “business combination” provisions would apply and limit the ability of an acquiring person to engage in certain transactions or to exercise full voting power of acquired shares under certain circumstances. As a result, offers to acquire us, which may represent a premium over the available market price of our Class B common stock, may be withdrawn or otherwise fail to be realized.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus, including the exhibits hereto, contains "forward-looking statements" within the meaning of federal securities laws that are subject to risks and uncertainties. All statements other than statements of historical or current fact included in this prospectus are forward-looking statements. Forward-looking statements refer to our current expectations and projections relating to our financial condition, results of operations, plans, objectives, strategies, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "anticipate," "could," "design," "estimate," "expect," "project," "plan," "potential," "intend," "believe," "may," "might," "will," "objective," "should," "would," "can have," "likely" and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events. For example, all statements we make relating to our estimated and projected earnings, revenue, costs, expenditures, cash flows, growth rates and financial results, our plans and objectives for future operations, growth or initiatives, strategies or the expected outcome or impact of pending or threatened litigation are forward-looking statements. All forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those that we expected, including:

- our ability to successfully open a significant number of new stores;
- effectively adapting to new challenges associated with our expansion into new geographic markets;
- our ability to maintain and enhance a strong brand image;
- generating adequate cash from our existing stores to support our growth;
- identifying and responding to new and changing customer preferences;
- competing effectively in an environment of intense competition;
- containing the increase in the cost of mailing catalogs, paper and printing;
- the success of the locations in which our stores are located;
- our ability to attract customers in the various retail venues and locations in which our stores are located;
- adapting to declines in consumer confidence and decreases in consumer spending;
- our ability to adapt to significant changes in sales due to the seasonality of our business;
- price reductions or inventory shortages resulting from failure to purchase the appropriate amount of inventory in advance of the season in which it will be sold;
- natural disasters, unusually adverse weather conditions, boycotts and unanticipated events;
- our dependence on third-party vendors to provide us with sufficient quantities of merchandise at acceptable prices;
- increases in costs of fuel or other energy, transportation or utility costs and in the costs of labor and employment;
- the susceptibility of the price and availability of our merchandise to international trade conditions;
- failure of our vendors and their manufacturing sources to use acceptable labor or other practices;
- our dependence upon key executive management or our inability to hire or retain the talent required for our business;
- failure of our information technology systems to support our current and growing business, before and after our planned upgrades;
- disruptions in our supply chain and distribution centers;

- our inability to protect our trademarks or other intellectual property rights;
- infringement on the intellectual property of third parties;
- acts of war, terrorism or civil unrest;
- the impact of governmental laws and regulations and the outcomes of legal proceedings;
- our ability to secure the personal financial information of our customers and comply with the security standards for the credit card industry;
- our failure to maintain adequate internal controls over our financial and management systems; and
- increased costs as a result of being a public company.

We make many of our forward-looking statements based on our operating budgets and forecasts, which are based upon detailed assumptions. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and it is impossible for us to anticipate all factors that could affect our actual results.

See the “Risk Factors” section of this prospectus for a more complete discussion of the risks and uncertainties mentioned above and for discussion of other risks and uncertainties. All forward-looking statements attributable to us are expressly qualified in their entirety by these cautionary statements as well as others made in this prospectus and hereafter in our other SEC filings and public communications. You should evaluate all forward-looking statements made by us in the context of these risks and uncertainties.

We caution you that the risks and uncertainties identified by us may not be all of the factors that are important to you. Furthermore, the forward-looking statements included in this prospectus are made only as of the date hereof. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

USE OF PROCEEDS

We estimate that the net proceeds to us from the sale of our Class B common stock in this offering will be approximately $ million, or approximately $ million if the underwriters exercise their option to purchase additional shares in full, assuming an initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover of this prospectus, and after deducting estimated underwriting discounts and offering expenses. Each $1.00 increase (decrease) in the assumed initial public offering price would increase (decrease) the net proceeds to us of this offering by $ million, or $ million if the underwriters exercise their option to purchase additional shares in full, assuming the number of shares we sell, as set forth on the cover of this prospectus, remains the same, after deducting estimated underwriting discounts and offering expenses.

We intend to make a final distribution to shareholders who were shareholders immediately prior to this offering, including some of our directors and officers, resulting from the termination of our "S" corporation status in an amount equal to 100% of our cumulative undistributed taxable income from the date of our formation through , 2015, which we currently estimate to be $51.1 million. The final "S" corporation distribution will include an amount of income based on our expected results of operations for the full 2015 calendar year, which is our 2015 tax year, prorated from January 1, 2015 through the date of our conversion to a "C" corporation. This amount may change based on our actual results of operations for the 2015 calendar year. We intend to use a portion of the net proceeds from this offering to repay borrowings under a short-term note in the aggregate principal amount of $46.3 million which we intend to use to fund part of this final distribution. The short-term note will bear interest at the one month London Interbank Offered Rate, plus 1.25% per annum, which was % of the date of this prospectus, and will be due and payable upon the receipt of proceeds from this offering. We intend to fund the balance of this final distribution with our cash on hand, our revolving line of credit or the net proceeds from this offering. We may use a portion of this offering to repay borrowings under our revolving line of credit used to fund this balance. The revolving line of credit bears interest at the same rate as the short-term note described above and matures in July 2018.

We estimate net proceeds in excess of the final "S" corporation distribution to be approximately $ million, after deducting the underwriting discount and estimated offering expenses payable by us. We intend to use such excess proceeds to fund growth initiatives and other general corporate purposes, which may include approximately $10.0 million to $11.0 million to fund new retail store expansion through fiscal 2016 and approximately $4.0 million to $6.0 million to fund infrastructure expenditures, including a new order management system, asset management system, assortment planning system and e-commerce platform. We have not specifically allocated the amount of net proceeds to us that will be used for these purposes or determined the timing of these expenditures, and our management will have broad discretion over how and when these proceeds are used. The amounts and timing of our actual use of net proceeds will vary depending on a number of factors, including our cash flow from operations, the number of retail stores we open as part of our planned future retail store expansion, the timing of opening these new retail stores, the cost and payback period of these new retail stores and the systems, information technology and operational infrastructure necessary to support these new retail stores. We expect it will take approximately $2.0 million to $2.6 million in capital expenditures and starting inventory to open a new retail store. If we open a large number of stores relatively close in time, or if new retail stores have a higher opening cost or a longer payback period than our existing retail stores, our cash flow from operations may not be sufficient to support these openings and we may need to use the net proceeds from this offering more quickly to support this growth and the continuing operations of these new retail stores.

DIVIDEND POLICY

We do not expect to pay any dividends on our Class A common stock or our Class B common stock in the foreseeable future. Any future determination to pay dividends will be at the sole discretion of our board of directors, subject to applicable laws. Our board of directors may take into account general and economic conditions, our financial condition and operating results, our available cash and current and anticipated cash needs, our capital requirements, restrictions contained in current or future financing instruments, other contractual, legal, tax and regulatory restrictions and implications on the payment of dividends by us to our shareholders and such other factors as our board of directors may deem relevant. See "Management's Discussion and Analysis of Financial Condition and Results of Operations" for additional information regarding our financial condition.

As an "S" corporation, we distributed to our shareholders every year an amount sufficient to cover their tax liability due to our income that was reported by the shareholders on their individual tax returns. We intend to make a final distribution to shareholders who were shareholders immediately prior to this offering, including some of our directors and officers, resulting from the termination of our "S" corporation status in an amount equal to 100% of our cumulative undistributed taxable income from the date of our formation through , 2015, which we currently estimate to be $51.1 million. The final "S" corporation distribution will include an amount of income based on our expected results of operations for the full 2015 calendar year, which is our 2015 tax year, prorated from January 1, 2015 through the date of our conversion to a "C" corporation. This amount may change based on our actual results of operations for the 2015 calendar year. We intend to use a portion of the net proceeds from this offering to repay borrowings under a short-term note in the aggregate principal amount of $46.3 million which we intend to use to fund part of this final distribution, and we intend to fund the balance of this final distribution with our cash on hand, our revolving line of credit or the net proceeds of this offering, as described under "Use of Proceeds."

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of August 2, 2015:

- on an actual basis;
- on a pro forma basis to give effect to our conversion from an "S" corporation to a "C" corporation for income tax purposes, as described under "Description of Capital Stock—'S' Corporation Conversion," including (i) a final distribution resulting from the termination of our "S" corporation status equal to 100% of our cumulative undistributed taxable income from the date of our formation through , 2015, which we currently estimate to be $51.1 million, funded in part by borrowings under a short-term note in the aggregate principal amount of $46.3 million; and (ii) an increase in net deferred tax assets of approximately $ million (consisting of an increase in current deferred tax assets of $ million, a decrease in non-current deferred tax assets of $ million and an increase in non-current deferred tax liabilities of $ million) assuming our "S" corporation status terminated on , 2015; and
- on a pro forma as adjusted basis to give effect to: (i) the sale of shares of our Class B common stock in this offering at an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting the underwriting discount and estimated offering expenses payable by us, a portion of which will be reimbursed to us by the underwriters; and (ii) the application of the estimated proceeds from this offering as described under "Use of Proceeds."

You should read this table in conjunction with "Use of Proceeds," "Summary Consolidated Financial and Other Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes included elsewhere in this prospectus.

	As of August 2, 2015		
	Actual	**Pro Forma**	**Pro Forma as adjusted[3]**
(in thousands, except per share amounts)			
Cash	$ 366	$ 366	$
Debt:			
Short-term note	—	46,300	
Long-term line of credit[1]	6,526	6,526	
Term loan	5,084	5,084	
Other debt[2]	1,044	1,044	
Total debt	12,654	59,320	
Shareholders' equity (deficit):			
Preferred stock, no par value; no shares authorized, actual; shares authorized pro forma and pro forma as adjusted			
Common stock (Class A), no par value; 2,000 shares authorized; 970 shares issued and outstanding, actual, pro forma and pro forma as adjusted	—		
Common stock (Class B) no par value; 7,000 shares authorized; 5,618 shares issued and outstanding, actual; 5,618 shares issued and outstanding, pro forma; and shares issued and outstanding pro forma as adjusted	—		
Paid-in capital	1,134	1,134	
Retained earnings (accumulated deficit)	34,500	(16,600)	
Total shareholders' equity (deficit)	37,505	(13,595)	
Total capitalization	$50,159	$ 45,725	$

(1) The line of credit with BMO Harris Bank N.A. provided for borrowings of up to $40.0 million, of which $17.2 million was available to borrow.

(2) Amounts include both the current and non-current portions of our capital lease liability and bank overdraft.

(3) A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the range set forth on the cover page of this prospectus, would increase (decrease) each of additional paid-in capital, total shareholders' equity and total capitalization by approximately $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the underwriting discount and estimated offering expenses payable by us, a portion of which will be reimbursed to us by the underwriters. Similarly, each increase (decrease) of 1.0 million shares in the number of shares offered by us, would increase (decrease) additional paid-in capital, total shareholders' equity and total capitalization by approximately $ million. The pro forma as adjusted information discussed above is illustrative only and will be adjusted based on the actual public offering price and terms of this offering determined at pricing.

The table above excludes shares of Class B common stock reserved for future issuance under the 2015 Equity Incentive Plan.

DILUTION

If you invest in our Class B common stock in this offering, your ownership interest will be immediately diluted to the extent of the difference between the public offering price per share of our Class B common stock and the pro forma as adjusted net book value per share of our Class B common stock immediately after this offering. Pro forma net book value per share of our Class B common stock is determined at any date by subtracting our total liabilities from the amount of our total assets and dividing the difference by the number of shares of our Class B common stock deemed to be outstanding at that date.

Our pro forma net book value as of August 2, 2015, was approximately $ million, or $ per share, based on 970 shares of Class A common stock and 5,618 shares of Class B common stock outstanding as of August 2, 2015. After giving effect to the sale of shares of our Class B common stock offered in this offering at an assumed public offering price of $ per share (the midpoint of the price range set forth on the cover page of this prospectus), after deducting underwriting discounts and commissions and estimated offering expenses payable by us, our net book value as of August 2, 2015, would have been approximately $ million, or $ per share of Class B common stock. This represents an immediate increase in pro forma net book value of $ per share to existing shareholders and an immediate dilution in net book value of $ per share to new investors purchasing shares of Class B common stock in this offering at the assumed public offering price. The following table illustrates this dilution on a per share basis:

Assumed initial public offering price per share		$
Pro forma net book value per share as of August 2, 2015	$	
Increase in pro forma net book value per share attributable to investors in this offering	$	
Pro forma net book value per share as of August 2, 2015, as adjusted to give effect to this offering		
Pro forma as adjusted dilution per share to investors in this offering		$

Each $1.00 increase (decrease) in the assumed public offering price of $ per share (the mid-point of the range set forth on the cover page of this prospectus), would increase (decrease) our as adjusted net book value after this offering by approximately $ million, or approximately $ per share, and the dilution per share to new investors by approximately $ per share, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

The following table summarizes the total consideration paid to us and the average price paid per share by existing Class A and Class B shareholders and investors purchasing Class B common stock in this offering. This information is presented on pro forma as adjusted basis as of August 2, 2015, after giving effect to our sale of shares of Class B common stock in this offering (assuming the underwriters do not exercise their purchase option) at an assumed public offering price of $ per share (the midpoint of the range set forth on the cover page of this prospectus).

	Shares Purchased		Total Consideration		Average Price per Share
	Number	Percent	Amount	Percent	
Shareholders as of August 2, 2015			$	%	$
New investors					
Total		%	$	%	

If the underwriters exercise their option to purchase additional shares in full, the percentage of shares of Class B common stock held by existing shareholders will decrease to approximately % of the total number of shares of Class B common stock outstanding after this offering, and the number of shares held by new investors will be increase to , or % of the total number of our shares of our Class B common stock outstanding after this offering.

The information discussed above is illustrative only and will adjust based on the actual public offering price and other terms of this offering determined at pricing. The number of shares of our Class B common stock outstanding immediately following this offering is based on 5,618 shares of our Class B common stock outstanding as of August 2, 2015. This number excludes shares of our Class B common stock reserved for issuance under our 2015 Equity Incentive Plan.

SELECTED CONSOLIDATED FINANCIAL AND OTHER DATA

The following tables present selected consolidated financial and other data as of and for the periods indicated, and certain unaudited pro forma information to reflect our conversion from an "S" corporation to a "C" corporation for income tax purposes. The selected consolidated statements of operations data for the fiscal years ended February 2, 2014, February 1, 2015 and the selected consolidated balance sheet data as of February 2, 2014 and February 1, 2015 are derived from our audited consolidated financial statements included elsewhere in this prospectus. The selected consolidated statements of operations data for the six months ended August 3, 2014, August 2, 2015 and the selected consolidated balance sheet data as of August 2, 2015 are derived from our unaudited financial statements included elsewhere in this prospectus. The historical results presented below are not necessarily indicative of the results to be expected for any future period. You should read this selected consolidated financial data in conjunction with the consolidated financial statements and accompanying notes and the information under "Management's Discussion and Analysis of Financial Condition and Results of Operations" appearing elsewhere in this prospectus.

	Fiscal Year Ended[1]		Six Months Ended (unaudited)	
	February 2, 2014	February 1, 2015	August 3, 2014	August 2, 2015
(in thousands, except per share data)				
Consolidated Statements of Operations Data:				
Direct	$ 152,896	$ 208,909	$ 71,840	$ 94,698
Retail	10,193	22,958	7,330	13,786
Net sales	163,089	231,867	79,170	108,484
Cost of goods sold[2]	71,088	100,877	33,417	45,359
Gross profit	92,001	130,990	45,753	63,125
Selling, general and administrative expenses	75,786	106,964	38,846	54,616
Operating income	16,215	24,026	6,907	8,509
Interest expense	248	341	127	112
Other income (expense), net	86	422	75	75
Income before income taxes	16,053	24,107	6,855	8,472
Income tax expense	—	—	—	—
Net income	16,053	24,107	6,855	8,472
Less: Net income attributable to noncontrolling interest	537	460	101	82
Net income attributable to controlling interest	$ 15,516	$ 23,647	$ 6,754	$ 8,390
Pro forma net income information (unaudited):[3]				
Income before provision for income taxes	$ 16,053	$ 24,107	$ 6,855	$ 8,472
Pro forma provision for income taxes	6,206	9,459	2,702	3,356
Pro forma net income	$ 9,847	$ 14,648	$ 4,153	$ 5,116
Per share data:				
Basic net income per share attributable to controlling interest (Class A and Class B)	$ 2,454.34	$ 3,711.71	$ 1,060.11	$ 1,316.85
Diluted net income per share attributable to controlling interest (Class A and Class B)	2,446.98	3,682.81	1,052.19	1,292.71
Pro forma basic net income per share attributable to controlling interest (Class A and Class B)	$ 1,557.56	$ 2,299.13	$ 651.92	$ 803.02
Pro forma diluted net income per share attributable to controlling interest (Class A and Class B)	1,552.89	2,281.22	647.05	788.30

	Actual February 1, 2015	Actual August 2, 2015	Pro Forma August 2, 2015[4]	Pro Forma As Adjusted August 2, 2015[5]
(in thousands)				
Consolidated Balance Sheet Data (unaudited):				
Cash	$ 7,881	$ 366	$ 366	$
Working capital	25,714	28,683	(22,417)	
Total assets	70,949	74,402	74,402	
Total debt, including current portion	5,684	12,654	58,954	
Shareholders' equity (deficit)	38,262	37,505	(13,595)	

	Fiscal Year Ended		Six Months Ended	
	February 2, 2014	February 1, 2015	August 3, 2014	August 2, 2015
(in thousands, except store data)				
Operating Data (unaudited):				
Number of Stores[6]	4	6	4	7
Capital expenditures	$ 3,952	$ 5,269	$ 2,715	$ 3,841
EBITDA[7]	$ 17,548	$ 26,269	$ 7,805	$ 9,758
Adjusted EBITDA[7]	$ 17,624	$ 26,661	$ 8,155	$ 11,205

(1) Effective February 2013, we changed our fiscal year end from December 31 to the Sunday nearest to January 31.

(2) Includes the direct cost of purchased merchandise; inventory shrinkage; inventory adjustments due to obsolescence, including excess and slow-moving inventory and lower of cost or market reserves; inbound freight; and freight from our distribution centers to our retail stores.

(3) The unaudited pro forma net income information for all years and periods presented gives effect to an adjustment for income tax expense on the income attributable to controlling interest as if we had been a "C" corporation at an assumed combined federal, state and local effective income tax rate, which approximates our statutory income tax rate, of 40%. No pro forma income tax expense was calculated on the income attributable to noncontrolling interest because this entity will not convert to a "C" corporation.

(4) This column gives effect to the "S" corporation conversion, including (i) a final distribution resulting from the termination of our "S" corporation status equal to 100% of our cumulative undistributed taxable income from the date of our formation through , 2015, which we currently estimate to be $51.1 million, funded in part by borrowings under a short-term note in the aggregate principal amount of $46.3 million, and (ii) an increase in net deferred tax assets of $ assuming our "S" corporation status terminated on , 2015.

(5) This column gives effect to (i) the sale by us of shares of our Class B common stock in this offering assuming an initial public offering price of $ per share, the midpoint of the filing range set forth on the cover page of this prospectus, after deducting the underwriting discounts and commissions and estimated offering expenses payable by us and (ii) the application of the estimated proceeds from this offering as described under "Use of Proceeds."

(6) Includes one outlet store.

(7) See "Summary Consolidated Financial and Other Data" for a reconciliation of net income to EBITDA and EBITDA to Adjusted EBITDA. See "Management's Discussion and Analysis of Financial Condition and Results of Operations" for our definition of Adjusted EBITDA.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with our consolidated financial statements and related notes thereto included elsewhere in this prospectus. The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause such differences are discussed in the sections of this prospectus titled "Industry and Market Data," "Risk Factors" and "Special Note Regarding Forward-Looking Statements."

Effective February 2013, we changed our fiscal year end from December 31 to the Sunday nearest to January 31. The following discussion contains references to fiscal years 2014 and 2013, which represent our fiscal year ended February 1, 2015 and February 2, 2014, respectively. Fiscal years 2014 and 2013 were 52-week periods. The six months of fiscal year 2015 and fiscal year 2014 represent our 26-week periods ended August 2, 2015 and August 3, 2014, respectively.

Overview

Duluth Trading is a rapidly growing lifestyle brand of men's and women's casual wear, workwear and accessories sold exclusively through our own direct and retail channels. Our direct segment, consisting of our website and catalogs, offers products nationwide and represented 90% of our fiscal 2014 net sales. In 2010, we added retail to our omnichannel platform with the opening of our first store. Since then, we have expanded our retail presence, and as of September 2015, we operated six retail stores and two outlet stores. Our retail segment represented 10% of our fiscal 2014 net sales.

We offer a comprehensive line of innovative, durable and functional products, such as our Longtail T® shirts, Buck Naked™ underwear and Fire Hose® work pants, which reflect our position as the Modern, Self-Reliant American Lifestyle brand. Our brand has a heritage in workwear that transcends tradesmen and appeals to a broad demographic for everyday and on-the-job use. Approximately 88% of our fiscal 2014 net sales consisted of proprietary Duluth Trading-branded products.

From our heritage as a catalog for those working in the building trades, Duluth Trading has become a widely recognized brand and proprietary line of innovative and functional apparel and gear. Over the last decade, we have created strong brand awareness, built a loyal customer base and generated robust sales momentum. We have done so by sticking to our roots of "there's gotta be a better way" and through our relentless focus on providing our customers with quality, functional products. We have established a strong track record of growth and profitability as demonstrated by our net sales and operating income CAGRs between calendar 2009 and fiscal 2014 of 28% and 51%, respectively. We believe that the foregoing attributes have positioned us to deliver strong financial results, as evidenced by:

- net sales have increased year-over-year for 24 consecutive quarters through August 2, 2015;
- net sales in fiscal 2014 increased by 42.2% over the prior year to $231.9 million and net sales in the first six months of fiscal 2015 increased by 37.0% over the first six months of the prior year to $108.5 million;
- Adjusted EBITDA in fiscal 2014 increased by 51.3% to $26.7 million over the prior year and Adjusted EBITDA in the first six months of fiscal 2015 increased 37.4% over the first six months of the prior year to $11.2 million; and
- our retail stores have achieved an average payback of less than two years.

See "Summary Consolidated Financial and Other Data—Non-U.S. GAAP Financial Measures" for a reconciliation of our net income to Adjusted EBITDA, a non-U.S. GAAP financial measure. See also the information under the heading "Adjusted EBITDA" in this section for our definition of Adjusted EBITDA.

We are pursuing several strategies to continue our profitable growth, including building brand awareness to continue customer acquisition, accelerating retail expansion, selectively broadening assortments in certain men's product categories and growing our women's business.

Factors Affecting our Performance

We believe that our performance and future success depend on a number of factors that present significant opportunities for us and may pose risks and challenges, including those discussed below and in the "Risk Factors" section of this prospectus.

- *Exclusive Omnichannel Distribution Network.* To protect the integrity of the Duluth Trading brand, we offer our products exclusively through our omnichannel distribution network, consisting of our website, catalogs and retail stores. This model creates multiple touch points with our customers and enables us to control our brand expression and the pricing of our products. Our distribution strategy eliminates the need to sell through third-party retailers, freeing us to exercise pricing control and focus on our core competencies of product development, storytelling and serving customers. We believe that our distribution strategy has enabled us to achieve strong gross profit margins, which were 56.4% in fiscal 2013 and 56.5% in fiscal 2014.

  We believe our distribution capabilities are adequate and will continue to allow us to quickly process and fulfill orders. We also believe our distribution capabilities enable us to quickly deliver products from our distribution warehouse in Belleville, Wisconsin to our current stores. As we continue to expand our retail stores and customer base nationally, we have partnered with a third party logistic company, or 3PL, located in Nevada to outsource a portion of our warehousing and shipping activities. In September 2015, we partnered with a second 3PL located in Kentucky. These 3PL partners have distribution facilities located in close proximity to significant concentrations of customers in the Eastern and Western United States.

- *Retail Store Expansion.* Based on the number of potential markets for our stores and the compelling unit economics of our existing retail stores, we believe there is a significant opportunity to grow our U.S. retail presence. We have identified markets with the potential for approximately 100 U.S. store locations. We anticipate opening one additional retail store during the remainder of fiscal 2015 and three to five stores during fiscal 2016, and we expect the rate of new store openings to accelerate over the coming years. Our existing retail stores have been highly profitable in both metropolitan and rural locations across multiple markets and have achieved an average payback of less than two years. Typically, we have found that, as a new store becomes better integrated into its community and brand awareness grows, the store's productivity tends to improve as measured by comparable store sales and has an incremental and favorable impact on total sales in that store's geographic market.

- *Customer Acquisition.* Our net sales grew from $163.1 million in 2013 to $231.9 in 2014, an increase of 42.2%. This growth was primarily driven by customer acquisition. In pursuing our customer acquisition strategy, we have incurred significant catalog costs and other advertising expenses. Total advertising expenses were $49.4 million in fiscal 2014 and $37.3 million in fiscal 2013. In connection with building brand awareness and continuing customer acquisition, we expect to continue to make significant investments in advertising, and these expenses will be a significant part of our operating expenses.

- *Infrastructure Investment.* Since the beginning of fiscal 2013, we have also invested over $2.4 million in infrastructure and information technology systems to support our recent and long-term growth. We intend to make key technology investments of approximately $5 million to $7 million over the next 18 to 24 months in a new order management system, asset management system, assortment planning system and e-commerce platform that we believe are needed to support the future growth in our direct and retail segments.

- *Expand Product Offerings.* We believe there is an opportunity to grow our men's and women's businesses by selectively broadening our assortment in certain product categories that exhibit high growth potential for our men's business and expanding our product offering to appeal to a wider range of female customers for our women's business. We plan to continue to invest in our product development team, and, as a result, we expect product development costs as a percentage of net sales to remain consistent with historical levels.

- *Seasonality.* Our business is seasonal. As a result, our net sales fluctuate from quarter to quarter, which often affects the comparability of our results between quarters. Net sales are historically higher in the fourth quarter of our fiscal year due to the holiday selling season. Cash requirements are generally higher in the third quarter due to inventory-related working capital requirements in advance of the holiday selling season. We manage the working capital needs of our business through cash flow from operations and a $40 million revolving line of credit.
- *Sourcing Inventory.* We source our raw materials and manufacture our products through a group of vendors with whom we have longstanding relationships located throughout Asia, including Cambodia, China, Indonesia, Thailand and Vietnam. We believe the strength of our supplier network has allowed us to provide high quality products at competitive prices. Our net sales and gross profits are affected by our ability to purchase our products in sufficient quantities at reasonable prices. We believe our vendors have adequate capacity to meet our current and anticipated demand.
- *"S" Corporation Status.* Historically, we have elected to be classified under Section 1362 of the Internal Revenue Code of 1986, as amended, or the Code, as an "S" corporation. Section 1362 provides that, in lieu of corporate income taxes, the shareholders are taxed on our taxable income for federal tax purposes. Upon consummation of this offering, our "S" corporation status will terminate, and we will become subject to corporate-level federal and state income taxes at prevailing corporate rates. Termination of this election will result in us recording a tax benefit and a net deferred income tax asset during the quarter in which this offering is completed. Immediately prior to the completion of this offering, we expect to increase our outstanding borrowings by approximately $46.3 million to make part of the final "S" corporation distribution to our existing shareholders. Immediately upon the completion of this offering, we expect to use a portion of the net proceeds of this offering to repay those borrowings. We intend to fund the balance of the "S" corporation distribution with our cash on hand or the net proceeds from this offering.
- *Public Company Costs.* In connection with our initial public offering, we will incur additional legal, accounting and other expenses that we did not incur as a private company, including costs associated with public company reporting and corporate governance requirements. These requirements include compliance with the Sarbanes-Oxley Act and other rules implemented by the SEC and applicable stock exchange rules.

Our ability to grow and our results of operations may be impacted by our inability to achieve the desired benefits of our retail store expansion, customer acquisition and product offering expansion strategies, constraints in our supply chain and additional factors and uncertainties. Consumer spending habits are subject to macroeconomic conditions and changes in disposable income. Our customers' disposable income is primarily impacted by gas prices, wages and consumer trends and preferences, which fluctuate depending on the economic environment. We compete with a broad range of retailers and direct sellers of apparel, footwear and accessories, and changes in our competitive landscape could also impact our results of operations.

How We Assess the Performance of Our Business

In assessing the performance of our business, we consider a variety of financial and operating measures that affect our operating results.

Net Sales

Net sales reflect our sale of merchandise plus shipping and handling revenue collected from our customers, less returns and discounts. Direct sales are recognized upon customer receipt of the product, while retail sales are recognized at the point of sale.

Comparable Store Sales

Comparable store sales are generally calculated based upon retail stores that were open at least twelve full fiscal months as of the end of the reporting period. Our outlet store is not included in comparable store sales calculations.

Comparable store sales allow us to evaluate how our retail store base is performing by measuring the change in period over-period net sales in stores that have been open for twelve fiscal months or more. Some of our competitors and other retailers calculate comparable store sales differently than we do; as a result, our comparable store sales may not be comparable to similar data made available by other companies. While we have experienced strong comparable store sales growth to date, we have excluded comparable store sales data from this prospectus due to the limited number of comparable retail stores as of September 2015. Although retail store expansion is part of our growth strategy, we expect a significant percentage of our net sales to come from our direct segment for the foreseeable future.

Gross Profit

Gross profit is equal to our net sales less cost of goods sold. Gross profit as a percentage of our net sales is referred to as gross margin. Cost of goods sold includes the direct cost of purchased merchandise; inventory shrinkage; inventory adjustments due to obsolescence, including excess and slow-moving inventory and lower of cost or market reserves; inbound freight; and freight from our distribution centers to our retail stores. The primary drivers of the costs of individual goods are raw materials costs. We expect gross profit to increase to the extent that we successfully grow our net sales. Given the size of our direct segment sales relative to our total net sales, shipping and handling revenue has had a significant impact on our gross profit and gross profit margin. Historically, this revenue has partially offset shipping and handling expense included in selling, general and administrative expenses. Declines in shipping and handling revenues may have a material adverse effect on our gross profit and gross profit margin, as well as Adjusted EBITDA to the extent there are not commensurate declines, or if there are increases, in our shipping and handling expense. Our gross profit may not be comparable to other retailers, as we do not include distribution network and store occupancy expenses in calculating gross profit, but instead we include them in selling, general and administrative expenses.

Selling, General and Administrative Expenses

Selling, general and administrative expenses include all operating costs not included in cost of goods sold. These expenses include all payroll and payroll-related expenses and occupancy expenses related to our stores and to our operations at our headquarters, including utilities, depreciation and amortization. They also include marketing expense, which primarily includes television advertising, catalog production, mailing and print advertising costs, as well as all logistics costs associated with shipping product to our customers, consulting and software expenses and professional services fees. Selling, general and administrative expenses as a percentage of net sales is usually higher in lower-volume quarters and lower in higher-volume quarters because a portion of the costs are relatively fixed.

Our historical sales growth has been accompanied by increased selling, general and administrative expenses. The most significant components of these increases are advertising, marketing and payroll costs. While we expect these expenses to increase as we continue to open new stores, increase brand awareness and grow our organization to support our growing business, we believe these expenses will decrease as a percentage of sales over time.

Adjusted EBITDA

We believe Adjusted EBITDA is a useful measure of operating performance, as it provides a clearer picture of operating results by excluding the effects of financing and investing activities by eliminating the effects of interest and depreciation costs and eliminating expenses that are not reflective of underlying business

performance. We use Adjusted EBITDA to facilitate a comparison of our operating performance on a consistent basis from period-to-period and to provide for a more complete understanding of factors and trends affecting our business.

We define Adjusted EBITDA as consolidated net income (loss) before depreciation and amortization, interest expense and provision for income taxes adjusted for the impact of certain items, including non-cash and other items we do not consider representative of our ongoing operating performance. Because Adjusted EBITDA omits non-cash items, we feel that it is less susceptible to variances in actual performance resulting from depreciation, amortization and other non-cash charges.

Results of Operations

The following table summarizes our consolidated results of operations for the periods indicated, both in dollars and as a percentage of net sales.

	Fiscal Year Ended		Six Months Ended (unaudited)	
	February 2, 2014	February 1, 2015	August 3, 2014	August 2, 2015
(in thousands)				
Consolidated Statements of Operations Data:				
Net sales	$ 163,089	$ 231,867	$ 79,170	$ 108,484
Cost of goods sold	71,088	100,877	33,417	45,359
Gross profit	92,001	130,990	45,753	63,125
Selling, general and administrative expenses	75,786	106,964	38,846	54,616
Operating income	16,215	24,026	6,907	8,509
Interest expense	248	341	127	112
Other income (expense), net	86	422	75	75
Income before income taxes	16,053	24,107	6,855	8,472
Income tax expense	—	—	—	—
Net income	16,053	24,107	6,855	8,472
Less: Net income attributable to noncontrolling interest	537	460	101	82
Net income attributable to controlling interest	$ 15,516	$ 23,647	$ 6,754	$ 8,390
Percentage of Net Sales:				
Net sales	100.0%	100.0%	100.0%	100.0%
Cost of goods sold	43.6%	43.5%	42.2%	41.8%
Gross profit	56.4%	56.5%	57.8%	58.2%
Selling, general and administrative expenses	46.5%	46.1%	49.1%	50.3%
Operating income	9.9%	10.4%	8.7%	7.8%
Interest expense	0.2%	0.1%	0.2%	0.1%
Other income (expense), net	0.1%	0.2%	0.1%	0.1%
Income before income taxes	9.8%	10.4%	8.7%	7.8%
Income tax expense	—%	—%	—%	—%
Net income	9.8%	10.4%	8.7%	7.8%
Less: Net income attributable to noncontrolling interest	0.3%	0.2%	0.1%	0.1%
Net income attributable to controlling interest	9.5%	10.2%	8.5%	7.7%
Pro Forma Net Income Information (unaudited):(1)				
Income before provision for income taxes	$ 16,053	$ 24,107	$ 6,855	$ 8,472
Pro forma provision for income taxes	6,206	9,459	2,702	3,356
Pro forma net income attributable to controlling interest	$ 9,847	$ 14,648	$ 4,153	$ 5,116

(1) The unaudited pro forma net income information for all years and periods presented gives effect to an adjustment for income tax expense on the income attributable to controlling interest as if we had been a "C" corporation at an assumed combined federal, state and local effective income tax rate, which approximates our statutory income tax rate, of 40.0%. No pro forma income tax expense was calculated on the income attributable to noncontrolling interest because this entity will not convert to a "C" corporation.

The following table presents net sales by our two operating segments: direct and retail. Our direct segment includes net sales from our website and catalogs, while our retail segment includes net sales from our retail and outlet stores.

	Fiscal Year Ended		Six Months Ended	
	February 2, 2014	February 1, 2015	August 3, 2014	August 2, 2015
(in thousands)				
Direct	$ 152,896	$ 208,909	$ 71,840	$ 94,698
Retail	10,193	22,958	7,330	13,786
Net sales	$ 163,089	$ 231,867	$ 79,170	$ 108,484

Six Months Ended August 2, 2015 Compared to Six Months Ended August 3, 2014

Net Sales

Net sales increased $29.3 million, or 37.0%, to $108.5 million in the six months ended August 2, 2015 compared to $79.2 million in the six months ended August 3, 2014, driven by gains in both direct and retail segments of $22.9 million, or 31.8%, and $6.5 million, or 88.1%, respectively, across virtually all product categories. The direct net sales gains were largely attributable to our national advertising campaign and increased catalog circulation, which resulted in greater e-commerce traffic to our website and sales through our call center. The increase in retail net sales was primarily attributable to the opening of two new stores during the second and third quarter of fiscal year 2014, respectively, and the opening of one new store during the first quarter of fiscal year 2015, which in total accounted for an increase of $5.4 million in net sales.

Gross Profit

Gross profit increased $17.4 million, or 38.0%, to $63.1 million in the six months ended August 2, 2015 compared to $45.8 million in the six months ended August 3, 2014. As a percentage of net sales, gross margin increased 40 basis points to 58.2% of net sales in the six months ended August 2, 2015 compared to 57.8% of net sales in the six months ended August 3, 2014. The increase in gross profit of $17.4 million was primarily driven by an increase in net sales as discussed above. The increase in gross margin was primarily attributable to product mix coupled with an increase in full price sales as a percentage of overall net sales in the six months ended August 2, 2015 compared to the six months ended August 3, 2014.

Selling, General and Administrative Expenses

Selling, general and administrative expenses increased $15.8 million, or 40.6%, to $54.6 million in the six months ended August 2, 2015 compared to $38.8 million in the six months ended August 3, 2014. The increase in selling, general and administrative expenses of $15.8 million was attributable to an increase of $5.9 million in advertising and marketing costs, $5.6 million in general and administrative expenses and $4.3 million in selling expenses. The increase in advertising and marketing costs was driven by costs related to our national advertising campaign, coupled with an increase in catalog expenses primarily due to increased circulation. The increase in general and administrative expenses was primarily due to an increase in personnel expense, which included a $1.1 million payment related to a portion of the grantees' tax liabilities associated with the grant of restricted stock awards, coupled with increases in consulting and professional services due to the growth of our business. The increase in selling expense was primarily due to an increase in distribution labor as a result of increased net sales.

As a percentage of net sales, selling, general and administrative expenses increased 120 basis points to 50.3% of net sales in the six months ended August 2, 2015 compared to 49.1% of net sales in the six months ended August 3, 2014, primarily attributable to a $1.1 million payment related to a portion of the grantee's tax liabilities associated with the grant of restricted stock awards.

Interest Expense

Interest expense was $0.1 million for both the six months ended August 2, 2015 and the six months ended August 3, 2014.

Provision for Income Taxes

Historically, we have been classified as an "S" corporation for federal and state income tax purposes and therefore we have not been subject to income taxes. Our shareholders have been subject to income tax on their distributive share of our earnings. In connection with this offering, we will convert to a "C" corporation. On a pro forma basis, if we had been taxed as a "C" corporation at an estimated 40% effective tax rate, income taxes would increase by $0.7 million, or 24.2% to $3.4 million in the six months ended August 2, 2015 compared to $2.7 million in the six months ended August 3, 2014.

Net Income

Net income increased $1.6 million, or 23.6%, to $8.5 million in the six months ended August 2, 2015 compared to $6.9 million in the six months ended August 3, 2014, primarily due to factors discussed above. Applying a pro forma 40% "C" corporation effective tax rate to both the six months ended August 2, 2015 and August 3, 2014, rather than the "S" corporation tax rate that actually applied to us, pro forma net income increased $1.0 million, or 23.2%, to $5.1 million in the six months ended August 2, 2015 from $4.2 million in the six months ended August 3, 2014.

Fiscal Year 2014 Compared to Fiscal Year 2013

Net Sales

Net sales increased $68.8 million, or 42.2%, to $231.9 million in fiscal year 2014 compared to $163.1 million in fiscal year 2013, driven by gains in both direct and retail segments of $56.0 million, or 36.6%, and $12.8 million, or 125.2%, respectively, across virtually all product categories. The direct net sales gains were largely attributable to our national advertising campaign and increased catalog circulation, which resulted in greater e-commerce traffic to our website and sales through our call center. The $12.8 million increase in retail net sales was primarily attributable to the opening of two new stores during fiscal year 2014 coupled with full fiscal year sales related to our Bloomington store, which opened in October 2013. The two new stores contributed net sales of $7.3 million in fiscal year 2014.

Gross Profit

Gross profit increased $39.0 million, or 42.4%, to $131.0 million in fiscal year 2014 compared to $92.0 million in fiscal year 2013. As a percentage of net sales, gross margin increased slightly to 56.5% of net sales in fiscal year 2014 compared to 56.4% of net sales in fiscal year 2013.

Selling, General and Administrative Expenses

Selling, general and administrative expenses increased $31.2 million, or 41.1%, to $107.0 million in fiscal year 2014 compared to $75.8 million in fiscal year 2013. Selling, general and administrative expenses as percentage of net sales was 46.1% and 46.5% during fiscal year 2014 and fiscal year 2013, respectively. The increase in selling, general and administrative expenses of $31.2 million was primarily attributable to increases of $12.1 million in advertising and marketing costs, $10.3 million in selling expenses and $8.8 million in general and administrative expenses. The increase in selling expenses was consistent with the corresponding increase in net sales. The increase in general and administrative expenses was primarily due to an increase in personnel expenses and consulting services to support our growth. The increase in advertising and marketing costs was driven by an expansion of our national advertising campaign, coupled with an increase in catalog expenses primarily due to increased circulation. The increase in selling expenses was primarily driven by increased sales.

Interest Expense

Interest expense increased $0.1 million to $0.3 million in fiscal year 2014 compared to $0.2 million in fiscal year 2013. The increase in interest expense was primarily due to a higher average balance drawn on the line of credit during fiscal year 2014 as compared to fiscal year 2013.

Provision for Income Taxes

Historically, we have been classified as an "S" corporation for federal and state income tax purposes and therefore, we have not been subject to income taxes. Our shareholders have not been subject to income tax on their distributive share of our earnings. In connection with this offering, we will convert to a "C" corporation. On a pro forma basis, if we had been taxed as a "C" corporation at an estimated 40% effective tax rate, income taxes would have increased $3.3 million, or 52.4% to $9.5 million in fiscal year 2014 from $6.2 million in fiscal year 2013.

Net Income

Net income increased $8.1 million, or 50.2%, to $24.1 million in fiscal year 2014 compared to $16.1 million in fiscal year 2013, primarily due to the factors discussed above. Applying a pro forma 40% "C" corporation effective tax rate to both fiscal years, rather than the "S" corporation tax rate that actually applied to us, pro forma net income increased $4.8 million, or 48.8%, to $14.6 million in fiscal year 2014 from $9.8 million in fiscal year 2013.

Quarterly Results

The following table sets forth our historical consolidated statements of income for each of the last ten fiscal quarters through August 2, 2015. This unaudited quarterly information has been prepared on the same basis as our annual audited financial statements appearing elsewhere in this prospectus and includes all adjustments that we consider necessary to fairly present the financial information for the fiscal quarters presented below. The unaudited quarterly data below should be read in conjunction with our audited and unaudited consolidated financial statements and the related notes appearing elsewhere in this prospectus.

	Fiscal Year 2013				Fiscal Year 2014				Fiscal Year 2015	
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter	Second Quarter
(in thousands)										
Net Sales	$ 29,461	$ 23,192	$ 31,590	$ 78,846	$ 43,310	$ 35,860	$ 42,566	$110,131	$ 56,807	$ 51,677
Gross profit	16,919	13,639	17,859	43,584	25,061	20,692	23,938	61,299	32,663	30,462
Operating income	2,328	2,774	1,473	9,640	2,770	4,137	3,109	14,010	2,754	5,755
Net income	2,302	2,755	1,392	9,604	2,757	4,098	3,018	14,234	2,751	5,721
Percentage of Annual Results										
Net sales	18.1%	14.2%	19.4%	48.3%	18.7%	15.5%	18.4%	47.5%	n/a	n/a
Gross profit	18.4%	14.8%	19.4%	47.4%	19.1%	15.8%	18.3%	46.8%	n/a	n/a
Operating income	14.4%	17.1%	9.1%	59.5%	11.5%	17.2%	12.9%	58.3%	n/a	n/a
Net income	14.3%	17.2%	8.7%	59.8%	11.4%	17.0%	12.5%	59.0%	n/a	n/a
Percentage of Net Sales										
Gross profit	57.4%	58.8%	56.5%	55.3%	57.9%	57.7%	56.2%	55.7%	57.5%	58.9%
Operating income	7.9%	12.0%	4.7%	12.2%	6.4%	11.5%	7.3%	12.7%	4.8%	11.1%
Net income	7.8%	11.9%	4.4%	12.2%	6.4%	11.4%	7.1%	12.9%	4.8%	11.1%
Retail Stores(1)										
Open at beginning of period	3	3	3	4	4	4	5	6	6	7
Stores opened	—	—	1	—	—	1	1	—	1(2)	—
Opened at end of period	3	3	4	4	4	5	6	6	7	7

(1) Includes one outlet store.
(2) Our retail store in Ankeny, Iowa opened May 1, 2015.

Liquidity and Capital Resources

General

Our business relies on cash from operating activities as well as cash on hand and a $40.0 million revolving line of credit as our primary sources of liquidity. Our primary cash needs have been for inventory, payroll, store leases, capital expenditures associated with opening new stores, infrastructure and information technology, as well as shareholder tax distributions to cover estimated tax payments. The most significant components of our working capital are cash, inventory, accounts payable and other current liabilities. After conversion to a "C" corporation, we will no longer make "S" corporation shareholder distributions relating to periods subsequent to becoming a publicly traded company.

We expect to spend approximately $15.0 million to $16.0 million in third and fourth quarter of fiscal 2015 and full year fiscal 2016 on capital expenditures, including a total of approximately $10.0 million to $11.0 million for new retail store expansion. We expect it will take approximately $2.0 million to $2.6 million in capital expenditures and starting inventory to open a new store. If we open a large number of stores relatively close in time, or if new retail stores have a higher opening costs or a longer payback period than our existing stores, our cash flow from operations may not be sufficient to support these openings and we may need to use the proceeds from this offering more quickly to support this growth and the continuing operations of these new retail stores. At August 2, 2015, our working capital was $28.9 million, which includes cash of $0.4 million. Due to the seasonality of our business, a significant amount of cash from operating activities is generated during the fourth quarter of our fiscal year. During the first three quarters of our fiscal year, we typically are net users of cash in our operating activities as we acquire inventory in anticipation of our peak selling season, which occurs in the fourth quarter of our fiscal year. We also use cash in our investing activities for capital expenditures throughout all four quarters of our fiscal year. During the first three quarters of our fiscal year, we utilize our line of credit facilities to finance these cash requirements.

We believe that cash flow from operating activities, the availability of cash under our revolving line of credit and net proceeds from this offering will be sufficient to cover working capital requirements and anticipated capital expenditures and for funding our growth strategy for the foreseeable future. If cash flow from operations, borrowings under our existing revolving line of credit and net proceeds from this offering are not sufficient or available to meet our capital requirements, we may be required to obtain additional such financing in the future. There can be no assurance that equity or debt financing will be available to us when we need it or, if available, that the terms will be satisfactory to us and not dilutive to our then-current shareholders.

Cash Flow Analysis

A summary of operating, investing and financing activities is shown in the following table.

	Fiscal Year Ended		Six Months Ended	
	February 2, 2014	February 1, 2015	August 3, 2014	August 2, 2015
(in thousands)				
Net cash provided by (used) in operating activities	$ 16,370	$ 22,628	$ (3,475)	$ (1,048)
Net cash used in investing activities	(4,214)	(7,147)	(4,524)	(3,857)
Net cash provided by (used) in financing activities	(4,898)	(15,100)	991	(2,610)
Increase (decrease) in cash	$ 7,258	$ 381	$ (7,008)	$ (7,515)

Net Cash Provided by (Used) in Operating Activities

Operating activities consist primarily of net income adjusted for non-cash items that include depreciation and amortization, loss on disposal of property, equipment and other assets, stock-based compensation and the effect of changes in assets and liabilities.

While our cash flow from operations for the six months ended August 2, 2015 is negative, primarily driven by the seasonal nature of our business, we expect cash flow from operations for the full year fiscal 2015 to be positive from normal operating performance and seasonal reductions in working capital during the fourth quarter of the fiscal year, which is consistent with previous full fiscal years.

For the six months ended August 2, 2015, net cash used by operating activities was $1.0 million, which consisted of net income of $8.5 million, non-cash depreciation and amortization of $1.2 million and stock-based compensation

expense of $0.3 million, offset by cash used in operating assets and liabilities of $11.0 million. The cash used in operating assets and liabilities of $11.0 million primarily consisted of $6.1 million increase in inventory and $4.5 million decrease in accrued expenses. The increase in inventory was due to seasonality and growth of our business. The $4.5 million decrease in accrued expenses, was due to a $1.1 million payment related to a portion of the grantees' tax liabilities associated with the grant of restricted stock, coupled with timing of payments subsequent to our fiscal year end.

For the six months ended August 3, 2014, net cash used by operating activities was $3.5 million, which consisted of net income of $6.9 million, non-cash depreciation and amortization of $0.8 million and stock-based compensation expense of $0.03 million, offset by cash used in operating assets and liabilities of $11.2 million. The cash used in operating assets and liabilities of $11.2 million primarily consisted of $7.5 million increase in inventory and $4.2 million decrease in accrued expenses. The increase in inventory was due to seasonality and growth of our business and the decrease in accrued expenses was primarily attributable to timing of payments subsequent to our fiscal year end.

For fiscal year 2014, net cash provided by operating activities was $22.6 million, which consisted of net income of $24.1 million, non-cash depreciation and amortization of $1.8 million and other of $0.1 million, offset by cash used in operating assets and liabilities of $3.4 million. The cash used in operating assets and liabilities of $3.4 million primarily consisted of $11.8 million increase in inventory and prepaid expenses due to growth and opening of new stores, partially offset by $7.9 million increase in trade accounts payable and accrued expenses due to timing of payments.

For the fiscal year 2013, net cash provided by operating activities was $16.4 million, which consisted of net income of $16.1 million, non-cash depreciation and amortization of $1.2 million and other of $0.1 million, offset by cash used in operating assets and liabilities of $1.0 million. The cash used in operating assets and liabilities of $1.0 million primarily consisted of $8.6 million increase in inventory and prepaid expenses due to growth, partially offset by $7.5 million increase in trade accounts payable and accrued expense due to timing of payments.

Net Cash Used in Investing Activities

Investing activities consist primarily of capital expenditures for growth related to new store openings, information technology and enhancements for our distribution and corporate facilities.

For the six months ended August 2, 2015, net cash used in investing activities was $3.9 million and was primarily driven by capital expenditures for the opening of a new store and the implementation of a new warehouse management system.

For the six months ended August 3, 2014, net cash used in investing activities was $4.5 million, primarily driven by capital expenditures of $2.7 million for the opening of one new store coupled with cash used of $1.8 million for the deconsolidation of Schlecht Enterprises LLC, or Schlecht Enterprises. Through May 21, 2014, we had leased certain distribution and administrative properties from Schlecht Enterprises. The deconsolidation of Schlecht Enterprises was due to a sale of these properties from Schlecht Enterprises to us. This sale terminated the lease agreement between the two entities for the acquired property, thereby eliminating the conditions that required that Schlecht Enterprises be consolidated with us.

For the fiscal year 2014, net cash used in investing activities was $7.1 million, primarily driven by capital expenditures of $5.3 million, due mainly to the opening of new corporate office facilities and two new stores, coupled with cash used of $1.8 million for the deconsolidation of Schlecht Enterprises, as discussed above.

For fiscal year 2013, net cash used in investing activities was $4.2 million, primarily driven by capital expenditures of $4.0 million for the opening of one new store, the acquisition of new corporate office facilities and technology related improvements at our existing corporate office facilities.

Net Cash Provided by (Used) in Financing Activities

Financing activities consist primarily of borrowings and payments related to our revolving line of credit and other long-term obligations, as well as distributions to our shareholders and holders of noncontrolling interest in variable interest entities and capital contributions to Schlecht Enterprises and Schlecht Retail Ventures LLC.

For the six months ended August 2, 2015, net cash used in financing activities was $2.6 million, primarily consisting of uses of $9.9 million in tax distributions to our shareholders due to our "S" corporation status, $0.5 million for payments on mortgage notes and $0.3 million for payments on capital leases, offset by proceeds of $5.9 million, net from our revolving line of credit, $0.8 million from new long-term obligations, $1.0 million change in bank overdrafts and $0.3 million for capital contributions to variable interest entities.

For the six months ended August 3, 2014, net cash provided by financing activities was $1.0 million, primarily consisting of uses of $9.4 million in tax distributions to our shareholders due to our "S" corporation status, $0.8 million for payments on mortgage notes, offset by proceeds of $9.6 million, net from our revolving line of credit, $1.0 million change in bank overdrafts and $0.6 million from long-term obligations.

For fiscal year 2014, net cash used in financing activities was $15.1 million, primarily consisting of uses of $15.1 million in tax distributions to our shareholders due to our "S" corporation status, driven by our higher net income in fiscal 2014 and the timing of distributions relating to net income generated in fiscal 2013, $0.9 million for payments on mortgage notes and $0.3 million in distributions to holders of noncontrolling interest in variable interest entities, offset by proceeds of $0.6 million, net from our revolving line of credit and $0.6 million from long-term obligations.

For fiscal year 2013, net cash used in financing activities was $4.9 million, primarily consisting of uses of $4.4 million in tax distributions to our shareholders due to our "S" corporation status, $0.4 million for payments on mortgage notes, $0.5 million in distributions to holders of noncontrolling interest in variable interest entities and $0.4 million change in bank overdrafts, offset by proceeds of $0.7 million for capital contributions to variable interest entities.

Line of Credit

We have a $40.0 million revolving line of credit from BMO Harris Bank N.A., subject to certain borrowing base limits, which expires July 2018 and bears interest, payable monthly, at a rate equal to the one-month LIBOR rate plus 1.25 percentage points. The line of credit agreement is secured by essentially all Company assets and requires that we maintain certain financial and non-financial covenants, including a minimum tangible net worth ratio and a minimum trailing twelve month EBITDA. As of and for the six months ended August 2, 2015, we were in compliance with all financial and non-financial covenants, and we expect to be in compliance with all financial and non-financial covenants for the remainder of fiscal 2015.

Contractual Obligations

We enter into long term contractual obligations and commitments in the normal course of business. As of August 2, 2015, our contractual cash obligations over the next several periods were as follows:

	Payments Due by Period				
	Total	**Less than 1 Year**	**1-2 Years**	**3-5 Years**	**More than 5 Years**
(in thousands)					
Revolving line of credit[1]	$ 7,490	$ —	$ —	$ 7,490	$ —
Other long term obligations[2]	5,084	266	3,680	1,138	—
Capital lease obligations[3]	99	24	34	14	27
Operating leases[4]	9,641	1,303	2,303	2,056	3,979
Total	$22,314	$ 1,593	$ 6,017	$ 10,698	$ 4,006

(1) Excludes estimated interest under the revolving line of credit and includes bank overdrafts.

(2) Consist of mortgage notes.

(3) The capital leases represent minimum lease payments, including interest and are for certain property and equipment.

(4) Our store leases generally have initial lease terms of 5–10 years and include renewal options on substantially the same terms and conditions as the original leases.

Off Balance Sheet Arrangements

We are not a party to any off balance sheet arrangements, except for operating leases, as discussed above.

Critical Accounting Policies and Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect amounts reported in our consolidated financial statements and related notes, as well as the related disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. We evaluate our accounting policies, estimates, and judgments on an on-going basis. We base our estimates and judgments on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions and conditions and such differences could be material to the consolidated financial statements.

We evaluated the development and selection of our critical accounting policies and estimates and believe that the following involve a higher degree of judgment or complexity and are most significant to reporting our results of operations and financial position, and are therefore discussed as critical. With respect to critical accounting policies, even a relatively minor variance between actual and expected experience can potentially have a materially favorable or unfavorable impact on subsequent results of operations. However, our historical results for the periods presented in the consolidated financial statements have not been materially impacted by such variances. More information on all of our significant accounting policies can be found in *Note B—Summary of Significant Accounting Policies* to our audited consolidated financial statements.

Revenue Recognition

We recognize revenue from direct sales generally upon customer receipt of the product and from retail sales at the point of sale. This represents the point at which all risks and rewards of ownership of the product are passed, there is persuasive evidence that an arrangement exists, title has passed to the customer, the price to the buyer is fixed or determinable and collectability is reasonably assured.

We recognize shipping and handling fees as revenue included in net sales when generated from a customer order upon customer receipt of the product. Costs of shipping and handling are included in selling, general and administrative expenses.

Sales tax collected is not recognized as revenue as it is ultimately remitted to governmental authorities.

We reserve for projected merchandise returns based on both historical and actual experience, as well as various other assumptions that we believe to be reasonable. Actual merchandise returns are monitored regularly and have not been materially different from the estimates recorded. Product returns often represents merchandise that can be resold. Amounts refunded to customers are generally made by issuing the same payment tender as used in the original purchase. Merchandise exchanges of the same product and price are not considered merchandise returns and are therefore excluded when calculating the sales returns reserve.

Inventories

Our inventories are composed of finished goods and are stated at the lower of cost or market, with cost determined using the first-in, first-out method. Market is determined based on net realizable value, which includes cost to dispose. To determine if the value of inventory should be marked down below original cost, we consider current and anticipated demand, customer preference and the inventory's age. The inventory value is adjusted periodically to reflect current market conditions, which requires our judgments that may significantly affect the ending inventory valuation, as well as gross margin. The significant estimates used in inventory valuation are obsolescence (including excess and slow-moving inventory and lower of cost or market reserves) and estimates of inventory shrinkage. We adjust our inventory for obsolescence based on historical trends, aging reports, specific identification and our estimates of future retail sales prices.

Due to these factors, our obsolescence and shrinkage reserves contain uncertainties. Both estimates have calculations that require us to make assumptions and to apply judgment regarding a number of factors, including market conditions, the selling environment, historical results and current inventory trends. If actual observed obsolescence or periodic updates of our shrinkage estimates differ from our original estimates, we adjust our inventory reserves accordingly throughout the period. We do not believe that changes in the assumptions used in these estimates would have a significant effect on our net income or inventory balances. We have not made any material changes to our assumptions included in the calculations of the obsolescence and shrinkage reserves during the periods presented, nor have we recorded significant adjustments related to the physical inventory process.

Long-Lived Assets

Long-lived assets, such as property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Conditions that may indicate impairment include, but are not limited to, a significant adverse change in customer demand or business climate that could affect the value of an asset, a product recall or an adverse action or an assessment by a regulator. If the sum of the estimated undiscounted future cash flows related to the asset is less than the carrying value, we recognize a loss equal to the difference between the carrying value and the fair value, usually determined by the estimated discounted cash flow analysis of the asset. Impairment charges are included in selling, general and administrative expenses.

We evaluate long-lived tangible assets at an individual store level, which is the lowest level at which independent cash flows can be identified. We evaluate corporate assets or other long-lived assets that are not store-specific at the consolidated level.

Since there is typically no active market for our long-lived tangible assets, we estimate fair values based on the expected future cash flows. We estimate future cash flows based on store-level historical results, current trends, and operating and cash flow projections. Our estimates are subject to uncertainty and may be affected by a number of factors outside our control, including general economic conditions and the competitive environment. While we believe our estimates and judgments about future cash flows are reasonable, future impairment charges may be required if the expected cash flow estimates, as projected, do not occur or if events change requiring us to revise our estimates.

Stock-Based Compensation

We issue restricted shares of our Class B common stock to key employees, executives and board members under restricted stock agreements. These issuances generally vest evenly over a period ranging from two to five years from the grant date and become fully vested on the applicable anniversary date of each restricted stock agreement, unless otherwise stated in the terms of each individual award. The fair value of our Class B common stock was measured on September 30, 2014, December 31, 2013 and December 31, 2012 for our fiscal years 2015, 2014 and 2013, respectively. The restricted stock value is based on the estimated fair value of our Class B common

stock on the grant date, which may differ from the fair value measured dates above. In the absence of a public trading market, we considered numerous objective and subjective factors to determine our best estimate of the fair value of the restricted shares of our Class B common stock on the grant date. Our estimate of this stock-based compensation is equivalent to the fair value of our Class B common stock that is ultimately expected to vest. The stock-based compensation is recognized as compensation expense over the requisite service period or a sale or change in control of our Company if such event occurs prior to the completion of the service period.

Our estimate of pre-vesting forfeitures, or forfeiture rate, was based on our internal analysis, which included the award recipients' positions within the company and the vesting period of the awards. As such, we estimated the forfeiture rate was zero, which resulted in our recording the gross value of the awards as stock-based compensation expense in our consolidated statements of income. We will reassess the forfeiture rate assumption in future periods.

Determination of Fair Value of Class B Common Stock on Grant Date. As a private company with no active public market for our Class B common stock, we have determined the estimated per share fair value of our Class B common stock on the valuation date using a valuation consistent with the requirements of the IRS (Revenue Ruling 59-60), the Department of Labor (Proposed Regulation—2510.3-18(b)(4)(ii)(B)) and Uniform Standards of Professional Appraisal Practice. In conducting this valuation, we considered all objective and subjective factors that we believed to be relevant, including our best estimate of our business condition, prospects and operating performance. Within this contemporaneous valuation performed by us, a range of factors, assumptions and methodologies were used. The significant factors included:

- outlook and condition of the economy, the industry and our company;
- our financial condition;
- our earnings capacity and future prospects;
- our dividend paying capacity;
- historic sales of our Class B common stock and size of the block of Class B common stock to be valued;
- market prices of publicly traded securities of companies engaged in the same or similar industry classification;
- prices, terms and conditions affecting past sales of similar Class B common stock;
- marketability and liquidity considerations of our Class B common stock;
- physical condition, remaining life expectancy and functional and economic utility of our property and equipment; and
- relative risk of the investment.

After considering the information presented by our management, our board of directors rendered its final fair value determination.

Class B Common Stock Valuation Methodologies. For the valuation of our Class B common stock, management estimated on the valuation date, our common equity value on a continuing operations basis, primarily using the income and market comparable approaches. The common equity value is the difference between the business enterprise value and debt value after adjustment for a marketability and liquidity discount of five percent.

The income approach utilized the discounted cash flow, or DCF, methodology by discounting the anticipated cash flow stream from business operations. This valuation analysis involves a discrete projection of operating cash flow and a residual value calculation at the end of the projection. The discounted cash flow is based on a detailed projection of sales, cost of sales, operating expenses, deprecation, taxes, capital expenditures

and working capital changes. Both the projected cash flows and residual value are discounted to present value based on a weighted average cost of capital calculation.

The market comparable approach utilizes earnings, sales and equity price ratios from comparable transactions. This is a process of collecting relevant market data, adjusting for comparability differences and applying price multipliers to the earnings, sales and operating equity of the company. Our market comparable analysis derives values based on stock transactions involving publicly traded companies because of the availability of complete and consistent information. Comparable companies were selected after a database search based on standard industrial codes of publicly traded companies. Earnings multipliers are a function of earnings growth and earnings volatility. Earnings multiplier derived for us were below the averages for the comparable companies because of our higher asset utilization, smaller size and higher return on assets.

We believe that the procedures employed in the DCF and market comparable methodologies are reasonable and consistent with generally accepted practices.

Equity Incentive Awards. Our board of directors adopted our Duluth Holdings Inc. 2015 Equity Incentive Plan, which has shares of Class B common stock reserved for issuance under such plan. In connection with this offering, we anticipate awarding restricted Class B shares under this plan to our non-employee directors with an aggregate value of $280,000 based on the initial public offering price.

Income Taxes

Historically, we have been classified as an "S" corporation for federal income tax purposes. As such, we are not subject to income taxes. Our shareholders are subject to income tax on their distributive share of our earnings. We make distributions to our shareholders to fund their tax obligations attributable to taxable income of our company. Upon consummation of this offering, our "S" corporation status will terminate, and we will become subject to corporate-level federal and state income taxes at prevailing rates. Termination of this election will result in us recording a tax benefit and a net deferred income tax asset during the quarter in which this offering is completed.

Recently Issued Accounting Pronouncements

Revenue from Contracts with Customers

In May 2014, the FASB issued Accounting Standards Update No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, or the ASU, which supersedes the revenue recognition requirements in ASC Topic 605, *Revenue Recognition*. The ASU requires revenue recognition to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The new revenue recognition model requires identifying the contract, identifying the performance obligations, determining the transaction price, allocating the transaction price to performance obligations and recognizing the revenue upon satisfaction of the performance obligations. The ASU also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments, and assets recognized from costs incurred to obtain or fulfill a contract. The ASU can be applied either retrospectively to each prior reporting period presented or retrospectively with the cumulative effect of initially applying the update recognized at the date of the initial application along with additional disclosures. On July 9, 2015, the FASB deferred the effective date of the ASU for one year. The ASU is effective for annual reporting periods beginning after December 15, 2017 and early adoption is not permitted. Accordingly, we will adopt the ASU on January 29, 2018, the first day of our first quarter for the fiscal year ending February 3, 2019, our fiscal year 2018. We have not selected a method for adoption nor determined the potential effects on our consolidated financial statements.

Simplifying the Measurement of Inventory

In July 2015, the FASB issued Accounting Standards Update No. 2015-11, *Simplifying the Measurement of Inventory (Topic 330)*, or ASU 2015-11, which changes the measurement principle for inventory from the lower of cost or market to the lower of cost and net realizable value. Net realizable value is defined as the "estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal and transportation." The ASU 2015-11 eliminates the guidance that entities consider replacement cost or net realizable value less an approximately normal profit margin in the subsequent measurement of inventory when cost is determined on a first-in, first-out or average cost basis. The provisions of ASU 2015-11 are effective for public entities with fiscal years beginning after December 15, 2016, and interim periods within those fiscal years, with early adoption permitted. Accordingly, we will adopt ASU 2015-11 on January 30, 2017, the first day of our first quarter for the fiscal year ending January 28, 2018, our fiscal year 2017. We have not determined the impact of this new accounting guidance on our consolidated financial statements.

Jumpstart Our Business Startups Act of 2012

The JOBS Act permits us, as an "emerging growth company," to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies. We are choosing to "opt out" of this provision and, as a result, we will comply with new or revised accounting standards as required when they are adopted. This decision to opt out of the extended transition period under the JOBS Act is irrevocable.

Quantitative and Qualitative Disclosure of Market Risks

Interest Rate Risk

We are subject to interest rate risk in connection with borrowings under our revolving line of credit, which bear interest at a rate equal to the one-month LIBOR rate plus 1.25 percentage points as of August 2, 2015. As of August 2, 2015, $6.5 million was outstanding under the revolving line of credit. As of August 2, 2015, the undrawn borrowing availability under the revolving line of credit was $17.2 million. Based on the average interest rate on the revolving line of credit during the first six months of fiscal 2015, and to the extent that borrowings were outstanding, we do not believe that a 10% change in the interest rate would have a material effect on our consolidated results of operations or financial condition.

Impact of Inflation

Our results of operations and financial condition are presented based on historical cost. While it is difficult to accurately measure the impact of inflation due to the imprecise nature of the estimates required, we believe the effects of inflation, if any, on our results of operations and financial condition have been immaterial. We cannot assure you our business will not be affected in the future by inflation.

Foreign Exchange Rate Risk

We source a substantial majority of our merchandise from various suppliers in Asia and the vast majority of purchases are denominated in U.S. dollars. We do not hedge foreign currency risk using any derivative instruments, and historically we have not been impacted by changes in exchange rates.

Internal Control over Financial Reporting

The process of improving our internal controls has required and will continue to require us to expend significant resources to design, implement and maintain a system of internal controls that is adequate to satisfy our reporting obligations as a public company. There can be no assurance that any actions we take will be

completely successful. We will continue to evaluate the effectiveness of our disclosure controls and procedures and internal control over financial reporting on an ongoing basis.

We have begun documenting our internal control procedures in order to comply with the requirements of Section 404 of the Sarbanes-Oxley Act. Section 404 requires annual management assessments of the effectiveness of our internal control over financial reporting and a report by our independent auditors addressing these assessments. Under the JOBS Act, as an "emerging growth company," for our fiscal year 2015, we are not required to comply with either the management reporting requirements or the auditor reporting requirements related to internal control over financial reporting. For fiscal years 2016 through 2019, assuming we qualify as an "emerging growth company," we will only be subject to management reporting on the assessment of internal controls over financial reporting. Assuming we have not ceased to qualify as an "emerging growth company" earlier, we will be required to comply with both the management and the auditor assessment of internal control over financial reporting requirements of Section 404 at the time we file our annual report for fiscal year 2020. As part of this process, we may identify specific internal controls as being deficient. We anticipate retaining additional personnel to assist us in complying with our Section 404 obligations.

BUSINESS

Our Company

Duluth Trading is a rapidly growing lifestyle brand of men's and women's casual wear, workwear and accessories sold exclusively through our own channels. We offer a comprehensive line of innovative, durable and functional products, such as our Longtail T® shirts, Buck Naked™ underwear and Fire Hose® work pants, which reflect our position as the Modern, Self-Reliant American Lifestyle brand. Our brand has a heritage in workwear that transcends tradesmen and appeals to a broad demographic of men and women for everyday and on-the-job use. Approximately 88% of our fiscal 2014 net sales consisted of proprietary products sold under our Duluth Trading brand name. We believe the foundation of our success is our culture of "poking average in the eye" *by seeing things for what they could be and should be and finding a way to make them exactly that, and we like to do it all with a big, toothy grin.* Our brand is defined by three brand pillars: solution-based products manufactured with high quality craftsmanship, humorous and distinctive marketing and an outstanding customer experience.

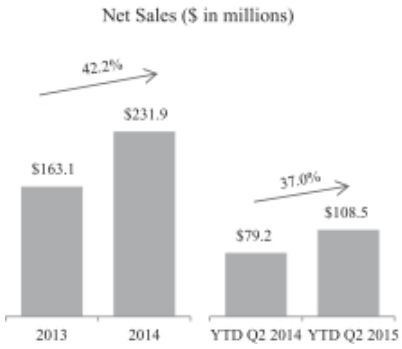
Our products solve the problems our customers experience with the limitations of commonly available apparel and gear. Our design process reflects a "there's gotta be a better way" attitude, resulting in differentiated products with unique features that appeal to a broad array of customers. Our products represent enduring styles that go beyond short-lived fashion trends. We strive to make shopping for our products fun by using attention-grabbing advertisements that are humorous, irreverent and quirky and serve to reinforce our brand identity. We also use storytelling to differentiate our products in the marketplace and create emotional connections with our customers. We provide our customers with a unique and entertaining experience across all channels through our content-rich website, catalogs and "store like no other" retail environment. We treat our customers like next-door neighbors, as exemplified by our exceptional customer service and unconditional "No Bull Guarantee" on all purchases. The combination of these three pillars has fostered a growing and engaged community of 1.4 million active customers within the last year as of August 2, 2015.

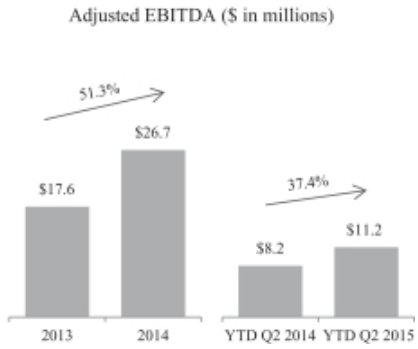
To protect the integrity of the Duluth Trading brand, we offer our products exclusively through our omni-channel distribution network, consisting of our website, catalogs and retail stores. This model creates multiple touch points with our customers and enables us to control both our Duluth Trading brand expression and the pricing of our products. Our distribution strategy eliminates the need to sell through third-party retailers, allowing us to focus on our core competencies of product development, storytelling and serving customers. Our direct segment, consisting of our website and catalogs, offers products nationwide and represented 90% of our fiscal 2014 net sales. In 2010, we added retail to our omnichannel platform with the opening of our first store. Since then, we have expanded our retail presence, and as of September 2015, we operated six retail stores and two outlet stores. Our retail segment represented 10% of our fiscal 2014 net sales. We anticipate opening one additional retail store during the remainder of fiscal 2015 and three to five new stores during fiscal 2016 and expect the rate of new store openings to accelerate over the coming years. We have identified markets with the potential for approximately 100 U.S. store locations as part of our long-term growth strategy.

Duluth Trading was founded in 1989 when two brothers in the home construction industry were tired of dragging tools from job to job using discarded five-gallon drywall compound buckets. The two brothers were never satisfied with the status quo and believed "there's gotta be a better way." So they invented the Bucket Boss®—a ruggedly durable canvas tool organizer that fits around a drywall bucket and transformed the way construction workers organized their tools. Capitalizing on their initial success, these brothers launched a catalog that later became known as Duluth Trading Company. Under the initial philosophy of "Job Tough, Job Smart," this catalog was dedicated to improving and expanding on existing methods of tool storage, organization and transport. In December 2000, GEMPLER'S Inc., an agricultural and horticultural supply catalog business founded and owned by Stephen L. Schlecht, acquired Duluth Trading and brought the two mail order companies together. Both catalogs had customers who worked outside and embraced the spirit of hands-on, self-reliant Americans. In February 2003, the GEMPLER'S catalog business was sold to W.W. Grainger (NYSE:GWW) and proceeds from that sale have been used to fund the growth of Duluth Trading. With that transaction, GEMPLER'S changed its corporate name to Duluth Holdings Inc.

From what began as an idea aimed at those working in the building trades, Duluth Trading has become a widely recognized brand and proprietary line of innovative and functional apparel and gear. We have created strong brand awareness, built a loyal customer base and generated robust sales momentum. We have done so by sticking to our roots of "there's gotta be a better way" and through our relentless focus on providing our customers with quality, functional products. We have established a strong track record of growth and profitability as demonstrated by our net sales and operating income CAGRs between calendar 2009 to fiscal 2014 of 28% and 51%, respectively. We believe that the foregoing attributes have enabled us to deliver strong financial results, as evidenced by:

- net sales have increased year-over-year for 24 consecutive quarters through August 2, 2015;
- net sales in fiscal 2014 increased by 42.2% over the prior year to $231.9 million and net sales in the first six months of fiscal 2015 increased by 37.0% over the first six months of the prior year to $108.5 million;
- Adjusted EBITDA in fiscal 2014 increased by 51.3% over the prior year to $26.7 million and Adjusted EBITDA in the first six months of fiscal 2015 increased 37.4% over the first six months of the prior year to $11.2 million; and
- our retail stores have achieved an average payback of less than two years.





See "Selected Summary Consolidated Financial and Other Data—Non-U.S. GAAP Financial Measures" for a reconciliation of our net income to Adjusted EBITDA, a non-U.S. GAAP financial measure. See "Management's Discussion and Analysis of Financial Condition and Results of Operations" for our definition of Adjusted EBITDA.

What Makes Us Different

We believe the following strengths differentiate us and provide a foundation for future growth:

Differentiated, Everyday Lifestyle Brand

Our understanding of the Modern, Self-Reliant American Lifestyle enables us to create personal connections with our customers who lead a hands-on lifestyle, value a job well-done and are often outdoors for work and hobbies. The workwear heritage of our products is the foundation of our authentic and differentiated brand. Our customers are highly satisfied with our performance relative to our competitors in the categories of comfort, useful features, product fit, quality, durability and materials used, according to IRI. We communicate our brand values and product performance nationally through multiple mediums, including television, catalogs, digital advertising and sponsored events. We believe these marketing efforts make our brand synonymous with this lifestyle, validate our authenticity and establish Duluth Trading as a trusted provider of reliable casual wear and workwear.

Solution-Based Design

Our products solve the problems our customers experience with commonly available apparel and gear. *We see things for what they could be and what they should be, and we find a way to make them exactly that, and we like to do it all with a big, toothy grin.* We generate new product ideas in part by proactively seeking input from our consumers, including our trades panels, which are comprised of select groups located across the United States with expertise in various fields. Our trades panels test our products in intense conditions and offer suggestions for new and improved features. For example, one of our trades panel members, a farrier shoeing horses, experienced frustration with his heavy and restrictive work pants when he was required to bend, squat and sit throughout the day. His feedback led to the creation of our Duluthflex® Ballroom® jeans, which are built with 1% spandex and are more flexible than average jeans, allowing customers to "crouch without the ouch." We believe that our focus on thoughtful product design and commitment to quality, such as "triple stitching the extra stitch" and "doubling down on extra durable fabric," keeps our existing customers engaged while also attracting new customers to our brand. *And we do it all because there are a whole lotta legs, torsos, feet and crotches out there counting on us.*

Humorous and Distinctive Marketing

We make shopping for our products fun by using attention-grabbing advertisements that are humorous, irreverent and quirky. Our national advertising campaigns that feature characters such as our Giant Angry Beaver, Buck Naked Guy and Grab-Happy Grizzly, continue to increase our brand awareness and drive customers to our brand. These types of advertisements appeal to a wide audience and enable us to highlight the distinctive attributes of our products in a memorable way. We also use storytelling to make connections with our customers. For example, the story of our customer Tony the Diver, who wears our Fire Hose work pants over his wetsuit for added protection while working on marine construction, inspired a catalog cover and is featured on our website. Our advertising inspires our female customers by featuring women of "grit and substance" whose professions range from ranching to horse training to dog sled racing to landscape design. We believe our approach to marketing gives our products a distinct identity, enhances our brand and helps us stand out in the market.

Outstanding and Engaging Customer Experience

An important principle that shapes our brand is treating our customers like next-door neighbors. We provide a seamless, consistent omnichannel experience that makes shopping for casual wear, workwear and accessories fun, inviting and hassle-free. We are dedicated to delivering outstanding customer service by standing behind all purchases with our unconditional "No Bull Guarantee." Our content-rich, user-friendly website is designed to provide an enjoyable, informative and efficient shopping experience. Our call center is open 24 hours a day, seven days a week, and is staffed with friendly, knowledgeable representatives dedicated to making every customer experience positive. Our stores are designed to bring our brand to life by creating a unique and entertaining experience with knowledgeable sales associates, a compelling and complete assortment of our products and hospitality areas with complimentary coffee and water. We also showcase unique attractions at each retail store, such as the tool museum in our Mt. Horeb, Wisconsin store, that celebrate the heritage of the local area. We believe these elements help promote customer loyalty and drive repeat purchases.

Attractive, Loyal Customer Base

Our customers come to us for many aspects of their everyday casual wear and workwear needs. The quality and consistency of our product offering attracts a broad demographic of men and women who lead the Modern, Self-Reliant American Lifestyle. According to an internal company survey, 87% of our customers identified themselves as working outside of the building trades. Our average customer is a homeowner with an annual household income of over $75,000. Based on these characteristics, we believe our customers have a high level of

disposable income and are attracted to the quality and enhanced features of our products. We enjoy a high level of brand satisfaction as evidenced by our Net Promoter Score of approximately 70% and the fact that 76% of our customers would recommend Duluth Trading to a friend or family member according to IRI. In addition, we currently have over 200,000 online product reviews, over 90% of which are four or five star ratings.

Omnichannel Presence with Complete Distribution Control

We sell our products exclusively through our direct and retail channels, giving us complete control of the presentation of our brand and the relationships with our customers. This strategy allows us to present our brand in a consistent manner, including marketing, pricing and product presentation. It also enables us to reduce logistical complexities and costs because we are not subject to timing, delivery and quantity requirements set by third-party retailers, allowing our employees to concentrate on product development, storytelling and serving customers. We believe this approach to distribution is a significant advantage for our brand, allowing us to deliver feature rich, superior quality products at competitive prices.

- *Direct Segment*. We have an established direct platform that reaches customers nationwide through our website and catalogs, which together comprised approximately 90% of our fiscal 2014 net sales. Our duluthtrading.com website serves as a storefront to our entire product collection and approximately 78% of our fiscal 2014 net sales in the direct segment were transacted online. Our website also allows for shopping across platforms and devices and provides a strong sense of community for our highly engaged consumers. In fiscal 2014, we had approximately 26.8 million website visits, an increase of approximately 52% from fiscal 2013. Our catalog business is an important part of our heritage, and approximately 22% of our fiscal 2014 net sales in the direct segment were transacted via our call center. Our catalogs also serve as a tangible vehicle for our authentic and humorous storytelling and often drive customers who wish to further interact with our brand to visit our website and retail stores. In fiscal 2014, we distributed over 43 million catalogs, approximately 19 million of which were mailed to prospective customers.
- *Retail Segment*. In 2010, we opened our first retail store and have since expanded our retail presence, operating six retail stores and two outlet stores as of September 2015. Retail sales represented approximately 10% of our fiscal 2014 net sales, and we expect retail sales to represent an increasing percentage of our net sales over time. Our retail stores allow us to reach customers who prefer to shop in a brick and mortar setting and give new and existing consumers the opportunity to touch and feel our innovative products before making a purchase decision. During fiscal 2014, we had approximately 680,000 visits to our retail stores.

Seasoned Management Team Driving an Impassioned Culture

Our senior management team has extensive experience across a broad range of key disciplines. With an average of approximately 30 years of experience in their respective functional areas, our management team has been instrumental in driving results and in developing a robust and scalable infrastructure to support our continued growth. Our senior management team embraces the Modern, Self-Reliant American Lifestyle and has fostered a culture committed to “outthink, outsmart and outcraft average,” which is shared by employees throughout our organization. Our strong company culture and spirited corporate personality is exemplified by the long tenure of our team members with us. We believe the strength of our senior management team, supported by our dedicated board of directors and passionate employees, is a key driver of our success and positions us well to execute our long-term growth strategy.

Our Growth Strategies

Our goal is to expand the reach of the Duluth Trading brand, using strategies that will further drive growth and profitability:

- ***Building Brand Awareness to Continue Customer Acquisition***. We are a rapidly growing lifestyle brand and have built strong brand awareness and successfully acquired customers over the past five years. As a relatively young brand, we believe that we have a significant opportunity to build even greater brand awareness. According to IRI, once we bring customers to our brand, they are more satisfied with Duluth Trading than any other brand in our competitive set. We plan to introduce potential customers to our brand through our national television and digital advertising campaigns, catalogs and retail store expansion. We have made significant investments in marketing to build brand awareness among our potential customers and expect to achieve leverage from these investments as our business continues to grow.
- ***Accelerating Retail Expansion.*** IRI has validated that our customers' purchasing decision are heavily influenced by the availability of our retail stores. We believe that our customers' desire to shop in stores, combined with the number of potential markets for our retail stores and the compelling unit economics of our existing retail stores, provide us with a significant opportunity to grow our U.S. retail presence. We have identified markets with the potential for approximately 100 U.S. store locations that feature high concentrations of existing Duluth Trading customers and potential customers that fit our brand demographics. We anticipate opening one additional retail store during the remainder of fiscal 2015 and three to five stores during fiscal 2016 and expect the rate of new store openings to accelerate over the coming years. Our existing retail stores have been highly profitable in both metropolitan and rural locations across multiple markets and have achieved an average payback of less than two years. To support the growth of our retail store base, we have hired an experienced Senior Vice President of Omnichannel Customer Experience and Operations. We plan to continue building our organization and investing in software systems and operational infrastructure to support the growth in our retail segment. Based on our experience to date, we believe the combination of our direct and retail channels in an individual geographic market substantially increases the net sales and customer acquisition potential in that market. For example, since opening our retail stores in the Minneapolis-St. Paul metropolitan area, our direct segment net sales in that area have continued to grow. Additionally, we believe our retail stores provide ancillary marketing benefits by giving new and existing customers a destination to experience our brand.
- ***Selectively Broadening Assortments in Certain Men's Product Categories***. We believe there is an opportunity to grow our men's business by selectively broadening our assortment in certain product categories that exhibit high growth potential and resonate with the lifestyle of our core men's customers, such as outerwear and footwear. Through product introductions that expand seasonality and occasions for wear, we believe we can grow our share of closet with new and existing men's customers.
- ***Growing Our Women's Business***. Since launching in 2005, our women's business has grown significantly to represent approximately 19% of our net sales in fiscal 2014 and has achieved a 55% CAGR from fiscal 2012 to fiscal 2014. According to IRI, women have lower awareness of our brand but report higher levels of satisfaction with Duluth Trading once they have tried our products. We believe that we have a significant opportunity to continue to grow our women's business through customer acquisition, and we plan to continue to leverage all of our marketing channels, including national television and digital advertising, our catalogs and retail stores to do so. We expect that our women's business will continue to represent an increasing portion of our net sales, and accordingly, we are allocating a higher percentage of our total advertising budget to the women's business. We believe that as our retail footprint expands, our women's business will continue to grow based on our current customers' shopping patterns. While the core of our women's product assortment will continue to consist of solution-based apparel that fits the Modern, Self-Reliant American Lifestyle, we plan to selectively expand our product offering to appeal to a wider range of female customers.

Market Opportunity

We operate in the U.S. apparel, footwear and accessories market, primarily in the everyday casual wear and workwear categories. According to IRI, the total market, including men's, women's and children's apparel, footwear and accessories (such as jewelry, bags and small leather goods), is estimated to be $334 billion in 2015, and:

- apparel is expected to account for approximately 65% of sales, footwear is expected to account for approximately 19% of sales and accessories is expected to account for approximately 16% of sales;
- IRI expects total U.S. apparel dollar sales to continue to grow approximately 2% to 4% annually; and
- everyday casual wear, including underwear, is the largest category, accounting for approximately 38% of the total market.

According to IRI, the U.S. apparel, footwear and accessories market is approximately 58% womenswear, 31% menswear and 11% children's wear. Within this industry, consumers report allocating approximately 68% of apparel spend to workwear, hobby/outdoor wear, underwear and everyday casual wear. The hobby/outdoor wear market and everyday casual wear markets are forecasted to grow at CAGRs of approximately 5 to 7% and 3 to 5%, respectively, over the next three years.

We believe that we are well-positioned to capture an increasing share of this attractive market by continuing to execute on our growth strategies of building customer awareness, accelerating our retail store expansion, selectively broadening our assortment in certain men's product categories and growing our women's business. We believe the number of consumers with the Modern, Self-Reliant American Lifestyle will continue to increase, driving an increase in spend for everyday casual wear and workwear and the demand for our innovative, durable and functional products.

Our Sales Channels

We sell our products exclusively through our direct and retail channels, giving us complete control our brand presentation as well as direct interaction with the consumer. Our omnichannel business strategy allows our sales channels to work in synergy to seamlessly deliver a consistent brand experience, including consistent marketing, pricing and product presentation.

Direct Segment

Our direct channel, which comprised 90% of our fiscal 2014 net sales, reaches customers nationwide through our website and catalogs.

- *e-Commerce*. Our website, www.duluthtrading.com, serves as a storefront for our product assortment and provides an interactive, user-friendly, content-rich customer experience. In fiscal 2014, our website accounted for approximately 78% of our direct segment net sales that were transacted online. Our website's homepage and category content, including pricing, seasonal promotions and products, are updated frequently in order to keep them current and seasonally appropriate, which coincides with updates to our catalogs and retail store displays. Our entire product offering is available on our website with certain new products offered exclusively online during their initial introduction, as well as out-of-season but in-stock products. Our website features humorous product videos and customer testimonials that educate our customers on the features and benefits of our products, which we believe enhances our visitors' shopping experience. We believe our e-commerce customer experience has been successful in converting website visitors into customers.

  Our e-commerce platform is highly scalable and has exhibited strong growth with e-commerce net sales increasing at a CAGR of 47% from fiscal 2012 to fiscal 2014. We offer our new and existing customers the ability to shop across multiple platforms and devices, including mobile devices, tablets and desktop computers. During fiscal 2014, we sold merchandise to customers through our website in all 50 states and had 26.8 million website visits, an increase of approximately 52% from calendar 2013.

- *Catalog*. Our catalog business is an important part of our heritage and a key differentiator in our market. Our catalogs serve as a tangible vehicle for our authentic and humorous storytelling and drive customers to visit our website and retail stores. In fiscal 2014, our catalogs accounted for approximately 22% of our direct segment net sales that were transacted via our call center, and sales through this channel continue to grow year over year. During fiscal 2014, we published 35 catalog issues and distributed over 43 million copies, approximately 19 million of which were mailed to prospective customers. Our catalogs reflect our tailored approach to marketing and include particular expressions of our brand that resonate with our target customers. For example, we produce separate catalogs for our men's and women's product offerings, showcasing illustrations in our men's catalogs and featuring women of "grit and substance" in our women's catalogs. In addition to generating a significant portion of our direct net sales, we believe our catalogs are clever, informative and eye catching and are a vital part of building the Duluth Trading brand.

Retail Segment

In 2010, we opened our first retail store and have since expanded our retail presence, operating six retail stores and two outlet stores as of September 2015. In fiscal 2014, our retail stores produced $23.0 million in total revenue, representing 10% of our net sales. Our existing stores have been highly profitable in both metropolitan and rural locations. Our stores range in size from approximately 6,000 to 11,000 selling square feet and are designed to bring our brand to life by creating a unique and entertaining experience, including engaging sales associates, a compelling and complete product assortment, custom made fixtures to fit our brand, free wireless Internet and complimentary coffee and water. We also showcase unique attractions at each retail store that celebrate the heritage of the local area, such as the tool museum in our Mt. Horeb, Wisconsin store and the "Exploded Tractor" exhibit in our Ankeny, Iowa store. We believe these local community elements help promote customer loyalty and drive repeat purchases.

Our retail stores allow us to reach customers that prefer to shop in a brick and mortar setting and give new and existing customers the opportunity to touch and feel our products in person before making a purchase decision. Our retail stores also provide ancillary marketing benefits, such as brand visibility in high traffic areas. We provide additional conveniences to customers at our stores, as they can order our products online and have them shipped for free to our store for pick up. Customers can also return products purchased online at our retail stores and can buy certain Duluth Trading-branded products not available in the store at the registers or in-store kiosks and have them shipped directly to their homes.

Retail Store Expansion Opportunities and Site Location

We believe we have a compelling retail model that supports our ability to grow our store footprint in both new and existing markets across the United States with the potential to simultaneously enhance our direct segment sales in those markets and overall sales potential of the area. Unlike traditional brick and mortar retailers, we are able to leverage the wealth of customer data from our direct segment to identify potential markets for new stores that feature high concentrations of existing Duluth Trading customers and potential customers that fit our brand demographics. We have identified potential markets for approximately 100 new U.S. store locations and anticipate opening one additional retail store during the remainder of fiscal 2015 and three to five retail stores in new markets during fiscal 2016. We expect the rate of new store openings to accelerate over the coming years.

We select the potential markets for our new stores based on existing customer data from our direct segment and select our store locations based on customer input, access to the freeway, visibility, store accessibility and parking. Our current retail store information also informs our future merchandising decisions. We intend the range in selling square footage, as determined by market size of each of our new stores, to be approximately 7,000 to 12,000 selling square feet. To support this planned growth, we have hired an experienced Senior Vice President of Omnichannel Customer Experience and Operations. We plan to continue building our organization and investing in software systems and operational infrastructure to support the growth in our retail segment.

Our Products

We offer a comprehensive line of innovative, durable and functional casual wear, workwear and accessories for both men and women. Our product assortment includes shirts, pants, underwear, outerwear, footwear, accessories and hard goods. Approximately 88% of our fiscal 2014 net sales consisted of products sold under our Duluth Trading brand name. Our products feature proprietary designs and distinct names, such as our Longtail T® shirts, Buck Naked™ underwear and Fire Hose® work pants. In fiscal 2014, our men's business accounted for approximately 81% of our net sales, and our women's business accounted for approximately 19% of our net sales.

We offer a stable product assortment, which appeals to our customers for their everyday and on-the-job use. The majority of our products represent enduring styles that go beyond short-lived fashion trends. We believe many of our customers purchases are driven by our thoughtful design and high quality craftsmanship, and our best-selling styles tend to be items that carry over year to year with only minor updates. Accordingly, the majority of our product assortment is not subject to typical inventory markdowns and is generally sold at full price across all channels.

We believe the authenticity of our products is driven by a number of factors, including our solution-based design process, use of technical materials, sophisticated manufacturing methods and innovative product features. Our products are sold at competitive prices and are designed to offer superior performance with added features such as underarm panels for more freedom of movement, triple-stitched seams for durability and mid-leg utility pockets for functionality. We also collaborate with our suppliers to develop advanced fabrics that we sell under our trademarks. For example, we incorporate our Duluthflex® Fire Hose® cotton canvas into products to provide strength and abrasion resistance with stretch for freedom of movement.

Product Development

We are focused on developing apparel and gear that builds upon the Duluth Trading brand's product heritage of "there's gotta be a better way," resulting in distinctive products with enhanced features. We primarily use an innovative feedback-based design process through which we actively seek the input of our customers, including a group of more than 100 products testers with expertise in the trades industry. These trades panel members have become an integral part of our product development process, as they test and evaluate select products in intense conditions, providing real-time feedback on performance and functionality. Members of our product development team also regularly read online customer product reviews, attend tradeshows and collaborate with our vendors, which facilitates new product innovation. Our product development team incorporates all of this input to develop new product solutions and features, ensure consistent fit, style and color and design functional and durable fabrics.

We have a long history of product innovation. We have introduced a number of solution-based products, some of which are highlighted in the chart below:

Product	Year Introduced	Problem	Solution
Longtail T® shirt	2002	The infamous, much-feared Plumber's Butt	"Un-plumbering the plumber's butt" with an additional three inches of shirt body length
Fire Hose® pants	2003	Short-lived work pants	Tougher, double-weave fabric that out-toughs and outlasts the rest
Ballroom® jeans	2009	Constricting jeans	A hidden Crouch Gusset® that lets you "crouch without the ouch"
Buck Naked™ underwear	2010	Soggy and restrictive underwear	Fast-drying, odor-fighting underwear—"no pinch, no stink, no sweat"
Duluthflex® clothing	2012	Heavy and restrictive work clothing	30% lighter and more flex with added storage space
Armachillo® shirts	2013	Workwear too hot and heavy for summer	Texas-tested cooling with Made in the Jade™ fabric
Dry on the Fly® pants	2014	Soggy, constraining pants that slow you down	Performance nylon that wicks sweat and goes from wet to dry "in the blink of an eye"
Armachillo® underwear	2015	Steamy boxer briefs	Cooling performance underwear for the hottest days

Marketing

Our marketing strategy is designed to build brand awareness, acquire new customers, enhance customer loyalty and drive sales transactions. We are nationally known for our creative, irreverent and quirky advertising that features our Giant Angry Beaver, Buck Naked Guy and Grab-Happy Grizzly characters to showcase our brand philosophy, humor and innovation. We also feature testimonials in our marketing campaigns, which put our products in context, tying them to the individuals who represent our core customer, who leads hands-on lifestyle, values a job well-done and is often outdoors for work and hobbies. We believe our customers identify with the inspiring stories of real men and women, recognize our products' versatility and appreciate the extreme and demanding conditions our products can withstand.

We pursue our marketing strategy through multiple forms of media, which gives our products an identity and enhances our brand:

- *Television*. We advertise on cable and broadcast television networks to build brand awareness for both men's and women's products and to reach a large, national audience. These advertisements feature our animated characters and are intended to be humorous, irreverent and quirky in order to grab the viewer's attention, while highlighting the particularly innovative, solution-based features of our core products and the Duluth Trading name.
- *Catalogs*. Our catalogs are an important part of our heritage and represent a tangible vehicle for our authentic and humorous storytelling. In fiscal 2014, we published 35 issues and distributed over 43 million catalogs, approximately 19 million of which were mailed to prospective customers. Our catalogs support both sales channels, and we believe serve as an important customer acquisition tool by driving visits to our website and retail stores.
- *Digital and Email Marketing*. We employ a variety of digital and online advertising strategies. These efforts include display advertising, digital video advertising, search engine marketing and optimization and targeted email, which we send to customers to introduce new products and offer promotions on select merchandise.

- *Social Media*. We have an engaged social media community, which allows us to personally connect with our customers online, and we believe further raises brand awareness. We maintain a social media presence on Facebook, Pinterest, YouTube and Twitter. We also maintain a corporate blog: the "Whatchamablog."
- *Radio, Collateral Print and Outdoor Marketing*. We use traditional radio and collateral print advertising, such as newspaper inserts and postcards, and billboards in the areas surrounding our retail stores to build brand awareness, drive traffic to our website and stores, highlight certain promotions and events and support new store openings.
- *Event Sponsorship*. We sponsor both national and local events, including the STIHL TIMBERSPORTS Series, a competition of the world's top lumberjack athletes, which is one of our most prominent sponsorships with a national airing on the ABC television network, and the John Beargrease Sled Dog Marathon, the longest sled dog race in the lower 48 states.

Customer Service

We are committed to providing outstanding customer service and believe in treating our customers like next-door neighbors. For our direct sales, approximately 95% of all customer orders are shipped within 24 hours. Our retail stores are stocked with a comprehensive assortment of our products and staffed with knowledgeable and well trained sales associates. We stand behind all purchases with our unconditional "No Bull Guarantee." Our call center is open 24 hours a day, seven days a week and is staffed with friendly, knowledgeable representatives dedicated to making every customer experience positive.

Manufacturing

We do not own or operate any manufacturing facilities. Instead, we arrange with third-party vendors for the manufacturing of our merchandise. We have built strong, long-term relationships with our vendors, and had an average relationship length of ten years with our top six suppliers in calendar 2014 that supplied approximately 86% of our total purchases. In calendar 2014, 57% of our purchases came from our largest supplier, an agent partner in Hong Kong who manages multiple factories across Asia, including Cambodia, China, Indonesia and Vietnam. Approximately 18% of our purchases in calendar 2014 came from our second largest supplier, which is based in Thailand. We believe sourcing inventory through this agent allows us to leverage the agent's purchasing power with multiple factories, as well as transportation and logistics capabilities, allowing our internal team to focus on our core competencies of product development, storytelling and serving customers, rather than factory, mill management or logistics.

Our sourcing strategy focuses on identifying and employing vendors that provide quality materials and fine craftsmanship that our customers expect of our brand. To ensure that our high standards of quality and timely delivery of merchandise are met, we work closely with our third-party agent partners. All of our products are produced according to our specifications, and we require all of our manufacturers to adhere to strict regulatory compliance and standards of conduct. We seek to ensure the consistent quality by employing Duluth Trading-certified factory auditors to selectively examine pre-production samples, conduct periodic site visits to certain of our vendors' production facilities and inspect inbound shipments at our distribution centers.

Distribution Centers

Our distribution centers are currently located across the United States in order to minimize transit times to our customers. We own and operate a distribution center in Belleville, Wisconsin, which is approximately 115,000 square feet of production and warehouse space. Our Belleville distribution center processes all online and in-store returns, stocks and replenishes products in our retail stores and handles our direct segment distribution needs for the Midwest. In 2014, we opened our first third-party logistics center in Sparks, Nevada for our distribution needs for western states. In September 2015, we opened another third-party logistics center in

Hebron, Kentucky for our distribution needs on the east coast and in the south. Orders are generally assigned to the distribution center closest to the customer's ship-to location. We believe our current distribution network will allow us to substantially improve delivery times to key customer concentrations in the Eastern and Western United States and is well-positioned to provide sufficient capacity to support our planned continued growth for the foreseeable future.

Information Technology

We use technology to provide customer service, business process support and business intelligence across our sales channels. We continually aim to have more efficient supply chain and distribution systems operations. Our Distributed Order Management systems provide us with omnichannel capabilities that have a global view of available-to-promise inventory management and also process direct orders from our retail stores. Our Belleville distribution center implemented a new warehouse management system in July 2015. Our Product Lifecycle Management System, which launched in June 2015, systematically coordinates efforts across our product development teams, allowing these teams to dedicate their time to building and executing solution-based product introductions. Our Vendor Portal is a web-based system that allows us to interface with key partners. We intend to make key technology investments of approximately $4 million to $6 million over the next 18 to 24 months in a new order management system, asset management system, assortment planning system and e-commerce platform that we believe are needed to support the future growth in our direct and retail segments.

Competition

We operate primarily in the apparel, footwear and accessories industry, which is highly competitive. We compete with a diverse group of direct-to-consumer companies and retailers, including men's and women's specialty apparel chains, department stores, outdoor specialty stores, apparel catalog businesses and online apparel businesses. We compete principally on the basis of brand recognition, innovation, product quality, customer service and price. According to IRI, our brand compares favorably to our competitors in the following categories: comfort, useful features, product fit, quality, durability and materials used. We believe this outperformance is a result of our solution-based product development and our high level of focus on maintaining the Duluth Trading brand. To stay ahead of our competition, we continue to develop innovative solution-based products for which we create unique selling propositions that incorporate humor and storytelling.

Intellectual Property

Our trademarks are important to our marketing efforts. We own or have the rights to use certain trademarks, service marks and trade names that are registered with the U.S. Patent and Trademark Office or exist under common law in the United States and other jurisdictions. The "Duluth Trading Co" trade name and trademark is used both in the United States and internationally, and is material to our business. Trademarks that are important in identifying and distinguishing our products and services are Alaskan Hardgear®, Armachillo®, Ballroom®, Bucket Master®, Cab Commander®, Crouch Gusset®, Dry on the Fly®, Duluth Trading Company®, Duluthflex®, Fire Hose®, Longtail T®, No Polo Shirt® and Wild Boar Mocs®. Our rights to some of these trademarks may be limited to select markets. We also own domain names, including "duluthtrading.com."

Properties

The following table sets forth the location, primary use and size of our leased and owned facilities as of August 30, 2015.

Location	Primary Use	Approximate Gross Square Footage	Lease/Owned
Belleville, Wisconsin	Corporate headquarters and distribution center	145,000	Owned
Mt. Horeb, Wisconsin	Innovation center	24,000	Leased
Mt. Horeb, Wisconsin	Flagship store	8,000	Leased
Port Washington, Wisconsin	Store	9,000	Leased
Duluth, Minnesota	Store	17,000	Leased
Bloomington, Minnesota	Store	13,000	Leased
Fridley, Minnesota	Store	15,000	Leased
Ankeny, Iowa	Store	12,000	Leased
Sioux Falls, South Dakota	Store(1)	9,000	Leased
Hoffman Estates, Illinois	Store(1)	14,000	Leased
Belleville, Wisconsin	Outlet store and call center	16,000	Owned
Oshkosh, Wisconsin	Outlet store(1)	9,000	Leased

(1) Leased to open new store.

The leases on our innovation center and retail stores expire at various times, subject to renewal options. We consider these properties to be in good condition and believe that our facilities are adequate for our operations and provide sufficient capacity to meet our anticipated requirements.

Employees

As of August 30, 2015, we employed approximately 265 full-time and 570 part-time and flexible part-time employees, 244 of which were employed at our retail stores. The number of employees, particularly part-time employees, fluctuates depending upon seasonal needs. Our employees are not represented by a labor union and are not party to a collective bargaining agreement. We consider our relations with our employees to be good.

Seasonality

Our business experiences seasonal fluctuations, reflecting increased sales during the holiday shopping season. Our net sales and net income are generally highest in the fourth fiscal quarter, which includes the holiday sales period.

Regulation and Legislation

We are subject to labor and employment laws, truth-in-advertising laws, privacy laws, safety regulations, consumer protection regulations and other laws that regulate retailers and govern the promotion and sale of merchandise and the operation of stores and warehouse facilities. We monitor changes in these laws and believe that we are in material compliance with applicable laws.

Legal Proceedings

From time to time, we are subject to certain legal proceedings and claims in the ordinary course of business. We are not presently party to any legal proceedings the resolution of which we believe would have a material adverse effect on our business, financial condition, operating results or cash flows. We establish reserves for specific legal matters when we determine that the likelihood of an unfavorable outcome is probable and the loss is reasonably estimable.

MANAGEMENT

Executive Officers and Directors

Below is a list of the names, ages, positions and a brief account of the business experience of the individuals who serve as our executive officers and directors as of September 15, 2015.

Name	Age	Position
Stephen L. Schlecht	68	Executive Chairman of the Board and Founder
Stephanie L. Pugliese	45	President, Chief Executive Officer and Director
Mark M. DeOrio	61	Senior Vice President and Chief Financial Officer
Allen L. Dittrich	60	Senior Vice President of Omnichannel Customer Experience and Operations
E. David Coolidge III	72	Director
Francesca M. Edwardson	57	Director
William E. Ferry	74	Director
David C. Finch	49	Director
Thomas G. Folliard	71	Director
C. Roger Lewis	72	Director
Brenda I. Morris	50	Director

Stephen L. Schlecht. Mr. Schlecht is the founder of our Company and has served as Executive Chairman of the Board since February 2012. Mr. Schlecht has served on our board of directors since our founding in 1986. Mr. Schlecht previously served as our Chief Executive Officer from February 2003 to February 2015, as President from February 2003 to February 2012 and as President and Chief Executive Officer of GEMPLER'S, Inc., which he founded in 1986 until February 2003. Mr. Schlecht holds a B.S.B.A. degree and an M.B.A. from Northwestern University. We selected Mr. Schlecht to serve on our board of directors because he is the founder of our Company, has over 45 years of experience in the direct marketing and retail industries and has extensive leadership experience and strategic vision.

Stephanie L. Pugliese. Ms. Pugliese has served as President of the Company since February 2012 and as Chief Executive Officer since February 2015. Ms. Pugliese has previously served as our Chief Operating Officer from February 2014 to February 2015, as our Senior Vice President and Chief Merchandising Officer from July 2010 to February 2012, and as our Vice President of Product Development from November 2008 to July 2010. Ms. Pugliese previously served as a senior executive in several positions with Lands' End, Inc. from November 2005 to October 2008, including General Merchandising Manager of Women's Apparel, Men's Apparel, and the Home Division. She also previously held the position of Vice President of Merchandising at Ann Inc. from March 2000 to May 2003. Ms. Pugliese holds a B.A. degree in marketing from New York University Stern School of Business. Ms. Pugliese has also served on our board of directors since September 2015. We selected Ms. Pugliese to serve on our board of directors because she is a seasoned executive with over 24 years of experience in the retail apparel industry.

Mark M. DeOrio. Mr. DeOrio has been our Chief Financial Officer since August 2010. Mr. DeOrio has previously served as our Senior Vice President of Operations from August 2010 to January 2015. Mr. DeOrio previously held the positions of Chief Financial Officer and Vice President of Operations at eBags, Inc. from November 2004 to December 2009 and Vice President and Chief Financial Officer of Case Logic, Inc. from September 1996 to March 2004. Mr. DeOrio has held multiple senior financial positions during his 39 year career in the consumer products industry, including nine years with KPMG and four years at Huffy Bicycle Company as a divisional head of finance. Mr. DeOrio holds a B.B.A. degree in accounting from the University of Notre Dame, Mendoza School of Business and is a CPA (inactive).

Allen L. Dittrich. Mr. Dittrich has served as our Senior Vice President of Omnichannel Customer Experience and Operations since February 2015. He has previously served as Senior Vice President of Retail at Allen-Edmonds Shoe Corporation from November 2009 until February 2015 and Chief Executive Officer of Retail Associates Ltd. from February 2006 to October 2008. Mr. Dittrich has also previously served as Executive

Vice President and Chief Operating Officer of Gander Mountain from 2003 to August 2005 and Chief Merchandising and Marketing Officer from April 1998 to 2003. Prior thereto, Mr. Dittrich served as a senior executive in several positions with the Department Store Division at Dayton Hudson where he was employed from 1977 to 1998, including Senior Vice President General Merchandising Manager Home and Cosmetics and Senior Vice President General Merchandising Manager of Men's and Children's. Mr. Dittrich also served on our advisory board for fiscal 2014. Mr. Dittrich holds a B.A. degree in Business Administration and Marketing from Winona State University. Mr. Dittrich has held multiple senior executive roles and has over 38 years of experience in the direct marketing and retail industries.

E. David Coolidge III. Mr. Coolidge was appointed to our board of directors in September 2015 and had served on our advisory board since 2001. He is the Vice Chairman of William Blair & Company, L.L.C., a private investment banking and money management firm. In addition to serving as that firm's Chief Executive Officer from 1995 to 2004, he has dedicated his 44-year career to financing and advising high growth companies. Mr. Coolidge holds a B.A. degree from Williams College and an M.B.A. from Harvard Graduate School of Business. We selected Mr. Coolidge to serve on our board of directors given his significant business and leadership experience.

Francesca M. Edwardson. Ms. Edwardson was appointed to our board of directors in September 2015 and has served on our advisory board since July 2015. She has been the Chief Executive Officer of the American Red Cross of Chicago and Northern Illinois, a business unit of the American Red Cross, since 2005. She previously served as Senior Vice President and General Counsel for UAL Corporation, a predecessor company to United Continental Holdings, Inc. She has also been a partner in the law firm of Mayer Brown and the Executive Director of the Illinois Securities Department. Ms. Edwardson has served on the board of directors of J.B. Hunt Transport Services, Inc. since 2011, on the Boards of Trustees for Rush University Medical Center since 2012 and the Lincoln Park Zoo since 2000. Ms. Edwardson holds a B.A. degree in economics and a juris doctor from Loyola University. We selected Ms. Edwardson to serve on our board of directors given her extensive experience as an attorney and membership on the compensation committee of a public company board, which provides her with the ability to share valuable insights into public company reporting, corporate finance, transactional knowledge and operations.

William E. Ferry. Mr. Ferry was appointed to our board of directors in September 2015 and had served on our advisory board since 1992. Mr. Ferry previously served as Vice Chairman at Lands' End from 1996 to 2000 and as President and Chief Executive Officer of Eastern Mountain Sports from 1986 through 1996. Mr. Ferry served as a Trustee of Franklin and Marshall College from 1990 to 1996 and serves as President and Chairman of the Board of Riverview School in Hyannis, Massachusetts. He is an external director of Youngone Holdings Co., Ltd., a manufacturer and seller of outdoor sportswear, backpacks and handbags in South Korea. He has also served on the board of directors of Woolrich, Inc., an outdoor clothing company, from 2000 to 2008 and Marmot Mountain LLC, an outdoor clothing company, from 2000 to 2010. Mr. Ferry holds a B.A. degree in economics from Franklin and Marshall College and master's degree in retail from New York University Stern School of Business. We selected Mr. Ferry to serve on our board of directors because of his extensive board and business experience in the retail and direct-to-consumer industries.

David C. Finch. Mr. Finch was appointed to our board of directors in September 2015 and had served on our advisory board since 2007. Mr. Finch has been the President of Finch Grocery Company, LLC, a private firm for capital investments, board membership and related business activities in the food and consumer products industries, since 2006. Mr. Finch has previously served as the Chief Executive Officer of Rupari Food Services, LLC, a meat products manufacturer, from August 2013 to August 2014 and as Chief Executive Officer of Ryt-Way Industries, LLC, a dry food contract packager in North America, from August 2008 to May 2013. Mr. Finch has served on the board of directors of JonnyPops, LLC, a frozen popsicle business, since March 2015. He previously served on the board of directors of: J&B Group, a food manufacturing and distribution company, from 2008 to 2010; Quality Ingredients Corporation, a spray drying company, from 2002 to 2013; and Foundation for Strategic Sourcing, a non-profit organization that established a forum for CPG marketers, external manufacturers

and secondary packagers. Mr. Finch holds a B.S. degree in economics from Northwestern University and an M.B.A. from the Kellogg School of Northwestern University. We selected Mr. Finch to serve on our board of directors given his significant business and board experience.

Thomas G. Folliard, CPA. Mr. Folliard was appointed to our board of directors in September 2015 and had served on our advisory board since 1996. Mr. Folliard has been the president of Corporate Development Resources, Inc. since 1995. He was previously the former Managing Director and President of Baird Capital Partners, a private equity fund of R.W. Baird & Co. Incorporated. He has also been an advisory board member since 2003 and audit committee chairman since 2007 of Charter Manufacturing Company, Inc. Mr. Folliard holds a B.S. degree in economics from the Wharton School of Business of the University of Pennsylvania and an M.B.A. degree from the University of Chicago. Mr. Folliard is also a CPA licensed in the state of Wisconsin. We selected Mr. Folliard to serve on our board of directors given his significant business, management and corporate governance experience.

C. Roger Lewis. Mr. Lewis was appointed to our board of directors in September 2015 and had served on our advisory board since 2007. Mr. Lewis was the Founder and former Chairman of Hoffman/Lewis, an advertising agency in San Francisco, from 1985 to 2004. Mr. Lewis also previously held the positions of Senior Vice President at Worldwide Marketing ComputerLand, Senior Vice President and Deputy General Manager of J. Walter Thompson from 1978 to 1980 and Category Manager at General Food Corporation from 1970 to 1978. He was previously an adjunct business professor at the University of California-Berkeley from 1989 to 2003. Mr. Lewis is a board member of OBP Products, a private medical device company, and the Chairman of the Board of Friends of Boca Grande Community Center, a non-profit organization. Mr. Lewis holds a B.A. degree from Yale University and an M.B.A. from the University of Virginia. We selected Mr. Lewis to serve on our board of directors due to his in-depth business and operating experience and experience in academia.

Brenda I. Morris. Ms. Morris was appointed to our board of directors in September 2015. Ms. Morris joined Hot Topic, Inc., a specialty retailer, as Senior Vice President, Finance in April 2015 and previously worked as an independent consultant from August 2014 to April 2015. Ms. Morris previously served as Chief Financial Officer for 5.11 Tactical, a tactical gear and apparel wholesaler and retailer, from 2013 to August 2014, as Chief Financial Officer for Love Culture, a young women's fashion retailer, from 2011 to 2013, as Chief Financial Officer for Icicle Seafoods, a premium seafood processor and distributor, from 2009 to 2011. Ms. Morris was also Chief Operating Officer and Chief Financial Officer of iFloor.com from 2007 to 2009, Chief Financial Officer at Zumiez Inc. from 2003 to 2007, Director of Finance and then Vice President/Chief Financial Officer at K2 Corporation from 1999 to 2003. Ms. Morris is also a board member of Boot Barn Holdings, Inc. and has served on the Pacific Lutheran University Board of Regents since 2011. Ms. Morris has served on several non-profit boards in various capacities, including Treasurer, and on an audit committee and a compensation committee. Ms. Morris is a CPA (inactive), Certified Management Accountant (inactive) and Certified Global Management Accountant. Ms. Morris holds a bachelor's degree in business administration with a concentration in accounting from Pacific Lutheran University and an M.B.A. from Seattle University. We selected Ms. Morris to serve on our board of directors because she has over 30 years of experience in finance, accounting and operations roles, with over 20 years in the consumer products, retail and wholesale sectors.

Composition of our Board of Directors

Our amended and restated bylaws provide that the size of our board of directors will be determined from time to time by a majority of the then authorized number of directors, but in no case may be less than one director. The board of directors currently consists of nine directors, seven of whom qualify as independent directors under the rules and regulations of the SEC and the NASDAQ Listing Rules. Independence information relating to certain committees of the board of directors is provided below.

Independence of our Board of Directors and Board Committees

Under the rules of the NASDAQ Stock Market, independent directors must comprise a majority of our board of directors within a specified period of time of this offering. The rules of the NASDAQ Stock Market, as

well as those of the SEC, also impose requirements with respect to the independence of our directors. Our board of directors has evaluated the independence of its members based upon the rules of the NASDAQ Stock Market and the SEC and the transactions referenced under "Certain Relationships and Related Party Transactions." Applying these standards, our board of directors determined that none of the directors who will serve immediately following the completion of this offering, other than Mr. Schlecht and Ms. Pugliese, have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of those directors is "independent" as that term is defined under Rule 5605(a)(2) of the NASDAQ Listing Rules. Mr. Schlecht and Ms. Pugliese are not considered independent because they are, or within the prior three years have been, officers of the Company. Subject to certain permitted phase-in exceptions described below, our board of directors also determined that each director who will serve as a member of the audit and compensation committees following completion of this offering satisfies the independence standards for such committees established by the SEC and the NASDAQ Listing Rules, as applicable.

Board Leadership Structure and the Role of the Board in Risk Oversight

Board Leadership Structure. The board has not adopted a formal policy regarding the separation of the roles of chairman of the board and chief executive officer because the board believes that it is in our best interests to make that determination from time to time based on the position and direction of our organization and the composition of our board. As of the date of this prospectus, the positions of the chairman of the board and the chief executive officer are separated and the individuals serving in those positions remain actively involved, on a full-time basis, in our business. We believe this is appropriate because the board includes a number of seasoned independent directors. In concluding that having Mr. Schlecht serve as Executive Chairman and Ms. Pugliese serve as Chief Executive Officer represents the appropriate structure for us at this time, our board considered the benefits of having the Executive Chairman serve as a bridge between management and our board, ensuring that both groups act with a common purpose. Our board also considered Mr. Schlecht's knowledge regarding our operations and the industry in which we compete and his ability to promote communication, to synchronize activities between our board and our senior management and to provide consistent leadership to both the board and the Company in coordinating our strategic objectives.

Although our amended and restated bylaws do not require the Company to separate the chairman of the board and chief executive officer positions, our board of directors believes it is appropriate for these roles to be separate. Our board also recognizes that depending on the circumstances, other leadership models, such as combining the roles of chairman of the board and chief executive officer, may be appropriate. Accordingly, our board may periodically review its leadership structure.

Role of the Board in Risk Oversight. The board of directors is actively involved in oversight of risks that could affect us. This oversight is conducted in part through committees of the board of directors, but the full board of directors has retained responsibility for general oversight of risks. The board of directors intends to satisfy this responsibility through full reports by each committee regarding its considerations and actions, regular reports directly from officers responsible for oversight of particular risks within the Company as well as through internal and external audits.

Controlled Company

Because Mr. Schlecht controls a majority of our outstanding voting power, we are a "controlled company" under the corporate governance rules of NASDAQ. Therefore, we are not required to have a majority of our board of directors be independent, nor are we required to have a compensation committee or an independent nominating function. In light of our status as a controlled company, our board of directors has determined not to have an independent nominating function and to have the full board of directors be directly responsible for nominating members of our board. Furthermore, while our board of directors has determined to have a compensation committee, Mr. Schlecht will serve as a member of that committee.

Committees of the Board

Our board of directors has established an audit committee and a compensation committee. The composition and responsibilities of each committee are described below. Members serve, and will serve, on committees until their resignation or until otherwise determined by our board. Each of these committees has adopted a written charter that satisfies the applicable standards of the SEC and the NASDAQ Listing Rules, which we will post on the investor relations section of our website upon the completion of this offering.

Audit Committee. Our Audit Committee is comprised of Messrs. Folliard, Ferry and Lewis. Messrs. Folliard and Ferry satisfy the heightened audit committee independence requirements under the NASDAQ Listing Rules and Rule 10A-3 of the Exchange Act. Mr. Lewis is not likely to be deemed independent in connection with his service on the Audit Committee under Rule 10A-3 because he receives compensation for consulting services from us. We are permitted to phase-in our compliance with the independent audit committee member requirements set forth in the NASDAQ Listing Rules and relevant SEC rules as follows: (i) one independent member at the time of listing; (ii) a majority of independent members within 90 days of listing; and (iii) all independent members within one year of listing. Accordingly, we expect that the audit committee will, subject to the phase-in provisions, comply with the applicable independence requirements. We have determined that the fact that our Audit Committee is not entirely made of independent directors does not materially adversely affect the ability of the Audit Committee to act independently and to satisfy the other requirements of the SEC and NASDAQ.

Mr. Folliard is the chairman of our Audit Committee and has been designated as our audit committee financial expert, as that term is defined under SEC rules implementing Section 407 of the Sarbanes-Oxley Act, and possesses the requisite financial sophistication, as defined under the applicable rules and regulations of NASDAQ. The Audit Committee operates under a written charter. Under its charter, our Audit Committee will be responsible for, among other things:

- overseeing accounting and financial reporting process;
- selecting, retaining and replacing independent auditors and evaluating their qualifications, independence and performance;
- reviewing and approving scope of the annual audit and audit fees;
- monitoring rotation of partners of independent auditors on engagement team as required by law;
- discussing with management and independent auditors the results of annual audit and review of quarterly financial statements;
- reviewing adequacy and effectiveness of internal control policies and procedures;
- approving retention of independent auditors to perform any proposed permissible non-audit services;
- overseeing internal audit functions and annually reviewing audit committee charter and committee performance;
- preparing the audit committee report that the SEC requires in our annual proxy statement; and
- reviewing and evaluating the performance of the Audit Committee, including compliance with its charter.

Compensation Committee. The members of the Compensation Committee are Ms. Edwardson, Mr. Schlecht and Ms. Morris. Ms. Edwardson serves as chair of the Compensation Committee. Ms. Edwardson and Ms. Morris are non-employee directors within the meaning of Rule 16b-3 of the rules promulgated under the Exchange Act and outside directors as defined by Section 162(m) of the Code, and both are independent directors as defined by the NASDAQ Listing Rules.

Under its charter, our Compensation Committee will be responsible for, among other things:

- retaining or obtaining the advice of a compensation consultant, legal counsel or other adviser, including ones that are not independent;
- determining cash compensation and cash compensation plans, including incentive compensation, amounts and terms of stock option or other equity awards, and terms of any agreements concerning employment, compensation or employment termination matters;
- reviewing and approving corporate goals and objectives relevant to compensation of our Executive Chairman and Chief Executive Officer and other executive officers and evaluating their performance in light of those goals and objectives;
- monitoring the application of retirement and other fringe benefit plans for the Executive Chairman, Chief Executive Officer and other executive officers, periodically reviewing succession plans for the Executive Chairman, Chief Executive Officer and other executive officers and acting on behalf of the board of directors with respect to welfare plans and employee retirement;
- administering the issuance of stock options and other awards under our 2015 Equity Incentive Plan and any other equity incentive plans;
- reviewing succession plans for our key executive officers;
- establishing, administering and certifying attainment of performance goals in order to comply with Section 162(m) of the Code as the committee deems appropriate;
- periodically reporting to the board of directors regarding the committee's activities; and
- reviewing and evaluating the performance of the compensation committee, including compliance with its charter.

In the event that one or more of the members of the compensation committee are not outside directors, as defined under the Code, we may create a compensation subcommittee, which will be responsible for approving performance-based compensation, if any, as permitted by the committee's charter.

Compensation Committee Interlocks and Insider Participation

None of our executive officers currently serves, or has served during the last year, as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving on our board of directors or compensation committee.

Code of Business Conduct and Ethics

We adopted a Code of Business Conduct and Ethics that applies to all of our employees, officers and directors including those officers responsible for financial reporting. Upon completion of this offering, we will post the Code of Business Conduct and Ethics on the investor relations section of our website. We intend to disclose future amendments to the code or any waivers of its requirements on our website or in filings under the Exchange Act.

EXECUTIVE AND DIRECTOR COMPENSATION

Overview

This section provides compensation information about the following individuals:

- Stephen L. Schlecht, our Executive Chairman
- Stephanie L. Pugliese, our President, Chief Executive Officer and Director
- Mark M. DeOrio, our Chief Financial Officer and Senior Vice President

In the discussion below, we referred to this group of executives as the "named executive officers," which consists of the executive officers for whom disclosure is required under the applicable rules of the SEC. The remainder of this section provides a general summary of our compensation policies and practices and discusses the aggregate compensation we paid to our named executive officers in fiscal 2014.

This discussion may contain forward-looking statements that are based on our current plans, considerations and determinations regarding future compensation programs. Actual compensation programs that we adopt following the completion of this offering may differ materially from the currently planned programs summarized in this discussion.

Executive Compensation

Summary Compensation Table. The following table sets forth information regarding compensation awarded to or earned by our named executive officers for service during the last completed fiscal year:

Name and Principal Positions	Year	Salary ($)	Bonus(1) ($)	Stock Awards(2) ($)	Non-Equity Incentive Plan Compensation(3) ($)	All Other Compensation(4) ($)	Total ($)
Stephen L. Schlecht(5) Executive Chairman	2014	291,531	118,000	—	158,094	1,481	569,106
Stephanie L. Pugliese(6) President and Chief Executive Officer	2014	298,067	105,500	317,724	164,119	319,899(7)	1,205,309
Mark M. DeOrio Chief Financial Officer	2014	242,877	47,500	—	105,572	2,175	398,124

(1) Amounts reflect discretionary bonus paid in fiscal 2015 in connection with 2014 performance.

(2) The amounts in this column represent the full grant date fair values of restricted stock awards granted in fiscal 2014 as computed in accordance with FASB ASC Topic 718 for the applicable fiscal year, disregarding the estimate of forfeitures for service-based vesting conditions. The assumptions used to determine these values are described in Note L to our Consolidated Financial Statements.

(3) Amounts reflect cash bonus award paid to Mr. Schlecht, Ms. Pugliese and Mr. DeOrio in fiscal 2015 under the bonus plan for performance in 2014.

(4) The named executive officers participate in certain group life, health, disability insurance and medical reimbursement plans not disclosed in the Summary Compensation Table, that are generally available to salaried employees and do not discriminate in scope, terms, and operation.

(5) Mr. Schlecht served as Chief Executive Officer until February 2, 2015, when he transitioned to Executive Chairman.

(6) Ms. Pugliese served as President and Chief Operating Officer until February 2, 2015, when she was elected President and Chief Executive Officer.

(7) Includes the payment of additional compensation of $317,724, paid to Ms. Pugliese to cover tax liabilities resulting from her Section 83(b) election in accordance with her Restricted Stock Agreement dated April 1, 2014.

Employment Agreements

We have entered into employment agreements with our named executive officers, each of which has similar provisions. The employment agreements provide that the named executive officers will serve in the following positions: Mr. Schlecht as Executive Chairman, Ms. Pugliese as President and Chief Executive Officer and Mr. DeOrio as Senior Vice President and Chief Financial Officer. Under the employment agreements, we agree to pay a base salary (with an annual opportunity to increase) of $300,000 to Mr. Schlecht, $350,000 to Ms. Pugliese and $260,000 to Mr. DeOrio. The named executive officers are also eligible for participation in the Company's annual incentive bonus plans and grants of equity compensation offered by the Company to its senior executives from time to time. Mr. Schlecht will serve on our board of directors for the duration of his time as Executive Chairman. Thereafter, for so long as Mr. Pugliese remains our President and Chief Executive Officer, she will be nominated to serve as a member of the board of directors.

The named executive officers and/or their family are entitled to participate in all applicable qualified and nonqualified retirement plans, and all applicable welfare benefit plans to the same extent as our other senior executives. Each named executive officer is also entitled to 208 hours of "paid time off" (i.e., sick days, personal days and vacations days) per calendar year (pro-rated for partial years), and was reimbursed each for reasonable legal fees of up to $5,000 incurred in connection with negotiating and drafting of the employment agreements. The named executive officers will also be reimbursed for reasonable out-of-pocket expenses incurred in the course of performing their duties for the Company in accordance with the Company's reimbursement policies for senior executives as in effect from time to time.

Each named executive officer's employment will be terminated under the following circumstances: (i) immediately upon the named executive officer's death or determination of "disability;" (ii) immediately for "cause" subject to the Company giving the named executive officer written notice stating the basis of such termination; (iii) upon his or her voluntary termination other than with "good reason," with 90 days prior notice, or at such other earlier time as may be mutually agreed by the Company and such named executive officer; (iv) immediately by the Company without "cause" upon the Company providing notice to the named executive officer; and (v) his or her termination for "good reason" at which time his or her employment and all the Company's obligations under the agreement will terminate.

If the named executive officer is terminated due to death or "disability," he or she will have the right to receive: (a) any unpaid base salary with respect to the period prior to the effective date of termination, (b) payment of any accrued but unused paid time off, (c) all vested benefits to which he or she is entitled under applicable benefit plans, (d) reimbursement of expenses in accordance with the Company's reimbursement policies (clauses (a)-(d) collectively, the Accrued Obligations), and (e) provided that he or she, or a representative of his or her estate, executes and delivers to us an irrevocable release of all employment-related claims against the Company, a pro-rated annual incentive bonus payment (based on the number of days worked in that fiscal year) for the fiscal year in which termination occurs based on actual performance-based bonus attainments for such fiscal year, payable in a lump sum. If the named executive officer is terminated for "cause" or voluntary terminates his or her employment other than with "good reason," he or she will have no further rights again us, except for the right to receive Accrued Obligations. If a named executive officer's employment is terminated without "cause" or he or she resigns with "good reason," then the named executive officer will have the right to receive the Accrued Obligations and "severance payments," but only for so long as he or she complies with certain confidentiality, non-competition and non-solicitation restrictions for a specified period of time after employment. "Severance payments" means twelve months base salary continuation for Mr. Schlecht and Ms. Pugliese and nine months base salary continuation for Mr. DeOrio. To the extent it does not result in a tax or penalty on the Company, "severance payments" also means reimbursement for the portion of the premiums paid by each named executive officer to obtain COBRA continuation health coverage that equals the Company's subsidy for healthy coverage for active employees (including family coverage, if applicable) for twelve months for Mr. Schlecht and Ms. Pugliese and nine months for Mr. DeOrio, following the termination of such named executive officer. Ms. Pugliese's "severance payments" also includes a "historical bonus payment," which is equivalent to the average annual incentive compensation earned by Ms. Pugliese during the three most

recent fiscal years and payable in a lump sum on or before March 15 of the calendar year following the calendar year of termination. Additionally, the named executive officer's annual incentive bonus and the treatment of his or her equity awards will be governed by the terms of the applicable plans or grant agreements.

Under the employment agreements, we may compute whether there would be any "excess parachute payments" payable to a named executive officer within the meaning of Section 280G of the Code, payable to the named executive officer under his or her employment agreement or any other plan, agreement or otherwise. If there would be any excess parachute payments, we, based on the advice of our legal or tax counsel, will compute the net after-tax proceeds related to such parachute payments, taking into account the excise tax imposed by Section 4999 of the Code, as if (i) such parachute payments were reduced, but not below zero, such that the total parachute payments payable to the named executive officer would not exceed three times the "base amount" as defined in Section 280G of the Code, less one dollar; or (ii) the full amount of such parachute payments were not reduced. If reducing the amount of such parachute payments otherwise payable would result in a greater after-tax amount to the named executive officer, such reduced amount will be paid to him or her and the remainder will be forfeited. If not reducing such parachute payments otherwise payable would result in a greater after-tax amount to the named executive officer, then such parachute payments will not be reduced.

The named executive officers have agreed to certain confidentiality, non-competition and non-solicitation restrictions during the terms of their employment and for the following periods thereafter: 24 months for confidentiality and two years for non-competition and non-solicitation restrictions.

Bonus Plans

In 2014, we maintained a bonus plan whereby employees at the vice president level and above were eligible to receive a bonus equal to a percentage of eligible wages based on the Company's achievement of performance objectives established by our board of directors. The target award for 2014 was based on the Company's achievement of 110% of its budgeted earnings before taxes and bonuses. The target awards established under the plan for Mr. Schlecht and Ms. Pugliese was 50% of their respective eligible wages and for Mr. DeOrio, the target award was 40% of his eligible wages. For 2014, the Company's earnings before taxes and bonuses exceeded 127% of the budgeted earnings before taxes and bonuses and resulted in a payout under the plan equal to 110.6% of the target awards. For 2014, the Company also granted Mr. Schlecht, Ms. Pugliese and Mr. DeOrio a discretionary bonus in addition to the bonus they earned under the bonus plan.

For 2015, we adopted a chairman and chief executive officer plan whereby the Company's chairman and chief executive officer are eligible to receive a bonus equal to a percentage of eligible wages based on the Company's achievement of performance objectives established by our board of directors. The target awards established under the chairman and chief executive offer plan for Mr. Schlecht and Ms. Pugliese are 70% of their respective eligible wages. For 2015, we also adopted a senior vice president bonus plan whereby employees at the senior vice president level are eligible to receive a bonus equal to a percentage of eligible wages based on the Company's achievement of performance objectives established by our board of directors. The target awards established under the plan for Mr. DeOrio and Mr. Dittrich are 40% of their respective eligible wages. Once again, the performance objective for these plans is earnings before taxes and bonuses.

Retirement Benefits

401(k) Plan. The company currently sponsors the Duluth Holdings Inc. 401(k) Profit Sharing Plan, or the 401(k) Plan. The 401(k) Plan is intended to qualify as a tax-qualified plan under Section 401 of the Code so that contributions to the 401(k) Plan and income earned on such contributions are not taxable to participants until withdrawn or distributed from the 401(k) Plan. With certain exceptions, all employees who have attained age 21 are eligible to make elective deferrals to the 401(k) Plan as of the beginning of the calendar quarter following 6 months of service and are eligible to receive matching contributions and/or profit-sharing contributions after their completion of 1,000 hours of service during the plan year and be employed on the last day of the plan year.

Outstanding Equity Awards at Fiscal Year End 2014 Table. The following table sets forth information regarding outstanding equity awards held by each of our named executive officers as of February 1, 2015:

	Stock Awards	
Name	**Number of Shares or Units of Stock that Have Not Vested (#)**	**Market Value of Shares or Units of Stock that Have Not Vested[(1)] ($)**
Stephen L. Schlecht	—	—
Stephanie L. Pugliese	33[(2)]	
	33[(3)]	
Mark M. DeOrio	—	—

(1) The market price for our stock is based on the assumed initial offering price of $ per share, which represents the midpoint price range set forth on the cover of this prospectus.

(2) Restricted stock scheduled to vest on February 2, 2017.

(3) Restricted stock scheduled to vest on February 1, 2019.

Outstanding Restricted Stock

Pugliese Restricted Stock Agreements. On May 1, 2012 and April 1, 2014, we entered into restricted stock agreements with Ms. Pugliese. The agreements have substantially similar terms and each grant Ms. Pugliese 33 restricted shares of Class B common stock, where 33 shares are scheduled to vest on February 2, 2017 and February 1, 2019, respectively. In the event that Ms. Pugliese's employment is terminated for any reason, she will forfeit all unvested stock, which will revert back to us. Ms. Pugliese has the right to vote the shares on certain matters in accordance with the provisions of the Wisconsin Business Corporation Law, or WBCL. In accordance with the agreement, Ms. Pugliese filed an election under Section 83(b) of the Code to be taxed on the fair market value of the shares at the date of the grant. The Company agreed to pay Ms. Pugliese additional compensation to cover her federal and state income tax liability resulting from her Section 83(b) election.

2015 Restricted Stock Grants. On February 2, 2015, we entered into a restricted stock agreement with Ms. Pugliese. Under the agreement, we granted Ms. Pugliese 25 restricted shares of Class B common stock, which are scheduled to vest on February 1, 2020. In the event that Ms. Pugliese's employment is terminated for any reason, she will forfeit all unvested stock, which will revert back to us. Upon a change in control, as defined in the restricted stock agreements, all unvested stock will be fully vested upon such change in control. Ms. Pugliese has the right to vote the shares on certain matters in accordance with the provisions of the WBCL. In accordance with her agreement, Ms. Pugliese filed an election under Section 83(b) of the Code to be taxed on the fair market value of the shares at the date of the grant. The Company agreed to pay Ms. Pugliese additional compensation to cover her income taxes paid in connection with her Section 83(b) election.

Restrictive Covenant Agreements. In connection with our 2015 Restricted Stock Grants, Ms. Pugliese executed a restrictive covenant agreement, under which she agreed to abide by certain confidentiality, non-competition and non-solicitation restrictions during the terms of her employment and for a specified period of time thereafter.

2015 Equity Incentive Plan

In connection with this offering, we will adopt, subject to shareholder approval, the 2015 Equity Incentive Plan of Duluth Holdings Inc., which will become effective after approval by our board of directors and shareholders. The following is a description of the material features and provisions of our 2015 Equity Incentive Plan.

Objectives. Our 2015 Equity Incentive Plan permits us to provide compensation alternatives such as stock options, restricted stock awards, restricted stock unit awards, deferred stock awards and performance share awards, using or based on our Class B common stock.

Administration and Eligibility. The 2015 Equity Incentive Plan will be administered by our compensation committee. The compensation committee will have full power and authority to select the participants to whom awards will be granted, to make any combination of awards to participants and to determine the specific terms and conditions of each award, subject to the provisions of the 2015 Equity Incentive Plan.

Authorized Shares. We have reserved shares of our Class B common stock for the issuance of awards under the 2015 Equity Incentive Plan, which may be treasury stock or authorized but unissued stock. On the first day of the first four fiscal years following this offering, the number of shares reserved for future issuance under the plan will increase by % of the number of outstanding shares of our Class B common stock on the last day of the immediately preceding fiscal year.

Awards. The 2015 Equity Incentive Plan allows awards of options, restricted stock, restricted stock units, deferred stock and performance share units.

Stock options awarded under the 2015 Equity Incentive Plan may not have an exercise price that is less than the fair market value of the Class B common stock on the date of the option grant. The term of each option granted under the 2015 Equity Incentive Plan will not exceed ten years from the date of grant. The compensation committee will determine at what time or times each option may be exercised (provided that in no event may it exceed ten years from the date of grant) and, subject to the provisions of the 2015 Equity Incentive Plan, the period of time, if any, after a participant's death, disability or termination of employment during which options may be exercised.

Restricted stock awards are shares of our Class B common stock that vest in accordance with terms and conditions established by the compensation committee. The compensation committee may impose whatever vesting conditions it determines to be appropriate. Restricted stock that does not vest is subject to forfeiture. Restricted stock unit awards are units entitling the recipient to receive shares of stock upon the lapse of vesting conditions, and subject to such restrictions and other conditions, as the compensation committee shall determine.

Deferred stock is a right entitling the recipient to receive shares of stock paid out on a deferred basis, and subject to such restrictions and conditions, as the compensation committee shall determine.

Performance share units entitle the recipient to receive shares of stock upon the attainment of specified performance goals, and subject to such restrictions and conditions, as the compensation committee shall determine.

Persons holding unexercised options, restricted stock units, deferred stock or performance share units have no rights as shareholders with respect to such options, restricted stock units, deferred stock or performance share units. Except as otherwise provided by the compensation committee, no dividends, distributions or dividend equivalents will be made with respect to options, restricted stock units, deferred stock or performance share units.

The compensation committee will determine the number of shares subject to awards granted to a participant under the 2015 Equity Incentive Plan.

Participants. If the employment of a participant terminates, or service to us by any non-employee participant terminates, other than due to the participants' death or disability or certain terminations following a change of control, all unvested awards held by such participant (except as otherwise provided in the related award agreement) will immediately terminate. Vested option awards, to the extent unexercised, will terminate 90 days after a participant's termination of employment or service and will be exercisable during the 90-day period, unless the award agreement provides otherwise.

If the employment of a participant terminates, or service to us by any non-employee participant terminates, due to death or following a participant's disability, all unvested awards then held by the participant (except as

otherwise provided in the related award agreement) will become vested, and all option awards to the extent vested but unexercised will terminate one year after such termination of employment or service and will be exercisable during the one-year period, unless the award agreement provides otherwise.

Notwithstanding the foregoing, if a participant's termination of employment or services is a termination for cause, as defined in the plan, to the extent any award is not effectively exercised or has not vested prior to such termination, it will lapse or be forfeited immediately upon such termination. In all events, an award will not be exercisable after the end of its term as set forth in the related award agreement.

Plan Amendment or Termination. Our board of directors may, at any time, amend or terminate the plan. However, no amendment or termination may, in the absence of written consent to the change by the affected plan participant, adversely affect the rights of the participant or beneficiary under any award granted under the plan prior to the date such amendment is adopted. In addition, no amendment may increase the number of shares of our Class B common stock that may be delivered pursuant to awards under the plan without the approval of our shareholders, except for certain adjustments as set forth in the plan.

Combinations. In the event of any change in our outstanding Class B common stock by reason of a stock split, stock dividend, combination of shares, recapitalization, merger, consolidation or similar event, the compensation committee shall adjust proportionally the number of Class B common stock shares reserved for future issuance under the plan, the number of shares subject to outstanding awards, and the exercise price applicable to each option. In the event of a merger, consolidation, or reorganization with another corporation where we are not the surviving corporation, or a transaction in which we cease to be publicly traded, the compensation committee shall, subject to the approval of our board or the board of any corporation assuming our obligations, either substitute the award with a similar award from the surviving corporation or cancel the award and pay its value to the participant.

Change in Control. If, within twelve months following the date on which we experience a change in control, a participant's employment terminates without cause, including a voluntary termination of employment for good reason, all unvested awards then held by the participant will become vested, except as otherwise determined by the compensation committee or when an award is subject to a performance goal. When an award is subject to achievement of a performance goal, the achievement of the performance goal will be deemed satisfied at target performance level upon a change in control and the award will continue to vest based upon the time-based service vesting criteria, if any, contained in the award, except as may otherwise be determined by the compensation committee. Furthermore, for awards subject to a performance goal, if, within twelve months following the date on which we experience a change in control, a participant's employment is terminated without cause, including a voluntary termination employment for good reason, then any time-based service vesting criteria will be deemed satisfied upon the termination, except as otherwise determined by the compensation committee.

Director Compensation

During the fiscal year ended February 1, 2015, we paid our non-employee director and advisory board directors a cash retainer of $7,500 and meeting fees of $1,500 per meeting. Additionally, a cash bonus was paid to our non-employee director and advisory board directors based on the attainment of certain performance targets. All of our directors were reimbursed for reasonable travel and other expenses incurred in connection with attending board and committee meetings.

The following table sets forth information concerning compensation paid to our non-employee director and advisory board directors, who now serve on our board of directors, during the year ended February 1, 2015, for their service on our board and advisory board. Directors who are also our employees receive no additional compensation for their service as directors and are not included in the table below.

Name	Fees Earned or Paid in Cash ($)	Non-Equity Incentive Plan Compensation ($)	All Other Compensation(1) ($)	Total ($)
Non-Employee Director:				
Marianne M. Schlecht	12,000	10,000	—	22,000
Advisory Board:				
E. David Coolidge III	12,000	10,000	3,123	25,123
Allen L. Dittrich(2)	9,500	—	4,486	13,986
William E. Ferry	12,000	15,000	4,976	31,976
David C. Finch	12,000	10,000	1,769	23,769
Thomas G. Folliard	12,000	15,000	6,863	33,863
C. Roger Lewis	12,000	20,000	46,737	78,737

(1) Amounts reflect reimbursements of travel expenses for board of directors meetings. In addition, amounts for Messrs. Dittrich, Ferry, Folliard and Lewis reflect consulting-related fees.

(2) As of February 9, 2015, Mr. Dittrich was employed as our Senior Vice President of Omnichannel Customer Experience and Operations. On August 5, 2015, we executed an employment agreement with Mr. Dittrich, where we agreed to pay a base salary (with an annual opportunity to increase) of $275,000. Under the employment agreement, Mr. Dittrich is, amongst other things, eligible for participation in our annual incentive bonus plans.

Changes to Director Compensation

We have adopted a new director compensation policy for our non-employee directors, to become effective upon the consummation of this offering for service for periods beginning on or after the consummation of our initial public offering. Under the director compensation policy, our non-employee directors will receive a $40,000 annual cash retainer. For service on a committee of the board, a non-employee director will receive an additional $5,000 annual cash retainer. In lieu of the annual cash retainer for committee participation, each non-employee director serving as a chair of a board committee shall receive the following annual cash retainer: $15,000 for audit committee chair and $10,000 for compensation committee chair. Each non-employee director will also receive an annual restricted stock grant of $40,000 of Class B common stock under the 2015 Equity Incentive Plan based on the fair market value of the Class B common stock on the date of grant, which will vest on the first anniversary of the date of grant. The first grant of restricted stock under this policy will be made effective upon the consummation of this offering based on the initial public offering price. Future grants are expected to be made in May of each year. Prorated grants will be made for partial years of service.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

The following is a description of transactions, since January 1, 2012, to which we have been a party or will be a party, in which the amount involved exceeded or will exceed $120,000, and in which any of our executive officers or directors, or an affiliate or immediate family member thereof, or 5% shareholder of any class of our common stock, had or will have a direct or indirect material interest, other than compensation, termination and change of control arrangements, which are described under "Executive and Director Compensation—Employment Agreements" and "Executive and Director Compensation—Directors' Compensation."

"S" Corporation Final Distribution

We intend to make a final distribution to shareholders who were shareholders immediately prior to this offering, including some of our directors and officers, resulting from the termination of our "S" corporation status in an amount equal to 100% of our cumulative undistributed taxable income from the date of our formation through , 2015, which we currently estimate to be $51.1 million. The final "S" corporation distribution will include an amount of income based on our expected results of operations for the full 2015 calendar year, which is our 2015 tax year, prorated from January 1, 2015 through the date of our conversion to a "C" corporation. This amount may change based on our actual results of operations for the 2015 calendar year. We intend to use a portion of the net proceeds from this offering to repay borrowings under a short-term note in the aggregate principal amount of $46.3 million which we intend to use to fund part of this final distribution, and we intend to fund the balance of this final distribution with our cash on hand, our revolving line of credit or the net proceeds of this offering, as described under "Use of Proceeds." Amounts payable to each director and executive officer who is shareholder and their respective related trusts and are as follows:

Shareholder	Distribution
E. David Coolidge III Annuity Trust	$
Mark M. DeOrio	$
Allen L. Dittrich	$
David C. Finch	$
Thomas G. Folliard	$
Julia Scott Ferry Revocable Trust	$
C. Roger Lewis	$
Stephanie L. Pugliese	$
Stephen L. Schlecht	$
Stephen L. Schlecht and Marianne M. Schlecht Descendants Trust	$
William E. Ferry Irrevocable Trust of 2013	$
William E. Ferry Revocable Trust	$

Tax Indemnification Agreement

Prior to or upon the completion of this offering, we intend to enter into a tax indemnification agreement with all of our existing shareholders, including each of the individuals and trusts in the table above. Pursuant to such tax indemnification agreement, we will agree to indemnify and hold harmless each such shareholder on an after-tax basis against additional income taxes, plus interest and penalties resulting from adjustments made, as a result of a final determination made by a competent tax authority, to the taxable income we reported as an "S" corporation. Such agreement will also provide that we shall indemnify such shareholders against any reasonable and documented out-of-pocket expenses arising out of a claim for such tax liability.

Leasing Arrangements

We lease approximately 23,794 square feet for our Innovation Center located at 100 First Street, Mt. Horeb, Wisconsin, from Schlecht Retail Ventures LLC, the sole members of which Stephen L. Schlecht and his wife, Marianne M. Schlecht. This lease began October 1, 2014 and expires September 30, 2017, with multiple options

to renew thereafter. The lease provides for an initial base monthly lease payment of $19,167. Prior to signing the lease, local real estate brokers were consulted regarding this property. They indicated the terms of this lease were similar to market standards, and, therefore, we believe the terms of this lease are reasonable and are not materially different than terms we would have obtained from an unaffiliated third party.

On January 23, 2012, we entered into a lease for approximately 9,984 square feet of office and retail space located at 108 North Franklin Street, Port Washington, Wisconsin, with LDC-728 Milwaukee, LLC, or LDC-728, an unaffiliated third party, which provided for an initial base monthly lease payment of $0 for the first eight months of the lease, or the Free Rent. On January 31, 2013, we entered into the first amendment to the lease with Scott Welsh, as receiver for LDC-728, which provided that we were entitled to the Free Rent, and because the completion of LDC-728's initial work and subsequent work was delayed, we were entitled to 380 days of abatement of our monthly base rent, following which, starting on October 7, 2013, our monthly base rent was $8,555. On December 27, 2013, Gold MIL Franklin Holdings, LLC, who obtained our lease through a sheriff's sale after LDC-728 went into receivership, assigned our lease to Schlecht Port Washington LLC, the sole members of which are Mr. and Mrs. Schlecht. Accordingly, we entered into the second amendment to the lease with Schlecht Port Washington LLC, our new landlord, which provided that starting January 1, 2014, our monthly base rent was $10,608 and increased annually according to the schedule provided in the lease. As of August 2, 2015, our monthly base rent was $10,820. The terms of our lease were obtained from an unaffiliated third party and there have been no material changes to the lease, except as described in this paragraph, and, as such, the increases in rent are in accordance with the terms of the lease entered into with LDC-728.

We also lease approximately 7,710 square feet building and the surrounding land for our flagship store located at 100 West Main Street, Mt. Horeb, Wisconsin, from Schlecht Retail Ventures LLC, the sole members of which are Mr. and Mrs. Schlecht. This lease began February 14, 2010 and expires February 28, 2025. The lease provides for an initial base monthly lease payment of $5,025 through February 28, 2013, and began increasing by 3.0% every three years on March 1, 2013. As of August 2, 2015, our monthly lease payment was $5,176. Prior to signing the lease, local real estate brokers were consulted regarding this property. They indicated the terms of this lease were similar to market standards, and, therefore, we believe the terms of this lease are reasonable and are not materially different than terms we would have obtained from an unaffiliated third party.

The aggregate amount of all periodic payments due after our last fiscal year February 1, 2015 are as follows:

	Payments Due by Periods as of February 1, 2015				
(in thousands)	**Total**	**Less Than 1 Year**	**1-2 Years**	**3-5 Years**	**More than 5 Years**
Innovation center, 100 First Street, Mt. Horeb, WI	$ 613	$ 230	$ 383	$ —	$ —
Office and retail space, 108 North Franklin Street, Port Washington, WI	1,245	119	268	279	579
Retail space, 100 West Main Street, Mt. Horeb, WI	661	62	128	196	275
	$2,519	$ 411	$ 779	$ 475	$ 854

Acquisition of Headquarters and Distribution Center and Call Center. In May 2014, we acquired our headquarters and distribution center in Belleville, Wisconsin from Schlecht Enterprises LLC, an entity owned by Mr. and Mrs. Schlecht, and our call center in Belleville, Wisconsin from Schlecht Retail Ventures LLC, an entity owned by Mr. and Mrs. Schlecht, for an aggregate purchase price of $6,040,300. In payment of the purchase price, we assumed a mortgage note executed by Schlecht Enterprises LLC in favor of BMO Harris Bank N.A., formerly known as Harris N.A., and entered into an interest rate swap liability that replaced the interest rate swap liability to which this entity was a party. The mortgage note had a principal balance of $3,440,600 on the date it was assumed, expires in March 2017 and requires monthly payments of $11,900 plus interest at a rate equal to the one-month LIBOR rate plus 1.75 percentage points, with a final balloon payment due in March 2017. The
estimated value of each interest rate swap liability was $47,600 on the date of acquisition. We paid the $2,599,700 balance of the purchase price in cash.

Lease of Headquarters and Distribution Center. Prior to our acquisition of our headquarters and distribution center, we leased this facility from Schlecht Enterprises LLC. The lease began June 5, 1997 and was terminated in connection with the acquisition of the property. The lease provided for a rental rate of $629,952 per year beginning in July 2007. We paid rent for this facility of $629,952, $629,952 and $191,536 in fiscal 2012, fiscal 2013 and fiscal 2014, respectively.

Lease of Call Center. Prior to our acquisition of our call center, we leased this facility from Schlecht Retail Ventures LLC. The lease began November 1, 2011 and was terminated in connection with our acquisition of the property. The lease provided for an initial base annual lease payment of $132,000. We paid rent under this lease of $132,000, $132,000 and $40,097 in fiscal 2012, fiscal 2013 and fiscal 2014, respectively.

Guarantee of Company Indebtedness

On June 11, 2011, Schlecht Retail Ventures LLC, an entity owned by Mr. and Mrs. Schlecht, guaranteed an amended and restated term note executed by us and our subsidiary in favor of Harris N.A. in the principal amount of $684,960. We paid the amended and restated term note in full in August 2013 and the guaranty was terminated.

Other Transactions

Richard W. Schlecht, the son of Stephen L. Schlecht, received compensation of approximately $138,000 and $193,000 in fiscal 2013 and fiscal 2014, respectively, in his capacity as Director of Product Development. Richard W. Schlecht's compensation did not exceed $120,000 in fiscal 2012. Since the beginning of our last fiscal year, there have been no other transactions and there are no currently proposed transactions in which we were or are to be a participant and the amount involved exceeds $120,000, and in which any of our executive officers or directors had or will have a direct or indirect material interest.

Policies and Procedures for Related-Party Transactions

Our board of directors intends to adopt a written related person transaction policy, to be effective upon the consummation of this offering, regarding transactions with related persons. This policy will require that a "related person" (as defined in paragraph (a) of Item 404 of Regulation S-K) must promptly disclose to our any "related party transaction" (defined as any transaction that we anticipate would be reportable by us under Item 404(a) of Regulation S-K in which we were or are to be a participant, the amount involved exceeds $120,000 and a related person had or will have a direct or indirect material interest) and all material facts with respect thereto. The will then promptly communicate that information to our Audit Committee. No related person transaction will be executed without the approval or ratification of our Audit Committee. It is our policy that directors interested in a related person transaction will recuse themselves from any vote on a related person transaction in which they have an interest.

PRINCIPAL SHAREHOLDERS

The following table sets forth certain information with respect to the beneficial ownership of our Class A and Class B common stock as of August 30, 2015, (1) immediately prior to the consummation of this offering (without giving effect to the one-for- stock split we intend to effectuate immediately prior to the effectiveness of the registration statement of which this prospectus forms a part) and (2) as adjusted to reflect the sale of shares of our Class B common stock offered by this prospectus, for:

- each shareholder known by us to be the beneficial owner of more than 5% of our capital stock;
- each of our directors;
- each of our named executive officers; and
- all of our directors and officers as a group.

We have determined beneficial ownership in accordance with the rules of the Securities and Exchange Commission. Under these rules, beneficial ownership includes any shares as to which the individual or entity has sole or shared voting power or investment power. There are no shares of common stock subject to options or other rights outstanding as of the date of this prospectus. Except as indicated by the footnotes below, we believe, based on the information furnished to us, that persons and entities named in the table below have sole voting and investment power with respect to all the capital stock that they beneficially own, subject to applicable community property laws.

Certain of our directors, officers, existing shareholders and affiliates have indicated an interest in purchasing shares of our Class B common stock in this offering at the initial public offering price. We have requested that the underwriters allocate Class B shares in this offering to these investors. It is not currently anticipated that the aggregate purchase price of the Class B shares to be purchased by these investors in this offering will exceed . However, because indications of interest are not binding or commitments to purchase, these persons or entities may determine to purchase fewer Class B shares than they have indicated an interest in purchasing or not purchase any Class B shares in this offering. The information set forth in the table below does not reflect any potential purchase of any Class B shares in this offering by such parties.

Applicable percentage ownership is based on 970 shares of Class A common stock outstanding and 5,618 shares of Class B common stock outstanding as of August 30, 2015. Unless otherwise indicated, the address of each beneficial owner in the table is: Duluth Holdings Inc., P.O. Box 409,170 Countryside Drive, Belleville, Wisconsin 53508.

	Beneficial Ownership of Common Stock Prior to the Completion of this Offering(1)				% of Total Voting Power Prior to this Offering	Beneficial Ownership of Common Stock After the Completion of this Offering(1)				% of Total Voting Power After this Offering
	Class A		Class B			Class A		Class B		
	Shares	%	Shares	%		Shares	%	Shares	%	
5% Shareholders:										
Stephen L .Schlecht and Marianne M. Schlecht Descendants Trust(1)	—	—	2,149	38.3%	14.0%					
Named Executive Officers and Directors:										
Stephen L. Schlecht	900	92.8%	2,351	41.8%	74.1%					
Stephanie L. Pugliese(2)	—	—	190	3.4%	1.2%					
Mark M. DeOrio	—	—	66	1.2%	*					
E. David Coolidge III(3)	24	2.5%	132	2.3%	2.4%					
Francesca M. Edwardson	—	—	—	—	—					
William E. Ferry(4)	15	1.5%	153	2.7%	2.0%					
Thomas G. Folliard	—	—	10	*	*					
David Finch	—	—	10	*	*					
C. Roger Lewis	—	—	10	*	*					
Brenda I. Morris	—	—	—	—	—					
All Executive Officers and Directors as a Group (11)	939	96.8%	2,988	53.2%	80.8%					

* Represents beneficial ownership of less than 1.00% of the outstanding shares of common stock.

(1) John A. Dickens and Thomas W. Wenstrand are co-trustees of the Stephen L. Schlecht and Marianne M. Schlecht Descendants Trust established January 8, 2002 and as such have shared voting and dispositive power over these shares of Class B common stock. The address of the trust is c/o Godfrey & Kahn, S.C., 780 North Water Street, Milwaukee, WI 53202.

(2) Includes 91 shares of restricted stock, 33 of which were granted on May 1, 2012 and will vest on February 2, 2017, 33 of which were granted on April 1, 2014 and will vest on February 1, 2019, and 25 of which were granted on February 2, 2015 and will vest on February 1, 2020.

(3) Shares are held in trust for the benefit of his children for which Mr. Coolidge serves as sole trustee. Mr. Coolidge is the Vice Chairman of William Blair & Company, L.L.C. The address of Mr. Coolidge is c/o William Blair & Company, L.L.C., 222 West Adams Street, Chicago, IL 60606.

(4) Includes: 5 shares of Class A common stock and 25 shares of Class B common stock held in a trust for the benefit of Mr. Ferry's spouse and their children for which Mr. Ferry serves as sole trustee; 10 shares of Class A common stock and 44 shares of Class B common stock held in a trust for the benefit of Mr. Ferry and their children for which Mr. Ferry's spouse serves as sole trustee; and 84 shares of Class B common stock held in a trust for the benefit of Mr. Ferry's spouse and their children for which Mr. Ferry's spouse serves as sole trustee.

DESCRIPTION OF CAPITAL STOCK

General

As of the closing of this offering, our authorized capital stock will consist of shares of common stock, no par value. Our common stock will be divided into two classes, Class A common stock and Class B common stock. Following this offering, our authorized Class A common stock will consist of shares and our authorized Class B common stock will consist of shares.

"S" Corporation Conversion

We intend to make a final distribution to shareholders who were shareholders immediately prior to this offering, including some of our directors and officers, resulting from the termination of our "S" corporation status in an amount equal to 100% of our cumulative undistributed taxable income from the date of our formation through , 2015, which we currently estimate to be $51.1 million. The final "S" corporation distribution will include an amount of income based on our expected results of operations for the full 2015 calendar year, which is our 2015 tax year, prorated from January 1, 2015 through the date of our conversion to a "C" corporation. This amount may change based on our actual results of operations for the 2015 calendar year. We intend to use a portion of the net proceeds from this offering to repay borrowings under a short-term note in the aggregate principal amount of $46.3 million which we intend to use to fund part of this final distribution, and we intend to fund the balance of this final distribution with our cash on hand, our revolving line of credit or the net proceeds of this offering, as described under "Use of Proceeds." In connection with this offering, we will convert into a "C" corporation.

Stock Split

Immediately prior to the completion of this offering, we intend to effectuate a one-for- stock split of our Class A common stock and Class B common stock.

Class A Common Stock and Class B Common Stock

Except as otherwise expressly provided in our amended and restated articles of incorporation or as required by applicable law, the rights of holders of Class A common stock and Class B common stock are identical, except for voting and conversion rights.

The following description of our capital stock and provisions of our amended and restated articles of incorporation and amended and restated bylaws are summaries and are qualified by reference to the amended and restated articles of incorporation and amended and restated bylaws that will become effective prior to the closing of this offering. Copies of these documents will be filed with the SEC as exhibits to our registration statement, of which this prospectus forms a part. The description of our capital stock reflects changes to our capital structure that will occur upon the closing of this offering.

As of August 30, 2015, there were 970 shares of our Class A common stock outstanding and held of record by six shareholders, and 5,618 shares of Class B common stock outstanding and held of record by 26 shareholders.

Voting Rights. Holders of our Class A common stock and Class B common stock have identical rights, except for voting and conversion rights. Except as otherwise expressly provided in our amended and restated articles of incorporation or required by applicable law, on any matter that is submitted to a vote of our shareholders, holders of our Class A common stock are entitled to ten votes per share of Class A common stock and holders of our Class B common stock are entitled to one vote per share of Class B common stock. Except as required by applicable law, holders of shares of Class A common stock and Class B common stock will vote together as a single class on all matters (including the election of directors) submitted to a vote of shareholders.

Upon the completion of this offering, under our amended and restated articles of incorporation, we may not increase or decrease the authorized number of shares of Class A common stock or Class B common stock without the affirmative vote of the holders of a majority of the voting power of the outstanding shares of our capital stock entitled to vote, voting together as a single class. In addition, we may not issue any shares of Class A common stock (other than in connection with a reclassification or dividend), unless such issuance is approved by the affirmative vote of the holders of a majority of the outstanding shares of Class A common stock.

We have not provided for cumulative voting for the election of directors in our amended and restated articles of incorporation. Furthermore, we have elected not to preserve certain supermajority and class voting requirements that would otherwise, or that we could elect to apply, to shares of our common stock under the WBCL because such common stock was authorized or issued prior to 1991.

Conversion Rights. Each share of Class A common stock is convertible at any time at the option of the holder into one share of Class B common stock. In addition, each share of Class A common stock will automatically without any further action, convert into one fully paid and nonassessable share of Class B common stock as follows: (i) at such date and time, or upon the occurrence of any event, specified by affirmative vote of holders of at least 66 2/3% of the outstanding shares of Class A common stock, voting as a single voting group; and (ii) upon any transfer, whether or not for value, except for certain transfers described in our amended and restated articles of incorporation, including transfers to family members, trusts solely for the benefit of the shareholder or his or her family members, partnerships, corporations and other entities exclusively owned by the shareholder or his or her family members and certain transfers to organizations that are exempt from taxation under Section 501(c)(3) of the Code. Once converted or transferred and converted into shares of Class B common stock, the Class A common stock will not be reissued.

Dividends. Any dividend or distributions paid or payable to the holders of shares of Class A common stock and Class B common stock shall be paid pro rata, on an equal priority, *pari passu* basis, unless different treatment of the shares of each such class is approved by the affirmative vote of the holders of a majority of the outstanding shares of Class A common stock and Class B common stock, each voting separately as a class; provided, however, that if a dividend or distribution is paid in the form of Class A common stock or Class B common stock (or rights to acquire shares of Class A common stock or Class B common stock), then the holders of the Class A common stock shall receive Class A common stock (or rights to acquire shares of Class A common stock) and holders of Class B common stock shall receive Class B common stock (or rights to acquire shares of Class B common stock).

Subdivisions and Combinations. If we subdivide or combine in any manner outstanding shares of Class A common stock or Class B common stock, the outstanding shares of all common stock will be subdivided or combined in the same proportion and manner.

Our Class B common stock is not convertible into any of the shares of our capital stock.

Preferred Stock

Upon the completion of our initial public offering, no shares of preferred stock will be outstanding, but we will be authorized, subject to limitations prescribed by Wisconsin law, to issue up to shares of preferred stock in one or more series, to establish from time to time the number of shares to be included in each series and to fix the designation, powers, preferences and rights of the shares of each series and any of its qualifications, limitations or restrictions. Our board of directors can increase or decrease the number of shares of any series, but not below the number of shares of that series then outstanding, without any further vote or action by our shareholders. Our board of directors may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of the common stock. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring or preventing a change in

control of our company and may adversely affect the market price of our common stock and the voting and other rights of the holders of our common stock. We have no current plan to issue any shares of preferred stock.

Transfer Agent

The transfer agent and registrar for our Class A common stock and Class B common stock is Computershare Trust Company, N.A..

NASDAQ Global Select Market

We have applied to have our Class B common stock listed on the NASDAQ Global Select Market under the trading symbol “DLTH.”

Anti-Takeover Effect of Governing Documents and Applicable Law

So long as the outstanding shares of our Class A common stock represent a majority of the combined voting power of common stock, Stephen L. Schlecht will effectively control all matters submitted to our shareholders for a vote, as well as the overall management and direction of our company, which will have the effect of delaying, deferring or discouraging another person from acquiring control of our company.

After such time as the shares of our Class A common stock no longer represent a majority of the combined voting power of our common stock, the provisions of Wisconsin law, our amended and restated articles of incorporation and our amended and restated bylaws may have the effect of delaying, deferring or discouraging another person from acquiring control of our company.

Certain provisions of our amended and restated articles of incorporation and bylaws and of the WBCL discussed below may delay or make more difficult acquisitions or changes of control of the Company following the time after which we are no longer a controlled company unless they are approved by the board of directors. These provisions could have the effect of discouraging third parties from making proposals which shareholders may otherwise consider to be in their best interests. These provisions may also make it more difficult for third parties to replace our board of directors.

Management of the Company may consider proposing additional provisions, either by way of amendments to our amended and restated articles of incorporation or bylaws, or otherwise, for adoption at a shareholders’ meeting, which could contain further limitations on unsolicited takeover attempts. The Company presently has no proposals under consideration for additional antitakeover provisions.

Articles of Incorporation and Bylaws to Be in Effect upon the Completion of this Offering

Our amended and restated articles of incorporated and our amended and restated bylaws will include a number of provisions that may have the effect of deterring hostile takeovers or delaying or preventing changes in control of our company, even after such time as the shares of our Class A common stock no longer represent a majority of the combined voting power of our common stock, including the follows:

- *Dual Class Stock.* As described above in “Class A Common Stock and Class B Common Stock—Voting Rights,” our amended and restated articles of incorporation provides for a dual class common stock structure, which provides Stephen L. Schlecht, our founder and Executive Chairman of the board, with the ability to control the outcome of matters requiring shareholder approval, even if he owns significantly less than a majority of the shares of our outstanding Class A and Class B common stock, including the election of directors and significant corporate transactions, such as a merger or other sale of our company or its assets.

- *Separate Class A Common Stock Vote for Certain Transactions*. Until the first date on which the outstanding shares of our Class A common stock represent less than 35% of the combined voting power of our common stock, any transaction that would result in a change in control of our company will require the approval of a majority of our outstanding Class A common stock voting as a separate class. This provision could delay or prevent the approval of a change in control that might otherwise be approved by a majority of outstanding shares of our Class A common stock and Class B common stock voting together on a combined basis.
- *Blank-Check Preferred Stock*. The authorization of undesignated preferred stock makes it possible for our board of directors to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to effect a change of control of our company.
- *Advance Notice Requirements for Shareholder Proposals and Director Nominations*. Our amended and restated bylaws provide advance notice procedures for shareholders seeking to bring business before the annual meeting of shareholders or to nominate candidates for election as directors at any meeting of the shareholders. Our amended and restated bylaws also specify certain requirements regarding the form and content of a shareholder's notice. These provisions may preclude our shareholders from bringing matters before our annual meeting of shareholders or from making nominations for directors at our meetings of shareholders.

Anti-Takeover Provisions of Wisconsin Business Corporation Law

Wisconsin Business Combination Statutes. We are subject to Sections 180.1140 to 180.1144 of the WBCL, which prohibit a Wisconsin corporation from engaging in a "business combination" with an interested stockholder for a period of three years following the interested stockholder's stock acquisition date, unless before such date, the board of directors of the corporation approved either the business combination or the purchase of stock made by the interested stockholder on that stock acquisition date.

We may engage in a business combination with an interested shareholder after the expiration of the three-year period with respect to such shareholder only if one or more of the following is satisfied:

- our board of directors approved the acquisition of stock before such shareholder's acquisition date;
- the business combination is approved by a majority of the outstanding voting stock not beneficially owned by such shareholder; or
- the consideration to be received by shareholders meets certain fair price requirements of the statute with respect to form and amount.

Section 180.1140 defines a business combination between a "resident domestic corporation" and an "interested stockholder" to include the following:

- a merger or share exchange with an interested stockholder or a corporation that is, or after the merger or share exchange would be, an affiliate or associate of an interested stockholder;
- a sale, lease, exchange, mortgage, pledge, transfer or other disposition of assets to or with an interested shareholder or affiliate or associate of an interested shareholder equal to 5% or more of the aggregate market value of the assets or outstanding stock of the resident domestic corporation or 10% of its earning power or income;
- the issuance or transfer of stock or rights to purchase stock with an aggregate market value equal to 5% or more of the outstanding stock of the resident domestic corporation; and
- certain other transactions involving an interested stockholder.

Section 180.1140(8)(a) of the WBCL defines an "interested stockholder" as a person who beneficially owns, directly or indirectly, at least 10% of the voting power of the outstanding voting stock of a resident domestic corporation or who is an affiliate or associate of the resident domestic corporation and beneficially owned at least 10% of the voting power of the then outstanding voting stock within the last three years. Stephen L. Schlecht and the Stephen L. Schlecht and Marianne M. Schlecht Descendants Trust are considered to be "interested stockholders" pursuant to this provision under the WBCL.

Section 180.1140(9)(a) defines a "resident domestic corporation" as a Wisconsin corporation that, as of the relevant date, satisfies any of the following: (i) its principal offices are located in Wisconsin, (ii) it has significant business operations located in Wisconsin, (iii) more than 10% of the holders of record of its shares are residents of Wisconsin or (iv) more than 10% of its shares are held of record by residents in Wisconsin. Following the closing of this offering we will be a resident domestic corporation for purposes of these statutory provisions.

Wisconsin Fair Price Statute. Sections 180.1130 to 180.1133 of the WBCL provide that certain mergers, share exchanges or sales, leases, exchanges or other dispositions of assets in a transaction involving a "significant shareholder" require a supermajority vote of shareholders in addition to any approval otherwise required, unless shareholders receive a fair price for their shares that satisfies a statutory formula. A "significant shareholder" for this purpose is defined as a person or group who beneficially owns, directly or indirectly, 10% or more of the voting stock of the corporation, or is an affiliate of the corporation and beneficially owned, directly or indirectly, 10% or more of the voting stock of the corporation within the last two years. Any business combination to which the statute applies must be approved by 80% of the voting power of the corporation's stock and at least two-thirds of the voting power of the corporation's stock not beneficially owned by the significant shareholder who is a party to the relevant transaction or any of its affiliates or associates, in each case voting together as a single group, unless the following standards have been met:

- the aggregate value of the per share consideration is at least equal to the highest of:
    - the highest per share price paid for any shares of the same class of common stock of the corporation by the significant shareholder either in the transaction in which it became a significant shareholder or within two years before the date of the business combination, whichever is higher;
    - the market value per share of the same class of the corporation's common stock on the date of commencement of any tender offer by the significant shareholder, the date on which the person became a significant shareholder or the date of the first public announcement of the proposed business combination, whichever is higher; or
    - the highest preferential amount per share of the same class or series of common stock in a liquidation or dissolution to which holders of the shares would be entitled; and
- either cash, or the form of consideration used by the significant shareholder to acquire the largest number of shares, is offered.

We have elected not to be subject to Sections 180.1130 to 180.1133 of the WBCL.

Wisconsin Control Share Voting Restrictions Statute. Pursuant to Section 180.1150 of the WBCL, unless otherwise provided in the articles of incorporation or otherwise specified by the board of directors, the voting power of shares of a resident domestic corporation held by any person, including shares issuable upon conversion of convertible securities or upon exercise of options or warrants, in excess of 20% of the voting power in the election of directors is limited to 10% of the full voting power of those shares. Our articles provide this statute will not apply to the shares of common stock held by qualified Class A holders, including Mr. Schlecht.

Wisconsin Defensive Action Restrictions. Section 180.1134 of the WBCL provides that, in addition to the vote otherwise required by law or the articles of incorporation of a resident domestic corporation, the approval of the holders of a majority of the shares entitled to vote on the proposal is required before such corporation can

take certain actions while a takeover offer is being made or after a takeover offer has been publicly announced and before it is concluded. This statute requires shareholder approval for the corporation to do either of the following: (i) acquire more than 5% of its outstanding voting shares at a price above the market value from any individual or organization that owns more than 3% of the outstanding voting shares and has held such shares for less than two years, unless an equal offer is made to acquire all voting shares and all securities that may be converted into voting shares; or (ii) sell or option assets of the resident domestic corporation that amount to 10% or more of the market value of the resident domestic corporation, unless the corporation has at least three independent directors (directors who are not officers or employees) and a majority of the independent directors vote not to have this provision apply to the resident domestic corporation.

Prior to the completion of this offering, we will have more than three independent directors.

Constituency or Stakeholder Provision. Pursuant to Section 180.0827 of the WBCL, in discharging his or her duties to us and in determining what he or she believes to be in our best interests, a director or officer may, in addition to considering the effects of any action on shareholders, consider the effects of the action on employees, suppliers, customers, the communities in which we operate and any other factors that the director or officer considers pertinent.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there was no public market for shares of our common stock. Future sales of substantial amounts of Class B common stock in the public market, or the perception that such sales may occur, could adversely affect the market price of our Class B common stock and could impair our future ability to raise capital through the sale of our equity or equity-related securities at a time and price we deem appropriate or reasonable. Although we have applied to have our Class B common stock listed on the NASDAQ Global Select Market, we cannot assure you that there will be an active public market for our Class B common stock. See "Risk Factors—Risks Related to this Offering and Ownership of our Class B Common Stock."

Upon completion of this offering, we will have outstanding an aggregate of shares of common stock, including shares of Class A common stock and shares of Class B common stock (or shares of common stock, including shares of Class A common stock and shares of Class B common stock if the underwriters exercise in full their option to purchase additional shares). All of the shares being sold in this offering will be freely tradable without registration under the Securities Act and without restriction, except for any such shares which may be held or acquired by an "affiliate" of ours, as that term is defined in Rule 144 promulgated under the Securities Act, which shares will be subject to the volume limitations and other restrictions of Rule 144 described below and shares acquired by our directors, officers and existing shareholders under the directed share program. The shares of Class A common stock and the remaining shares of Class B common stock will be "restricted securities," as defined in Rule 144. Restricted securities may be resold only after registration under the Securities Act or pursuant to an exemption from such registration, including, among others, the exemption provided by Rule 144 under the Securities Act, which is summarized below. These remaining shares of Class B common stock will be available for sale in the public market after the expiration of the lock-up agreements described in "Underwriting," taking into account the provisions of Rule 144 under the Securities Act.

Each share of Class A common stock will be convertible at any time, at the option of the holder, into one share of Class B common stock. Each share of Class A common stock shall convert automatically into one share of Class B common stock upon a vote by 66 2/3% of the holders of Class A common stock, death or disability and transfer, in each case with limited exceptions. Any shares of Class B common stock issued upon conversion of the Class A common stock will also be available for sale in the public market after the expiration of the lock-up agreements described in "Underwriting," taking into account the provisions of Rule 144 under the Securities Act.

Lock-Up Agreements

Our directors, executive officers and other shareholders have entered into lock-up agreements under which they have generally agreed not to sell or otherwise transfer their shares for a period of 180 days after the date of the underwriting agreement. For additional information, see "Underwriting—Lock-Up Agreements." As a result of these contractual restrictions, shares of our Class B common stock subject to lock-up agreements will not be eligible for sale until these agreements expire or the underwriters waive or release the shares of our Class B common stock from these restrictions. Following the lock-up period, all such shares of our Class B common stock will be eligible for resale in the U.S. only if they are registered for resale under the Securities Act or an exemption from registration, such as Rule 144, is available.

Rule 144

All shares of our Class B common stock held by our "affiliates," as that term is defined in Rule 144 under the Securities Act, generally may be sold in the public market only in compliance with Rule 144. Rule 144 defines an affiliate as any person who directly or indirectly controls, or is controlled by, or is under common control with, the issuer, which generally includes our directors, executive officers, 10% shareholders and certain other related persons. Upon closing of this offering, we expect that approximately % of our outstanding Class B common stock (or % of our outstanding Class B common stock if the underwriters exercise in full their option to purchase additional shares) will be held by "affiliates."

Under Rule 144 under the Securities Act, a person (or persons whose shares are aggregated) who is deemed to be, or to have been during the three months preceding the sale, an "affiliate" of ours would be entitled to sell within any three-month period a number of shares that does not exceed the greater of 1% of the then outstanding shares of our Class B common stock, which would be approximately shares of our Class B common stock immediately after this offering assuming the underwriters do not exercise their option to purchase additional shares, or the average weekly trading volume of our Class B common stock on NASDAQ during the four calendar weeks preceding such sale. Sales under Rule 144 are also subject to a six-month holding period and requirements relating to manner of sale, the availability of current public information about us and the filing of a form in certain circumstances.

Rule 144 also provides that a person who is not deemed to have been an affiliate of ours at any time during the three months preceding a sale, and who has for at least six months beneficially owned shares of our Class B common stock that are restricted securities, will be entitled to freely sell such shares of our Class B common stock subject only to the availability of current public information regarding us. A person who is not deemed to have been an affiliate of ours at any time during the three months preceding a sale, and who has beneficially owned for at least one year shares of our Class B common stock that are restricted securities, will be entitled to freely sell such shares of our Class B common stock under Rule 144 without regard to the current public information requirements of Rule 144.

Rule 701

Rule 701 under the Securities Act, as in effect on the date of this prospectus, permits resales of shares in reliance upon Rule 144 but without compliance with certain restrictions of Rule 144, including the holding period requirement. Most of our employees, executive officers or directors who received restricted shares of our Class B common stock under a written compensatory plan or contract, to the extent vested, may be entitled to rely on the resale provision of Rule 701, but all holders of Rule 701 shares are required to wait until 90 days after the date of this prospectus before selling their shares. However, substantially all Rule 701 shares are subject to lock-up agreements as described above and, to the extent vested, will become eligible for sale upon the expiration of the restrictions set forth in those agreements.

Form S-8 Registration Statement

We intend to file with the SEC a registration statement on Form S-8 covering the shares of Class B common stock reserved for issuance upon the exercise of stock options under our 2015 Equity Incentive Plan. That registration statement is expected to be filed and become effective as soon as practicable after the closing of this offering. Upon effectiveness, the shares of Class B common stock covered by that registration statement will be eligible for sale in the public market, subject to the lock-up agreements and Rule 144 restrictions described above. We expect that the initial registration on Form S-8 will cover shares.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS

The following discussion is a summary of the material United States federal income tax consequences of the purchase, ownership and disposition of our Class B common stock by non-U.S. holders. Except where noted, this summary deals only with Class B common stock that is held as a capital asset by a non-U.S. holder. For purposes of this discussion, a non-U.S. holder is any beneficial owner of our Class B common stock that is an individual, corporation, estate or trust and is not a "United States Person." A United States Person is any of the following:

- an individual who is a citizen or resident of the United States for U.S. federal income tax purposes, including an alien individual who is a lawful permanent resident of the United States or who meets the substantial presence test under Section 7701(b) of the Code;
- a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust that (1) is subject to the primary supervision of a U.S. court and the control of one or more U.S. persons or (2) has validly elected to be treated as a U.S. person for U.S. federal income tax purposes.

This summary is based upon provisions of the Code and regulations, rulings and judicial decisions as of the date of this prospectus. Those authorities may be changed, perhaps retroactively, so as to result in United States federal income tax consequences different from those summarized below. This summary does not address all aspects of United States federal income taxation and does not deal with foreign, state, local or other tax considerations that may be relevant to non-U.S. holders in light of their personal circumstances or to holders subject to special rules under the United States federal income tax laws, such as banks, financial institutions, insurance companies, regulated investment companies, real estate investment trusts, dealers in securities or currencies, traders in securities, United States expatriates, "controlled foreign corporations," "passive foreign investment companies," partnerships or other pass-through entities for United States federal income tax purposes (or investors in such entities), persons subject to the alternative minimum tax, tax-exempt organizations and persons holding our Class B common stock as part of a "straddle," "hedge," "conversion transaction" or other integrated transaction. We cannot assure you that a change in law will not alter significantly the tax considerations that we describe in this summary.

If a partnership (or other entity classified as a partnership for U.S. federal income tax purposes) holds our Class B common stock, the tax treatment of a partner in the partnership generally will depend on the status of the partner and upon the activities of the partnership. Accordingly, partnerships that hold our Class B common stock and partners in such partnerships are urged to consult their tax advisors regarding the specific U.S. federal income tax consequences to them.

If you are considering the purchase of our Class B common stock, you should consult your own tax advisors concerning the particular United States federal income tax consequences to you of the ownership of the Class B common stock, as well as the consequences to you arising under the laws of any other taxing jurisdiction.

Distributions on our Class B Common Stock

We do not expect to declare or pay any dividends on our Class B common stock in the foreseeable future. However, if we do pay dividends on our Class B common stock, such distributions will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Amounts not treated as dividends for U.S. federal income tax purposes will constitute a tax-free return of capital and will first be applied against and reduce a holder's adjusted tax basis in the Class B common stock but not below zero, with any excess being treated as capital gain.

Dividends paid to a non-U.S. holder of our Class B common stock that are not effectively connected with a United States trade or business conducted by such holder generally will be subject to U.S. federal withholding tax

at a rate of 30% of the gross amount of the dividends or such lower rate specified by an applicable tax treaty. To receive the benefit of a reduced treaty rate, a non-U.S. holder must furnish to us or our paying agent a valid IRS Form W-8BEN or W-8BEN-E (or applicable successor form) certifying such holder's qualification for the reduced rate. This certification must be provided to us or our paying agent prior to the payment of dividends and must be updated periodically. Non-U.S. holders that do not timely provide us or our paying agent with the required certification, but which qualify for a reduced treaty rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS.

Dividends paid to non-U.S. holder of our Class B common stock that are effectively connected with the conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, are attributable to a United States permanent establishment), while generally exempt from U.S. federal withholding tax if a properly executed IRS Form W-8ECI is provided to us or our paying agent, will be subject to U.S. federal income tax on a net income basis in the same manner as if such holder were a United States Person unless an applicable tax treaty provides otherwise. A non-U.S. holder that is a foreign corporation also may be subject to a branch profits tax equal to 30% (or such lower rate specified by an applicable tax treaty) of its effectively connected earnings and profits for the taxable year, as adjusted for certain items. Non-U.S. holders are urged to consult any applicable tax treaties that may provide for different rules.

A non-U.S. holder who claims the benefit of an applicable income tax treaty generally will be required to satisfy applicable certification and other requirements prior to the distribution date. Non-U.S. holders should consult their tax advisors regarding their entitlement to benefits under a relevant income tax treaty.

Gain on Disposition of our Class B Common Stock

A non-U.S. holder generally will not be subject to U.S. federal income tax on any gain realized upon the sale, exchange, redemption or other taxable disposition of our Class B common stock unless:

- the gain is effectively connected with the non-U.S. holder's conduct of a trade or business in the United States and, if required by an applicable tax treaty, attributable to a permanent establishment maintained by the non-U.S. holder in the United States;
- the non-U.S. holder is a nonresident alien individual present in the United States for 183 days or more during the taxable year of the disposition and certain other requirements are met; or
- our Class B common stock constitutes a "United States real property interest" by reason of our status as a "United States real property holding corporation," or USRPHC, for U.S. federal income tax purposes at any time within the shorter of the five-year period preceding the disposition or the non-U.S. holder's holding period for our Class B common stock, or the applicable period.

Generally, a corporation is a USRPHC if the fair market value of its United States real property interests equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests plus its other assets used or held for use in a trade or business. We believe that we currently are not and will not become a USRPHC. However, because the determination of whether we are a USRPHC depends on the fair market value of our United States real property interests relative to the fair market value of our other business assets, there can be no assurance that we will not become a USRPHC in the future. In the event we do become a USRPHC, as long as our Class B common stock is regularly traded on an established securities market, our Class B common stock will be treated as United States real property interests only with respect to a non-U.S. holder that actually or constructively holds more than 5% of our Class B common stock at some time during the applicable period.

Unless an applicable tax treaty provides otherwise, gain described in the first bullet point above in this subsection will generally be subject to U.S. federal income tax on a net income basis in the same manner as if such holder were a United States Person. Non-U.S. holders that are foreign corporations also may be subject to a branch profits tax equal to 30% (or such lower rate specified by an applicable tax treaty) of their effectively connected earnings and profits for the taxable year. Non-U.S. holders are urged to consult any applicable tax treaties that may provide for different rules.

Gain described in the second bullet point above in this subsection will be subject to U.S. federal income tax at a flat 30% rate (or lower rate specified by an applicable tax treaty), but may be offset by U.S. source capital losses of the non-U.S. holder realized in the same taxable year (even though the individual is not considered a resident of the United States).

Gain described in the third bullet point above in this subsection generally will be taxed in the same manner as gain described in the first bullet point above, except that the branch profits tax will not apply.

Information Reporting and Backup Withholding

Generally, we must report annually to the IRS and to each non-U.S. holder the amount of dividends paid to such holder and the amount of tax, if any, withheld with respect to such dividends. The IRS may make the information returns reporting such dividends and withholding available to the tax authorities in the country in which the non-U.S. holder is resident.

In addition, a non-U.S. holder may be subject to information reporting requirements and backup withholding tax with respect to dividends paid on, and the proceeds of disposition of (including a redemption), shares of our Class B common stock, unless, generally, such holder certifies under penalties of perjury (usually on IRS Form W-8BEN or W-8BEN-E) that such holder is not a United States person or such holder otherwise establishes an exemption from such reporting and withholding. Additional rules relating to information reporting requirements and backup withholding tax with respect to payments of the proceeds from the disposition of shares (including a redemption) of our Class B common stock are as follows:

- If the proceeds are paid to or through the United States office of a broker, they generally will be subject to information reporting requirements and backup withholding tax, unless the non-U.S. holder certifies under penalties of perjury (usually on IRS Form W-8BEN or W-8BEN-E) that such holder is not a United States person or such holder otherwise establishes an exemption from such reporting and withholding.
- If the proceeds are paid to or through a non-United States office of a broker that is not a United States person and is not a foreign person with certain specified United States connections (a United States related person), information reporting and backup withholding tax will not apply.
- If the proceeds are paid to or through a non-United States office of a broker that is a United States person or a United States related person, they generally will be subject to information reporting (but not to backup withholding tax), unless the broker has documentary evidence in its records that such holder is not a United States person or such holder otherwise establishes an exemption from such reporting.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding tax rules may be allowed as a refund or a credit against a non-U.S. holder's United States federal income tax liability, provided the required information is timely furnished by such holder to the IRS.

Withholding under the Foreign Account Tax Compliance Act

Under the Foreign Account Tax Compliance Act, or FATCA, and administrative guidance, we or another withholding agent may be required to withhold a generally nonrefundable 30% tax on (a) dividends paid on our Class B common stock and (b) the gross proceeds with respect to the sale, exchange, redemption or other disposition of our Class B common stock occurring after December 31, 2016, in each case paid to (i) certain "foreign financial institutions" unless such foreign financial institution agrees to verify, monitor and report to the IRS the identity of certain of its accountholders, among other things, and (ii) certain "non-financial foreign entities" unless such entity certifies to us that it does not have any substantial U.S. owners or provides the name, address and taxpayer identification number of each substantial U.S. owner, among other things. If the payee is a foreign financial institution and is subject to the diligence and reporting requirements in (i) above, it must enter into an agreement

with the U.S. Department of the Treasury requiring, among other things, that it undertake to identify accounts held by certain "specified United States persons" or "United States-owned foreign entities" (each as defined in the Code), annually report certain information about such accounts, and withhold 30% on certain payments to non-compliant foreign financial institutions and certain other account holders. Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing FATCA may be subject to different rules.

Non-U.S. holders are urged to consult their tax advisors regarding the application of this FATCA withholding tax to their investment in our Class B common stock and the potential certification, compliance, due diligence and reporting obligations to which they may become subject in order to avoid this withholding tax.

THIS DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. WE RECOMMEND THAT PROSPECTIVE INVESTORS CONSULT THEIR TAX ADVISORS REGARDING THE PARTICULAR U.S. FEDERAL INCOME TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR CLASS B COMMON STOCK, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER ANY STATE, LOCAL OR FOREIGN TAX LAWS, ANY OTHER U.S. FEDERAL TAX LAWS (INCLUDING ESTATE AND GIFT TAX LAWS), OR ANY APPLICABLE INCOME TAX TREATY.

UNDERWRITING

William Blair & Company, L.L.C. is acting as representative of each of the underwriters named below. Subject to the terms and conditions set forth in an underwriting agreement among us and the underwriters, we have agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from us, the number of shares of our Class B common stock set forth opposite its name below.

Name	Number of Shares
William Blair & Company, L.L.C.	
Robert W. Baird & Co. Incorporated	
Raymond James & Associates, Inc.	
BMO Capital Markets Corp.	
Total	

Subject to the terms and conditions set forth in the underwriting agreement, the underwriters have agreed, severally and not jointly, to purchase all of the shares sold under the underwriting agreement if any of these shares are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the nondefaulting underwriters may be increased or the underwriting agreement may be terminated.

We have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase up to additional shares of Class B common stock at the public offering price listed on the cover page of this prospectus, less underwriting discounts and commissions. To the extent the option is exercised, each underwriter will become obligated, subject to certain conditions, to purchase approximately the same percentage of the additional shares of Class B common stock as the number listed next to such underwriter's name in the table above bears to the total number of shares of Class B common stock listed next to the names of all underwriters in the above table.

At our request, the underwriters have reserved up to shares of Class B common stock, or approximately % of the shares offered by this prospectus, for sale at the initial public offering price to our directors, officers, certain employees and other parties with a connection to the Company. The sales will be made by the representative of the underwriters in a directed share program. The number of shares available for sale to the general public in the offering will be reduced to the extent these persons purchase the reserved shares. Any reserved shares not so purchased will be offered by the underwriters to the general public on the same terms as the other shares. We have agreed to indemnify the representative of the underwriters in connection with the directed share program, including for the failure of any participant to pay for its shares. Other than the underwriting discounts and commissions listed on the cover of this prospectus (which will be paid with respect to shares purchased by persons who are not directors, director nominees, officers, existing shareholders or their employees or affiliates of existing shareholders that are legal entities or their employees, but not with respect to other shares), the underwriters will not be entitled to any commissions with respect to shares of Class B common stock sold pursuant to the directed share program. To the extent such shares are purchased by any of our existing directors or officers who have entered into lock-up agreements with the underwriters, such shares will be subject to the restrictions contained in such agreements.

We have agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act relating to losses or claims resulting from material misstatements in or omissions from this prospectus, the registration statement of which this prospectus is a part, certain free writing prospectuses that may be used in the offering and in any marketing materials used in connection with this offering and to contribute to payments the underwriters may be required to make in respect of those liabilities.

Commissions and Discounts

The representative has advised us that the underwriters propose initially to offer the shares to the public at the public offering price set forth on the cover page of this prospectus and to dealers at that price less a concession not in excess of $ per share. After the initial offering, the public offering price, concession or any other term of this offering may be changed.

The following table shows the public offering price, underwriting discount and proceeds before expenses to us. The information assumes either no exercise or full exercise by the underwriters of their option to purchase additional shares.

	Per Share	Without Option	With Option
Public offering price	$	$	$
Underwriting discount			
Proceeds, before expenses, to us			

The underwriting agreement provides that the obligations of the several underwriters to pay for and accept delivery of the shares of Class B common stock offered by this prospectus are subject to the approval of certain legal matters by their counsel and to certain other conditions. The underwriters are obligated to take and pay for all of the shares of Class B common stock offered by this prospectus if any such shares are taken. However, the underwriters are not required to take or pay for the shares covered by the underwriters' option to purchase additional shares described above. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the non-defaulting underwriters may be increased. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

The estimated offering expenses payable by us, exclusive of the underwriting discounts and commissions, are approximately $, which includes legal, accounting and printing costs and various other fees associated with the registration and listing of our Class B common stock. We have also agreed to reimburse the underwriters for certain of their expenses in an amount up to $ as set forth in the underwriting agreement.

We have applied to have our Class B common stock listed on the NASDAQ Global Select Market.

No Sales of Similar Securities

We have agreed not to sell or transfer any shares of our Class B common stock or securities convertible into, exchangeable for, exercisable for, or repayable with shares of our Class B common stock, for 180 days after the date of this prospectus without first obtaining the written consent of the representative. Specifically, we have agreed, with certain limited exceptions, not to directly or indirectly:

- file with the SEC a registration statement under the Securities Act relating to any shares of Class B common stock or any securities convertible into or exercisable or exchangeable for Class B common stock;
- offer, pledge, sell or contract to sell any shares of our Class B common stock;
- sell any option or contract to purchase any shares of our Class B common stock;
- purchase any option or contract to sell any shares of our Class B common stock;
- grant any option, right or warrant to purchase any shares of our Class B common stock;
- make any short sale or otherwise transfer or dispose of, directly or indirectly, any shares of our Class B common stock;

- enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of any shares of our Class B common stock whether any such swap or transaction is to be settled by delivery of shares or other securities, in cash or otherwise;
- accelerate the vesting of any option or warrant or the lapse of any repurchase right; or
- publicly disclose the intention to do any of the foregoing.

Our executive officers and directors and our other existing shareholders have agreed not to sell or transfer any shares of our Class B common stock or securities convertible into, exchangeable for, exercisable for, or repayable with shares of our Class B common stock, for 180 days after the date of this prospectus without first obtaining the written consent of the representative. Specifically, each has agreed, with certain limited exceptions, not to directly or indirectly:

- offer, pledge, sell or contract to sell any shares of our Class B common stock;
- sell any option or contract to purchase any shares of our Class B common stock;
- purchase any option or contract to sell any shares of our Class B common stock;
- grant any option, right or warrant to purchase any shares of our Class B common stock;
- make any short sale or otherwise transfer or dispose of, directly or indirectly, any shares of our Class B common stock;
- enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of any shares of our Class B common stock whether any such swap or transaction is to be settled by delivery of shares or other securities, in cash or otherwise;
- make any demand for or exercise any right with respect to the registration of any shares of our Class B common stock or any security convertible into or exercisable or exchangeable for shares of our Class B common stock; or
- publicly disclose the intention to do any of the foregoing.

Listing

We have applied to have our Class B common stock listed on the NASDAQ Global Select Market under the symbol “DLTH.” In order to meet the requirements for listing on that exchange, the underwriters have undertaken to sell a minimum number of shares to a minimum number of beneficial owners as required by that exchange.

Before this offering, there has been no public market for our Class B common stock. The initial public offering price will be determined through negotiations between us and the representative. In addition to prevailing market conditions, factors to be considered in determining the initial public offering price are:

- the valuation multiples of publicly traded companies that the representative believes to be comparable to us;
- our financial information;
- the history of, and the prospects for, our company and the industry in which we compete;
- an assessment of our management, its past and present operations and the prospects for, and timing of, our future revenue;
- the present state of our product development; and
- the above factors in relation to market values and various valuation measures of other companies engaged in activities similar to ours.

An active trading market for our Class B common stock may not develop. It is also possible that after this offering the shares of our Class B common stock will not trade in the public market at or above the initial public offering price.

The underwriters do not expect to sell more than 5% of the shares in the aggregate to accounts over which they exercise discretionary authority.

Price Stabilization, Short Positions and Penalty Bids

Until the distribution of the shares is completed, SEC rules may limit underwriters and selling group members from bidding for and purchasing shares of our Class B common stock. However, the representative may engage in transactions that stabilize the price of our Class B common stock, such as bids or purchases to peg, fix or maintain that price.

In connection with this offering, the underwriters may purchase and sell shares of our Class B common stock in the open market. These transactions may include short sales, purchases on the open market to cover positions created by short sales and stabilizing transactions. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in this offering. “Covered” short sales are sales made in an amount not greater than the underwriters’ option to purchase additional shares described above. The underwriters may close out any covered short position by either exercising this option or purchasing shares in the open market. In determining the source of shares to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through this option. “Naked” short sales are sales in excess of this option. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our Class B common stock in the open market after pricing that could adversely affect investors who purchase in this offering. Stabilizing transactions consist of various bids for or purchases of shares of our Class B common stock made by the underwriters in the open market prior to the closing of this offering.

The underwriters may also impose penalty bids. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representative has repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Similar to other purchase transactions, the underwriters’ purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of our Class B common stock or preventing or retarding a decline in the market price of our Class B common stock. As a result, the price of our Class B common stock may be higher than the price that might otherwise exist in the open market. The underwriters may conduct these transactions on the NASDAQ Global Select Market, in the over-the-counter market or otherwise.

Neither we nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our Class B common stock. In addition, neither we nor any of the underwriters make any representation that the representative will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Electronic Offer, Sale and Distribution of Shares

In connection with this offering, certain of the underwriters or securities dealers may distribute prospectuses by electronic means, such as e-mail. In addition, one or more of the underwriters may facilitate Internet distribution for this offering to certain of their Internet subscription customers. Any such underwriter may allocate a limited number of shares for sale to its online brokerage customers. An electronic prospectus is available on the Internet websites maintained by any such underwriter. Other than the prospectus in electronic format, the information on the websites of any such underwriter is not part of this prospectus.

Other Relationships

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the underwriters and their affiliates may engage in from time to time in the future certain investment banking and other commercial dealings in the ordinary course of business with us or our affiliates, for which they have received and may continue to receive customary fees and commissions. For example, an affiliate of BMO Capital Markets Corp. is the lender under our revolving line of credit. See "Certain Relationships and Related Party Transactions" for additional information.

In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the issuer. The underwriters and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

E. David Coolidge III is a member of our board of directors and is the Vice Chairman of William Blair & Company, L.L.C.

Selling Restrictions

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State) an offer to the public of any shares of our common stock may not be made in that Relevant Member State, except that an offer to the public in that Relevant Member State of any shares of our common stock may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the representative for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of shares of our common stock shall result in a requirement for the publication by us or any underwriter of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any shares of our common stock in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares of our common stock to be offered so as to enable an investor to decide to purchase any shares of our common stock, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State, and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

United Kingdom

Each underwriter has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, or the FSMA) received by it in connection with the issue or sale of the shares of our common stock in circumstances in which Section 21(1) of the FSMA does not apply to us; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the shares of our common stock in, from or otherwise involving the United Kingdom.

Canada

The common shares may be sold only to purchasers purchasing as principal that are both "accredited investors" as defined in National Instrument 45-106 Prospectus and Registration Exemptions and "permitted clients" as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the common shares must be made in accordance with an exemption from the prospectus requirements and in compliance with the registration requirements of applicable securities laws.

Hong Kong

The common shares may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong) and no advertisement, invitation or document relating to the shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to common shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the common shares may not be circulated or distributed, nor may the common shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore, or the SFA, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA, in each case subject to compliance with conditions set forth in the SFA.

Where the common shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the common shares pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor (for corporations, under Section 274 of the SFA) or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and interest in that trust are acquired at a consideration of not less than $200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for corporations, in accordance with the conditions specified in Section 275 of the SFA;

(b) where no consideration is or will be given for the transfer; or

(c) where the transfer is by operation of law.

Switzerland

The common shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange, or the SIX, or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the common shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, or the common shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of common shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA, and the offer of common shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes, or CISA. Accordingly, no public distribution, offering or advertising, as defined in CISA, its implementing ordinances and notices, and no distribution to any non-qualified investor, as defined in CISA, its implementing ordinances and notices, shall be undertaken in or from Switzerland, and the investor protection afforded to acquirers of interests in collective investment schemes under CISA does not extend to acquirers of common shares.

United Arab Emirates

This offering has not been approved or licensed by the Central Bank of the United Arab Emirates, or the UAE, Securities and Commodities Authority of the UAE and/or any other relevant licensing authority in the UAE including any licensing authority incorporated under the laws and regulations of any of the free zones established and operating in the territory of the UAE, in particular the Dubai Financial.

Services Authority, or DFSA, a regulatory authority of the Dubai International Financial Centre, or DIFC. The offering does not constitute a public offer of securities in the UAE, DIFC and/or any other free zone in accordance with the Commercial Companies Law, Federal Law No 8 of 1984 (as amended), DFSA Offered Securities Rules and NASDAQ Dubai Listing Rules, accordingly, or otherwise. The common shares may not be offered to the public in the UAE and/or any of the free zones.

The common shares may be offered and issued only to a limited number of investors in the UAE or any of its free zones who qualify as sophisticated investors under the relevant laws and regulations of the UAE or the free zone concerned.

France

This prospectus (including any amendment, supplement or replacement thereto) is not being distributed in the context of a public offering in France within the meaning of Article L. 411-1 of the French Monetary and Financial Code (Code monétaire et financier).

This prospectus has not been and will not be submitted to the French Autorité des marchés financiers, or the AMF, for approval in France and accordingly may not and will not be distributed to the public in France.

Pursuant to Article 211-3 of the AMF General Regulation, French residents are hereby informed that:

(a) the transaction does not require a prospectus to be submitted for approval to the AMF;

(b) persons or entities referred to in Point 2°, Section II of Article L.411-2 of the Monetary and Financial Code may take part in the transaction solely for their own account, as provided in Articles D. 411-1, D. 734-1, D. 744-1, D. 754-1 and D. 764-1 of the Monetary and Financial Code; and

(c) the financial instruments thus acquired cannot be distributed directly or indirectly to the public otherwise than in accordance with Articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the Monetary and Financial Code.

This prospectus is not to be further distributed or reproduced (in whole or in part) in France by the recipients of this prospectus. This prospectus has been distributed on the understanding that such recipients will only participate in the issue or sale of our common stock for their own account and undertake not to transfer, directly or indirectly, our common stock to the public in France, other than in compliance with all applicable laws and regulations and in particular with Articles L. 411-1 and L. 411-2 of the French Monetary and Financial Code.

LEGAL MATTERS

The validity of the shares of our Class B common stock to be issued in this offering will be passed upon for us by our counsel, Godfrey & Kahn, S.C., Milwaukee, Wisconsin. Mr. John A. Dickens, a shareholder of Godfrey & Kahn, S.C., in his capacity as a co-trustee of the Stephen L. Schlecht and Marianne M. Schlecht Descendants Trust, has shared voting and dispositive power over 2,149 shares of Class B common stock. Certain legal matters relating to this offering will be passed upon for the underwriters by Latham & Watkins LLP, Chicago, Illinois.

EXPERTS

The audited financial statements and schedule included in this prospectus and elsewhere in the registration statement have been so included in reliance upon the report of Grant Thornton LLP, independent registered public accountants, upon the authority of said firm as experts in accounting and auditing.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act of 1933, as amended, with respect to the shares of our Class B common stock offered by this prospectus. This prospectus, which constitutes part of that registration statement, does not contain all of the information set forth in the registration statement or the accompanying exhibits and schedules. Some items included in the registration statement are omitted from this prospectus in accordance with the rules and regulations of the SEC. For further information with respect to us and the Class B common stock offered in this prospectus, we refer you to the registration statement and the accompanying exhibits and schedules. Statements contained in this prospectus regarding the contents of any contract, agreement or any other document are summaries of the material terms of these contracts, agreements or other documents. With respect to each of these contracts, agreements or other documents filed as an exhibit to the registration statement, reference is made to such exhibit for a more complete description of the matter involved.

A copy of the registration statement and the accompanying exhibits and schedules and any other document we file may be inspected without charge and copied at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. The public may obtain information on the operation of the public reference room by calling the SEC at 1-800-SEC-0330. The SEC maintains a website that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. The address of the SEC's website is www.sec.gov.

Upon completion of this offering, we will become subject to the information and periodic reporting requirements of the Exchange Act, and we will file periodic reports, proxy statements and other information with the SEC. These periodic reports, proxy statements and other information will be available for inspection and copying at the public reference room and website of the SEC referred to above. We maintain a website at www.duluthtrading.com. You may access our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports, proxy statements and other information filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act with the SEC free of charge at our website as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC. The information contained in, or that can be accessed through, our website is not part of this prospectus.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Shareholders
Duluth Holdings Inc.

We have audited the accompanying consolidated balance sheets of Duluth Holdings Inc. (a Wisconsin corporation) and subsidiary and affiliates (the "Company") as of February 1, 2015 and February 2, 2014, and the related consolidated statements of operations, comprehensive income, changes in shareholders' equity, and cash flows for each of the two years in the period ended February 1, 2015. Our audits of the basic consolidated financial statements included the financial statement schedule listed in the index appearing under Schedule II. These financial statements and financial statement schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and financial statement schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (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. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Duluth Holdings Inc. and subsidiary and affiliates as of February 1, 2015 and February 2, 2014, and the results of their operations and their cash flows for each of the two years in the period ended February 1, 2015 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the related financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

/s/ GRANT THORNTON LLP

Chicago, IL
August 6, 2015

DULUTH HOLDINGS INC. AND SUBSIDIARY AND AFFILIATES
CONSOLIDATED BALANCE SHEETS

	February 2, 2014	February 1, 2015	August 2, 2015 (unaudited)	Pro Forma August 2, 2015 (unaudited)
ASSETS				
CURRENT ASSETS				
Cash	$ 7,500,030	$ 7,880,883	$ 366,201	$ 366,201
Accounts receivable	1,976	17,507	21,653	21,653
Other receivables	467,264	74,178	260,466	260,466
Inventory, less reserve for excess and obsolete items of $1,290,000 at February 1, 2015 and $743,000 at February 2, 2014 and $1,501,000 at August 2, 2015 (unaudited)	30,808,648	41,362,970	47,763,143	47,763,143
Prepaid expenses	1,501,133	2,715,537	3,645,997	3,645,997
Deferred catalog costs	1,457,832	1,300,316	1,337,597	1,337,597
Deferred tax asset	—	—	—	
Total current assets	41,736,883	53,351,391	53,395,057	53,395,057
PROPERTY AND EQUIPMENT, NET	13,043,324	16,879,567	20,300,783	20,300,783
GOODWILL	402,011	402,011	402,011	402,011
OTHER ASSETS, NET	280,295	316,515	304,405	304,405
TOTAL ASSETS	$ 55,462,513	$ 70,949,484	$ 74,402,256	$ 74,402,256
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Trade accounts payable	$ 9,929,856	$ 14,199,353	$ 15,059,628	$ 15,059,628
Bank overdrafts	—	—	963,683	963,683
Note Payable	—	—	—	46,300,000
Line of credit	—	600,000	—	—
Current maturities of capital lease obligations	13,584	260,750	19,054	19,054
Current maturities of long-term obligations	885,256	567,624	266,061	266,061
Accrued expenses:				
Salaries and benefits	3,246,628	3,428,836	1,417,391	1,417,391
Deferred revenue	2,388,127	4,028,721	2,440,152	2,440,152
Freight	1,027,191	1,912,198	860,397	860,397
Product returns	908,400	960,700	646,500	646,500
Other	1,302,967	1,679,321	3,039,343	3,039,343
Distributions payable	—	—	—	4,800,000
Total current liabilities	19,702,009	27,637,503	24,712,209	75,812,209
LONG-TERM LINE OF CREDIT	—	—	6,525,851	6,525,851
CAPITAL LEASE OBLIGATIONS, less current maturities	41,922	70,383	60,673	60,673
LONG-TERM OBLIGATIONS, less current maturities	4,162,634	4,184,874	4,818,342	4,818,342
DEFERRED RENT OBLIGATIONS, less current portion	327,161	794,851	780,024	780,024
DEFERRED TAX LIABILITIES	—	—	—	
Total liabilities	24,233,726	32,687,611	36,897,099	87,997,099
COMMITMENTS AND CONTINGENCIES (See Note Q)				
SHAREHOLDERS' EQUITY				
Common stock (Class A), no par value; 2,000 shares authorized; 970 shares issued and outstanding as of August 2, 2015, February 1, 2015 and February 2, 2014	—	—	—	
Common stock (Class B), no par value; 7,000 shares authorized; 5,618 and 5,467 and 5,434 shares issued and outstanding as of August 2, 2015, February 1, 2015 and February 1, 2014, respectively	—	—	—	
Capital stock	727,488	802,060	1,134,429	1,134,429
Retained earnings (accumulated deficit)	29,508,273	36,024,959	34,499,634	(16,600,366)
Accumulated other comprehensive loss	—	(45,000)	(35,000)	(35,000)
Total shareholders' equity (deficit) of Duluth Holdings Inc. and Subsidiary	30,235,761	36,782,019	35,599,063	(15,500,937)
Noncontrolling interest in variable interest entities	993,026	1,479,854	1,906,094	1,906,094
Total shareholders' equity (deficit)	31,228,787	38,261,873	37,505,157	(13,594,843)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 55,462,513	$ 70,949,484	$ 74,402,256	$ 74,402,256

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

DULUTH HOLDINGS INC. AND SUBSIDIARY AND AFFILIATES
CONSOLIDATED STATEMENTS OF OPERATIONS

	Fiscal Year Ended		For the Six Months Ended	
	February 2, 2014	February 1, 2015	August 3, 2014 (unaudited)	August 2, 2015 (unaudited)
Net sales	$ 163,088,667	$ 231,867,092	$ 79,170,480	$ 108,483,520
Cost of goods sold	71,087,270	100,877,240	33,417,490	45,358,716
Gross profit	92,001,397	130,989,852	45,752,990	63,124,804
Selling, general and administrative expenses	75,786,037	106,964,224	38,845,872	54,616,020
Operating income	16,215,360	24,025,628	6,907,118	8,508,784
Interest expense	248,316	341,086	127,397	112,027
Other income (expense), net	86,349	422,117	75,252	75,158
Income before income taxes	16,053,393	24,106,659	6,854,973	8,471,915
Income tax expense	—	—	—	—
Net income	16,053,393	24,106,659	6,854,973	8,471,915
Less: Net income attributable to noncontrolling interest	537,086	459,345	100,997	82,240
Net income attributable to controlling interest	$ 15,516,307	$ 23,647,314	$ 6,753,976	$ 8,389,675
Basic earnings per share (Class A and Class B):				
Weighted average shares of common stock outstanding	6,322	6,371	6,371	6,371
Net income per share attributable to controlling interest	$ 2,454.34	$ 3,711.71	$ 1,060.11	$ 1,316.85
Diluted earnings per share (Class A and Class B):				
Weighted average shares and equivalents outstanding	6,341	6,421	6,419	6,490
Net income per share attributable to controlling interest	$ 2,446.98	$ 3,682.81	$ 1,052.19	$ 1,292.71
Pro Forma Net Income Information (unaudited) (Note A)				
Income before provision for income taxes	$ 16,053,393	$ 24,106,659	$ 6,854,973	$ 8,471,915
Pro forma provision for income taxes	6,206,523	9,458,926	2,701,590	3,355,870
Pro forma net income attributable to controlling interest	$ 9,846,870	$ 14,647,733	$ 4,153,383	$ 5,116,045
Pro forma basic net income per share attributable to controlling interest (Class A and Class B)	$ 1,557.56	$ 2,299.13	$ 651.92	$ 803.02
Pro forma diluted net income per share attributable to controlling interest (Class A and Class B)	$ 1,552.89	$ 2,281.22	$ 647.05	$ 788.30

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

DULUTH HOLDINGS INC. AND SUBSIDIARY AND AFFILIATES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Fiscal Year Ended		Six Months Ended	
	February 2, 2014	February 1, 2015	August 3, 2014 (unaudited)	August 2, 2015 (unaudited)
Net income	$16,053,393	$24,106,659	$ 6,854,973	$ 8,471,915
Other comprehensive income				
Change in value of interest rate swap agreement	25,000	13,000	14,000	10,000
Comprehensive income	16,078,393	24,119,659	6,868,973	8,481,915
Comprehensive income attributable to noncontrolling interest	562,086	517,345	158,997	82,240
COMPREHENSIVE INCOME ATTRIBUTABLE TO CONTROLLING INTEREST	$15,516,307	$23,602,314	$ 6,709,976	$ 8,399,675

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

DULUTH HOLDINGS INC. AND SUBSIDIARY AND AFFILIATES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
Fiscal Years ended February 2, 2014 and February 1, 2015 and the Six Months Ended August 2, 2015 (unaudited)

	Duluth Holdings Inc. and Subsidiary					
	Capital Stock		Retained earnings	Accumulated other comprehensive loss	Noncontrolling interest in variable interest Entities	Total shareholders' equity
	Shares	Amount				
Balance at February 4, 2013	6,404	$ 657,800	$ 18,420,075	$ —	$ 146,804	$ 19,224,679
Amortization of stock-based compensation	—	69,688	5,891	—	—	75,579
Capital contributions	—	—	—	—	734,136	734,136
Distributions	—	—	(4,434,000)	—	(450,000)	(4,884,000)
Net income	—	—	15,516,307	—	537,086	16,053,393
Other comprehensive income from change in value of interest rate swap agreement	—	—	—	—	25,000	25,000
Balance at February 2, 2014	6,404	$ 727,488	$ 29,508,273	$ —	$ 993,026	$ 31,228,787
Issuance of common stock	33	—	—	—	—	—
Amortization of stock-based compensation	—	74,572	—	—	—	74,572
Capital contributions	—	—	—	—	50,000	50,000
Distributions	—	—	(15,078,000)	—	(330,000)	(15,408,000)
Unrecognized gain (loss) on intercompany property transfer (note M)	—	—	(2,052,628)	—	2,052,628	—
Deconsolidation of Schlecht Enterprises LLC (note M)	—	—	—	—	(1,803,145)	(1,803,145)
Net income	—	—	23,647,314	—	459,345	24,106,659
Other comprehensive income (loss) from change in value of interest rate swap agreement	—	—	—	(45,000)	58,000	13,000
Balance at February 1, 2015	6,437	$ 802,060	$ 36,024,959	$ (45,000)	$ 1,479,854	$ 38,261,873
Issuance of common stock	151	—	—	—	—	—
Amortization of stock-based compensation	—	332,369	—	—	—	332,369
Capital contributions	—	—	—	—	344,000	344,000
Distributions	—	—	(9,915,000)	—	—	(9,915,000)
Net income	—	—	8,389,675	—	82,240	8,471,915
Other comprehensive income from change in value of interest rate swap agreement	—	—	—	10,000	—	10,000
Balance at August 2, 2015	6,588	$1,134,429	$ 34,499,634	$ (35,000)	$ 1,906,094	$ 37,505,157

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

DULUTH HOLDINGS INC. AND SUBSIDIARY AND AFFILIATES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Fiscal Year Ended		Six Months Ended	
	February 2, 2014	February 1, 2015	August 3, 2014 (unaudited)	August 2, 2015 (unaudited)
Cash flows from operating activities				
Net income	$ 16,053,393	$ 24,106,659	$ 6,854,973	$ 8,471,915
Adjustments to reconcile net income to net cash provided (used) by operating activities				
Depreciation and amortization	1,246,877	1,820,683	823,372	1,173,742
Amortization of stock-based compensation	75,579	74,572	31,807	332,369
Loss on disposal of property and equipment	30,046	4,075	4,075	—
Changes in operating assets and liabilities:				
Accounts receivable	9,237	(15,531)	(20,887)	(4,146)
Other receivables	(313,729)	393,086	298,645	(186,288)
Inventory	(7,952,315)	(10,554,322)	(7,540,006)	(6,124,173)
Prepaid expenses	(655,048)	(1,214,404)	(378,496)	(797,460)
Deferred catalog costs	332,542	157,516	317,836	(37,281)
Trade accounts payable	4,119,261	4,239,145	322,490	584,275
Accrued expenses and deferred rent obligations	3,424,025	3,617,153	(4,189,177)	(4,460,880)
Net cash provided by (used) in operating activities	16,369,868	22,628,632	(3,475,368)	(1,047,927)
Cash flows from investing activities				
Purchases of property and equipment	(3,951,553)	(5,268,790)	(2,714,784)	(3,841,473)
Proceeds on disposal of property and equipment	100	—	—	—
Purchases of other assets	(262,280)	(105,800)	(36,374)	(15,297)
Deconsolidation of Schlecht Enterprises LLC (note M)	—	(1,772,793)	(1,772,793)	—
Net cash used in investing activities	(4,213,733)	(7,147,383)	(4,523,951)	(3,856,770)
Cash flows from financing activities				
Proceeds from line of credit	34,032,820	56,614,509	27,024,686	34,085,894
Payments on line of credit	(34,032,820)	(56,014,509)	(17,374,730)	(28,160,043)
Proceeds from long-term obligations	—	632,000	632,000	800,000
Payments on long-term obligations	(385,521)	(927,392)	(825,519)	(468,095)
Payments on capital lease obligations	(12,557)	(47,004)	(17,100)	(251,406)
Change in bank overdrafts	(350,471)	—	981,423	963,683
Distributions to shareholders	(4,434,000)	(15,078,000)	(9,370,000)	(9,915,000)
Distributions to holders of noncontrolling interest in variable interest entities	(450,000)	(330,000)	(60,000)	—
Capital contributions to variable interest entities	734,136	50,000	—	344,000
Other	—	—	—	(9,018)
Net cash provided by (used) in financing activities	(4,898,413)	(15,100,396)	990,760	(2,609,985)
NET INCREASE (DECREASE) IN CASH	7,257,722	380,853	(7,008,559)	(7,514,682)
Cash at beginning of period	242,308	7,500,030	7,500,030	7,880,883
Cash at end of period	$ 7,500,030	$ 7,880,883	$ 491,471	$ 366,201
Supplemental disclosure of cash flow information				
Interest paid	$ 242,572	$ 339,897	$ 136,579	$ 110,971

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

DULUTH HOLDINGS INC. AND SUBSIDIARY AND AFFILIATES
CONSOLIDATED STATEMENTS OF CASH FLOWS—CONTINUED

Supplemental schedule of non-cash investing and financing activities

For the years ended February 2, 2015 and February 2, 2014, the Company recognized a decrease of $13,000 and $25,000, respectively, to its interest rate swap obligation along with a corresponding increase to shareholders' equity. These adjustments reflect the change in value of the interest rate swap agreements (note E).

During fiscal 2014, the Company acquired property and equipment totaling $322,631 which were financed through capital lease arrangements (note G).

During fiscal 2014, the Company deconsolidated the accounts of Schlecht Enterprises LLC (note M). As a result, the Company recognized a decrease of $1,772,793 to cash, a decrease of $1,803,145 to noncontrolling interest in variable interest entities, and an increase of $30,352 to accounts payable.

DULUTH HOLDINGS INC. AND SUBSIDIARY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years Ended February 2, 2014 and February 1, 2015 and the
Six months ended August 3, 2014 and August 2, 2015 (unaudited)

NOTE A—NATURE OF OPERATIONS AND BASIS OF PRESENTATION

1. Nature of Operations

Duluth Holdings Inc. (the Company) is a direct marketer, via catalogs and the internet, of unique, useful clothing, tools and accessories for contractors and serious do-it-yourselfers. Customers are located primarily in the United States. The Company also operates six retail stores and an outlet store across Minnesota, Iowa and southern Wisconsin. The Company's products are marketed under the Duluth Trading Company brand, with the majority being exclusively developed and sold as Duluth Trading Company branded merchandise.

2. Basis of Presentation

The accompanying consolidated financial statements include the financial position, results of operations, and cash flows of the Company for the two-year period ended February 1, 2015. The consolidated financial statements have been presented in U.S. dollars and are prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP).

The Company's fiscal year ends on the Sunday closest to January 31 of the following year, and fiscal 2013 and fiscal 2014 were both 52-week periods. Fiscal 2014 and 2013 ended on February 1, 2015, and February 2, 2014, respectively. The first six months of fiscal 2015 and fiscal 2014 represent the Company's 26-week periods ended August 2, 2015 and August 3, 2014, respectively.

The Company's business is affected by the pattern of seasonality common to most retail apparel businesses. Historically, the Company has recognized a significant portion of its revenue and operating profit in the fourth fiscal quarter of each year as a result of increased sales during the holiday season.

Unaudited Interim Financial Information

The accompanying consolidated financial statements as of and for the six months ended August 2, 2015 and August 3, 2014 have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (SEC) and, in the opinion of the Company, include all adjustments (which are normal and recurring in nature) necessary to present fairly the financial position, results of operations and cash flows of the Company for the interim periods presented. Certain information and note disclosures normally included in consolidated financial statements prepared in accordance with US GAAP have been condensed or omitted pursuant to such SEC rules and regulations as of and for the six months ended August 2, 2015 and August 3, 2014.

3. Unaudited Pro Forma Balance Sheet and Net Income Information

The unaudited pro forma balance sheet information gives effect to (i) the Company's borrowing of $46.3 million to pay a portion of the distribution of 100% of the cumulative undistributed taxable earnings to its existing shareholders (as of August 31, 2015 the aggregate cumulative undistributed taxable income from the date of formation up to the date of termination of its "S" corporation status was estimated to be $51.1 million), and (ii) an increase in net deferred tax assets of approximately $ million (consisting of an increase in current deferred tax assets of $ million and an increase in non-current deferred tax liabilities of $ million), assuming the "S" corporation status terminated on August 2, 2015.

DULUTH HOLDINGS INC. AND SUBSIDIARY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years Ended February 2, 2014 and February 1, 2015 and the
Six months ended August 3, 2014 and August 2, 2015 (unaudited)

NOTE A—NATURE OF OPERATIONS AND BASIS OF PRESENTATION—Continued

3. Unaudited Pro Forma Balance Sheet and Net Income Information—(Continued)

The unaudited pro forma net income information gives effect to the anticipated conversion of the Company to a "C" corporation. Prior to such anticipated conversion, the Company was an "S" corporation and generally not subject to income taxes. The pro forma net income, therefore, includes an adjustment for income tax expense on the income attributable to controlling interest as if the Company had been a "C" corporation as of February 4, 2013 at an assumed combined federal, state and local effective income tax rate of 40%, which approximates the calculated statutory rate for each period. No pro forma income tax expense was calculated on the income attributable to noncontrolling interest because this entity will not convert to a "C" corporation.

The unaudited pro forma basic and diluted net income per share Class A and Class B is computed using unaudited pro forma net income, as discussed above.

4. Correction of Previously Issued Financial Statements

The Company has made immaterial corrections to its non-publicly issued consolidated financial statements as of and for the years ended February 1, 2015 and February 2, 2014. The Company did not issue quarterly financial statements prior to the first quarter of the Company's fiscal year 2015. All corrections below were discovered and evaluated during the first quarter of fiscal 2015 and were deemed not material to the Company's non-publicly issued consolidated financial statements. However, management has elected to make the following corrections:

- Management determined it had incorrectly applied ASC Topic 605 *Revenue Recognition* (ASC 605) to the Company's direct sales. The Company's prior accounting policy recognized revenue upon shipment to the customer. Based on a review of ASC 605, management concluded that the revenue should have been recognized upon customer receipt, as this represents the point at which title and all risks and rewards of ownership of the product are passed, there is persuasive evidence that an arrangement exists, the price to the buyer is fixed or determinable and collectability is deemed to be reasonably assured.
- Management determined that it had not properly accounted for inventory cut-off, as it relates to inventory in-transit. Due to the fact that some of the Company's supplier contracts are based on FOB shipping terms, the Company should have recognized inventory at the time the goods were shipped from the supplier.
- During a review of the product returns reserve, management noted merchandise exchanges were included in the Company's analysis of the product returns reserve. Since merchandise exchanges are not considered returns, management should have excluded them from the analysis. The Company has subsequently revised its analysis of the product returns reserve to exclude merchandise exchanges.

DULUTH HOLDINGS INC. AND SUBSIDIARY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years Ended February 2, 2014 and February 1, 2015 and the
Six months ended August 3, 2014 and August 2, 2015 (unaudited)

NOTE A—NATURE OF OPERATIONS AND BASIS OF PRESENTATION—Continued

4. Correction of Previously Issued Financial Statements—(Continued)

The following table presents the previously reported and the corrected balances as of and for the fiscal years ended February 1, 2015 and February 2, 2014:

		February 2, 2014		February 1, 2015	
Financial Statements	**Line Item**	**As Previously Reported**	**As Adjusted**	**As Previously Reported**	**As Adjusted**
Balance Sheets	Total current assets	$ 41,114,604	$ 41,736,883	$ 52,029,233	$ 53,351,391
Balance Sheets	Total current liabilities	18,677,730	19,702,009	25,431,346	27,637,503
Balance Sheets	Retained earnings	29,852,273	29,508,273	36,863,958	36,024,959
Statement of Operations	Net sales	162,974,667	163,088,667	232,760,092	231,867,092
Statement of Operations	Gross profit	91,955,397	92,001,397	131,484,851	130,989,852
Statement of Operations	Operating income	16,169,360	16,215,360	24,520,627	24,025,628
Statement of Operations	Net income	16,007,393	16,053,393	24,601,658	24,106,659

There were no changes to operating, investing and financing cash flows.

NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Principles of Consolidation

The consolidated financial statements include the accounts of the parent, Duluth Holdings Inc., and its wholly-owned subsidiary, Duluth Trading Company, LLC. The Company also consolidates Schlecht Enterprises LLC (Schlecht) and Schlecht Retail Ventures LLC (SRV) as variable interest entities (note M). Effective May 21, 2014, Schlecht is no longer considered a variable interest entity and is not consolidated after that date. All significant intercompany balances and transactions have been eliminated.

2. Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and changes therein, and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Actual results could differ from those estimates.

3. Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash. At various times during the year, the Company has certain cash balances deposited in financial institutions in excess of federally insured limits. The Company has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk.

4. Inventory Valuation

Inventory, consisting of purchased product, is valued at the lower of cost or market with cost determined under the first-in, first-out method.

DULUTH HOLDINGS INC. AND SUBSIDIARY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years Ended February 2, 2014 and February 1, 2015 and the
Six months ended August 3, 2014 and August 2, 2015 (unaudited)

NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

5. Deferred Catalog Costs and Other Advertising Expenses

The costs of direct response advertising, which consists of the cost of producing, printing and mailing catalogs, are capitalized as deferred catalog costs and amortized over the expected term of the related revenue stream (generally 3 to 5 months from the date catalogs are mailed). Total catalog expenses were $21,130,000 and $19,608,000 in fiscal 2014 and fiscal 2013, respectively.

The Company's non-direct response advertising costs are expensed as they are incurred. Non-direct response advertising costs, primarily costs of direct mail, promotional items, billboards, web marketing programs, and radio and television advertisements, were $28,262,000 and $17,656,000 for the years ended February 1, 2015 and February 2, 2014, respectively.

6. Property and Equipment

Property and equipment are carried at cost and are generally depreciated using the straight-line method over the estimated useful lives. Leasehold improvements are depreciated over the shorter of the lease term or estimated useful life. Depreciable lives by major classification are as follows:

	Years
Land improvements	15 - 40
Leasehold improvements	5 - 15
Buildings	39
Vehicles	5 - 10
Warehouse equipment	5 - 15
Office equipment and furniture	3 - 10
Computer equipment	3 - 5

The Company recorded depreciation expense of $1,753,000 and $1,234,000 for the years ended February 1, 2015 and February 2, 2014, respectively.

7. Goodwill

Goodwill represents the excess of purchase price over the fair value of net assets acquired. ASC Topic 350, *Intangibles-Goodwill and Other*, requires that goodwill be tested for impairment annually, or more often if an event or circumstance indicates that an impairment loss may have been incurred. The Company's management uses its judgment in assessing whether goodwill may have become impaired between annual impairment tests. Indicators such as unexpected adverse business conditions, economic factors, competitive activities, loss of key personnel and acts by governments may signal that an asset has become impaired.

Total goodwill is reported in the Company's direct segment. Management performed a qualitative assessment of goodwill as of December 31, 2014 and 2013, and determined that it was more likely than not that the fair value of the Company was greater than its carrying amount; as such, no further evaluation of goodwill was deemed necessary. No impairment was recognized for the years ended February 1, 2015 or February 2, 2014.

DULUTH HOLDINGS INC. AND SUBSIDIARY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years Ended February 2, 2014 and February 1, 2015 and the
Six months ended August 3, 2014 and August 2, 2015 (unaudited)

NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

8. Other Assets

Other assets include loan origination fees, trade names and other non-current assets which are amortized over their estimated useful lives ranging from four to fifteen years. Other assets also include security deposits required by certain of the Company's lease agreements (note G) and prepaid expenses which are not expected to be amortized within the next 12 months. During fiscal 2014, the Company wrote off certain loan origination fees which were no longer in service. The Company recorded amortization expense of $68,000 and $13,000 for the years ended February 1, 2015 and February 2, 2014, respectively. At February 1, 2015 and February 2, 2014, total accumulated amortization of other assets is $108,000 and $41,000, respectively.

Scheduled future amortization of amortizable other assets is as follows as of February 1, 2015:

Fiscal Year	
2015	$ 68,000
2016	67,000
2017	31,000
2018	1,000
2019	1,000
Thereafter	2,000
	$ 170,000

9. Impairment of Long-Lived Assets

The Company's long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If the sum of the expected undiscounted cash flows is less than the carrying value of the related asset or group of assets, a loss is recognized for the difference between the fair value and the carrying value of the asset or group of assets. Such analyses necessarily involve judgment.

For the years ended February 1, 2015 and February 2, 2014, management did not identify any events or changes in circumstances that indicated the potential impairment of long-lived assets.

10. Deferred Rent Obligation

Certain of the Company's operating lease agreements (note G) contain provisions for future rent increases, a rent free period, and/or a period in which rental payments are reduced (abated). For each such agreement, the total amount of rental payments due over the lease term is being charged to rent expense on the straight-line method over the term of the lease. The difference between rent expense recorded and the amount paid is charged to deferred rent obligations, the current portion of which is included in accrued expenses in the consolidated balance sheets.

11. Revenue Recognition

The Company recognizes revenue when the following four criteria are met:

- persuasive evidence of an arrangement exists;
- title has passed to the customer;
- the sales price is fixed and determinable and no further obligation exists; and
- collectability is reasonably assured.

DULUTH HOLDINGS INC. AND SUBSIDIARY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years Ended February 2, 2014 and February 1, 2015 and the
Six months ended August 3, 2014 and August 2, 2015 (unaudited)

NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

11. Revenue Recognition—(Continued)

These criteria are met upon customer receipt of the product (for direct sales) or at the point of sale (for retail store transactions). At the time of revenue recognition, the Company provides for estimated costs that may be incurred for product warranties and sales returns. A liability is recognized at the time a gift card is sold, and revenue is recognized at the time the gift card is redeemed for merchandise.

12. Shipping and Processing

Shipping and processing revenue generated from customer orders has been classified as a component of net sales and recognized upon customer receipt of the product. Shipping and processing expense, including handling expense, is classified as a component of selling, general and administrative expenses in the consolidated statements of earnings. Shipping and handling expense totaled $16,344,000 and $11,695,000 for the years ended February 1, 2015 and February 2, 2014, respectively.

13. Stock-Based Compensation

Stock issued to advisory board members is accounted for in accordance with ASC Topic 718, *Stock Compensation*, which requires the Company to account for stock issuances under the fair value-based method, in which compensation cost is measured at the grant date based on the fair value of the award and is recognized over the vesting period. Stock issued to advisory board members vests evenly over a period of three to four years, based on the terms of each individual award.

Stock issued to key employees and executives (Employee Restricted Stock) is accounted for in accordance with ASC 718 guidance related to share-based payments to employees, which requires all share-based payments to employees, including share options, restricted share plans, performance-based awards, share appreciation rights and employee share purchase plans, to be measured at fair value and expensed in the consolidated statements of earnings over the service period (generally the vesting period) of the related agreement.

Employee restricted stock typically vests over a period of two to five years based on the terms for each individual award. Generally, the Company recognizes compensation expense evenly over the vesting periods.

14. Taxes Collected from Customers

The Company presents all non-income government-assessed taxes (sales, use and value-added taxes) collected from its customers and remitted to governmental agencies on a net basis (excluded from revenue) in its consolidated financial statements.

15. Income Taxes

For federal and state income tax purposes, the Company and its shareholders have elected to be treated as an S Corporation in accordance with the provisions of Subchapter S of the Internal Revenue Code. Schlecht and SRV are limited liability companies. Therefore, the Company's, Schlecht's, and SRV's taxable income or loss is includable in the individual income tax returns of the shareholders and members, as applicable, for both federal and state income tax purposes. Accordingly, no provision has been made for federal or state income taxes in the consolidated financial statements.

DULUTH HOLDINGS INC. AND SUBSIDIARY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years Ended February 2, 2014 and February 1, 2015 and the
Six months ended August 3, 2014 and August 2, 2015 (unaudited)

NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

15. Income Taxes—(Continued)

ASC Topic 740, *Income Taxes*, provides guidance related to the accounting for uncertainty in income taxes establishes the criteria that an individual tax position has to meet for some or all of the benefits of that position to be recognized in the Company's financial statements. As required, management of the Company has assessed whether there remains any income tax exposure related to its tax positions. Management does not believe there is any uncertainty with respect to its tax positions which would result in a material change to the consolidated financial statements. Any exposure would be reflected and included in the amounts ultimately recognized on the shareholders' or members' tax filings.

If applicable, the Company, Schlecht and SRV record interest and penalties associated with uncertain tax positions as income tax expense. For the years ended February 1, 2015 and February 2, 2014, the Company, Schlecht and SRV have not recorded any expense for interest or penalties.

The Company, Schlecht, and SRV file income tax returns in the United States federal jurisdiction and in the state of Wisconsin. The Company also filed an income tax return in the state of Michigan through the tax year ended December 31, 2011 and files an income tax return in the state of Minnesota beginning with the tax year ended December 31, 2013. For all entities, as applicable, federal tax returns for tax years beginning January 1, 2011, and state tax returns for tax years beginning January 1, 2010, remain open.

16. Other Comprehensive Income or Loss

Other comprehensive income or loss represents the change in equity from non-shareholder or non-member transactions, which is not included in the statements of earnings but is reported as a separate component of shareholders' or members' equity. For the years ended February 1, 2015 and February 2, 2014, other comprehensive income or loss consists of changes in the fair value of the Company's interest rate swap agreements. Accumulated other comprehensive income or loss attributable to Schlecht is included as a component of noncontrolling interest in variable interest entities in the consolidated statements of shareholders' equity.

17. Fair Value Measurements

ASC Topic 820, *Fair Value Measurements and Disclosures* (ASC 820), defines fair value as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date (i.e., an exit price). The exit price is based on the amount that the holder of the asset or liability would receive or need to pay in an actual transaction (or in a hypothetical transaction if an actual transaction does not exist) at the measurement date.

Fair value is generally determined based on quoted market prices in active markets for identical assets or liabilities. If quoted market prices are not available, the Company uses valuation techniques that place greater reliance on observable inputs and less reliance on unobservable inputs. In measuring fair value, the Company may make adjustments for risks and uncertainties, if a market participant would include such an adjustment in its pricing.

The carrying values of cash, accounts receivable, accounts payable and long-term obligations approximate fair value. The carrying value of goodwill and intangible assets are tested annually, or more frequently if an event occurs that indicates an impairment loss may have been incurred, using fair value measurements with unobservable inputs (Level 3).

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NOTE C—LINES OF CREDIT

The Company had available a $30,000,000 revolving line of credit from a bank, subject to certain borrowing base limits, which expired in July 2015 and bears interest, payable monthly, at a rate equal to the one-month LIBOR rate plus 1.5 percentage points (effective rate of 1.7% on February 1, 2015). The Company had no borrowings outstanding on the line of credit at February 1, 2015 or February 2, 2014. The maximum available funds under the line of credit agreement were reduced annually to $10,000,000 for the period from January 1 through March 31.

The line of credit was secured by essentially all assets of the Company and required that the Company maintain certain financial and non-financial covenants, including a minimum tangible net worth ratio and a maximum ratio of funded debt to earnings before interest, taxes, depreciation and amortization (EBITDA). As of August 2, 2015, February 1, 2015 and February 2, 2014, and for the six months and years then ended, the Company was in compliance with all financial and non-financial covenants.

On July 27, 2015, the Company amended its line of credit from a bank with availability of $40,000,000, subject to certain borrowings base limits, which expires July 2018 and bears interest, payable monthly, at a rate equal to one-month LIBOR rate plus 1.25 percentage points. This line of credit requires that the Company maintain certain financial and non-financial covenants, including a minimum tangible net worth and minimum trailing twelve month EBITDA.

Effective in July 2014, SRV had available a $600,000 revolving line of credit from a bank which bore interest, payable monthly, at a rate equal to the one-month LIBOR rate plus 1.5 percentage points. The Company has outstanding borrowings of $600,000 on the line of credit at February 1, 2015. The outstanding balance was paid in full in February 2015.

NOTE D—LONG-TERM OBLIGATIONS

Duluth Holdings Inc. and Subsidiary and Schlecht Enterprises LLC

During fiscal 2014, the Company entered into a mortgage note with an original balance of $632,000. The note expires in May 2019 and requires monthly payments of $5,300 plus interest at 4%, with a final balloon payment due in May 2019. The balance outstanding on the note is $558,262 and $589,864 at August 2, 2015 and February 1, 2015, respectively.

Schlecht entered into a mortgage note with an original balance of $3,750,000. The note expires in March 2017 and requires monthly payments of $11,900 plus interest at a rate equal to the one-month LIBOR rate plus 1.75 percentage points (effective rate of 1.9% on February 1, 2015), with a final balloon payment due in March 2017. The balance outstanding on the note is $3,274,000, $3,345,400 and $3,488,200 at August 2, 2015, February 1, 2015 and February 2, 2014, respectively. In May 2014, this note was assumed by the Company in conjunction with the Company's acquisition of the related real property from Schlecht (note M). In connection with the mortgage note, the Company and Schlecht entered into an interest rate swap agreement to reduce the impact of changes in the interest rate (note E).

The mortgage notes are secured by a commercial guaranty from the Company and collateralized by the existing real property owned by the Company in Belleville, Wisconsin. The agreements also require that the Company maintain certain financial and non-financial covenants, including a minimum tangible net worth ratio and a maximum ratio of funded debt to EBITDA. As of August 2, 2015, February 1, 2015 and February 2, 2014, and for the six months and years then ended, the Company was in compliance with all financial and non-financial covenants.

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NOTE D—LONG-TERM OBLIGATIONS—Continued

Duluth Holdings Inc. and Subsidiary and Schlecht Enterprises LLC—(Continued)

The Company also had a term note with an original balance of $900,000. The balance outstanding on the note was $183,249 at February 3, 2013. The agreement terminated and the note was paid in full in August 2013.

Schlecht Retail Ventures LLC

SRV has a mortgage note with an original balance of $536,250. The note expires in August 2016 and requires monthly payments of $3,400, including interest at 4.5%, with a final balloon payment due in August 2016. The balance outstanding on the note is $465,473, $475,283 and $494,075 at August 2, 2015, February 1, 2015 and February 2, 2014, respectively. The note is guaranteed by the Company's majority shareholder and collateralized by certain real property owned by SRV in Mt. Horeb, Wisconsin. The note also requires that SRV maintain certain financial and non-financial covenants, including a debt service coverage ratio. As of August 2, 2015, February 1, 2015 and February 2, 2014, and for the six months and years then ended, the Company was in compliance with all financial and non-financial covenants.

SRV had a second mortgage note with an original balance of $400,000. The balance outstanding on the note is $341,951 and $355,179 at February 1, 2015 and February 2, 2014, respectively. The agreement terminated and the note was paid in full in February 2015.

SRV had a third mortgage note with an original balance of $800,000. The balance outstanding on the note is $710,436 at February 2, 2014. The note was paid in full in May 2014.

Future principal maturities of all long-term obligations of the Company and SRV are as follows as of February 1, 2015:

Fiscal year	
2015	$ 567,624
2016	661,618
2017	3,123,004
2018	63,204
2019	337,048
	$4,752,498

In February 2015, SRV entered into a mortgage note with an original balance of $800,000. The note expires in September 2017 and requires monthly payments of $3,300 plus interest at 3.1%, with a final balloon payment due in September 2017. The balance outstanding on the note is $786,668 at August 2, 2015. The note is guaranteed by the Company's majority shareholder and collateralized by certain real property owned by SRV in Mt. Horeb, Wisconsin.

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NOTE E—DERIVATIVE FINANCIAL INSTRUMENT

The Company uses an interest rate swap to manage its interest rate risk on the Company's mortgage note due March 2017 (see Note D—Long-Term Obligations). The Company does not hold or issue derivative financial instruments for trading purposes. The interest rate swap agreement has a notional principal amount equal to the outstanding balance on the mortgage note and matures in March 2017. The agreement effectively changes the Company's interest rate exposure on the entire outstanding balance of the mortgage note to a fixed rate of 3%. The interest rate swap is designated as a cash flow hedge and qualifies for hedge accounting treatment using the shortcut method. Under the shortcut method, there are no gains or losses recognized due to hedge ineffectiveness and the change in the fair value of the interest rate swap is assumed to perfectly offset the change in fair value of the hedged debt. As a result, the Company reports changes in the fair value of the interest rate swap as other comprehensive income or loss in the period of change.

The fair value of the interest rate swap agreement recorded as a liability included in other accrued expenses on the accompanying Consolidated Balance Sheets is as follows:

	February 2, 2014	February 1, 2015	August 2, 2015 (unaudited)
Interest rate swap	$ 58,000	$ 45,000	$ 35,000

NOTE F—FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company's interest rate swap agreement is valued in accordance with ASC 820 on fair value measurements. The guidance describes a fair value hierarchy based on three levels of inputs that may be used to measure fair value, of which the first two are considered observable and the last unobservable, as follows:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Exchange-traded derivatives valued using quoted prices are classified within Level 1 of the fair value hierarchy. However, most derivative contracts are not listed on an exchange and require the use of valuation models. Consistent with the framework, the Company attempts to maximize the use of observable market inputs in its models. When observable inputs are not available, the Company defaults to unobservable inputs. Derivatives valued based on models with significant unobservable inputs that are not actively traded (or for which trade activity is one-way) are classified within Level 3 of the fair value hierarchy. The Company obtains fair value information regarding the interest rate swap agreements directly from the counter party. The model is based on observable inputs; therefore, the resulting obligation is classified within Level 2 of the fair value hierarchy at February 1, 2015 and February 2, 2014.

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NOTE G—LEASES

Duluth Holdings Inc. and Subsidiary

During fiscal 2013, the Company leased retail store facilities in Port Washington, Wisconsin, from a third party under an agreement that was accounted for as an operating lease. On December 27, 2013, the leased property was acquired by Schlecht Port Washington, LLC (SPW), a Wisconsin limited liability company that is owned by the majority shareholder of the Company, and is therefore considered a related party. In conjunction with the acquisition, all lessor rights and obligations under the agreement were assigned to SPW and certain lease terms were amended. The amended agreement continues to be accounted for as an operating lease and expires in December 2023. The Company has the option to renew the lease for one additional five-year period under substantially the same terms. As of February 1, 2015, management is uncertain regarding the likelihood that the Company will exercise the renewal option. The agreement includes a period of rent abatement and requires monthly rental payments of $10,600 beginning in October 2013. The agreement also requires the Company to pay operating costs, defined as applicable real estate taxes, insurance, and common area maintenance charges. Beginning in January 2015, monthly payments increase by 2% annually. Rental expense was $114,000 and $90,000 under this agreement for the years ended February 1, 2015 and February 2, 2014, respectively.

Effective in April 2013, the Company leases retail store facilities in Bloomington, Minnesota, under an agreement that is accounted for as an operating lease and expires in January 2024. The Company has options to renew the lease for three additional periods of five-years each under substantially the same terms. As of February 1, 2015, management is uncertain regarding the likelihood that the Company will exercise the renewal options. The agreement includes a period of rent abatement and requires monthly rental payments of $18,800 beginning in November 2013. Beginning in May 2018, monthly payments increase to $20,700. The agreement also requires the Company to pay operating costs, defined as applicable real estate taxes, insurance, and common area maintenance charges. Rental expense was $223,000 and $163,000 under this agreement for the years ended February 1, 2015 and February 2, 2014, respectively.

Effective in October 2013, the Company entered into a lease agreement for retail store facilities in Duluth, Minnesota, under an agreement that is accounted for as an operating lease and expires in July 2019. The Company has options to renew the lease for two additional periods of five-years each under substantially the same terms. As of February 1, 2015, management is uncertain regarding the likelihood that the Company will exercise the renewal options. The agreement includes a period of rent abatement and requires monthly rental payments of $7,600 throughout the initial term. The agreement also requires the Company to pay applicable real estate taxes for the property. Rental expense was $76,000 under this agreement for the year ended February 1, 2015. The Company incurred no rental expense under this agreement for the year ended February 2, 2014.

Effective in March 2014, the Company leases warehouse facilities in Sparks, Nevada, under an agreement that is accounted for as an operating lease and expires in March 2017. The agreement requires monthly rental payments of $26,800 beginning in May 2014. Rental expense was $242,000 under this agreement for the year ended February 1, 2015.

Effective in May 2014, the Company leases retail store facilities in Fridley, Minnesota, under an agreement that is accounted for as an operating lease and expires in September 2024. The Company has options to renew the lease for two additional periods of five-years each under substantially the same terms. As of February 1, 2015, management is uncertain regarding the likelihood that the Company will exercise the renewal options. The agreement includes a period of rent abatement and requires monthly rental payments of $18,300 beginning in November 2013. Beginning in October 2019, monthly payments increase to $20,200. The agreement also

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NOTE G—LEASES—Continued

Duluth Holdings Inc. and Subsidiary—(Continued)

requires the Company to pay operating costs, defined as applicable real estate taxes, insurance, and common area maintenance charges. Rental expense was $118,000 under this agreement for the year ended February 1, 2015.

Effective in December 2014, the Company leases retail store facilities in Ankeny, Iowa, under an agreement that is accounted for as an operating lease and expires in April 2025. The Company has options to renew the lease for three additional periods of five-years each under substantially the same terms. As of February 1, 2015, management is uncertain regarding the likelihood that the Company will exercise the renewal options. The agreement includes a period of rent abatement and requires monthly rental payments of $9,200 beginning in May 2015. Beginning in May 2020, monthly payments increase to $10,700. The agreement also requires the Company to pay operating costs, defined as applicable real estate taxes, insurance, and common area maintenance charges. The Company incurred no rental expense under this agreement for the year ended February 1, 2015.

The Company leases certain personal property from the majority shareholder for use in the Company's retail operations. The agreement is accounted for as an operating lease and requires annual payments of $6,500 through February 2020. The Company recorded rental expense of $6,500 in each of the years ended February 1, 2015 and February 2, 2014 under this agreement. The Company also leases certain office equipment from a third party under an arrangement which is accounted for as an operating lease. The agreement requires monthly payments of $1,200 and expires in December 2019.

Future minimum payments under all non-cancellable operating lease obligations are as follows as of February 1, 2015:

Fiscal year	Related party	Other	Total
2015	$ 126,000	$ 903,000	$1,029,000
2016	139,000	981,000	1,120,000
2017	142,000	716,000	858,000
2018	145,000	679,000	824,000
2019	147,000	645,000	792,000
Thereafter	579,000	2,794,000	3,373,000
	$1,278,000	$6,718,000	$7,996,000

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NOTE G—LEASES—Continued

Duluth Holdings Inc. and Subsidiary—(Continued)

The Company leases certain property and equipment under arrangements which are accounted for as capital leases. The agreements require aggregate monthly payments of $8,100 and expire on various dates through July 2024. The related capitalized assets and accumulated depreciation are as follows as of February 1, 2015 and February 2, 2014:

	February 2, 2014	February 1, 2015
Leasehold improvements	$ —	$ 48,805
Warehouse equipment	—	263,826
Computer equipment	45,166	55,166
Software	22,683	22,683
	67,849	390,480
Less accumulated depreciation	22,770	79,131
	$ 45,079	$ 311,349

Amortization of assets held under capital lease is included with depreciation expense in selling, general and administrative expense in the consolidated statements of earnings. The following is a schedule of minimum lease payments under the capital leases as of February 1, 2015:

Fiscal year	
2015	$266,694
2016	24,280
2017	18,453
2018	6,800
2019	6,800
Thereafter	30,033
Total minimum lease payments	353,060
Less imputed interest	21,927
Present value of minimum lease payments	331,133
Less current maturities	260,750
Long-term portion	$ 70,383

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NOTE G—LEASES—Continued

Schlecht Retail Ventures LLC

SRV is the lessor of certain real property under an agreement which requires monthly payments of $3,600 through June 2016. SRV is the lessor of certain other real property under a second agreement which requires quarterly payments of $500 and expires in September 2018. Effective in December 2013, SRV is also the lessor of certain real property under a third agreement which requires monthly payments of $3,800 through July 2018. The third agreement also requires the lessee to pay a portion of applicable real estate taxes for the property. All agreements are accounted for as operating leases. Rental income is included in net other income in the consolidated statements of earnings and was $90,000 and $50,000 for the years ended February 1, 2015 and February 2, 2014, respectively. Scheduled future collections under these agreements are as follows as of February 1, 2015:

Fiscal year	
2015	$ 91,000
2016	65,000
2017	48,000
2018	24,000
	$228,000

NOTE H—RELATED PARTIES

The Company leases certain personal property from the majority shareholder and certain real property from SPW, an entity owned by this shareholder (note G). The Company also has outstanding receivables from SPW totaling $52,000 at February 2, 2014. Such receivables are included in other receivables in the consolidated balance sheets and were collected in full during fiscal 2014.

NOTE I—RETIREMENT PLAN

The Company has a contributory 401(k) profit sharing plan (the Plan) which covers all employees who have attained age 21 and who have met minimum service requirements. The Company makes quarterly non-discretionary “safe harbor” matching contributions to the Plan equal to 100% of the basic contribution made by each participant on the first 3% of his or her compensation plus 50% of the basic contribution made by each participant on the next 2% of his or her compensation.

The Company is also permitted to make discretionary profit sharing contributions to the Plan. For the plan year ended December 31, 2013, the Company elected to make a profit sharing contribution to the Plan on behalf of all eligible participants equal to 5% of eligible wages, as defined by the Plan. There was no profit sharing contribution for the plan year ended December 31, 2014.

The Company’s total expenses under the Plan were $373,000 and $583,000 for the years ended February 1, 2015 and February 2, 2014, respectively.

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NOTE J—CAPITAL STOCK

The Company has two classes of common stock: Class A (voting shares, 970 issued and outstanding at both February 1, 2015 and February 2, 2014) and Class B (non-voting shares, 5,467 and 5,434 issued and outstanding at February 1, 2015 and February 2, 2014, respectively). There are no differences in the classes of common stock except for voting rights.

During fiscal 2014, the Company awarded and issued 33 shares of Class B common stock to an employee under a restricted stock agreement with the grantee (note L).

At February 1, 2015 and February 2, 2014, SRV has contributed members' equity of $1,567,206 and $1,517,206, respectively. At February 2, 2014, Schlecht has contributed members' equity of $100. These amounts are included in noncontrolling interest in variable interest entities in the consolidated statements of shareholders' equity.

NOTE K—SHAREHOLDERS AGREEMENT

The shareholders have entered into a Shareholders Agreement that imposes certain restrictions and obligations on the shareholders with respect to their common stock. Shareholders are not permitted to transfer shares unless permitted by the Shareholders Agreement. The Company and the other shareholders have a right of first refusal with respect to any shares offered for sale. Under certain circumstances, shareholders may be obligated to sell or transfer their stock.

NOTE L—STOCK-BASED COMPENSATION

The Company has issued restricted stock to key employees, executives and advisory board members (grantees) under restricted stock agreements between the Company and the grantees. These issuances consist of shares of Class B common stock that vest evenly over a period of two to five years from the issue date and become fully vested on the applicable anniversary date of each restricted stock agreement, unless otherwise stated in the terms of each individual award. These shares are generally subject to mandatory redemption upon termination, retirement, resignation or death subject to the terms of the amended Shareholders Agreement (note K); however, redemption of these shares may not occur during the six-month period immediately following the vesting of such shares.

The restricted stock is valued based on the estimated fair value of the Company's common stock on the grant date. For awards granted in fiscal 2014, the fair value of the Company's common stock was calculated by an independent third party and was estimated by taking the average of the results of applying discounted cash flow and market comparable analyses. This value was then discounted due to the lack of marketability and liquidity of the restricted stock.

Total stock compensation expense associated with restricted stock recognized by the Company during the six month periods ended August 2, 2015 and August 3, 2014 was $332,000 and $32,000, respectively. Total stock compensation expense associated with restricted stock recognized by the Company during fiscal 2014 and fiscal 2013 was $75,000 and $76,000 respectively.

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NOTE L—STOCK-BASED COMPENSATION—Continued

The following is a summary of restricted stock activity as of August 2, 2015, February 1, 2015 and February 2, 2014 and for the six months and years then ended:

	Shares	Weighted average fair value per share
Outstanding at February 4, 2013 and February 2, 2014*	423	$ 2,216
Granted	33	9,628
Outstanding at February 1, 2015	456	2,753
Granted	151	12,515
Outstanding at August 2, 2015	607	$ 5,181

* There was no activity during fiscal year 2013

The following is a summary of the status of the non-vested shares of restricted stock outstanding as of August 2, 2015, February 1, 2015 and February 2, 2014 and for the six months and years then ended:

	Shares	Weighted average fair value per share
Outstanding at February 4, 2013	105	$ 2,413
Vested	(72)	2,213
Outstanding at February 1, 2014	33	2,849
Granted	33	9,628
Outstanding at February 1, 2015	66	6,239
Granted	151	12,515
Outstanding at August 2, 2015	217	$ 10,606

At August 2, 2015, the Company has unrecognized compensation expense of $1,860,000 related to the restricted stock awards, which is expected to be recognized over a weighted average period of 2.9 years.

NOTE M—VARIABLE INTEREST ENTITIES

Schlecht Retail Ventures LLC

The Company leases certain retail store facilities and office buildings from SRV, a variable interest entity (VIE) whose primary purpose and activity is to own this real property. SRV is a Wisconsin limited liability company that is owned by the majority shareholder of the Company. The Company considers itself the primary beneficiary for SRV as the Company is expected to receive a majority of SRV's expected residual returns based on the activity of SRV. As the Company is the primary beneficiary, it consolidates SRV and the lease is eliminated in consolidation.

On May 21, 2014, the Company acquired certain real property of SRV with a net book value of $1,000,528 for cash consideration of $1,056,700. SRV recorded the $56,172 gain on disposal of this property as an adjustment to retained earnings. The Company recorded the cost and accumulated depreciation of the acquired

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NOTE M—VARIABLE INTEREST ENTITIES—Continued

Schlecht Retail Ventures LLC—(Continued)

property at book value and recorded the excess purchase price over net book value as an adjustment to retained earnings. As a result, the consolidated balance sheet was not impacted by this transaction.

The Company terminated its lease agreement with SRV for this property at the time of acquisition but the Company continues to lease other property from SRV; as such, the Company still considers itself the primary beneficiary for SRV and continues to consolidate SRV.

Schlecht Enterprises LLC

Through May 21, 2014, the Company leased certain distribution and administrative office facilities from Schlecht, a VIE whose sole purpose and activity was to own this real property. Schlecht is a Wisconsin limited liability company that is owned by the majority shareholder of the Company. Through May 21, 2014, the Company considered itself the primary beneficiary for Schlecht as the Company was expected to receive a majority of Schlecht's expected residual returns based on the activity of Schlecht. As the Company was the primary beneficiary, it consolidated Schlecht through that date and the lease is eliminated in consolidation.

On May 21, 2014, the Company acquired certain real property of Schlecht with a net book value of $2,972,501 for total consideration of $4,983,600. The Company assumed Schlecht's existing mortgage note on the property (note D), which had a carrying value of $3,440,600, and paid the remaining consideration of $1,543,000 in cash. In conjunction with the assumption of the note, the Company also assumed Schlecht's related capitalized loan origination fees with a net book value of $14,643. Schlecht recorded the $1,996,456 gain on disposal of these assets as an adjustment to retained earnings. The Company recorded the cost and accumulated depreciation and amortization of the acquired property and loan origination fees at book value and recorded the excess purchase price over net book value as an adjustment to retained earnings. As a result, the consolidated balance sheet was not impacted by this transaction.

The Company terminated its lease agreement with Schlecht for this property at the time of acquisition. As a result of this termination, the Company no longer leases any assets from Schlecht and the Company no longer considers itself the primary beneficiary for Schlecht. As such, the Company no longer consolidates Schlecht effective May 21, 2014.

At the time of deconsolidation, Schlecht had the following assets and liabilities which were removed from the consolidated balance sheet:

Cash	$1,772,793
Receivable from Duluth Holdings Inc.	30,352
Total assets	$1,803,145
Liabilities	—
Noncontrolling interest in VIE	1,803,145
Total liabilities and shareholders' equity	$1,803,145

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NOTE M—VARIABLE INTEREST ENTITIES—Continued

Schlecht Enterprises LLC—(Continued)

The consolidated financial statements include the following amounts as a result of the consolidation of these VIEs as of February 1, 2015 and February 2, 2014:

	February 2, 2014	February 1, 2015
Cash	$ 266,267	$ 61,085
Other receivables	12,586	6,192
Property and equipment, net	5,858,707	2,852,366
Other assets, net	20,325	1,416
Total assets	$ 6,157,885	$ 2,921,059
Line of credit	$ —	$ 600,000
Long-term debt	5,047,890	817,234
Interest rate swap obligation	58,000	—
Other current liabilities	58,969	23,956
Noncontrolling interest in VIE	993,026	1,479,854
Total liabilities and shareholders' equity	6,157,885	2,921,044
Intercompany accounts payable/accounts receivable eliminated in consolidation	$ —	$ 15

The real property owned by each VIE is collateral for certain of each VIE's respective long-term obligations (note D).

Schlecht Port Washington LLC

The Company does not consolidate SPW as the Company is not the primary beneficiary.

NOTE N—SIGNIFICANT SUPPLIERS

The Company's principal supplier of inventory accounted for 59% and 51% of total inventory expenditures in fiscal 2014 and fiscal 2013, respectively. The Company also had a second supplier that accounted for 16% and 15% of total inventory expenditures in fiscal 2014 and fiscal 2013, respectively.

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NOTE O—PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	February 2, 2014	February 1, 2015	August 2, 2015 (unaudited)
Land and land improvements	$ 1,104,494	$ 1,106,809	$ 1,106,809
Leasehold improvements	2,873,860	4,051,930	4,854,772
Buildings	7,723,325	8,990,938	8,990,938
Vehicles	97,709	97,709	97,709
Warehouse equipment	1,310,114	1,724,157	2,115,870
Office equipment and furniture	2,515,593	3,894,163	4,577,729
Computer equipment	1,244,307	1,423,781	1,609,561
Software	2,754,805	3,620,276	5,964,088
	19,624,207	24,909,763	29,317,476
Accumulated depreciation and amortization	(6,675,572)	(8,144,558)	(9,281,875)
	12,948,635	16,765,205	20,035,601
Construction in progress	94,689	114,362	265,182
Property and equipment, net	$ 13,043,324	$ 16,879,567	$ 20,300,783

NOTE P—EARNINGS PER SHARE

Earnings per share is computed under the provisions of ASC Topic 260, *Earnings Per Share*. Basic earnings per share is based on weighted average number of common shares outstanding for the period. Diluted earnings per share is based on the weighted average number of common shares plus the effect of dilutive potential common shares outstanding during the period using the treasury stock method. Dilutive potential common shares include outstanding restricted stock. The weighted average shares used for earnings per share is as follows:

	Fiscal Year Ended		Six Months Ended (unaudited)	
	February 2, 2014	February 1, 2015	August 3, 2014	August 2, 2015
Basic weighted average shares	6,322	6,371	6,371	6,371
Effect of common stock equivalents	19	50	48	119
Diluted weighted average shares	6,341	6,421	6,419	6,490

NOTE Q—COMMITMENTS AND CONTINGENCIES

From time to time, the Company becomes involved in lawsuits and other claims arising from its ordinary course of business. Because of the uncertainties related to the incurrence, amount and range of loss on any pending litigation or claim, management is currently unable to predict the ultimate outcome of any litigation or claim, determine whether a liability has been incurred or make an estimate of the reasonably possible liability that could result from an unfavorable outcome. Management believes, after considering a number of factors and the nature of any outstanding litigation or claims, that the outcome will not have a material effect upon the Company's results of operations, financial condition or cash flows. However, because of the unpredictable nature of these matters, the Company cannot provide any assurances regarding the outcome of any litigation or claim to which it is a party or the impact on it of an adverse ruling in such matters.

DULUTH HOLDINGS INC. AND SUBSIDIARY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years Ended February 2, 2014 and February 1, 2015 and the
Six months ended August 3, 2014 and August 2, 2015 (unaudited)

NOTE R—SEGMENT REPORTING

The Company has two operating segments, which are also its reportable segments: direct and retail. The direct segment include revenues from the Company's website and catalogs. The retail segment include revenues from the Company's retail and outlet stores. These two operating segments are components of the Company for which separate financial information is available and for which operating results are evaluated on a regular basis by the chief operating decision maker in deciding how to allocate resources and in assessing the performance of the segments.

Interest expense, income tax expense, corporate expenses, which include but are not limited to: human resources, legal, finance, information technology, design and other corporate related expenses are included in the Company's direct segment. Depreciation and amortization, and property and equipment expenditures are recognized in each respective segment.

Variable allocations of assets are not made for segment reporting. The Company does not have any assets outside of the United States. Sales outside of the United States were insignificant.

Segment information is presented in the following tables:

	Fiscal Year Ended		Six Months Ended (unaudited)	
	February 2, 2014	February 1, 2015	August 3, 2014	August 2, 2015
Net sales				
Direct	$ 152,895,732	$ 208,908,705	$ 71,840,114	$ 94,697,813
Retail	10,192,935	22,958,387	7,330,366	13,785,707
Total	$ 163,088,667	$ 231,867,092	$ 79,170,480	$ 108,483,520

	Fiscal Year Ended		Six Months Ended (unaudited)	
	February 2, 2014	February 1, 2015	August 3, 2014	August 2, 2015
Operating income				
Direct	$ 15,195,243	$ 19,500,101	$ 6,005,190	$ 6,144,363
Retail	1,020,117	4,525,527	901,928	2,364,421
Total	$ 16,215,360	$ 24,025,628	$ 6,907,118	$ 8,508,784

Segment total assets

	February 2, 2014	February 1, 2015	August 2, 2015 (unaudited)
Direct	$ 49,790,248	$ 61,653,005	$ 63,483,936
Retail	5,672,265	9,296,479	10,918,320
Total assets at period end	$ 55,462,513	$ 70,949,484	$ 74,402,256

DULUTH HOLDINGS INC. AND SUBSIDIARY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years Ended February 2, 2014 and February 1, 2015 and the
Six months ended August 3, 2014 and August 2, 2015 (unaudited)

NOTE R—SEGMENT REPORTING—Continued

Segment depreciation and amortization

	Fiscal Year Ended	
	February 2, 2014	**February 1, 2015**
Direct	$ 886,488	$ 1,137,638
Retail	360,389	683,045
Total Depreciation and amortization	$ 1,246,877	$ 1,820,683

Segment capital expenditures

	Fiscal Year Ended	
	February 2, 2014	**February 1, 2015**
Direct	$ 2,149,195	$ 2,612,738
Retail	1,802,358	2,656,052
Total Capital expenditures	$ 3,951,553	$ 5,268,790

NOTE S—QUARTERLY FINANCIAL DATA (UNAUDITED)

	Fiscal 2014							
	First Quarter	**% of Net Sales**	**Second Quarter**	**% of Net Sales**	**Third Quarter**	**% of Net Sales**	**Fourth Quarter**	**% of Net Sales**
Net sales	$43,310,455	100.0%	$35,860,025	100.0%	$42,566,086	100.0%	$110,130,526	100.0%
Gross profit	25,060,814	57.9%	20,692,176	57.7%	23,938,349	56.2%	61,298,513	55.7%
Operating income	2,769,585	6.4%	4,137,533	11.5%	3,108,262	7.3%	14,010,248	12.7%
Net income attributable to controlling interest	2,652,887	6.1%	4,101,089	11.4%	2,993,926	7.0%	13,899,412	12.6%
Basic earnings per common share attributable to controlling interest (Class A and B)	416.40		643.71		469.93		2,181.67	
Diluted earnings per common share attributable to controlling interest (Class A and B)	413.35		640.29		467.29		2,168.73	

DULUTH HOLDINGS INC. AND SUBSIDIARY AND AFFILIATES
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Years Ended February 2, 2014 and February 1, 2015 and the
Six months ended August 3, 2014 and August 2, 2015 (unaudited)

NOTE S—QUARTERLY FINANCIAL DATA (UNAUDITED)—Continued

	Fiscal 2013							
	First Quarter	% of Net Sales	Second Quarter	% of Net Sales	Third Quarter	% of Net Sales	Fourth Quarter	% of Net Sales
Net sales	$29,460,960	100.0%	$23,191,615	100.0%	$31,589,650	100.0%	$78,846,442	100.0%
Gross profit	16,918,597	57.4%	13,638,881	58.8%	17,859,284	56.5%	43,584,635	55.3%
Operating income	2,327,862	7.9%	2,774,492	12.0%	1,472,514	4.7%	9,640,492	12.2%
Net income attributable to controlling interest	2,169,759	7.4%	2,615,258	11.3%	1,255,420	4.0%	9,475,870	12.0%
Basic earnings per common share attributable to controlling interest (Class A and Class B)	344.73		414.92		198.27		1,489.68	
Diluted earnings per common share attributable to controlling interest (Class A and Class B)	343.91		413.61		197.52		1,484.08	

NOTE T—RECENT ACCOUNTING PRONOUNCEMENTS

Revenue from Contracts with Customers

In May 2014, the FASB issued Accounting Standards Update No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, or the ASU, which supersedes the revenue recognition requirements in ASC Topic 605, *Revenue Recognition*. The ASU requires revenue recognition to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The new revenue recognition model requires identifying the contract, identifying the performance obligations, determining the transaction price, allocating the transaction price to performance obligations and recognizing the revenue upon satisfaction of the performance obligations. The ASU also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments, and assets recognized from costs incurred to obtain or fulfill a contract. The ASU can be applied either retrospectively to each prior reporting period presented or retrospectively with the cumulative effect of initially applying the update recognized at the date of the initial application along with additional disclosures. On July 9, 2015, the FASB deferred the effective date of the ASU for one year. The ASU is effective for annual reporting periods beginning after December 15, 2017 and early adoption is not permitted. Accordingly, the Company will adopt the ASU on January 29, 2018, the first day of the Company's first quarter for the fiscal year ending February 3, 2019, the Company's fiscal year 2018. The Company has not selected a method for adoption nor determined the potential effects on the Company's consolidated financial statements.

Simplifying the Measurement of Inventory

In July 2015, the FASB issued Accounting Standards Update No. 2015-11, *Simplifying the Measurement of Inventory (Topic 330)*, or ASU 2015-11, which changes the measurement principle for inventory from the lower of cost or market to the lower of cost and net realizable value. Net realizable value is defined as the "estimated selling prices in the ordinary of business, less reasonably predictable costs of completion, disposal and transportation." The ASU 2015-11 eliminates the guidance that entities consider replacement cost or net realizable value less an approximately normal profit margin in the subsequent measurement of inventory when

DULUTH HOLDINGS INC. AND SUBSIDIARY AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years Ended February 2, 2014 and February 1, 2015 and the
Six months ended August 3, 2014 and August 2, 2015 (unaudited)

NOTE T—RECENT ACCOUNTING PRONOUNCEMENTS

cost is determined on a first-in, first-out or average cost basis. The provisions of ASU 2015-11 are effective for public entities with fiscal years beginning after December 15, 2016, and interim periods within those fiscal years, with early adoption permitted. Accordingly, the Company will adopt ASU 2015-11 on January 30, 2017, the first day of the Company's first quarter for the fiscal year ending January 28, 2018, the Company's fiscal year 2017. The Company has not determined the impact of this new accounting guidance on the Company's consolidated financial statements.

NOTE U—SUBSEQUENT EVENTS

Management of the Company evaluated its February 1, 2015 consolidated financial statements for subsequent events through August 6, 2015, the date the financial statements were available to be issued. Management is not aware of any subsequent events which would require recognition or additional disclosure in the financial statements, except as discussed above in notes C and D.

Subsequent Events—Unaudited

Management of the Company evaluated its August 2, 2015 unaudited consolidated financial statements for subsequent events through September 23, 2015, the date the unaudited financial statements were available to be issued. On August 31, 2015, the Company amended its Amended and Restated Loan Agreement with a bank for a term loan borrowing equal to a portion of the estimated Accumulated Adjustments Account Distributions ("AAA Distributions") calculated as of August 31, 2015 or an amount not to exceed $46,300,000. The term loan will be advanced to the Company on the date requested by the Company, however, no later than November 30, 2015 and will be repaid in full within ten days after such advance with interest rate equal to one-month LIBOR rate plus 1.25 percentage points.

DULUTH HOLDINGS INC. AND SUBSIDIARY AND AFFILIATES SCHEDULE II
VALUATION AND QUALIFYING ACCOUNTS
For the Years Ended February 1, 2015 and February 2, 2014

	Beginning Balance	Charged to Cost and Expenses	Charged to Other Accounts	Deductions	Ending Balance
Inventory reserve					
Year ended February 1, 2015	$ 743,000	$ 547,000	$ —	$ —	$1,290,000
Year ended February 2, 2014	706,900	36,100	—	—	743,000
Product returns reserve					
Year ended February 1, 2015	$ 908,400	$ 52,300	$ —	$ —	$ 960,700
Year ended February 2, 2014	495,500	412,900	—	—	908,400

See accompanying Report of Independent Registered Public Accounting Firm.

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Shares

Duluth Holdings Inc.

Class B Common Stock

Prospectus
, 2015

William Blair
Baird
Raymond James
BMO Capital Markets

Through and including , 2015 (the 25th day after the date of this prospectus) federal securities law may require all dealers that effect transactions in these securities, whether or not participating in this offering, to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution

	Amount to be paid
Registration fee	$ 11,580.50
FINRA filing fee	17,750
Listing fee	125,000
Transfer agent's fees	*
Printing expenses	*
Legal fees and expenses	*
Accounting fees and expenses	*
Blue Sky fees and expenses	*
Miscellaneous	*
Total	$ *

* To be completed by amendment.

Each of the amounts set forth above, other than the Registration fee and the FINRA filing fee, is an estimate.

Item 14. Indemnification of Directors and Officers

Sections 180.0850 to 180.0859 of the Wisconsin Business Corporation Law, or the WBCL, require a corporation to indemnify any director or officer who is a party to any threatened, pending or completed civil, criminal, administrative or investigative action, suit, arbitration or other proceeding, whether formal or informal, which involves foreign, federal, state or local law and that is brought by or in the right of the corporation or by any other person. A corporation's obligation to indemnify any such person includes the obligation to pay any judgment, settlement, forfeiture or fine, including any excise tax assessed with respect to an employee benefit plan, and all reasonable expenses, including fees, costs, charges, disbursements, attorney's fees and other expenses, except in those cases in which liability was incurred as a result of the breach or failure to perform a duty that the director or officer owes to the corporation and the breach or failure to perform constitutes: (i) a willful failure to deal fairly with the corporation or its shareholders in connection with a matter in which the director or officer has a material conflict of interest; (ii) a violation of criminal law, unless the person has reasonable cause to believe his conduct was lawful or had no reasonable cause to believe his conduct was unlawful; (iii) a transaction from which the person derived an improper personal profit; or (iv) willful misconduct.

An officer or director seeking indemnification is entitled to indemnification if approved in any of the following manners: (i) by a majority vote of a disinterested quorum of the board of directors, or if such quorum of disinterested directors cannot be obtained, by a majority vote of a committee of two or more disinterested directors; (ii) by independent legal counsel; (iii) by a panel of three arbitrators; (iv) by an affirmative vote of disinterested shareholders; (v) by a court; or (vi) with respect to any additional right to indemnification granted, by any other method permitted in Section 180.0858 of the WBCL.

Reasonable expenses incurred by a director or officer who is a party to a proceeding may be reimbursed by a corporation at such time as the director or officer furnishes to the corporation written affirmation of his good faith belief that he has not breached or failed to perform his duties and a written undertaking to repay any amounts advanced if it is determined that indemnification by the corporation is not required.

The indemnification provisions of Sections 180.0850 to 180.0859 of the WBCL are not exclusive. A corporation may expand an officer's or director's right to indemnification (i) in its articles of incorporation or

bylaws; (ii) by written agreement between the director or officer and the corporation; (iii) by resolution of its board of directors; or (iv) by resolution of a majority of all of the corporation's voting shares then issued and outstanding.

As permitted by Section 180.0858 of the WBCL, the Company has adopted indemnification provisions in its amended and restated bylaws that are substantially similar to the statutory indemnification provisions. Additionally, the Company has purchased director and officer liability insurance.

The underwriting agreement for this offering provides that the Company has agreed to indemnify the underwriters and the underwriters have agreed to indemnify the Company against certain civil liabilities that may be incurred in connection with this offering, including certain liabilities under the Securities Act. If we are unable to provide this indemnification, we will contribute to the payments the underwriters and their affiliates, selling agents and controlling persons may be required to make in respect of those liabilities.

Item 15. Recent Sales of Unregistered Securities

Since January 1, 2011, we have made the following sales of unregistered securities (after giving effect to a one-for- stock split of our Class B common stock effective upon the completion of this offering). In order to retain key executives and provide a vehicle for executive ownership, our board of directors, through certain Restricted Stock Agreements, granted to certain executive officers of the Company a total of 283 restricted shares of Class B common stock at a grant price of ranging from $2,849.00 a share to $12,515.00 a share. These restricted shares of our Class B common stock were exempt from the registration provisions under the Securities Act in reliance upon Rule 701 of the Securities Act as transactions pursuant to a compensatory benefit plan or written contract relating to compensation.

Item 16. Exhibits and Financial Statement Schedules:

The exhibits and financial statement schedules filed as part of this registration statement are as follows:

(a) List of Exhibits

See the Exhibit Index attached to this registration statement, which is incorporated by reference herein.

(b) Financial Statement Schedules

No financial statement schedules are filed because the required information is not applicable or is included in the consolidated financial statements or related notes.

Item 17. Undertakings

The undersigned Registrant hereby undertakes:

(1) The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

(2) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act, and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being

registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(3) That, for purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(4) That, for the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

The undersigned Registrant further undertakes that:

If the registrant is subject to Rule 430C, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities: the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

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Signatures

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Belleville, State of Wisconsin, on October 6, 2015.

DULUTH HOLDINGS INC.

By: /s/ Stephanie L. Pugliese
Stephanie L. Pugliese
President and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Name	Title	Date
/s/ Stephanie L. Pugliese Stephanie L. Pugliese	President and Chief Executive Officer and a Director (Principal Executive Officer)	October 6, 2015
/s/ Mark M. DeOrio Mark M. DeOrio	Senior Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	October 6, 2015

Directors: Stephen L. Schlecht, E. David Coolidge III, Francesca M. Edwardson, William E. Ferry, Thomas G. Folliard, David C. Finch, C. Roger Lewis, Brenda I. Morris.

By: /s/ Stephanie L. Pugliese
Stephanie L. Pugliese
Attorney-In-Fact*

October 6, 2015

* Pursuant to authority granted by powers of attorney, copies of which are filed herewith.

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EXHIBIT INDEX

Exhibit Number	Exhibit Description
1.1*	Form of Underwriting Agreement
3.1*	Form of Amended and Restated Articles of Incorporation of Duluth Holdings Inc. to be effective immediately prior to the consummation of the closing of Duluth Holdings Inc.'s initial public offering
3.2*	Form of Amended and Restated Bylaws of Duluth Holdings Inc. to be effective immediately prior to the consummation of the closing of Duluth Holdings Inc.'s initial public offering
4.1*	Form of Class B Common Stock Certificate of Duluth Holdings Inc.
5.1*	Opinion of Godfrey & Kahn, S.C.
10.1+	Employment Agreement between Duluth Holdings Inc. and Stephen L. Schlecht
10.2+	Employment Agreement between Duluth Holdings Inc. and Stephanie Pugliese
10.3+	Employment Agreement between Duluth Holdings Inc. and Mark M. DeOrio
10.4+	Employment Agreement between Duluth Holdings Inc. and Al Dittrich
10.5+	Restricted Stock Agreement between Duluth Holdings Inc. and Stephanie Pugliese, dated April 30, 2012
10.6+	Restricted Stock Agreement between Duluth Holdings Inc. and Stephanie Pugliese, dated April 1, 2014
10.7+	Restricted Stock Agreement between Duluth Holdings Inc. and Stephanie Pugliese, dated February 2, 2015
10.8+	Restricted Stock Agreement between Duluth Holdings Inc. and Al Dittrich, dated February 2, 2015
10.9+	Restricted Covenant Agreement between Duluth Holdings Inc. and Stephanie Pugliese
10.10+	Restricted Covenant Agreement between Duluth Holdings Inc. and Al Dittrich
10.11+	2014 Vice President Bonus Plan
10.12+	2015 Executive Chairman and Chief Executive Officer Bonus Plan
10.13+	2015 Senior Vice President Bonus Plan
10.14+	Summary of Outside Director Compensation Program
10.15+	2015 Consulting Agreement between Duluth Holdings Inc. and Mr. Lewis
10.16+*	2015 Equity Incentive Plan of Duluth Holdings Inc.
10.17+	Form of Restricted Stock Agreement under the 2015 Equity Incentive Plan
10.18	Lease between Schlecht Retail Ventures LLC and Duluth Holdings Inc., dated September 12, 2014 (100 First Street, Mt. Horeb, Wisconsin)
10.19	Commercial Lease between Schlecht Retail Ventures LLC and Duluth Holdings Inc., dated February 14, 2010 (100 West Main Street, Mt. Horeb, Wisconsin)
10.20	Retail Space Lease between LDC-728 Milwaukee, LLC and Duluth Holdings Inc., dated January 23, 2012 (108 North Franklin Street, Port Washington, Wisconsin)
10.21	First Amendment to Retail Lease between LDC-728 Milwaukee, LLC and Duluth Holdings Inc., dated January 23, 2012 (108 North Franklin Street, Port Washington, Wisconsin)
10.22	Second Amendment to Retail Lease between Schlecht Port Washington LLC and Duluth Holdings Inc., dated January 23, 2012 (108 North Franklin Street, Port Washington, Wisconsin)
10.23*	Form of S Corporation Termination, Tax Allocation and Indemnification Agreement among Duluth Holdings Inc. and shareholders of Duluth Holdings Inc.
10.24(a)	Amended and Restated Loan Agreement, dated June 13, 2011, among BMO Harris Bank N.A. (f/k/a Harris N.A.), Duluth Holdings Inc. and Duluth Trading Company, LLC

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Exhibit Number	Exhibit Description
10.24(b)	Amended and Restated Security Agreement, dated June 13, 2011, among BMO Harris Bank N.A. (f/k/a Harris N.A.), Duluth Holdings Inc. and Duluth Trading Company, LLC
10.24(c)	Amended and Restated Revolving Note, dated June 13, 2011, among BMO Harris Bank N.A. (f/k/a Harris N.A.) and Duluth Holdings Inc. and Duluth Trading Company, LLC
10.24(d)	Amended and Restated Term Note, dated June 13, 2011, among BMO Harris Bank N.A. (f/k/a Harris N.A.), Duluth Holdings Inc. and Duluth Trading Company, LLC
10.24(e)	Guaranty, dated June 13, 2011, between BMO Harris Bank N.A. (f/k/a Harris N.A.) and Schlecht Retail Ventures LLC
10.25	Loan Agreement, dated June 13, 2011, among BMO Harris Bank N.A., Duluth Holdings Inc. and Duluth Trading Company, LLC, as amended by the First Amendment to the Amended and Restated Loan Agreement dated June 30, 2012
10.26	Loan Agreement, dated June 13, 2011, among BMO Harris Bank N.A., Duluth Holdings Inc. and Duluth Trading Company, LLC, as amended by the Second Amendment to the Amended and Restated Loan Agreement dated December 27, 2013
10.27	Loan Agreement, dated June 13, 2011, among BMO Harris Bank N.A., Duluth Holdings Inc. and Duluth Trading Company, LLC, as amended by the Third Amendment to the Amended and Restated Loan Agreement dated April 15, 2014
10.28	Loan Agreement, dated June 13, 2011, among BMO Harris Bank N.A., Duluth Holdings Inc. and Duluth Trading Company, LLC, as amended by the Fourth Amendment to the Amended and Restated Loan Agreement dated May 21, 2014
10.29	Loan Agreement, dated June 13, 2011, among BMO Harris Bank N.A., Duluth Holdings Inc. and Duluth Trading Company, LLC, as amended by the Fifth Amendment to the Amended and Restated Loan Agreement dated March 24, 2015
10.30	Loan Agreement, dated June 13, 2011, among BMO Harris Bank N.A., Duluth Holdings Inc. and Duluth Trading Company, LLC, as amended by the Sixth Amendment to the Amended and Restated Loan Agreement dated May 31, 2015
10.31	Loan Agreement, dated June 13, 2011, among BMO Harris Bank N.A., Duluth Holdings Inc. and Duluth Trading Company, LLC, as amended by the Seventh Amendment to the Amended and Restated Loan Agreement dated July 27, 2015
10.32	Loan Agreement, dated June 13, 2011, among BMO Harris Bank N.A., Duluth Holdings Inc. and Duluth Trading Company, LLC, as amended by the Eighth Amendment to the Amended and Restated Loan Agreement dated August 31, 2015
21.1	Subsidiaries of Duluth Holdings Inc.
23.1	Consent of Godfrey & Kahn, S.C. (included in Exhibit 5.1)
23.2	Consent of Grant Thornton LLP
23.3	Consent of Information Resources, Inc.
24.1	Power of Attorney

* To be filed by amendment.

+ Indicates a management contract or compensation plan or arrangement.

Exhibit 10.1

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("Agreement") is executed as of this 5th day of August, 2015 ("the Effective Date"), by and between Stephen L. Schlecht ("Executive") and Duluth Holdings, Inc. (the "Company").

RECITALS

WHEREAS, the Company desires to continue to employ Executive as its Executive Chairman, and Executive desires to be employed by the Company in such capacity, on the terms and conditions set forth herein.

WHEREAS, as a result of Executive's employment with the Company, Executive will have access to and be entrusted with valuable information about the Company's business and customers, including trade secrets and confidential information; and

WHEREAS, the Parties believe it is in their best interests to make provision for certain aspects of their relationship during and after the period in which Executive is employed by the Company.

NOW, THEREFORE, in consideration of the promises and the mutual agreements and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Company and Executive (jointly, the "Parties"), the Parties agree as follows:

ARTICLE I
EMPLOYMENT

1.1 Position and Duties. Executive shall be employed in the position of Executive Chairman of the Company and shall be subject to the authority of, and shall report to, the Company's Board of Directors (the "Board"). Executive's duties and responsibilities shall include all those customarily attendant to the position of Executive Chairman, and such other duties and responsibilities as may be assigned from time-to-time by the Board. Executive shall devote Executive's entire business time, attention, energies, and best efforts exclusively to the business interests of the Company while employed by the Company, except as otherwise approved by the Board to the extent that such activities do not impair Executive's ability to perform Executive's duties pursuant to this Agreement. With respect to outside board activities, Executive, with the Board's written approval (which approval shall not be unreasonably withheld), may serve on the board, advisory board or committee of any non-profit or for-profit organization. Executive may from time-to-time work remotely and Executive shall not be required to use Paid Time Off for such time away from the Company's offices.

1.2 Term of Employment. The Company employs Executive, and Executive accepts employment by the Company, for the period commencing on the Effective Date. Executive's employment shall continue until terminated by the Company or Executive, in accordance with and subject to the termination provisions set forth in Article III, below (the "Employment Term"). Upon the termination of Executive's employment for any reason, Executive will be deemed to have resigned all of Executive's positions with the Company and on its Board.

Although the foregoing resignations are effective without any further action by Executive, Executive agrees to execute any documents reasonably requested by the Company to document such actions.

1.3 Board Service. Executive will serve as a member of the Board and for so long as Executive remains the Executive Chairman of the Company, Executive will be nominated to serve as a member of the Board. Executive will be an employee director, and as such, Executive will not receive any additional compensation for serving as a member of the Board.

ARTICLE II
COMPENSATION AND OTHER BENEFITS

2.1 Base Salary. During the Employment Term, the Company shall pay Executive in substantially equal monthly or more frequent installments, an annual salary of Three Hundred Thousand Dollars ($300,000) ("Base Salary"), payable in accordance with the normal payroll practices and schedule of the Company. Executive's Base Salary shall be reviewed annually and may be increased at any time and from time-to-time as the Board and/or Compensation Committee of the Board (the "Compensation Committee"), as applicable, shall deem appropriate in its sole discretion. Base Salary shall not be reduced at any time during the Employment Term, except with the consent of Executive. The term "Base Salary," as utilized in this Agreement, shall refer to Base Salary as so increased or decreased. All amounts in this Agreement are stated prior to deductions for federal and state income and employment tax withholding.

2.2 Incentive Compensation. During the Employment Term, Executive shall be eligible to participate in annual incentive bonus plans (the "Bonus Plan") offered by the Company to its senior executives from time-to-time. The performance metrics for the Bonus Plan and the extent to which such metrics are met, as well as any other material terms, including threshold and maximum levels for annual cash incentive bonuses, shall be determined in the sole discretion of the Board and/or Compensation Committee, as applicable. During the Employment Term, Executive will be eligible for grants of equity compensation awards offered to the Company's management employees, in the sole discretion of the Board and/or Compensation Committee, as applicable.

2.3 Other Benefits.

(a) In General. During the Employment Term and subject to any limitation on participation provided by applicable law: (i) Executive shall be entitled to participate in all applicable qualified and nonqualified retirement plans, practices, policies and programs of the Company; and (ii) Executive and/or Executive's family, as the case may be, shall be eligible for all applicable welfare benefit plans, practices, policies and programs provided by the Company, with respect to both (i) and (ii) above, to the same extent as other senior executives of the Company, other than severance plans, practices, policies and programs. Nothing herein shall be deemed to limit the Company's ability to amend, terminate or otherwise change any of the referenced plans, practices, policies and programs at any time, and from time-to-time.

(b) Paid Time Off. During the Employment Term, Executive shall be entitled to 208 hours of Paid Time Off per calendar year (pro-rated for partial years), which shall accrue in accordance with, and be otherwise subject to the provisions of the Company's policy, as in effect from time-to-time. As used herein, "Paid Time Off" means sick days, personal days and vacation days.

(c) Legal Fees. Executive shall be entitled to reimbursement to Executive of all reasonable legal fees associated with the negotiation and drafting of this Agreement, provided that reimbursement of amounts under this Section 2.3(c) shall not exceed $5,000.00 in the aggregate. Any reimbursement of such legal fees shall be paid within 60 days after Executive submits invoices therefor to the Company which comply with the Company's reimbursement policy.

2.4 Expense Reimbursement. The Company shall pay or reimburse Executive for all reasonable out-of-pocket expenses actually incurred by Executive in the course of performing Executive's duties for the Company in accordance with the Company's reimbursement policies for senior executives as in effect from time-to-time. Executive shall keep accurate records and receipts of such expenditures and shall submit such accounts and proof thereof as may from time-to-time be required in accordance with such expense account or reimbursement policies that the Company may establish for its senior executives generally. The Company's obligation to pay or reimburse Executive for certain expenses will comply with the requirements set forth in Section 1.409A-3(i)(1)(iv) of the regulations (the "409A Regulations"), promulgated under Section 409A of the Code, including the requirement that the amount of expenses eligible for reimbursement during any calendar year may not affect the expenses eligible for reimbursement in any other taxable year. Further, reimbursement of eligible expenses shall be made on or before the last day of the calendar year following the calendar year in which the expense was incurred, as required by Section 1.409A-3(i)(1)(iv) of the 409A Regulations.

ARTICLE III
TERMINATION

3.1 Right to Terminate; Automatic Termination. During the Employment Term, Executive's employment may terminate for any of the reasons set out in paragraphs (a) through (e) hereof.

(a) Termination by Death or Disability. Executive's employment and the Company's obligations under this Agreement, except as provided in Section 3.2(a), below, shall terminate automatically, effective immediately and without any notice being necessary, upon Executive's death or a determination of Disability of Executive. For purposes of this Agreement, "Disability" means the inability of Executive to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, as determined by a physician selected by the Company and Executive. If the Company and Executive cannot agree on a physician, each party shall select a physician and the two physicians shall select a third who shall make the determination as to whether Executive has a condition that meets the definition of Disability. Executive shall cooperate with any reasonable efforts to make such

determination. In the event Executive is unable to select a physician, such selection shall be made by Executive's spouse, and if Executive's spouse is unable to select a physician, such selection shall be made by Executive's legal representative. Any such determination shall be conclusive and binding on the Parties. Any determination of Disability under this Section 3.1(a) is not intended to alter any benefits any person and/or beneficiary may be entitled to receive under any long-term disability insurance policy carried by either the Company or Executive with respect to Executive, which benefits shall be governed solely by the terms of any such insurance policy.

(b) Termination For Cause. The Company may terminate Executive's employment and all of the Company's obligations under this Agreement, except as provided in Section 3.2(b), below, at any time for Cause (as defined below) by giving written notice to Executive stating the basis for such termination, effective immediately upon giving such notice or at such other time thereafter as the Company may designate. "Cause" shall mean any of the following: (i) Executive has materially breached this Agreement, any other agreement to which Executive and the Company are parties, or any Company policy, or has materially breached any other obligation or duty owed to the Company pursuant to law or the Company's policies and procedures manual, including, but not limited to, Executive's substantial failure or willful refusal to perform Executive's duties and responsibilities to the Company (other than as a result of Executive's Death or Disability); (ii) Executive has committed an act of gross negligence, willful misconduct or any violation of law in the performance of Executive's duties for the Company; (iii) Executive has taken any action substantially likely to result in material discredit to or material loss of business, reputation or goodwill of the Company; (iv) Executive has failed to follow resolutions that have been approved by a majority of the Board concerning the operations or business of the Company; (v) Executive has been convicted of or plead *nolo contendere* to a felony or other crime, the circumstances of which substantially relate to Executive's employment duties with the Company; provided however, that upon indictment in any such case, the Executive may, at the Company's sole discretion, be suspended without pay pending final resolution of the matter; (vi) Executive has misappropriated funds or property of the Company or engaged in any material act of dishonesty; or (vii) Executive has attempted to obtain a personal profit from any transaction in which the Company has an interest, and which constitutes a corporate opportunity of the Company, or which is adverse to the interests of the Company, unless the transaction was approved in writing by the Board after full disclosure of all details relating to such transaction.

(c) Termination by Resignation. Executive's employment and the Company's obligations under this Agreement shall terminate automatically, except as provided in Section 3.2(b), below, when Executive voluntarily terminates Executive's employment with the Company other than with Good Reason (as described in Section 3.1(e), below), with ninety (90) days' prior notice, or at such other earlier time as may be mutually agreed between the Parties following the provision of such notice.

(d) Termination Without Cause. The Company may terminate Executive's employment and all of the Company's obligations under this Agreement, except as provided in Section 3.2(c), below, at any time and for any reason. Such termination shall

be effective immediately upon the Company providing notice to Executive that Executive is terminated without Cause, or such other time thereafter as the Company shall designate.

(e) Termination By Executive With Good Reason. Executive may terminate this Agreement with Good Reason, at which time Executive's employment and all of the Company's obligations under this Agreement shall terminate, except as provided in Section 3.2(c). "Good Reason" shall mean the occurrence of any of the following conditions without Executive's written consent, provided that Executive shall provide notice to the Company of the existence of the condition within 90 days of the initial existence of such condition, the Company shall have 30 days from the date it receives the notice (the "Cure Period") within which to cure such condition, and Executive must terminate Executive's employment within no more than 30 days after the expiration of the Cure Period if the Company does not cure the condition within the Cure Period: (i) a reduction in Executive's title such that Executive is no longer Executive Chairman of the Company; (ii) a material reduction in Executive's then current level of Base Salary, except with the consent of Executive; (iii) a material diminution in Executive's duties or responsibilities; (iv) a breach by the Company of any material provision of this Agreement; or (v) the relocation of Executive's office location more than twenty-five (25) miles from Belleville or Mt. Horeb, Wisconsin.

3.2 Obligations Upon Termination.

(a) Termination by Death or Disability. If Executive's employment is terminated pursuant to Section 3.1(a), above, Executive or Executive's estate shall have no further rights against the Company hereunder, except for the right to receive: (i) any unpaid Base Salary with respect to the period prior to the effective date of termination of employment; (ii) payment of any accrued but unused Paid Time Off, consistent with the Company's policy related to carryovers of unused time and applicable law; (iii) all vested benefits to which Executive is entitled under any benefit plans set forth in Section 2.3(a) hereof in accordance with the terms of such plans through the date employment terminates; (iv) reimbursement of expenses to which Executive may be entitled under Section 2.4 hereof (clauses (i) through (iv) collectively, the "Accrued Obligations"); and (v) provided that Executive, or a representative of Executive's estate, as the case may be, executes and delivers to the Company an irrevocable release of all employment-related claims against the Company as further described in Section 3.2(c)(ii), a pro-rated annual incentive bonus payment (based on the number of days worked in that fiscal year) for the fiscal year in which termination occurs based on actual performance-based bonus attainments for such fiscal year, payable in a lump sum. The pro-rated annual incentive bonus payment shall be made at such time as other participants in the plan receive their payment, or, if later, on the sixtieth (60th) day following the date of Executive's termination of employment, provided that (A) and (B) of Section 3.2(c)(ii) have been satisfied by such date. The treatment of Executive's equity awards, if any, shall be governed by the applicable plans or grant agreements, except as explicitly provided to the contrary pursuant to this Agreement.

(b) Section 3.1(b)-(c) Terminations. If Executive's employment is terminated pursuant to Section 3.1(b) or (c), above, Executive shall have no further rights against the Company hereunder, except for the right to receive the Accrued Obligations. The treatment of Executive's incentive compensation provided under Section 2.2 hereof and the treatment of Executive's equity awards, if any, shall be governed by the terms of the applicable plans or grant agreements, except as explicitly provided to the contrary pursuant to this Agreement.

(c) Termination Without Cause or For Good Reason.

(i) Company Obligations. If Executive's employment is terminated pursuant to Section 3.1(d) or (e), above, Executive shall have no further rights against the Company hereunder, except for the right to receive: (A) the Accrued Obligations; and (B) Severance Payments, as defined below, but only for so long as Executive complies with the requirements of Articles IV, V, VI, VII, VIII, IX and X, below. For purposes of this Agreement, "Severance Payments" means: (1) twelve (12) months of Base Salary continuation; (2) a pro-rated annual incentive bonus payment (based on the number of days worked in that fiscal year) for the fiscal year in which termination occurs based on actual performance-based bonus attainments for such fiscal year; and (3) to the extent it does not result in a tax or penalty on the Company, reimbursement for that portion of the premiums paid by Executive to obtain COBRA continuation health coverage that equals the Company's subsidy for health coverage for active employees with family coverage (if applicable) grossed up so that Executive will be made whole for such premiums on an after-tax basis ("COBRA Continuation Payments") for twelve (12) months following the date employment terminates (provided that Executive has not obtained health coverage from any other source and is not eligible to receive health coverage from any other employer, in which event Executive shall no longer be entitled to reimbursement), at the times provided in subsection (iii), below. The treatment of Executive's equity awards, if any, shall be governed by the terms of the applicable plans or grant agreements, except as explicitly provided to the contrary pursuant to this Agreement.

(ii) Release Requirement. Notwithstanding the foregoing, the Company shall not pay to Executive, and Executive shall not have any right to receive, the Severance Payments unless, on or before the sixtieth (60th) day following the date of termination of employment: (A) Executive has executed and delivered to the Company a release of all employment-related claims against the Company, its affiliates, successor companies, and their past and current directors, officers, employees and agents, in a form provided to Executive by the Company (which shall preserve, to the extent applicable, any indemnity rights Executive may be entitled to pursuant to Company by-laws, statute or any director and officer liability insurance maintained by the Company); and (B) the statutory revocation period for such release has expired.

(iii) Timing of Payment of Severance Payments. Base Salary continuation shall commence on the first payroll date following the expiration of

the statutory revocation period, provided that (A) and (B) of Section 3.2(c)(ii) have been satisfied by such date, and shall be paid over a twelve (12) month period in accordance with the normal payroll practices and schedule of the Company. The pro-rated annual incentive bonus payment shall be made at such time as other participants in the plan receive their payment, or, if later, on the sixtieth (60th) day following the date of Executive's termination of employment, provided that (A) and (B) of Section 3.2(c)(ii) have been satisfied by such date. The COBRA Continuation Payments shall be paid on a monthly basis after Executive has paid the applicable COBRA premium payment, provided that (A) and (B) of Section 3.2(c)(ii) have been satisfied by such date, over a 12-month period. Notwithstanding anything to the contrary contained in this Agreement, if: (A) Executive is a "specified employee" within the meaning of Section 1.409A-1(i) of the 409A Regulations; and (B) the Severance Payments do not qualify for exemption from Section 409A under the short-term deferral exception to deferred compensation of Section 1.409A-1(b)(4) of the 409A Regulations, the separation pay plan exception to deferred compensation of Section 1.409A-1(b)(9) of the 409A Regulations, or any other exception under the 409A Regulations, that portion of the Severance Payments not exempt from Section 409A of the Code shall be made in accordance with the terms of this Agreement, but in no event earlier than the first to occur of: (1) the day after the six-month anniversary of Executive's termination of employment; or (2) Executive's death. Any payments delayed pursuant to the prior sentence shall be made in a lump sum, on the first business day after the six-month anniversary of Executive's termination of employment along with interest thereon payable at the short-term applicable federal rate for monthly payments, as determined under Section 1274(d) of the Code, for the month in which Executive's employment terminated.

(iv) Treatment of Severance Payments for Tax and Benefit Purposes. The Severance Payments shall be treated as ordinary income and shall be reduced by any applicable income or employment taxes which are required to be withheld under applicable law, and all amounts are stated before any such deduction. Furthermore, the Severance Payments shall not be included as compensation for purposes of any qualified or nonqualified retirement or welfare benefit plan, program or policy of the Company.

(d) Parachute Payments. Notwithstanding anything contained in this Agreement to the contrary, the Company, based on the advice of its legal or tax counsel, shall compute whether there would be any "excess parachute payments" payable to Executive, within the meaning of Section 280G of the Code, taking into account the total ''parachute payments," within the meaning of Section 280G of the Code, payable to Executive by the Company under this Agreement and any other plan, agreement or otherwise. If there would be any excess parachute payments, the Company, based on the advice of its legal or tax counsel, shall compute the net after-tax proceeds related to such parachute payments, taking into account the excise tax imposed by Section 4999 of the Code, as if: (i) such parachute payments were reduced, but not below zero, such that the total parachute payments payable to Executive would not exceed three (3) times the "base

amount" as defined in Section 280G of the Code, less One Dollar ($1.00); or (ii) the full amount of such parachute payments were not reduced. If reducing the amount of such parachute payments otherwise payable would result in a greater after-tax amount to Executive, such reduced amount shall be paid to Executive and the remainder shall be forfeited. If not reducing such parachute payments otherwise payable would result in a greater after-tax amount to Executive, then such parachute payments shall not be reduced. If such parachute payments are reduced pursuant to the foregoing, they will be reduced in the following order: first, by reducing any cash severance payments, then by reducing any fringe or other severance benefits, and finally by reducing any payments or benefits otherwise payable with respect to, or measured by, the Company's common stock (including without limitation by eliminating accelerated vesting, in each case starting with the installment or tranche last eligible to become vested absent the occurrence of a change in control). Notwithstanding the foregoing, to the extent the Parties agree that any of the foregoing amounts are not parachute payments, such amounts shall not be reduced. To the extent the Parties cannot agree as to whether any of the payments are in fact parachute payments, the Parties will designate, by mutual agreement, an unrelated third-party with tax expertise to make the determination. Notwithstanding any provision of this Section 3.2(d) to the contrary, no amount shall be subject to reduction pursuant to this Section 3.2(d) to the extent the reduction would result in a violation of any applicable law.

ARTICLE IV
CONFIDENTIALITY

4.1 Confidentiality Obligations.

(a) During Employment. Executive will not, during Executive's employment with the Company, directly or indirectly use or disclose any Confidential Information or Trade Secrets except in the interest and for the benefit of the Company.

(b) Trade Secrets Post-Employment. After the end, for any reason, of Executive's employment with the Company, Executive will not directly or indirectly use or disclose any Trade Secrets.

(c) Confidential Information Post-Employment. For a period of twenty-four (24) months following the end, for any reason, of Executive's employment with the Company, Executive will not directly or indirectly use or disclose any Confidential Information.

(d) Third Party Information. Executive further agrees not to use or disclose at any time information received by the Company from others except in accordance with the Company's contractual or other legal obligations.

4.2 Definitions.

(a) Trade Secret. The term "Trade Secret" has that meaning set forth under applicable law.

(b) Confidential Information. The term "Confidential Information" means all non-Trade Secret information of, about or related to the Company or provided to the Company by its customers and suppliers that is not known generally to the public or the Company's competitors. Confidential Information includes, but is not limited to: (i) strategic plans, budgets, forecasts, financial information, inventions, product designs and specifications, material specifications, materials sourcing information, product costs, information about products under development, research and development information, production processes, equipment design and layout, customer lists, information about orders from and transactions with customers, sales and marketing information, strategies and plans, pricing information; and (ii) information which is marked or otherwise designated or treated as confidential or proprietary by the Company.

(c) Exclusions. Notwithstanding the foregoing, the terms "Confidential Information" and "Trade Secret" do not include, and the obligations set forth in this Agreement do not apply to, any information which: (i) can be demonstrated by Executive to have been known by Executive prior to Executive's employment by the Company; (ii) is or becomes generally available to the public through no act or omission of Executive; (iii) is obtained by Executive in good faith from a third party who discloses such information to Executive on a non-confidential basis without violating any obligation of confidentiality or secrecy relating to the information disclosed; or (iv) is independently developed by Executive outside the scope of Executive's employment without use of Confidential Information or Trade Secrets of the Company.

ARTICLE V
NON-COMPETITION

5.1 Restrictions on Competition During Employment. During the term of Executive's employment with the Company, Executive shall not directly or indirectly compete against the Company, or directly or indirectly divert or attempt to divert any Customer's business from the Company anywhere the Company does or is taking steps to do business.

5.2 Post-Employment Restricted Services Obligation. For a period of two (2) years following the end, for whatever reason, of Executive's employment with the Company, Executive agrees not to directly or indirectly provide Restricted Services to any Competitor in the Territory.

5.3 Definitions.

(a) Restricted Services. The term "Restricted Services" means employment duties and functions of the type provided by Executive to the Company during the twelve (12) month period immediately prior to the end, for whatever reason, of Executive's employment with the Company.

(b) Competitor. The term "Competitor" means Carhartt, Inc., L.L. Bean, Inc., Cabela's Inc., Land's End, Inc., VF Corporation, and any and all of their respective affiliates and successors. In addition, the term "Competitor" shall mean any corporation, partnership, association, or other person or entity that engages in any business which, at

any time during the eighteen (18) month period immediately prior to the end, for whatever reason, of Executive's employment with the Company, and regardless of business format (including, but not limited to, department stores, specialty stores, discount stores, direct marketing, or electronic commerce): (i) marketed, manufactured, or sold men's or women's work wear of the type marketed, manufactured or sold by the Company during the eighteen (18) month period immediately prior to the end of Executive's employment with the Company; and (ii) had combined annual revenues in excess of $100 million.

(c) Territory. The term "Territory" shall mean the United States of America and Canada.

ARTICLE VI
BUSINESS IDEA RIGHTS

6.1 Assignment. The Company will own, and Executive hereby assigns to the Company and agrees to assign to the Company, all rights in all Business Ideas which Executive originates or develops whether alone or working with others while Executive is employed by the Company. All Business Ideas which are or form the basis for copyrightable works are hereby assigned to the Company and/or shall be assigned to the Company or shall be considered "works for hire" as that term is defined by United States Copyright Law.

6.2 Definition of Business Ideas. The term "Business Ideas" means all ideas, designs, modifications, formulations, specifications, concepts, know-how, trade secrets, discoveries, inventions, data, software, developments and copyrightable works, whether or not patentable or registrable, which Executive originates or develops, either alone or jointly with others while Executive is employed by the Company and which are: (i) related to any business known to Executive to be engaged in or contemplated by the Company; (ii) originated or developed during Executive's working hours; or (iii) originated or developed in whole or in part using materials, labor, facilities or equipment furnished by the Company.

6.3 Disclosure. While employed by the Company, Executive will promptly disclose all Business Ideas to the Company.

6.4 Execution of Documentation. Executive, at any time during or after the Employment Term, will promptly execute all documents which the Company may reasonably require to perfect its patent, copyright and other rights to such Business Ideas throughout the world.

ARTICLE VII
NON-SOLICITATION OF EMPLOYEES

During the term of Executive's employment with the Company and for two (2) years thereafter, Executive shall not directly or indirectly encourage any Company employee to terminate employment with the Company or solicit such an individual for employment outside the Company in any manner which would end or diminish that employee's services to the Company.

ARTICLE VIII
EMPLOYEE DISCLOSURES AND ACKNOWLEDGMENTS

8.1 Confidential Information of Others. Executive warrants and represents to the Company that Executive is not subject to any employment, consulting or services agreement, or any restrictive covenants or agreements of any type, which would conflict or prohibit Executive from fully carrying out Executive's duties as described under the terms of this Agreement. Further, Executive warrants and represents to the Company that Executive has not and will not retain or use, for the benefit of the Company, any confidential information, records, trade secrets, or other property of a former employer.

8.2 Scope of Restrictions. Executive acknowledges that during the course of Executive's employment with the Company, Executive will gain knowledge of Confidential Information and Trade Secrets of the Company. Executive acknowledges that the Confidential Information and Trade Secrets of the Company are necessarily shared with Executive on a routine basis in the course of performing Executive's job duties and that the Company has a legitimate protectable interest in such Confidential Information and Trade Secrets, and in the goodwill and business prospects associated therewith. Executive acknowledges that the Company does business in all states in the United States and in Canada. Accordingly, Executive acknowledges that the scope of the restrictions contained in this Agreement are appropriate, necessary and reasonable for the protection of the business, goodwill and property rights of the Company, and that the restrictions imposed will not prevent Executive from earning a living in the event of, and after, the end, for any reason, of Executive's employment with the Company.

8.3 Prospective Employers. Executive agrees, during the term of any restriction contained in Articles IV, V, VI, VII, VIII, IX and X of this Agreement, to disclose this Agreement to any entity which offers employment or engagement to Executive. Executive further agrees that, during the term of any restriction contained in Articles IV, V, VI, VII, VIII, IX and X, the Company may send a copy of this Agreement to, or otherwise make the provisions hereof known to, any person or entity with which Executive seeks to establish a business relationship, including, without limitation, potential employers, joint-venturers, or persons or entities to whom Executive seeks to provide consulting services as an independent contractor.

8.4 Third Party Beneficiaries. All of the Company's affiliates, successors and assigns are third party beneficiaries with respect to Executive's performance of Executive's duties under this Agreement and the undertakings and covenants contained in this Agreement, and the Company and any such entity, enjoying the benefits thereof, may enforce this Agreement directly against Executive.

8.5 Survival. The Covenants set forth in Articles IV, V, VI, VII, VIII, IX and X of this Agreement shall survive the termination of this Agreement.

8.6 Injunctive Relief. Executive acknowledges that the services to be rendered by Executive hereunder are of a special, unique, and extraordinary character and, in connection with such services, Executive will have access to Confidential Information and Trade Secrets that are vital to the Company's business. Executive consents and agrees that, in the event of the breach or a threatened breach by Executive of any of the provisions of this Agreement, the Company

would sustain irreparable harm and that damages at law would not be an adequate remedy for a violation of this Agreement, and, in addition to any other rights or remedies that the Company may have under this Agreement, common or statutory law or otherwise, the Company shall be entitled to specific performance and/or injunctive or other equitable relief from a court of competent jurisdiction enforcing this Agreement and/or restraining Executive from committing, threatening to commit, or continuing any violation of this Agreement (in each case without posting a bond or other security), including, but not limited to, restraining Executive from disclosing, using for any purpose, selling, transferring, or otherwise disposing of, in whole or in part, any Confidential Information and/or Trade Secrets. Nothing contained herein shall be construed as prohibiting the Company from pursuing any other remedies available to it for any breach or threatened breach of any provision of this Agreement, including, but not limited to, the recovery of damages, costs, and fees, including the recovery of any prior Severance Payments made to Executive.

8.7 Consistency With Applicable Law. Executive acknowledges and agrees that nothing in this Agreement prohibits Executive from reporting possible violations of law to any governmental agency or entity or making other disclosures that are protected under the whistleblower provisions of federal, state or local laws or regulations.

ARTICLE IX
RETURN OF RECORDS

Upon the end, for any reason, of Executive's employment with the Company, or upon request by the Company at any time, Executive, within five (5) days after the termination of Executive's employment or earlier upon the Company's written request, shall return to the Company all documents, records, information, equipment (including computers, laptops, tablet computers, cell phones and other such equipment ("Electronic Equipment")) and materials belonging and/or relating to the Company (except Executive's own personnel and wage and benefit materials relating solely to Executive and Executive's personal Electronic Equipment which is not owned by the Company), all passwords and/or access codes related to such equipment and/or materials, and all copies of all such materials. Upon the end, for any reason, of Executive's employment with the Company, or upon request of the Company at any time, Executive further agrees to destroy such records maintained by Executive on Executive's personally-owned Electronic Equipment, which destruction the Company may reasonably confirm.

ARTICLE X
NONDISPARAGEMENT

Executive agrees that Executive will not, at any time (whether during or after the Employment Term), publish or communicate to any person or entity any Disparaging (as defined below) remarks, comments or statements concerning the Company and its respective present and former members, partners, directors, officers, shareholders, employees, agents, attorneys, successors and assigns, except as required by law, rule or regulation. "Disparaging" remarks, comments or statements are those that impugn the character, honesty, integrity or morality or business acumen or abilities in connection with any aspect of the operation of business of the individual or entity being disparaged.

ARTICLE XI
MISCELLANEOUS

11.1 Notice. Notices and all other communications provided for in this Agreement shall be in writing and shall be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid, or sent by electronic mail or prepaid overnight courier to the Parties at the addresses set forth below (or such other address as shall be specified by the Parties by like notice pursuant to this Section 11.1):

To the Company:	Duluth Holdings, Inc. [Personal Information Omitted]
With a copy to:	Godfrey & Kahn, S.C. [Personal Information Omitted]
To Executive:	Stephen L. Schlecht [Personal Information Omitted]

Such notices and communications shall be deemed given upon personal delivery or receipt at the address or email account of the party stated above or at any other address specified by such party to the other party in writing, except that if delivery is refused or cannot be made for any reason, then such notice shall be deemed given on the third day after it is sent.

11.2 Entire Agreement; Amendment; Waiver. This Agreement (including any documents referred to herein) sets forth the entire understanding of the Parties hereto with respect to the subject matter contemplated hereby. Any and all previous agreements and understandings between or among the Parties regarding the subject matter hereof, whether written or oral, are superseded by this Agreement. This Agreement shall not be amended or modified except by a written instrument duly executed by each of the Parties hereto. Any extension or waiver by any party of any provision hereto shall be valid only if set forth in an instrument in writing signed on behalf of such party.

11.3 Headings. The headings of sections and paragraphs of this Agreement are for convenience of reference only and shall not control or affect the meaning or construction of any of its provisions.

11.4 Attorneys' Fees; Expenses. Except as provided in Section 2.3(c), above, each party hereto shall bear and pay all of the respective fees, expenses and disbursements of their agents, representatives, accountants and counsel incurred in connection with and related to this Agreement.

11.5 Waiver of Breach. The waiver by either party of the breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by either party.

11.6 Severability. If any court of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, then such invalidity or unenforceability shall have no effect on the other provisions hereof, which shall remain valid, binding and enforceable and in full force and effect, and, to the extent allowed by law, such invalid or unenforceable provision shall be construed in a manner so as to give the maximum valid and enforceable effect to the intent of the Parties expressed therein.

11.7 Governing Law. This Agreement shall in all respects be construed according to the laws of the State of Wisconsin, without regard to its conflict of laws principles.

11.8 Future Cooperation. Executive agrees that, during Executive's employment and following the termination of Executive's employment for any reason, Executive will cooperate with requests by the Company to assist in the defense or prosecution of any lawsuits or claims in which the Company, or its officers, directors or employees may be or become involved and in connection with any internal investigation or administrative, regulatory or judicial proceeding, in each case which relates to matters occurring while Executive was employed by the Company, at such times and at such places as shall be mutually convenient for Executive and the Company, taking into account any employment commitments which Executive then has. Executive shall be compensated by the Company at a rate comparable to that which Executive earned while an employee of the Company or that which Executive is currently earning, whichever is greater; provided, however, that during such time as Executive is receiving Severance Payments pursuant to Section 3.2(c) of this Agreement, such Severance Payments shall be the sole compensation provided to Executive for services reasonably requested under this Section 11.8.

11.9 Compliance with Section 409A of the Code and the 409A Regulations. This Agreement, and any ambiguity hereunder, shall be interpreted and administered so that any payments or benefits are either exempt from or avoid taxation under Section 409A of the Code, the 409A Regulations and any authority promulgated thereunder. Executive acknowledges that the Company has made no representations as to the treatment of the compensation and benefits provided hereunder and the Executive has been advised to obtain Executive's own tax advice. Any term used in this Agreement which is defined in Code Section 409A or the 409A Regulations shall have the meaning set forth therein unless otherwise specifically defined herein. Any obligations under this Agreement that are subject to the requirements of Code Section 409A and arise in connection with Executive's "termination of employment", "termination" or other similar references shall only be triggered if the termination of employment or termination qualifies as a "separation from service" within the meaning of Section 1.409A-1(h) of the 409A Regulations. Notwithstanding any other provision of this Agreement, if at the time of the termination of Executive's employment, Executive is a "specified employee," as defined in

Section 409A or the 409A Regulations, and any payments upon such termination under this Agreement hereof will result in additional tax or interest to Executive under Code Section 409A, Executive will not be entitled to receive such payments until the date which is the earlier of: (i) six (6) months after the termination of Executive's employment; or (ii) Executive's death. Each amount or benefit payable pursuant to this Agreement shall be deemed a separate payment for purposes of Section 409A and the 409A Regulations.

11.10 Successors.

(a) This Agreement is personal to Executive and shall not be assignable by Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by Executive's legal representatives.

(b) This Agreement shall be assignable by the Company without the written consent of Executive and shall inure to the benefit of and be binding upon the Company and its respective successors and assigns. Upon assignment of this Agreement by the Company, all references to the "Company" shall be deemed to refer to the party to which this Agreement is assigned.

11.11 Acknowledgement of Representation. Executive and the Company acknowledge that they have had the opportunity to be represented by counsel of their own choosing and, therefore, in the event of a dispute over the meaning of this Agreement or any provisions thereof, neither party shall be entitled to any presumption of correctness in favor of the interpretation advanced by such party or against the interpretation advanced by the other party.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date first written above.

EXECUTIVE:

/s/ Stephen L. Schlecht
Stephen L. Schlecht

DULUTH HOLDINGS, INC.:

/s/ Stephanie Pugliese
Stephanie Pugliese
President & Chief Executive Officer

Exhibit 10.2

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("Agreement") is executed as of this 5th day of August, 2015 ("the Effective Date"), by and between Stephanie Pugliese ("Executive") and Duluth Holdings, Inc. (the "Company").

RECITALS

WHEREAS, the Company desires to continue to employ Executive as its President and Chief Executive Officer, and Executive desires to be employed by the Company in such capacity, on the terms and conditions set forth herein.

WHEREAS, as a result of Executive's employment with the Company, Executive will have access to and be entrusted with valuable information about the Company's business and customers, including trade secrets and confidential information; and

WHEREAS, the Parties believe it is in their best interests to make provision for certain aspects of their relationship during and after the period in which Executive is employed by the Company.

NOW, THEREFORE, in consideration of the promises and the mutual agreements and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Company and Executive (jointly, the "Parties"), the Parties agree as follows:

ARTICLE I
EMPLOYMENT

1.1 Position and Duties. Executive shall be employed in the positions of President and Chief Executive Officer of the Company and shall be subject to the authority of, and shall report to, the Company's Board of Directors (the "Board"). Executive's duties and responsibilities shall include all those customarily attendant to the positions of President and Chief Executive Officer, and such other duties and responsibilities as may be assigned from time-to-time by the Board. Executive shall devote Executive's entire business time, attention, energies, and best efforts exclusively to the business interests of the Company while employed by the Company, except as otherwise approved by the Board, to the extent that such activities do not impair Executive's ability to perform Executive's duties pursuant to this Agreement. With respect to outside board activities, Executive, with the Board's written approval (which approval shall not be unreasonably withheld), may serve on the board, advisory board or committee of: (a) any non-profit, charitable or similar organization; and (b) following the second (2nd) anniversary of the Effective Date, one (1) for-profit organization.

1.2 Term of Employment. The Company employs Executive, and Executive accepts employment by the Company, for the period commencing on the Effective Date. Executive's employment shall continue until terminated by the Company or Executive, in accordance with and subject to the termination provisions set forth in Article III, below (the "Employment Term"). Upon the termination of Executive's employment for any reason, Executive will be deemed to have resigned all of Executive's positions with the Company and on its Board.

Although the foregoing resignations are effective without any further action by Executive, Executive agrees to execute any documents reasonably requested by the Company to document such actions.

1.3 Board Service. Executive will serve as a member of the Board until the earlier of the next annual meeting of the Company or the termination of Executive's employment with the Company for any reason. Thereafter, for so long as Executive remains President and Chief Executive Officer of the Company, Executive will be nominated to serve as a member of the Board. Executive will be an employee director, and as such, Executive will not receive any additional compensation for serving as a member of the Board.

ARTICLE II
COMPENSATION AND OTHER BENEFITS

2.1 Base Salary. During the Employment Term, the Company shall pay Executive in substantially equal monthly or more frequent installments, an annual salary of Three Hundred and Fifty Thousand Dollars ($350,000) ("Base Salary"), payable in accordance with the normal payroll practices and schedule of the Company. Executive's Base Salary shall be reviewed annually and may be increased at any time and from time-to-time as the Board and/or Compensation Committee of the Board (the "Compensation Committee"), as applicable, shall deem appropriate in its sole discretion. Base Salary shall not be reduced at any time during the Employment Term, except with the consent of Executive. The term "Base Salary," as utilized in this Agreement, shall refer to Base Salary as so increased or decreased. All amounts in this Agreement are stated prior to deductions for federal and state income and employment tax withholding.

2.2 Incentive Compensation. During the Employment Term, Executive shall be eligible to participate in annual incentive bonus plans (the "Bonus Plan") offered by the Company to its senior executives from time-to-time. The performance metrics for the Bonus Plan and the extent to which such metrics are met, as well as any other material terms, including threshold and maximum levels for annual cash incentive bonuses, shall be determined in the sole discretion of the Board and/or Compensation Committee, as applicable. During the Employment Term, Executive will be eligible for grants of equity compensation awards offered to the Company's management employees, in the sole discretion of the Board and/or Compensation Committee, as applicable.

2.3 Other Benefits.

(a) In General. During the Employment Term and subject to any limitation on participation provided by applicable law: (i) Executive shall be entitled to participate in all applicable qualified and nonqualified retirement plans, practices, policies and programs of the Company; and (ii) Executive and/or Executive's family, as the case may be, shall be eligible for all applicable welfare benefit plans, practices, policies and programs provided by the Company, with respect to both (i) and (ii) above, to the same extent as other senior executives of the Company, other than severance plans, practices, policies and programs. Nothing herein shall be deemed to limit the Company's ability to amend, terminate or otherwise change any of the referenced plans, practices, policies and programs at any time, and from time-to-time.

(b) Paid Time Off. During the Employment Term, Executive shall be entitled to 208 hours of Paid Time Off per calendar year (pro-rated for partial years), which shall accrue in accordance with, and be otherwise subject to the provisions of the Company's policy, as in effect from time-to-time. As used herein, "Paid Time Off" means sick days, personal days and vacation days.

(c) Legal Fees. Executive shall be entitled to reimbursement to Executive of all reasonable legal fees associated with the negotiation and drafting of this Agreement, provided that reimbursement of amounts under this Section 2.3(c) shall not exceed $5,000.00 in the aggregate. Any reimbursement of such legal fees shall be paid within 60 days after Executive submits invoices therefor to the Company which comply with the Company's reimbursement policy.

2.4 Expense Reimbursement. The Company shall pay or reimburse Executive for all reasonable out-of-pocket expenses actually incurred by Executive in the course of performing Executive's duties for the Company in accordance with the Company's reimbursement policies for senior executives as in effect from time-to-time. Executive shall keep accurate records and receipts of such expenditures and shall submit such accounts and proof thereof as may from time-to-time be required in accordance with such expense account or reimbursement policies that the Company may establish for its senior executives generally. The Company's obligation to pay or reimburse Executive for certain expenses will comply with the requirements set forth in Section 1.409A-3(i)(1)(iv) of the regulations (the "409A Regulations"), promulgated under Section 409A of the Code, including the requirement that the amount of expenses eligible for reimbursement during any calendar year may not affect the expenses eligible for reimbursement in any other taxable year. Further, reimbursement of eligible expenses shall be made on or before the last day of the calendar year following the calendar year in which the expense was incurred, as required by Section 1.409A-3(i)(1)(iv) of the 409A Regulations.

ARTICLE III
TERMINATION

3.1 Right to Terminate; Automatic Termination. During the Employment Term, Executive's employment may terminate for any of the reasons set out in paragraphs (a) through (e) hereof.

(a) Termination by Death or Disability. Executive's employment and the Company's obligations under this Agreement, except as provided in Section 3.2(a), below, shall terminate automatically, effective immediately and without any notice being necessary, upon Executive's death or a determination of Disability of Executive. For purposes of this Agreement, "Disability" means the inability of Executive to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, as determined by a physician selected by the Company and Executive. If the Company and Executive cannot agree on a physician,

each party shall select a physician and the two physicians shall select a third who shall make the determination as to whether Executive has a condition that meets the definition of Disability. Executive shall cooperate with any reasonable efforts to make such determination. In the event Executive is unable to select a physician, such selection shall be made by Executive's spouse, and if Executive's spouse is unable to select a physician, such selection shall be made by Executive's legal representative. Any such determination shall be conclusive and binding on the Parties. Any determination of Disability under this Section 3.1(a) is not intended to alter any benefits any person and/or beneficiary may be entitled to receive under any long-term disability insurance policy carried by either the Company or Executive with respect to Executive, which benefits shall be governed solely by the terms of any such insurance policy.

(b) Termination For Cause. The Company may terminate Executive's employment and all of the Company's obligations under this Agreement, except as provided in Section 3.2(b), below, at any time for Cause (as defined below) by giving written notice to Executive stating the basis for such termination, effective immediately upon giving such notice or at such other time thereafter as the Company may designate. "Cause" shall mean any of the following: (i) Executive has materially breached this Agreement, any other agreement to which Executive and the Company are parties, or any Company policy, or has materially breached any other obligation or duty owed to the Company pursuant to law or the Company's policies and procedures manual, including, but not limited to, Executive's substantial failure or willful refusal to perform Executive's duties and responsibilities to the Company (other than as a result of Executive's Death or Disability); (ii) Executive has committed an act of gross negligence, willful misconduct or any violation of law in the performance of Executive's duties for the Company; (iii) Executive has taken any action substantially likely to result in material discredit to or material loss of business, reputation or goodwill of the Company; (iv) Executive has failed to follow resolutions that have been approved by a majority of the Board concerning the operations or business of the Company; (v) Executive has been convicted of or plead *nolo contendere* to a felony or other crime, the circumstances of which substantially relate to Executive's employment duties with the Company; provided however, that upon indictment in any such case, the Executive may, at the Company's sole discretion, be suspended without pay pending final resolution of the matter; (vi) Executive has misappropriated funds or property of the Company or engaged in any material act of dishonesty; or (vii) Executive has attempted to obtain a personal profit from any transaction in which the Company has an interest, and which constitutes a corporate opportunity of the Company, or which is adverse to the interests of the Company, unless the transaction was approved in writing by the Board after full disclosure of all details relating to such transaction.

(c) Termination by Resignation. Executive's employment and the Company's obligations under this Agreement shall terminate automatically, except as provided in Section 3.2(b), below, when Executive voluntarily terminates Executive's employment with the Company other than with Good Reason (as described in Section 3.1(e), below), with ninety (90) days' prior notice, or at such other earlier time as may be mutually agreed between the Parties following the provision of such notice.

(d) Termination Without Cause. The Company may terminate Executive's employment and all of the Company's obligations under this Agreement, except as provided in Section 3.2(c), below, at any time and for any reason. Such termination shall be effective immediately upon the Company providing notice to Executive that Executive is terminated without Cause, or such other time thereafter as the Company shall designate.

(e) Termination By Executive With Good Reason. Executive may terminate this Agreement with Good Reason, at which time Executive's employment and all of the Company's obligations under this Agreement shall terminate, except as provided in Section 3.2(c). "Good Reason" shall mean the occurrence of any of the following conditions without Executive's written consent, provided that Executive shall provide notice to the Company of the existence of the condition within 90 days of the initial existence of such condition, the Company shall have 30 days from the date it receives the notice (the "Cure Period") within which to cure such condition, and Executive must terminate Executive's employment within no more than 30 days after the expiration of the Cure Period if the Company does not cure the condition within the Cure Period: (i) a reduction in Executive's title such that Executive is no longer President and Chief Executive Officer of the Company; (ii) a material reduction in Executive's then current level of Base Salary, except with the consent of Executive; (iii) a material diminution in Executive's duties or responsibilities; (iv) a breach by the Company of any material provision of this Agreement; or (v) the relocation of Executive's office location more than twenty-five (25) miles from Belleville or Mt. Horeb, Wisconsin.

3.2 Obligations Upon Termination.

(a) Termination by Death or Disability. If Executive's employment is terminated pursuant to Section 3.1(a), above, Executive or Executive's estate shall have no further rights against the Company hereunder, except for the right to receive: (i) any unpaid Base Salary with respect to the period prior to the effective date of termination of employment; (ii) payment of any accrued but unused Paid Time Off, consistent with the Company's policy related to carryovers of unused time and applicable law; (iii) all vested benefits to which Executive is entitled under any benefit plans set forth in Section 2.3(a) hereof in accordance with the terms of such plans through the date employment terminates; (iv) reimbursement of expenses to which Executive may be entitled under Section 2.4 hereof (clauses (i) through (iv) collectively, the "Accrued Obligations"); and (v) provided that Executive, or a representative of Executive's estate, as the case may be, executes and delivers to the Company an irrevocable release of all employment-related claims against the Company as further described in Section 3.2(c)(ii), a pro-rated annual incentive bonus payment (based on the number of days worked in that fiscal year) for the fiscal year in which termination occurs based on actual performance-based bonus attainments for such fiscal year, payable in a lump sum. The pro-rated annual incentive bonus payment shall be made at such time as other participants in the plan receive their payment, or, if later, on the sixtieth (60th) day following the date of Executive's termination of employment, provided that (A) and (B) of Section 3.2(c)(ii) have been satisfied by such date. The treatment of Executive's equity awards, if any, shall be governed by the applicable plans or grant agreements, except as explicitly provided to the contrary pursuant to this Agreement.

(b) Section 3.1(b)-(c) Terminations. If Executive's employment is terminated pursuant to Section 3.1(b) or (c), above, Executive shall have no further rights against the Company hereunder, except for the right to receive the Accrued Obligations. The treatment of Executive's incentive compensation provided under Section 2.2 hereof and the treatment of Executive's equity awards, if any, shall be governed by the terms of the applicable plans or grant agreements, except as explicitly provided to the contrary pursuant to this Agreement.

(c) Termination Without Cause or For Good Reason.

(i) Company Obligations. If Executive's employment is terminated pursuant to Section 3.1(d) or (e), above, Executive shall have no further rights against the Company hereunder, except for the right to receive: (A) the Accrued Obligations; and (B) Severance Payments, as defined below, but only for so long as Executive complies with the requirements of Articles IV, V, VI, VII, VIII, IX and X, below. For purposes of this Agreement, "Severance Payments" means: (1) twelve (12) months of Base Salary continuation; (2) a pro-rated annual incentive bonus payment (based on the number of days worked in that fiscal year) for the fiscal year in which termination occurs based on actual performance-based bonus attainments for such fiscal year; (3) a historical bonus payment equal to the average annual incentive compensation earned by Executive during the three most recent fiscal years of the Company prior to such termination ("Historical Bonus Payment"); and (4) to the extent it does not result in a tax or penalty on the Company, reimbursement for that portion of the premiums paid by Executive to obtain COBRA continuation health coverage that equals the Company's subsidy for health coverage for active employees with family coverage (if applicable) grossed up so that Executive will be made whole for such premiums on an after-tax basis ("COBRA Continuation Payments") for twelve (12) months following the date employment terminates (provided that Executive has not obtained health coverage from any other source and is not eligible to receive health coverage from any other employer, in which event Executive shall no longer be entitled to reimbursement), at the times provided in subsection (iii), below. The treatment of Executive's equity awards, if any, shall be governed by the terms of the applicable plans or grant agreements, except as explicitly provided to the contrary pursuant to this Agreement.

(ii) Release Requirement. Notwithstanding the foregoing, the Company shall not pay to Executive, and Executive shall not have any right to receive, the Severance Payments unless, on or before the sixtieth (60th) day following the date of termination of employment: (A) Executive has executed and delivered to the Company a release of all employment-related claims against the Company, its affiliates, successor companies, and their past and current directors, officers, employees and agents, in a form provided to Executive by the Company (which shall preserve, to the extent applicable, any indemnity rights

Executive may be entitled to pursuant to Company by-laws, statute or any director and officer liability insurance maintained by the Company); and (B) the statutory revocation period for such release has expired.

(iii) Timing of Payment of Severance Payments. Base Salary continuation shall commence on the first payroll date following the expiration of the statutory revocation period, provided that (A) and (B) of Section 3.2(c)(ii) have been satisfied by such date, and shall be paid over a twelve (12) month period in accordance with the normal payroll practices and schedule of the Company. The pro-rated annual incentive bonus payment shall be made at such time as other participants in the plan receive their payment, or, if later, on the sixtieth (60th) day following the date of Executive's termination of employment, provided that (A) and (B) of Section 3.2(c)(ii) have been satisfied by such date. The Historical Bonus Payment shall be made in a lump sum on or before March 15 of the calendar year following the calendar year in which termination occurred, provided that (A) and (B) of Section 3.2(c)(ii) have been satisfied by such date. The COBRA Continuation Payments shall be paid on a monthly basis after Executive has paid the applicable COBRA premium payment, provided that (A) and (B) of Section 3.2(c)(ii) have been satisfied by such date, over a 12-month period. Notwithstanding anything to the contrary contained in this Agreement, if: (A) Executive is a "specified employee" within the meaning of Section 1.409A-1(i) of the 409A Regulations; and (B) the Severance Payments do not qualify for exemption from Section 409A under the short-term deferral exception to deferred compensation of Section 1.409A-1(b)(4) of the 409A Regulations, the separation pay plan exception to deferred compensation of Section 1.409A-1(b)(9) of the 409A Regulations, or any other exception under the 409A Regulations, that portion of the Severance Payments not exempt from Section 409A of the Code shall be made in accordance with the terms of this Agreement, but in no event earlier than the first to occur of: (1) the day after the six-month anniversary of Executive's termination of employment; or (2) Executive's death. Any payments delayed pursuant to the prior sentence shall be made in a lump sum, on the first business day after the six-month anniversary of Executive's termination of employment along with interest thereon payable at the short-term applicable federal rate for monthly payments, as determined under Section 1274(d) of the Code, for the month in which Executive's employment terminated.

(iv) Treatment of Severance Payments for Tax and Benefit Purposes. The Severance Payments shall be treated as ordinary income and shall be reduced by any applicable income or employment taxes which are required to be withheld under applicable law, and all amounts are stated before any such deduction. Furthermore, the Severance Payments shall not be included as compensation for purposes of any qualified or nonqualified retirement or welfare benefit plan, program or policy of the Company.

(d) Parachute Payments. Notwithstanding anything contained in this Agreement to the contrary, the Company, based on the advice of its legal or tax counsel,

shall compute whether there would be any "excess parachute payments" payable to Executive, within the meaning of Section 280G of the Code, taking into account the total ''parachute payments," within the meaning of Section 280G of the Code, payable to Executive by the Company under this Agreement and any other plan, agreement or otherwise. If there would be any excess parachute payments, the Company, based on the advice of its legal or tax counsel, shall compute the net after-tax proceeds related to such parachute payments, taking into account the excise tax imposed by Section 4999 of the Code, as if: (i) such parachute payments were reduced, but not below zero, such that the total parachute payments payable to Executive would not exceed three (3) times the "base amount" as defined in Section 280G of the Code, less One Dollar ($1.00); or (ii) the full amount of such parachute payments were not reduced. If reducing the amount of such parachute payments otherwise payable would result in a greater after-tax amount to Executive, such reduced amount shall be paid to Executive and the remainder shall be forfeited. If not reducing such parachute payments otherwise payable would result in a greater after-tax amount to Executive, then such parachute payments shall not be reduced. If such parachute payments are reduced pursuant to the foregoing, they will be reduced in the following order: first, by reducing any cash severance payments, then by reducing any fringe or other severance benefits, and finally by reducing any payments or benefits otherwise payable with respect to, or measured by, the Company's common stock (including without limitation by eliminating accelerated vesting, in each case starting with the installment or tranche last eligible to become vested absent the occurrence of a change in control). Notwithstanding the foregoing, to the extent the Parties agree that any of the foregoing amounts are not parachute payments, such amounts shall not be reduced. To the extent the Parties cannot agree as to whether any of the payments are in fact parachute payments, the Parties will designate, by mutual agreement, an unrelated third-party with tax expertise to make the determination. Notwithstanding any provision of this Section 3.2(d) to the contrary, no amount shall be subject to reduction pursuant to this Section 3.2(d) to the extent the reduction would result in a violation of any applicable law.

ARTICLE IV
CONFIDENTIALITY

4.1 Confidentiality Obligations.

(a) During Employment. Executive will not, during Executive's employment with the Company, directly or indirectly use or disclose any Confidential Information or Trade Secrets except in the interest and for the benefit of the Company.

(b) Trade Secrets Post-Employment. After the end, for any reason, of Executive's employment with the Company, Executive will not directly or indirectly use or disclose any Trade Secrets.

(c) Confidential Information Post-Employment. For a period of twenty-four (24) months following the end, for any reason, of Executive's employment with the Company, Executive will not directly or indirectly use or disclose any Confidential Information.

(d) Third Party Information. Executive further agrees not to use or disclose at any time information received by the Company from others except in accordance with the Company's contractual or other legal obligations.

4.2 Definitions.

(a) Trade Secret. The term "Trade Secret" has that meaning set forth under applicable law.

(b) Confidential Information. The term "Confidential Information" means all non-Trade Secret information of, about or related to the Company or provided to the Company by its customers and suppliers that is not known generally to the public or the Company's competitors. Confidential Information includes, but is not limited to: (i) strategic plans, budgets, forecasts, financial information, inventions, product designs and specifications, material specifications, materials sourcing information, product costs, information about products under development, research and development information, production processes, equipment design and layout, customer lists, information about orders from and transactions with customers, sales and marketing information, strategies and plans, pricing information; and (ii) information which is marked or otherwise designated or treated as confidential or proprietary by the Company.

(c) Exclusions. Notwithstanding the foregoing, the terms "Confidential Information" and "Trade Secret" do not include, and the obligations set forth in this Agreement do not apply to, any information which: (i) can be demonstrated by Executive to have been known by Executive prior to Executive's employment by the Company; (ii) is or becomes generally available to the public through no act or omission of Executive; (iii) is obtained by Executive in good faith from a third party who discloses such information to Executive on a non-confidential basis without violating any obligation of confidentiality or secrecy relating to the information disclosed; or (iv) is independently developed by Executive outside the scope of Executive's employment without use of Confidential Information or Trade Secrets of the Company.

ARTICLE V
NON-COMPETITION

5.1 Restrictions on Competition During Employment. During the term of Executive's employment with the Company, Executive shall not directly or indirectly compete against the Company, or directly or indirectly divert or attempt to divert any Customer's business from the Company anywhere the Company does or is taking steps to do business.

5.2 Post-Employment Restricted Services Obligation. For a period of two (2) years following the end, for whatever reason, of Executive's employment with the Company, Executive agrees not to directly or indirectly provide Restricted Services to any Competitor in the Territory.

5.3 Definitions.

(a) Restricted Services. The term "Restricted Services" means employment duties and functions of the type provided by Executive to the Company during the twelve (12) month period immediately prior to the end, for whatever reason, of Executive's employment with the Company.

(b) Competitor. The term "Competitor" means Carhartt, Inc., L.L. Bean, Inc., Cabela's Inc., Land's End, Inc., VF Corporation, and any and all of their respective affiliates and successors. In addition, the term "Competitor" shall mean any corporation, partnership, association, or other person or entity that engages in any business which, at any time during the eighteen (18) month period immediately prior to the end, for whatever reason, of Executive's employment with the Company, and regardless of business format (including, but not limited to, department stores, specialty stores, discount stores, direct marketing, or electronic commerce): (i) marketed, manufactured, or sold men's or women's work wear of the type marketed, manufactured or sold by the Company during the eighteen (18) month period immediately prior to the end of Executive's employment with the Company; and (ii) had combined annual revenues in excess of $100 million.

(c) Territory. The term "Territory" shall mean the United States of America and Canada.

ARTICLE VI
BUSINESS IDEA RIGHTS

6.1 Assignment. The Company will own, and Executive hereby assigns to the Company and agrees to assign to the Company, all rights in all Business Ideas which Executive originates or develops whether alone or working with others while Executive is employed by the Company. All Business Ideas which are or form the basis for copyrightable works are hereby assigned to the Company and/or shall be assigned to the Company or shall be considered "works for hire" as that term is defined by United States Copyright Law.

6.2 Definition of Business Ideas. The term "Business Ideas" means all ideas, designs, modifications, formulations, specifications, concepts, know-how, trade secrets, discoveries, inventions, data, software, developments and copyrightable works, whether or not patentable or registrable, which Executive originates or develops, either alone or jointly with others while Executive is employed by the Company and which are: (i) related to any business known to Executive to be engaged in or contemplated by the Company; (ii) originated or developed during Executive's working hours; or (iii) originated or developed in whole or in part using materials, labor, facilities or equipment furnished by the Company.

6.3 Disclosure. While employed by the Company, Executive will promptly disclose all Business Ideas to the Company.

6.4 Execution of Documentation. Executive, at any time during or after the Employment Term, will promptly execute all documents which the Company may reasonably require to perfect its patent, copyright and other rights to such Business Ideas throughout the world.

ARTICLE VII
NON-SOLICITATION OF EMPLOYEES

During the term of Executive's employment with the Company and for two (2) years thereafter, Executive shall not directly or indirectly encourage any Company employee to terminate employment with the Company or solicit such an individual for employment outside the Company in any manner which would end or diminish that employee's services to the Company.

ARTICLE VIII
EMPLOYEE DISCLOSURES AND ACKNOWLEDGMENTS

8.1 Confidential Information of Others. Executive warrants and represents to the Company that Executive is not subject to any employment, consulting or services agreement, or any restrictive covenants or agreements of any type, which would conflict or prohibit Executive from fully carrying out Executive's duties as described under the terms of this Agreement. Further, Executive warrants and represents to the Company that Executive has not and will not retain or use, for the benefit of the Company, any confidential information, records, trade secrets, or other property of a former employer.

8.2 Scope of Restrictions. Executive acknowledges that during the course of Executive's employment with the Company, Executive will gain knowledge of Confidential Information and Trade Secrets of the Company. Executive acknowledges that the Confidential Information and Trade Secrets of the Company are necessarily shared with Executive on a routine basis in the course of performing Executive's job duties and that the Company has a legitimate protectable interest in such Confidential Information and Trade Secrets, and in the goodwill and business prospects associated therewith. Executive acknowledges that the Company does business in all states in the United States and in Canada. Accordingly, Executive acknowledges that the scope of the restrictions contained in this Agreement are appropriate, necessary and reasonable for the protection of the business, goodwill and property rights of the Company, and that the restrictions imposed will not prevent Executive from earning a living in the event of, and after, the end, for any reason, of Executive's employment with the Company.

8.3 Prospective Employers. Executive agrees, during the term of any restriction contained in Articles IV, V, VI, VII, VIII, IX and X of this Agreement, to disclose this Agreement to any entity which offers employment or engagement to Executive. Executive further agrees that, during the term of any restriction contained in Articles IV, V, VI, VII, VIII, IX and X, the Company may send a copy of this Agreement to, or otherwise make the provisions hereof known to, any person or entity with which Executive seeks to establish a business relationship, including, without limitation, potential employers, joint-venturers, or persons or entities to whom Executive seeks to provide consulting services as an independent contractor.

8.4 Third Party Beneficiaries. All of the Company's affiliates, successors and assigns are third party beneficiaries with respect to Executive's performance of Executive's duties under this Agreement and the undertakings and covenants contained in this Agreement, and the Company and any such entity, enjoying the benefits thereof, may enforce this Agreement directly against Executive.

8.5 Survival. The Covenants set forth in Articles IV, V, VI, VII, VIII, IX and X of this Agreement shall survive the termination of this Agreement.

8.6 Injunctive Relief. Executive acknowledges that the services to be rendered by Executive hereunder are of a special, unique, and extraordinary character and, in connection with such services, Executive will have access to Confidential Information and Trade Secrets that are vital to the Company's business. Executive consents and agrees that, in the event of the breach or a threatened breach by Executive of any of the provisions of this Agreement, the Company would sustain irreparable harm and that damages at law would not be an adequate remedy for a violation of this Agreement, and, in addition to any other rights or remedies that the Company may have under this Agreement, common or statutory law or otherwise, the Company shall be entitled to specific performance and/or injunctive or other equitable relief from a court of competent jurisdiction enforcing this Agreement and/or restraining Executive from committing, threatening to commit, or continuing any violation of this Agreement (in each case without posting a bond or other security), including, but not limited to, restraining Executive from disclosing, using for any purpose, selling, transferring, or otherwise disposing of, in whole or in part, any Confidential Information and/or Trade Secrets. Nothing contained herein shall be construed as prohibiting the Company from pursuing any other remedies available to it for any breach or threatened breach of any provision of this Agreement, including, but not limited to, the recovery of damages, costs, and fees, including the recovery of any prior Severance Payments made to Executive.

8.7 Consistency With Applicable Law. Executive acknowledges and agrees that nothing in this Agreement prohibits Executive from reporting possible violations of law to any governmental agency or entity or making other disclosures that are protected under the whistleblower provisions of federal, state or local laws or regulations.

ARTICLE IX
RETURN OF RECORDS

Upon the end, for any reason, of Executive's employment with the Company, or upon request by the Company at any time, Executive, within five (5) days after the termination of Executive's employment or earlier upon the Company's written request, shall return to the Company all documents, records, information, equipment (including computers, laptops, tablet computers, cell phones and other such equipment ("Electronic Equipment")) and materials belonging and/or relating to the Company (except Executive's own personnel and wage and benefit materials relating solely to Executive and Executive's personal Electronic Equipment which is not owned by the Company), all passwords and/or access codes related to such equipment and/or materials, and all copies of all such materials. Upon the end, for any reason, of Executive's employment with the Company, or upon request of the Company at any time, Executive further agrees to destroy such records maintained by Executive on Executive's personally-owned Electronic Equipment, which destruction the Company may reasonably confirm.

ARTICLE X
NONDISPARAGEMENT

Executive agrees that Executive will not, at any time (whether during or after the Employment Term), publish or communicate to any person or entity any Disparaging (as defined below) remarks, comments or statements concerning the Company and its respective present and former members, partners, directors, officers, shareholders, employees, agents, attorneys, successors and assigns, except as required by law, rule or regulation. "Disparaging" remarks, comments or statements are those that impugn the character, honesty, integrity or morality or business acumen or abilities in connection with any aspect of the operation of business of the individual or entity being disparaged.

ARTICLE XI
MISCELLANEOUS

11.1 Notice. Notices and all other communications provided for in this Agreement shall be in writing and shall be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid, or sent by electronic mail or prepaid overnight courier to the Parties at the addresses set forth below (or such other address as shall be specified by the Parties by like notice pursuant to this Section 11.1):

To the Company:	Duluth Holdings, Inc. [Personal Information Omitted]
With a copy to:	Godfrey & Kahn, S.C. [Personal Information Omitted]
To Executive:	Stephanie Pugliese [Personal Information Omitted]

Such notices and communications shall be deemed given upon personal delivery or receipt at the address or email account of the party stated above or at any other address specified by such party to the other party in writing, except that if delivery is refused or cannot be made for any reason, then such notice shall be deemed given on the third day after it is sent.

11.2 Entire Agreement; Amendment; Waiver. This Agreement (including any documents referred to herein) sets forth the entire understanding of the Parties hereto with respect to the subject matter contemplated hereby. Any and all previous agreements and

understandings between or among the Parties regarding the subject matter hereof, whether written or oral, are superseded by this Agreement. This Agreement shall not be amended or modified except by a written instrument duly executed by each of the Parties hereto. Any extension or waiver by any party of any provision hereto shall be valid only if set forth in an instrument in writing signed on behalf of such party.

11.3 Headings. The headings of sections and paragraphs of this Agreement are for convenience of reference only and shall not control or affect the meaning or construction of any of its provisions.

11.4 Attorneys' Fees; Expenses. Except as provided in Section 2.3(c), above, each party hereto shall bear and pay all of the respective fees, expenses and disbursements of their agents, representatives, accountants and counsel incurred in connection with and related to this Agreement.

11.5 Waiver of Breach. The waiver by either party of the breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by either party.

11.6 Severability. If any court of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, then such invalidity or unenforceability shall have no effect on the other provisions hereof, which shall remain valid, binding and enforceable and in full force and effect, and, to the extent allowed by law, such invalid or unenforceable provision shall be construed in a manner so as to give the maximum valid and enforceable effect to the intent of the Parties expressed therein.

11.7 Governing Law. This Agreement shall in all respects be construed according to the laws of the State of Wisconsin, without regard to its conflict of laws principles.

11.8 Future Cooperation. Executive agrees that, during Executive's employment and following the termination of Executive's employment for any reason, Executive will cooperate with requests by the Company to assist in the defense or prosecution of any lawsuits or claims in which the Company, or its officers, directors or employees may be or become involved and in connection with any internal investigation or administrative, regulatory or judicial proceeding, in each case which relates to matters occurring while Executive was employed by the Company, at such times and at such places as shall be mutually convenient for Executive and the Company, taking into account any employment commitments which Executive then has. Executive shall be compensated by the Company at a rate comparable to that which Executive earned while an employee of the Company or that which Executive is currently earning, whichever is greater; provided, however, that during such time as Executive is receiving Severance Payments pursuant to Section 3.2(c) of this Agreement, such Severance Payments shall be the sole compensation provided to Executive for services reasonably requested under this Section 11.8.

11.9 Compliance with Section 409A of the Code and the 409A Regulations. This Agreement, and any ambiguity hereunder, shall be interpreted and administered so that any payments or benefits are either exempt from or avoid taxation under Section 409A of the Code, the 409A Regulations and any authority promulgated thereunder. Executive acknowledges that

the Company has made no representations as to the treatment of the compensation and benefits provided hereunder and the Executive has been advised to obtain Executive's own tax advice. Any term used in this Agreement which is defined in Code Section 409A or the 409A Regulations shall have the meaning set forth therein unless otherwise specifically defined herein. Any obligations under this Agreement that are subject to the requirements of Code Section 409A and arise in connection with Executive's "termination of employment", "termination" or other similar references shall only be triggered if the termination of employment or termination qualifies as a "separation from service" within the meaning of Section 1.409A-1(h) of the 409A Regulations. Notwithstanding any other provision of this Agreement, if at the time of the termination of Executive's employment, Executive is a "specified employee," as defined in Section 409A or the 409A Regulations, and any payments upon such termination under this Agreement hereof will result in additional tax or interest to Executive under Code Section 409A, Executive will not be entitled to receive such payments until the date which is the earlier of: (i) six (6) months after the termination of Executive's employment; or (ii) Executive's death. Each amount or benefit payable pursuant to this Agreement shall be deemed a separate payment for purposes of Section 409A and the 409A Regulations.

11.10 Successors.

(a) This Agreement is personal to Executive and shall not be assignable by Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by Executive's legal representatives.

(b) This Agreement shall be assignable by the Company without the written consent of Executive and shall inure to the benefit of and be binding upon the Company and its respective successors and assigns. Upon assignment of this Agreement by the Company, all references to the "Company" shall be deemed to refer to the party to which this Agreement is assigned.

11.11 Acknowledgement of Representation. Executive and the Company acknowledge that they have had the opportunity to be represented by counsel of their own choosing and, therefore, in the event of a dispute over the meaning of this Agreement or any provisions thereof, neither party shall be entitled to any presumption of correctness in favor of the interpretation advanced by such party or against the interpretation advanced by the other party.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date first written above.

EXECUTIVE:

/s/ Stephanie Pugliese
Stephanie Pugliese

DULUTH HOLDINGS, INC.:

/s/ Stephen L. Schlecht
Stephen L. Schlecht
Executive Chairman

Exhibit 10.3

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("Agreement") is executed as of this 5th day of August, 2015 ("the Effective Date"), by and between Mark DeOrio ("Executive") and Duluth Holdings, Inc. (the "Company").

RECITALS

WHEREAS, the Company desires to continue to employ Executive as its Senior Vice President and Chief Financial Officer, and Executive desires to be employed by the Company in such capacity, on the terms and conditions set forth herein.

WHEREAS, as a result of Executive's employment with the Company, Executive will have access to and be entrusted with valuable information about the Company's business and customers, including trade secrets and confidential information; and

WHEREAS, the Parties believe it is in their best interests to make provision for certain aspects of their relationship during and after the period in which Executive is employed by the Company.

NOW, THEREFORE, in consideration of the promises and the mutual agreements and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Company and Executive (jointly, the "Parties"), the Parties agree as follows:

ARTICLE I
EMPLOYMENT

1.1 Position and Duties. Executive shall be employed in the positions of Senior Vice President and Chief Financial Officer of the Company and shall be subject to the authority of, and shall report to, the Company's Board of Directors (the "Board"). Executive's duties and responsibilities shall include all those customarily attendant to the positions of Senior Vice President and Chief Financial Officer, and such other duties and responsibilities as may be assigned from time-to-time by the Board. Executive shall devote Executive's entire business time, attention, energies, and best efforts exclusively to the business interests of the Company while employed by the Company, except as otherwise approved by the Board, to the extent that such activities do not impair Executive's ability to perform Executive's duties pursuant to this Agreement. With respect to outside board activities, Executive, with the Board's written approval (which approval shall not be unreasonably withheld), may serve on the board, advisory board or committee of: (a) any non-profit, charitable or similar organization; and (b) following the second (2nd) anniversary of the Effective Date, one (1) for-profit organization.

1.2 Term of Employment. The Company employs Executive, and Executive accepts employment by the Company, for the period commencing on the Effective Date. Executive's employment shall continue until terminated by the Company or Executive, in accordance with and subject to the termination provisions set forth in Article III, below (the "Employment Term"). Upon the termination of Executive's employment for any reason, Executive will be deemed to have resigned all of Executive's positions with the Company. Although the foregoing resignations are effective without any further action by Executive, Executive agrees to execute any documents reasonably requested by the Company to document such actions.

ARTICLE II
COMPENSATION AND OTHER BENEFITS

2.1 Base Salary. During the Employment Term, the Company shall pay Executive in substantially equal monthly or more frequent installments, an annual salary of Two Hundred and Sixty Thousand Dollars ($260,000) ("Base Salary"), payable in accordance with the normal payroll practices and schedule of the Company. Executive's Base Salary shall be reviewed annually and may be increased at any time and from time-to-time as the Board and/or Compensation Committee of the Board (the "Compensation Committee"), as applicable, shall deem appropriate in its sole discretion. Base Salary shall not be reduced at any time during the Employment Term, except with the consent of Executive. The term "Base Salary," as utilized in this Agreement, shall refer to Base Salary as so increased or decreased. All amounts in this Agreement are stated prior to deductions for federal and state income and employment tax withholding.

2.2 Incentive Compensation. During the Employment Term, Executive shall be eligible to participate in annual incentive bonus plans (the "Bonus Plan") offered by the Company to its senior executives from time-to-time. The performance metrics for the Bonus Plan and the extent to which such metrics are met, as well as any other material terms, including threshold and maximum levels for annual cash incentive bonuses, shall be determined in the sole discretion of the Board and/or Compensation Committee, as applicable. During the Employment Term, Executive will be eligible for grants of equity compensation awards offered to the Company's management employees, in the sole discretion of the Board and/or Compensation Committee, as applicable.

2.3 Other Benefits.

(a) In General. During the Employment Term and subject to any limitation on participation provided by applicable law: (i) Executive shall be entitled to participate in all applicable qualified and nonqualified retirement plans, practices, policies and programs of the Company; and (ii) Executive and/or Executive's family, as the case may be, shall be eligible for all applicable welfare benefit plans, practices, policies and programs provided by the Company, with respect to both (i) and (ii) above, to the same extent as other senior executives of the Company, other than severance plans, practices, policies and programs. Nothing herein shall be deemed to limit the Company's ability to amend, terminate or otherwise change any of the referenced plans, practices, policies and programs at any time, and from time-to-time.

(b) Paid Time Off. During the Employment Term, Executive shall be entitled to 208 hours of Paid Time Off per calendar year (pro-rated for partial years), which shall accrue in accordance with, and be otherwise subject to the provisions of the Company's policy, as in effect from time-to-time. As used herein, "Paid Time Off" means sick days, personal days and vacation days.

(c) Legal Fees. Executive shall be entitled to reimbursement to Executive of all reasonable legal fees associated with the negotiation and drafting of this Agreement, provided that reimbursement of amounts under this Section 2.3(c) shall not exceed $5,000.00 in the aggregate. Any reimbursement of such legal fees shall be paid within 60 days after Executive submits invoices therefor to the Company which comply with the Company's reimbursement policy.

2.4 Expense Reimbursement. The Company shall pay or reimburse Executive for all reasonable out-of-pocket expenses actually incurred by Executive in the course of performing Executive's duties for the Company in accordance with the Company's reimbursement policies for senior executives as in effect from time-to-time. Executive shall keep accurate records and receipts of such expenditures and shall submit such accounts and proof thereof as may from time-to-time be required in accordance with such expense account or reimbursement policies that the Company may establish for its senior executives generally. The Company's obligation to pay or reimburse Executive for certain expenses will comply with the requirements set forth in Section 1.409A-3(i)(1)(iv) of the regulations (the "409A Regulations"), promulgated under Section 409A of the Code, including the requirement that the amount of expenses eligible for reimbursement during any calendar year may not affect the expenses eligible for reimbursement in any other taxable year. Further, reimbursement of eligible expenses shall be made on or before the last day of the calendar year following the calendar year in which the expense was incurred, as required by Section 1.409A-3(i)(1)(iv) of the 409A Regulations.

ARTICLE III
TERMINATION

3.1 Right to Terminate; Automatic Termination. During the Employment Term, Executive's employment may terminate for any of the reasons set out in paragraphs (a) through (e) hereof.

(a) Termination by Death or Disability. Executive's employment and the Company's obligations under this Agreement, except as provided in Section 3.2(a), below, shall terminate automatically, effective immediately and without any notice being necessary, upon Executive's death or a determination of Disability of Executive. For purposes of this Agreement, "Disability" means the inability of Executive to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, as determined by a physician selected by the Company and Executive. If the Company and Executive cannot agree on a physician, each party shall select a physician and the two physicians shall select a third who shall make the determination as to whether Executive has a condition that meets the definition of Disability. Executive shall cooperate with any reasonable efforts to make such determination. In the event Executive is unable to select a physician, such selection shall be made by Executive's spouse, and if Executive's spouse is unable to select a physician, such selection shall be made by Executive's legal representative. Any such determination shall be conclusive and binding on the Parties. Any determination of Disability under this Section 3.1(a) is not intended to alter any benefits any person and/or beneficiary may be entitled to receive under any long-term disability insurance policy carried by either the Company or Executive with respect to Executive, which benefits shall be governed solely by the terms of any such insurance policy.

(b) Termination For Cause. The Company may terminate Executive's employment and all of the Company's obligations under this Agreement, except as provided in Section 3.2(b), below, at any time for Cause (as defined below) by giving written notice to Executive stating the basis for such termination, effective immediately upon giving such notice or at such other time thereafter as the Company may designate. "Cause" shall mean any of the following: (i) Executive has materially breached this Agreement, any other agreement to which Executive and the Company are parties, or any Company policy, or has materially breached any other obligation or duty owed to the Company pursuant to law or the Company's policies and procedures manual, including, but not limited to, Executive's substantial failure or willful refusal to perform Executive's duties and responsibilities to the Company (other than as a result of Executive's Death or Disability); (ii) Executive has committed an act of gross negligence, willful misconduct or any violation of law in the performance of Executive's duties for the Company; (iii) Executive has taken any action substantially likely to result in material discredit to or material loss of business, reputation or goodwill of the Company; (iv) Executive has failed to follow resolutions that have been approved by a majority of the Board concerning the operations or business of the Company; (v) Executive has been convicted of or plead *nolo contendere* to a felony or other crime, the circumstances of which substantially relate to Executive's employment duties with the Company; provided however, that upon indictment in any such case, the Executive may, at the Company's sole discretion, be suspended without pay pending final resolution of the matter; (vi) Executive has misappropriated funds or property of the Company or engaged in any material act of dishonesty; or (vii) Executive has attempted to obtain a personal profit from any transaction in which the Company has an interest, and which constitutes a corporate opportunity of the Company, or which is adverse to the interests of the Company, unless the transaction was approved in writing by the Board after full disclosure of all details relating to such transaction.

(c) Termination by Resignation. Executive's employment and the Company's obligations under this Agreement shall terminate automatically, except as provided in Section 3.2(b), below, when Executive voluntarily terminates Executive's employment with the Company other than with Good Reason (as described in Section 3.1(e), below), with ninety (90) days' prior notice, or at such other earlier time as may be mutually agreed between the Parties following the provision of such notice.

(d) Termination Without Cause. The Company may terminate Executive's employment and all of the Company's obligations under this Agreement, except as provided in Section 3.2(c), below, at any time and for any reason. Such termination shall be effective immediately upon the Company providing notice to Executive that Executive is terminated without Cause, or such other time thereafter as the Company shall designate.

(e) Termination By Executive With Good Reason. Executive may terminate this Agreement with Good Reason, at which time Executive's employment and all of the

Company's obligations under this Agreement shall terminate, except as provided in Section 3.2(c). "Good Reason" shall mean the occurrence of any of the following conditions without Executive's written consent, provided that Executive shall provide notice to the Company of the existence of the condition within 90 days of the initial existence of such condition, the Company shall have 30 days from the date it receives the notice (the "Cure Period") within which to cure such condition, and Executive must terminate Executive's employment within no more than 30 days after the expiration of the Cure Period if the Company does not cure the condition within the Cure Period: (i) a reduction in Executive's title such that Executive is no longer Senior Vice President and Chief Financial officer of the Company; (ii) a material reduction in Executive's then current level of Base Salary, except with the consent of Executive; (iii) a material diminution in Executive's duties or responsibilities; (iv) a breach by the Company of any material provision of this Agreement; or (v) the relocation of Executive's office location more than twenty five (25) miles from Belleville or Mt. Horeb, Wisconsin.

3.2 Obligations Upon Termination.

(a) Termination by Death or Disability. If Executive's employment is terminated pursuant to Section 3.1(a), above, Executive or Executive's estate shall have no further rights against the Company hereunder, except for the right to receive: (i) any unpaid Base Salary with respect to the period prior to the effective date of termination of employment; (ii) payment of any accrued but unused Paid Time Off, consistent with the Company's policy related to carryovers of unused time and applicable law; (iii) all vested benefits to which Executive is entitled under any benefit plans set forth in Section 2.3(a) hereof in accordance with the terms of such plans through the date employment terminates; (iv) reimbursement of expenses to which Executive may be entitled under Section 2.4 hereof (clauses (i) through (iv) collectively, the "Accrued Obligations"); and (v) provided that Executive, or a representative of Executive's estate, as the case may be, executes and delivers to the Company an irrevocable release of all employment-related claims against the Company as further described in Section 3.2(c)(ii), a pro-rated annual incentive bonus payment (based on the number of days worked in that fiscal year) for the fiscal year in which termination occurs based on actual performance-based bonus attainments for such fiscal year, payable in a lump sum. The pro-rated annual incentive bonus payment shall be made at such time as other participants in the plan receive their payment, or, if later, on the sixtieth (60th) day following the date of Executive's termination of employment, provided that (A) and (B) of Section 3.2(c)(ii) have been satisfied by such date. The treatment of Executive's equity awards, if any, shall be governed by the applicable plans or grant agreements, except as explicitly provided to the contrary pursuant to this Agreement.

(b) Section 3.1(b)-(c) Terminations. If Executive's employment is terminated pursuant to Section 3.1(b) or (c), above, Executive shall have no further rights against the Company hereunder, except for the right to receive the Accrued Obligations. The treatment of Executive's incentive compensation provided under Section 2.2 hereof and the treatment of Executive's equity awards, if any, shall be governed by the terms of the applicable plans or grant agreements, except as explicitly provided to the contrary pursuant to this Agreement.

(c) Termination Without Cause or For Good Reason.

(i) Company Obligations. If Executive's employment is terminated pursuant to Section 3.1(d) or (e), above, Executive shall have no further rights against the Company hereunder, except for the right to receive: (A) the Accrued Obligations; and (B) Severance Payments, as defined below, but only for so long as Executive complies with the requirements of Articles IV, V, VI, VII, VIII, IX and X, below. For purposes of this Agreement, "Severance Payments" means: (1) nine (9) months of Base Salary continuation; (2) a pro-rated annual incentive bonus payment (based on the number of days worked in that fiscal year) for the fiscal year in which termination occurs based on actual performance-based bonus attainments for such fiscal year; and (3) to the extent it does not result in a tax or penalty on the Company, reimbursement for that portion of the premiums paid by Executive to obtain COBRA continuation health coverage that equals the Company's subsidy for health coverage for active employees with family coverage (if applicable) grossed up so that Executive will be made whole for such premiums on an after-tax basis ("COBRA Continuation Payments") for nine (9) months following the date employment terminates (provided that Executive has not obtained health coverage from any other source and is not eligible to receive health coverage from any other employer, in which event Executive shall no longer be entitled to reimbursement), at the times provided in subsection (iii), below. The treatment of Executive's equity awards, if any, shall be governed by the terms of the applicable plans or grant agreements, except as explicitly provided to the contrary pursuant to this Agreement.

(ii) Release Requirement. Notwithstanding the foregoing, the Company shall not pay to Executive, and Executive shall not have any right to receive, the Severance Payments unless, on or before the sixtieth (60th) day following the date of termination of employment: (A) Executive has executed and delivered to the Company a release of all employment-related claims against the Company, its affiliates, successor companies, and their past and current directors, officers, employees and agents, in a form provided to Executive by the Company (which shall preserve, to the extent applicable, any indemnity rights Executive may be entitled to pursuant to Company by-laws, statute or any director and officer liability insurance maintained by the Company); and (B) the statutory revocation period for such release has expired.

(iii) Timing of Payment of Severance Payments. Base Salary continuation shall commence on the first payroll date following the expiration of the statutory revocation period, provided that (A) and (B) of Section 3.2(c)(ii) have been satisfied by such date, and shall be paid over a nine (9) month period in accordance with the normal payroll practices and schedule of the Company. The pro-rated annual incentive bonus payment shall be made at such time as other participants in the plan receive their payment, or, if later, on the sixtieth (60th) day following the date of Executive's termination of employment, provided that (A) and (B) of Section 3.2(c)(ii) have been satisfied by such date. The COBRA Continuation Payments shall be paid on a monthly basis after Executive has paid

the applicable COBRA premium payment, provided that (A) and (B) of Section 3.2(c)(ii) have been satisfied by such date, over a 9-month period. Notwithstanding anything to the contrary contained in this Agreement, if: (A) Executive is a "specified employee" within the meaning of Section 1.409A-1(i) of the 409A Regulations; and (B) the Severance Payments do not qualify for exemption from Section 409A under the short-term deferral exception to deferred compensation of Section 1.409A-1(b)(4) of the 409A Regulations, the separation pay plan exception to deferred compensation of Section 1.409A-1(b)(9) of the 409A Regulations, or any other exception under the 409A Regulations, that portion of the Severance Payments not exempt from Section 409A of the Code shall be made in accordance with the terms of this Agreement, but in no event earlier than the first to occur of: (1) the day after the six-month anniversary of Executive's termination of employment; or (2) Executive's death. Any payments delayed pursuant to the prior sentence shall be made in a lump sum, on the first business day after the six-month anniversary of Executive's termination of employment along with interest thereon payable at the short-term applicable federal rate for monthly payments, as determined under Section 1274(d) of the Code, for the month in which Executive's employment terminated.

(iv) Treatment of Severance Payments for Tax and Benefit Purposes. The Severance Payments shall be treated as ordinary income and shall be reduced by any applicable income or employment taxes which are required to be withheld under applicable law, and all amounts are stated before any such deduction. Furthermore, the Severance Payments shall not be included as compensation for purposes of any qualified or nonqualified retirement or welfare benefit plan, program or policy of the Company.

(d) Parachute Payments. Notwithstanding anything contained in this Agreement to the contrary, the Company, based on the advice of its legal or tax counsel, shall compute whether there would be any "excess parachute payments" payable to Executive, within the meaning of Section 280G of the Code, taking into account the total ''parachute payments," within the meaning of Section 280G of the Code, payable to Executive by the Company under this Agreement and any other plan, agreement or otherwise. If there would be any excess parachute payments, the Company, based on the advice of its legal or tax counsel, shall compute the net after-tax proceeds related to such parachute payments, taking into account the excise tax imposed by Section 4999 of the Code, as if: (i) such parachute payments were reduced, but not below zero, such that the total parachute payments payable to Executive would not exceed three (3) times the "base amount" as defined in Section 280G of the Code, less One Dollar ($1.00); or (ii) the full amount of such parachute payments were not reduced. If reducing the amount of such parachute payments otherwise payable would result in a greater after-tax amount to Executive, such reduced amount shall be paid to Executive and the remainder shall be forfeited. If not reducing such parachute payments otherwise payable would result in a greater after-tax amount to Executive, then such parachute payments shall not be reduced. If such parachute payments are reduced pursuant to the foregoing, they will be reduced in the following order: first, by reducing any cash severance payments, then by reducing any fringe or other severance benefits, and finally by reducing any payments or benefits

otherwise payable with respect to, or measured by, the Company's common stock (including without limitation by eliminating accelerated vesting, in each case starting with the installment or tranche last eligible to become vested absent the occurrence of a change in control). Notwithstanding the foregoing, to the extent the Parties agree that any of the foregoing amounts are not parachute payments, such amounts shall not be reduced. To the extent the Parties cannot agree as to whether any of the payments are in fact parachute payments, the Parties will designate, by mutual agreement, an unrelated third-party with tax expertise to make the determination. Notwithstanding any provision of this Section 3.2(d) to the contrary, no amount shall be subject to reduction pursuant to this Section 3.2(d) to the extent the reduction would result in a violation of any applicable law.

ARTICLE IV
CONFIDENTIALITY

4.1 Confidentiality Obligations.

(a) During Employment. Executive will not, during Executive's employment with the Company, directly or indirectly use or disclose any Confidential Information or Trade Secrets except in the interest and for the benefit of the Company.

(b) Trade Secrets Post-Employment. After the end, for any reason, of Executive's employment with the Company, Executive will not directly or indirectly use or disclose any Trade Secrets.

(c) Confidential Information Post-Employment. For a period of twenty-four (24) months following the end, for any reason, of Executive's employment with the Company, Executive will not directly or indirectly use or disclose any Confidential Information.

(d) Third Party Information. Executive further agrees not to use or disclose at any time information received by the Company from others except in accordance with the Company's contractual or other legal obligations.

4.2 Definitions.

(a) Trade Secret. The term "Trade Secret" has that meaning set forth under applicable law.

(b) Confidential Information. The term "Confidential Information" means all non-Trade Secret information of, about or related to the Company or provided to the Company by its customers and suppliers that is not known generally to the public or the Company's competitors. Confidential Information includes, but is not limited to: (i) strategic plans, budgets, forecasts, financial information, inventions, product designs and specifications, material specifications, materials sourcing information, product costs, information about products under development, research and development information, production processes, equipment design and layout, customer lists, information about orders from and transactions with customers, sales and marketing information, strategies and plans, pricing information; and (ii) information which is marked or otherwise designated or treated as confidential or proprietary by the Company.

(c) Exclusions. Notwithstanding the foregoing, the terms "Confidential Information" and "Trade Secret" do not include, and the obligations set forth in this Agreement do not apply to, any information which: (i) can be demonstrated by Executive to have been known by Executive prior to Executive's employment by the Company; (ii) is or becomes generally available to the public through no act or omission of Executive; (iii) is obtained by Executive in good faith from a third party who discloses such information to Executive on a non-confidential basis without violating any obligation of confidentiality or secrecy relating to the information disclosed; or (iv) is independently developed by Executive outside the scope of Executive's employment without use of Confidential Information or Trade Secrets of the Company.

ARTICLE V
NON-COMPETITION

5.1 Restrictions on Competition During Employment. During the term of Executive's employment with the Company, Executive shall not directly or indirectly compete against the Company, or directly or indirectly divert or attempt to divert any Customer's business from the Company anywhere the Company does or is taking steps to do business.

5.2 Post-Employment Restricted Services Obligation. For a period of two (2) years following the end, for whatever reason, of Executive's employment with the Company, Executive agrees not to directly or indirectly provide Restricted Services to any Competitor in the Territory.

5.3 Definitions.

(a) Restricted Services. The term "Restricted Services" means employment duties and functions of the type provided by Executive to the Company during the twelve (12) month period immediately prior to the end, for whatever reason, of Executive's employment with the Company.

(b) Competitor. The term "Competitor" means Carhartt, Inc., L.L. Bean, Inc., Cabela's Inc., Land's End, Inc., VF Corporation, and any and all of their respective affiliates and successors. In addition, the term "Competitor" shall mean any corporation, partnership, association, or other person or entity that engages in any business which, at any time during the eighteen (18) month period immediately prior to the end, for whatever reason, of Executive's employment with the Company, and regardless of business format (including, but not limited to, department stores, specialty stores, discount stores, direct marketing, or electronic commerce): (i) marketed, manufactured, or sold men's or women's work wear of the type marketed, manufactured or sold by the Company during the eighteen (18) month period immediately prior to the end of Executive's employment with the Company; and (ii) had combined annual revenues in excess of $100 million.

(c) Territory. The term "Territory" shall mean the United States of America and Canada.

ARTICLE VI
BUSINESS IDEA RIGHTS

6.1 Assignment. The Company will own, and Executive hereby assigns to the Company and agrees to assign to the Company, all rights in all Business Ideas which Executive originates or develops whether alone or working with others while Executive is employed by the Company. All Business Ideas which are or form the basis for copyrightable works are hereby assigned to the Company and/or shall be assigned to the Company or shall be considered "works for hire" as that term is defined by United States Copyright Law.

6.2 Definition of Business Ideas. The term "Business Ideas" means all ideas, designs, modifications, formulations, specifications, concepts, know-how, trade secrets, discoveries, inventions, data, software, developments and copyrightable works, whether or not patentable or registrable, which Executive originates or develops, either alone or jointly with others while Executive is employed by the Company and which are: (i) related to any business known to Executive to be engaged in or contemplated by the Company; (ii) originated or developed during Executive's working hours; or (iii) originated or developed in whole or in part using materials, labor, facilities or equipment furnished by the Company.

6.3 Disclosure. While employed by the Company, Executive will promptly disclose all Business Ideas to the Company.

6.4 Execution of Documentation. Executive, at any time during or after the Employment Term, will promptly execute all documents which the Company may reasonably require to perfect its patent, copyright and other rights to such Business Ideas throughout the world.

ARTICLE VII
NON-SOLICITATION OF EMPLOYEES

During the term of Executive's employment with the Company and for two (2) years thereafter, Executive shall not directly or indirectly encourage any Company employee to terminate employment with the Company or solicit such an individual for employment outside the Company in any manner which would end or diminish that employee's services to the Company.

ARTICLE VIII
EMPLOYEE DISCLOSURES AND ACKNOWLEDGMENTS

8.1 Confidential Information of Others. Executive warrants and represents to the Company that Executive is not subject to any employment, consulting or services agreement, or any restrictive covenants or agreements of any type, which would conflict or prohibit Executive from fully carrying out Executive's duties as described under the terms of this Agreement. Further, Executive warrants and represents to the Company that Executive has not and will not retain or use, for the benefit of the Company, any confidential information, records, trade secrets, or other property of a former employer.

8.2 Scope of Restrictions. Executive acknowledges that during the course of Executive's employment with the Company, Executive will gain knowledge of Confidential Information and Trade Secrets of the Company. Executive acknowledges that the Confidential Information and Trade Secrets of the Company are necessarily shared with Executive on a routine basis in the course of performing Executive's job duties and that the Company has a legitimate protectable interest in such Confidential Information and Trade Secrets, and in the goodwill and business prospects associated therewith. Executive acknowledges that the Company does business in all states in the United States and in Canada. Accordingly, Executive acknowledges that the scope of the restrictions contained in this Agreement are appropriate, necessary and reasonable for the protection of the business, goodwill and property rights of the Company, and that the restrictions imposed will not prevent Executive from earning a living in the event of, and after, the end, for any reason, of Executive's employment with the Company.

8.3 Prospective Employers. Executive agrees, during the term of any restriction contained in Articles IV, V, VI, VII, VIII, IX and X of this Agreement, to disclose this Agreement to any entity which offers employment or engagement to Executive. Executive further agrees that, during the term of any restriction contained in Articles IV, V, VI, VII, VIII, IX and X, the Company may send a copy of this Agreement to, or otherwise make the provisions hereof known to, any person or entity with which Executive seeks to establish a business relationship, including, without limitation, potential employers, joint-venturers, or persons or entities to whom Executive seeks to provide consulting services as an independent contractor.

8.4 Third Party Beneficiaries. All of the Company's affiliates, successors and assigns are third party beneficiaries with respect to Executive's performance of Executive's duties under this Agreement and the undertakings and covenants contained in this Agreement, and the Company and any such entity, enjoying the benefits thereof, may enforce this Agreement directly against Executive.

8.5 Survival. The Covenants set forth in Articles IV, V, VI, VII, VIII, IX and X of this Agreement shall survive the termination of this Agreement.

8.6 Injunctive Relief. Executive acknowledges that the services to be rendered by Executive hereunder are of a special, unique, and extraordinary character and, in connection with such services, Executive will have access to Confidential Information and Trade Secrets that are vital to the Company's business. Executive consents and agrees that, in the event of the breach or a threatened breach by Executive of any of the provisions of this Agreement, the Company would sustain irreparable harm and that damages at law would not be an adequate remedy for a violation of this Agreement, and, in addition to any other rights or remedies that the Company may have under this Agreement, common or statutory law or otherwise, the Company shall be entitled to specific performance and/or injunctive or other equitable relief from a court of competent jurisdiction enforcing this Agreement and/or restraining Executive from committing, threatening to commit, or continuing any violation of this Agreement (in each case without posting a bond or other security), including, but not limited to, restraining Executive from disclosing, using for any purpose, selling, transferring, or otherwise disposing of, in whole or in

part, any Confidential Information and/or Trade Secrets. Nothing contained herein shall be construed as prohibiting the Company from pursuing any other remedies available to it for any breach or threatened breach of any provision of this Agreement, including, but not limited to, the recovery of damages, costs, and fees, including the recovery of any prior Severance Payments made to Executive.

8.7 Consistency With Applicable Law. Executive acknowledges and agrees that nothing in this Agreement prohibits Executive from reporting possible violations of law to any governmental agency or entity or making other disclosures that are protected under the whistleblower provisions of federal, state or local laws or regulations.

ARTICLE IX
RETURN OF RECORDS

Upon the end, for any reason, of Executive's employment with the Company, or upon request by the Company at any time, Executive, within five (5) days after the termination of Executive's employment or earlier upon the Company's written request, shall return to the Company all documents, records, information, equipment (including computers, laptops, tablet computers, cell phones and other such equipment ("Electronic Equipment")) and materials belonging and/or relating to the Company (except Executive's own personnel and wage and benefit materials relating solely to Executive and Executive's personal Electronic Equipment which is not owned by the Company), all passwords and/or access codes related to such equipment and/or materials, and all copies of all such materials. Upon the end, for any reason, of Executive's employment with the Company, or upon request of the Company at any time, Executive further agrees to destroy such records maintained by Executive on Executive's personally-owned Electronic Equipment, which destruction the Company may reasonably confirm.

ARTICLE X
NONDISPARAGEMENT

Executive agrees that Executive will not, at any time (whether during or after the Employment Term), publish or communicate to any person or entity any Disparaging (as defined below) remarks, comments or statements concerning the Company and its respective present and former members, partners, directors, officers, shareholders, employees, agents, attorneys, successors and assigns, except as required by law, rule or regulation. "Disparaging" remarks, comments or statements are those that impugn the character, honesty, integrity or morality or business acumen or abilities in connection with any aspect of the operation of business of the individual or entity being disparaged.

ARTICLE XI
MISCELLANEOUS

11.1 Notice. Notices and all other communications provided for in this Agreement shall be in writing and shall be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid, or sent by electronic mail or prepaid overnight courier to the Parties at the addresses set forth below (or such other address as shall be specified by the Parties by like notice pursuant to this Section 11.1):

To the Company:	Duluth Holdings, Inc. [Personal Information Omitted]
With a copy to:	Godfrey & Kahn, S.C. [Personal Information Omitted]
To Executive:	Mark DeOrio [Personal Information Omitted]

Such notices and communications shall be deemed given upon personal delivery or receipt at the address or email account of the party stated above or at any other address specified by such party to the other party in writing, except that if delivery is refused or cannot be made for any reason, then such notice shall be deemed given on the third day after it is sent.

11.2 Entire Agreement; Amendment; Waiver. This Agreement (including any documents referred to herein) sets forth the entire understanding of the Parties hereto with respect to the subject matter contemplated hereby. Any and all previous agreements and understandings between or among the Parties regarding the subject matter hereof, whether written or oral, are superseded by this Agreement. This Agreement shall not be amended or modified except by a written instrument duly executed by each of the Parties hereto. Any extension or waiver by any party of any provision hereto shall be valid only if set forth in an instrument in writing signed on behalf of such party.

11.3 Headings. The headings of sections and paragraphs of this Agreement are for convenience of reference only and shall not control or affect the meaning or construction of any of its provisions.

11.4 Attorneys' Fees; Expenses. Except as provided in Section 2.3(c), above, each party hereto shall bear and pay all of the respective fees, expenses and disbursements of their agents, representatives, accountants and counsel incurred in connection with and related to this Agreement.

11.5 Waiver of Breach. The waiver by either party of the breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by either party.

11.6 Severability. If any court of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, then such invalidity or unenforceability shall have no effect on the other provisions hereof, which shall remain valid, binding and enforceable and in full force and effect, and, to the extent allowed by law, such invalid or unenforceable provision shall be construed in a manner so as to give the maximum valid and enforceable effect to the intent of the Parties expressed therein.

11.7 Governing Law. This Agreement shall in all respects be construed according to the laws of the State of Wisconsin, without regard to its conflict of laws principles.

11.8 Future Cooperation. Executive agrees that, during Executive's employment and following the termination of Executive's employment for any reason, Executive will cooperate with requests by the Company to assist in the defense or prosecution of any lawsuits or claims in which the Company, or its officers, directors or employees may be or become involved and in connection with any internal investigation or administrative, regulatory or judicial proceeding, in each case which relates to matters occurring while Executive was employed by the Company, at such times and at such places as shall be mutually convenient for Executive and the Company, taking into account any employment commitments which Executive then has. Executive shall be compensated by the Company at a rate comparable to that which Executive earned while an employee of the Company or that which Executive is currently earning, whichever is greater; provided, however, that during such time as Executive is receiving Severance Payments pursuant to Section 3.2(c) of this Agreement, such Severance Payments shall be the sole compensation provided to Executive for services reasonably requested under this Section 11.8.

11.9 Compliance with Section 409A of the Code and the 409A Regulations. This Agreement, and any ambiguity hereunder, shall be interpreted and administered so that any payments or benefits are either exempt from or avoid taxation under Section 409A of the Code, the 409A Regulations and any authority promulgated thereunder. Executive acknowledges that the Company has made no representations as to the treatment of the compensation and benefits provided hereunder and the Executive has been advised to obtain Executive's own tax advice. Any term used in this Agreement which is defined in Code Section 409A or the 409A Regulations shall have the meaning set forth therein unless otherwise specifically defined herein. Any obligations under this Agreement that are subject to the requirements of Code Section 409A and arise in connection with Executive's "termination of employment", "termination" or other similar references shall only be triggered if the termination of employment or termination qualifies as a "separation from service" within the meaning of Section 1.409A-1(h) of the 409A Regulations. Notwithstanding any other provision of this Agreement, if at the time of the termination of Executive's employment, Executive is a "specified employee," as defined in Section 409A or the 409A Regulations, and any payments upon such termination under this Agreement hereof will result in additional tax or interest to Executive under Code Section 409A, Executive will not be entitled to receive such payments until the date which is the earlier of: (i) six (6) months after the termination of Executive's employment; or (ii) Executive's death. Each amount or benefit payable pursuant to this Agreement shall be deemed a separate payment for purposes of Section 409A and the 409A Regulations.

11.10 Successors.

(a) This Agreement is personal to Executive and shall not be assignable by Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by Executive's legal representatives.

(b) This Agreement shall be assignable by the Company without the written consent of Executive and shall inure to the benefit of and be binding upon the Company and its respective successors and assigns. Upon assignment of this Agreement by the Company, all references to the "Company" shall be deemed to refer to the party to which this Agreement is assigned.

11.11 Acknowledgement of Representation. Executive and the Company acknowledge that they have had the opportunity to be represented by counsel of their own choosing and, therefore, in the event of a dispute over the meaning of this Agreement or any provisions thereof, neither party shall be entitled to any presumption of correctness in favor of the interpretation advanced by such party or against the interpretation advanced by the other party.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date first written above.

EXECUTIVE:

/s/ Mark DeOrio
Mark DeOrio

DULUTH HOLDINGS, INC.:

/s/ Stephanie Pugliese
Stephanie Pugliese
President & Chief Executive Officer

Exhibit 10.4

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("Agreement") is executed as of this 5th day of August, 2015 ("the Effective Date"), by and between Al Dittrich ("Executive") and Duluth Holdings, Inc. (the "Company").

RECITALS

WHEREAS, the Company desires to continue to employ Executive as its Senior Vice President of Omnichannel Customer Experience and Operations, and Executive desires to be employed by the Company in such capacity, on the terms and conditions set forth herein.

WHEREAS, as a result of Executive's employment with the Company, Executive will have access to and be entrusted with valuable information about the Company's business and customers, including trade secrets and confidential information; and

WHEREAS, the Parties believe it is in their best interests to make provision for certain aspects of their relationship during and after the period in which Executive is employed by the Company.

NOW, THEREFORE, in consideration of the promises and the mutual agreements and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Company and Executive (jointly, the "Parties"), the Parties agree as follows:

ARTICLE I
EMPLOYMENT

1.1 Position and Duties. Executive shall be employed in the position of Senior Vice President of Omnichannel Customer Experience and Operations of the Company and shall be subject to the authority of, and shall report to, the Company's Board of Directors (the "Board"). Executive's duties and responsibilities shall include all those customarily attendant to the position of Senior Vice President of Omnichannel Customer Experience and Operations, and such other duties and responsibilities as may be assigned from time-to-time by the Board. Executive shall devote Executive's entire business time, attention, energies, and best efforts exclusively to the business interests of the Company while employed by the Company, except as otherwise approved by the Board, to the extent that such activities do not impair Executive's ability to perform Executive's duties pursuant to this Agreement. With respect to outside board activities, Executive, with the Board's written approval (which approval shall not be unreasonably withheld), may serve on the board, advisory board or committee of: (a) any non-profit, charitable or similar organization; and (b) following the second (2nd) anniversary of the Effective Date, one (1) for-profit organization.

1.2 Term of Employment. The Company employs Executive, and Executive accepts employment by the Company, for the period commencing on the Effective Date. Executive's employment shall continue until terminated by the Company or Executive, in accordance with and subject to the termination provisions set forth in Article III, below (the "Employment Term"). Upon the termination of Executive's employment for any reason, Executive will be

deemed to have resigned all of Executive's positions with the Company. Although the foregoing resignations are effective without any further action by Executive, Executive agrees to execute any documents reasonably requested by the Company to document such actions.

ARTICLE II
COMPENSATION AND OTHER BENEFITS

2.1 Base Salary. During the Employment Term, the Company shall pay Executive in substantially equal monthly or more frequent installments, an annual salary of Two Hundred and Seventy-Five Thousand Dollars ($275,000) ("Base Salary"), payable in accordance with the normal payroll practices and schedule of the Company. Executive's Base Salary shall be reviewed annually and may be increased at any time and from time-to-time as the Board and/or Compensation Committee of the Board (the "Compensation Committee"), as applicable, shall deem appropriate in its sole discretion. Base Salary shall not be reduced at any time during the Employment Term, except with the consent of Executive. The term "Base Salary," as utilized in this Agreement, shall refer to Base Salary as so increased or decreased. All amounts in this Agreement are stated prior to deductions for federal and state income and employment tax withholding.

2.2 Incentive Compensation. During the Employment Term, Executive shall be eligible to participate in annual incentive bonus plans (the "Bonus Plan") offered by the Company to its senior executives from time-to-time. The performance metrics for the Bonus Plan and the extent to which such metrics are met, as well as any other material terms, including threshold and maximum levels for annual cash incentive bonuses, shall be determined in the sole discretion of the Board and/or Compensation Committee, as applicable. During the Employment Term, Executive will be eligible for grants of equity compensation awards offered to the Company's management employees, in the sole discretion of the Board and/or Compensation Committee, as applicable.

2.3 Other Benefits.

(a) In General. During the Employment Term and subject to any limitation on participation provided by applicable law: (i) Executive shall be entitled to participate in all applicable qualified and nonqualified retirement plans, practices, policies and programs of the Company; and (ii) Executive and/or Executive's family, as the case may be, shall be eligible for all applicable welfare benefit plans, practices, policies and programs provided by the Company, with respect to both (i) and (ii) above, to the same extent as other senior executives of the Company, other than severance plans, practices, policies and programs. Nothing herein shall be deemed to limit the Company's ability to amend, terminate or otherwise change any of the referenced plans, practices, policies and programs at any time, and from time-to-time.

(b) Paid Time Off. During the Employment Term, Executive shall be entitled to 208 hours of Paid Time Off per calendar year (pro-rated for partial years), which shall accrue in accordance with, and be otherwise subject to the provisions of the Company's policy, as in effect from time-to-time. As used herein, "Paid Time Off" means sick days, personal days and vacation days.

(c) Legal Fees. Executive shall be entitled to reimbursement to Executive of all reasonable legal fees associated with the negotiation and drafting of this Agreement, provided that reimbursement of amounts under this Section 2.3(c) shall not exceed $5,000.00 in the aggregate. Any reimbursement of such legal fees shall be paid within 60 days after Executive submits invoices therefor to the Company which comply with the Company's reimbursement policy.

2.4 Expense Reimbursement. The Company shall pay or reimburse Executive for all reasonable out-of-pocket expenses actually incurred by Executive in the course of performing Executive's duties for the Company in accordance with the Company's reimbursement policies for senior executives as in effect from time-to-time. Executive shall keep accurate records and receipts of such expenditures and shall submit such accounts and proof thereof as may from time-to-time be required in accordance with such expense account or reimbursement policies that the Company may establish for its senior executives generally. The Company's obligation to pay or reimburse Executive for certain expenses will comply with the requirements set forth in Section 1.409A-3(i)(1)(iv) of the regulations (the "409A Regulations"), promulgated under Section 409A of the Code, including the requirement that the amount of expenses eligible for reimbursement during any calendar year may not affect the expenses eligible for reimbursement in any other taxable year. Further, reimbursement of eligible expenses shall be made on or before the last day of the calendar year following the calendar year in which the expense was incurred, as required by Section 1.409A-3(i)(1)(iv) of the 409A Regulations.

ARTICLE III
TERMINATION

3.1 Right to Terminate; Automatic Termination. During the Employment Term, Executive's employment may terminate for any of the reasons set out in paragraphs (a) through (e) hereof.

(a) Termination by Death or Disability. Executive's employment and the Company's obligations under this Agreement, except as provided in Section 3.2(a), below, shall terminate automatically, effective immediately and without any notice being necessary, upon Executive's death or a determination of Disability of Executive. For purposes of this Agreement, "Disability" means the inability of Executive to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, as determined by a physician selected by the Company and Executive. If the Company and Executive cannot agree on a physician, each party shall select a physician and the two physicians shall select a third who shall make the determination as to whether Executive has a condition that meets the definition of Disability. Executive shall cooperate with any reasonable efforts to make such determination. In the event Executive is unable to select a physician, such selection shall be made by Executive's spouse, and if Executive's spouse is unable to select a physician, such selection shall be made by Executive's legal representative. Any such determination shall be conclusive and binding on the Parties. Any determination of Disability under this Section 3.1(a) is not intended to alter any benefits any person and/or beneficiary may be entitled to receive under any long-term disability insurance policy carried by either the Company or Executive with respect to Executive, which benefits shall be governed solely by the terms of any such insurance policy.

(b) Termination For Cause. The Company may terminate Executive's employment and all of the Company's obligations under this Agreement, except as provided in Section 3.2(b), below, at any time for Cause (as defined below) by giving written notice to Executive stating the basis for such termination, effective immediately upon giving such notice or at such other time thereafter as the Company may designate. "Cause" shall mean any of the following: (i) Executive has materially breached this Agreement, any other agreement to which Executive and the Company are parties, or any Company policy, or has materially breached any other obligation or duty owed to the Company pursuant to law or the Company's policies and procedures manual, including, but not limited to, Executive's substantial failure or willful refusal to perform Executive's duties and responsibilities to the Company (other than as a result of Executive's Death or Disability); (ii) Executive has committed an act of gross negligence, willful misconduct or any violation of law in the performance of Executive's duties for the Company; (iii) Executive has taken any action substantially likely to result in material discredit to or material loss of business, reputation or goodwill of the Company; (iv) Executive has failed to follow resolutions that have been approved by a majority of the Board concerning the operations or business of the Company; (v) Executive has been convicted of or plead *nolo contendere* to a felony or other crime, the circumstances of which substantially relate to Executive's employment duties with the Company; provided however, that upon indictment in any such case, the Executive may, at the Company's sole discretion, be suspended without pay pending final resolution of the matter; (vi) Executive has misappropriated funds or property of the Company or engaged in any material act of dishonesty; or (vii) Executive has attempted to obtain a personal profit from any transaction in which the Company has an interest, and which constitutes a corporate opportunity of the Company, or which is adverse to the interests of the Company, unless the transaction was approved in writing by the Board after full disclosure of all details relating to such transaction.

(c) Termination by Resignation. Executive's employment and the Company's obligations under this Agreement shall terminate automatically, except as provided in Section 3.2(b), below, when Executive voluntarily terminates Executive's employment with the Company other than with Good Reason (as described in Section 3.1(e), below), with ninety (90) days' prior notice, or at such other earlier time as may be mutually agreed between the Parties following the provision of such notice.

(d) Termination Without Cause. The Company may terminate Executive's employment and all of the Company's obligations under this Agreement, except as provided in Section 3.2(c), below, at any time and for any reason. Such termination shall be effective immediately upon the Company providing notice to Executive that Executive is terminated without Cause, or such other time thereafter as the Company shall designate.

(e) Termination By Executive With Good Reason. Executive may terminate this Agreement with Good Reason, at which time Executive's employment and all of the

Company's obligations under this Agreement shall terminate, except as provided in Section 3.2(c). "Good Reason" shall mean the occurrence of any of the following conditions without Executive's written consent, provided that Executive shall provide notice to the Company of the existence of the condition within 90 days of the initial existence of such condition, the Company shall have 30 days from the date it receives the notice (the "Cure Period") within which to cure such condition, and Executive must terminate Executive's employment within no more than 30 days after the expiration of the Cure Period if the Company does not cure the condition within the Cure Period: (i) a reduction in Executive's title such that Executive is no longer Senior Vice President of Omnichannel Customer Experience and Operations of the Company; (ii) a material reduction in Executive's then current level of Base Salary, except with the consent of Executive; (iii) a material diminution in Executive's duties or responsibilities; (iv) a breach by the Company of any material provision of this Agreement; or (v) the relocation of Executive's office location more than twenty five (25) miles from Belleville or Mt. Horeb, Wisconsin.

3.2 Obligations Upon Termination.

(a) Termination by Death or Disability. If Executive's employment is terminated pursuant to Section 3.1(a), above, Executive or Executive's estate shall have no further rights against the Company hereunder, except for the right to receive: (i) any unpaid Base Salary with respect to the period prior to the effective date of termination of employment; (ii) payment of any accrued but unused Paid Time Off, consistent with the Company's policy related to carryovers of unused time and applicable law; (iii) all vested benefits to which Executive is entitled under any benefit plans set forth in Section 2.3(a) hereof in accordance with the terms of such plans through the date employment terminates; (iv) reimbursement of expenses to which Executive may be entitled under Section 2.4 hereof (clauses (i) through (iv) collectively, the "Accrued Obligations"); and (v) provided that Executive, or a representative of Executive's estate, as the case may be, executes and delivers to the Company an irrevocable release of all employment-related claims against the Company as further described in Section 3.2(c)(ii), a pro-rated annual incentive bonus payment (based on the number of days worked in that fiscal year) for the fiscal year in which termination occurs based on actual performance-based bonus attainments for such fiscal year, payable in a lump sum. The pro-rated annual incentive bonus payment shall be made at such time as other participants in the plan receive their payment, or, if later, on the sixtieth (60th) day following the date of Executive's termination of employment, provided that (A) and (B) of Section 3.2(c)(ii) have been satisfied by such date. The treatment of Executive's equity awards, if any, shall be governed by the applicable plans or grant agreements, except as explicitly provided to the contrary pursuant to this Agreement.

(b) Section 3.1(b)-(c) Terminations. If Executive's employment is terminated pursuant to Section 3.1(b) or (c), above, Executive shall have no further rights against the Company hereunder, except for the right to receive the Accrued Obligations. The treatment of Executive's incentive compensation provided under Section 2.2 hereof and the treatment of Executive's equity awards, if any, shall be governed by the terms of the applicable plans or grant agreements, except as explicitly provided to the contrary pursuant to this Agreement.

(c) Termination Without Cause or For Good Reason.

(i) Company Obligations. If Executive's employment is terminated pursuant to Section 3.1(d) or (e), above, Executive shall have no further rights against the Company hereunder, except for the right to receive: (A) the Accrued Obligations; and (B) Severance Payments, as defined below, but only for so long as Executive complies with the requirements of Articles IV, V, VI, VII, VIII, IX and X, below. For purposes of this Agreement, "Severance Payments" means: (1) in the event that Executive's employment is terminated prior to the two (2) year anniversary of the Effective Date, six (6) months of Base Salary continuation, in any other event, nine (9) months of Base Salary continuation; (2) a pro-rated annual incentive bonus payment (based on the number of days worked in that fiscal year) for the fiscal year in which termination occurs based on actual performance-based bonus attainments for such fiscal year; and (3) to the extent it does not result in a tax or penalty on the Company, reimbursement for that portion of the premiums paid by Executive to obtain COBRA continuation health coverage that equals the Company's subsidy for health coverage for active employees with family coverage (if applicable) grossed up so that Executive will be made whole for such premiums on an after-tax basis ("COBRA Continuation Payments") for six (6) months following the date employment terminates, if such termination occurs prior to the two (2) year anniversary of the Effective Date, in any other event, nine (9) months following the date employment terminates (provided that Executive has not obtained health coverage from any other source and is not eligible to receive health coverage from any other employer, in which event Executive shall no longer be entitled to reimbursement). Payment of the COBRA continuation payments shall occur at the times provided in subsection (iii), below. The treatment of Executive's equity awards, if any, shall be governed by the terms of the applicable plans or grant agreements, except as explicitly provided to the contrary pursuant to this Agreement.

(ii) Release Requirement. Notwithstanding the foregoing, the Company shall not pay to Executive, and Executive shall not have any right to receive, the Severance Payments unless, on or before the sixtieth (60th) day following the date of termination of employment: (A) Executive has executed and delivered to the Company a release of all employment-related claims against the Company, its affiliates, successor companies, and their past and current directors, officers, employees and agents, in a form provided to Executive by the Company (which shall preserve, to the extent applicable, any indemnity rights Executive may be entitled to pursuant to Company by-laws, statute or any director and officer liability insurance maintained by the Company); and (B) the statutory revocation period for such release has expired.

(iii) Timing of Payment of Severance Payments. Base Salary continuation shall commence on the first payroll date following the expiration of

the statutory revocation period, provided that (A) and (B) of Section 3.2(c)(ii) have been satisfied by such date, and shall be paid over a six (6) or nine (9) month period, as applicable, in accordance with the normal payroll practices and schedule of the Company. The pro-rated annual incentive bonus payment shall be made at such time as other participants in the plan receive their payment, or, if later, on the sixtieth (60^{th}) day following the date of Executive's termination of employment, provided that (A) and (B) of Section 3.2(c)(ii) have been satisfied by such date. The COBRA Continuation Payments shall be paid on a monthly basis after Executive has paid the applicable COBRA premium payment, provided that (A) and (B) of Section 3.2(c)(ii) have been satisfied by such date, over a 6 or 9-month period, as applicable. Notwithstanding anything to the contrary contained in this Agreement, if: (A) Executive is a "specified employee" within the meaning of Section 1.409A-1(i) of the 409A Regulations; and (B) the Severance Payments do not qualify for exemption from Section 409A under the short-term deferral exception to deferred compensation of Section 1.409A-1(b)(4) of the 409A Regulations, the separation pay plan exception to deferred compensation of Section 1.409A-1(b)(9) of the 409A Regulations, or any other exception under the 409A Regulations, that portion of the Severance Payments not exempt from Section 409A of the Code shall be made in accordance with the terms of this Agreement, but in no event earlier than the first to occur of: (1) the day after the six-month anniversary of Executive's termination of employment; or (2) Executive's death. Any payments delayed pursuant to the prior sentence shall be made in a lump sum, on the first business day after the six-month anniversary of Executive's termination of employment along with interest thereon payable at the short-term applicable federal rate for monthly payments, as determined under Section 1274(d) of the Code, for the month in which Executive's employment terminated.

(iv) Treatment of Severance Payments for Tax and Benefit Purposes. The Severance Payments shall be treated as ordinary income and shall be reduced by any applicable income or employment taxes which are required to be withheld under applicable law, and all amounts are stated before any such deduction. Furthermore, the Severance Payments shall not be included as compensation for purposes of any qualified or nonqualified retirement or welfare benefit plan, program or policy of the Company.

(d) Parachute Payments. Notwithstanding anything contained in this Agreement to the contrary, the Company, based on the advice of its legal or tax counsel, shall compute whether there would be any "excess parachute payments" payable to Executive, within the meaning of Section 280G of the Code, taking into account the total ''parachute payments," within the meaning of Section 280G of the Code, payable to Executive by the Company under this Agreement and any other plan, agreement or otherwise. If there would be any excess parachute payments, the Company, based on the advice of its legal or tax counsel, shall compute the net after-tax proceeds related to such parachute payments, taking into account the excise tax imposed by Section 4999 of the Code, as if: (i) such parachute payments were reduced, but not below zero, such that the total parachute payments payable to Executive would not exceed three (3) times the "base

amount" as defined in Section 280G of the Code, less One Dollar ($1.00); or (ii) the full amount of such parachute payments were not reduced. If reducing the amount of such parachute payments otherwise payable would result in a greater after-tax amount to Executive, such reduced amount shall be paid to Executive and the remainder shall be forfeited. If not reducing such parachute payments otherwise payable would result in a greater after-tax amount to Executive, then such parachute payments shall not be reduced. If such parachute payments are reduced pursuant to the foregoing, they will be reduced in the following order: first, by reducing any cash severance payments, then by reducing any fringe or other severance benefits, and finally by reducing any payments or benefits otherwise payable with respect to, or measured by, the Company's common stock (including without limitation by eliminating accelerated vesting, in each case starting with the installment or tranche last eligible to become vested absent the occurrence of a change in control). Notwithstanding the foregoing, to the extent the Parties agree that any of the foregoing amounts are not parachute payments, such amounts shall not be reduced. To the extent the Parties cannot agree as to whether any of the payments are in fact parachute payments, the Parties will designate, by mutual agreement, an unrelated third-party with tax expertise to make the determination. Notwithstanding any provision of this Section 3.2(d) to the contrary, no amount shall be subject to reduction pursuant to this Section 3.2(d) to the extent the reduction would result in a violation of any applicable law.

ARTICLE IV
CONFIDENTIALITY

4.1 Confidentiality Obligations.

(a) During Employment. Executive will not, during Executive's employment with the Company, directly or indirectly use or disclose any Confidential Information or Trade Secrets except in the interest and for the benefit of the Company.

(b) Trade Secrets Post-Employment. After the end, for any reason, of Executive's employment with the Company, Executive will not directly or indirectly use or disclose any Trade Secrets.

(c) Confidential Information Post-Employment. For a period of twenty-four (24) months following the end, for any reason, of Executive's employment with the Company, Executive will not directly or indirectly use or disclose any Confidential Information.

(d) Third Party Information. Executive further agrees not to use or disclose at any time information received by the Company from others except in accordance with the Company's contractual or other legal obligations.

4.2 Definitions.

(a) Trade Secret. The term "Trade Secret" has that meaning set forth under applicable law.

(b) Confidential Information. The term "Confidential Information" means all non-Trade Secret information of, about or related to the Company or provided to the Company by its customers and suppliers that is not known generally to the public or the Company's competitors. Confidential Information includes, but is not limited to: (i) strategic plans, budgets, forecasts, financial information, inventions, product designs and specifications, material specifications, materials sourcing information, product costs, information about products under development, research and development information, production processes, equipment design and layout, customer lists, information about orders from and transactions with customers, sales and marketing information, strategies and plans, pricing information; and (ii) information which is marked or otherwise designated or treated as confidential or proprietary by the Company.

(c) Exclusions. Notwithstanding the foregoing, the terms "Confidential Information" and "Trade Secret" do not include, and the obligations set forth in this Agreement do not apply to, any information which: (i) can be demonstrated by Executive to have been known by Executive prior to Executive's employment by the Company; (ii) is or becomes generally available to the public through no act or omission of Executive; (iii) is obtained by Executive in good faith from a third party who discloses such information to Executive on a non-confidential basis without violating any obligation of confidentiality or secrecy relating to the information disclosed; or (iv) is independently developed by Executive outside the scope of Executive's employment without use of Confidential Information or Trade Secrets of the Company.

ARTICLE V
NON-COMPETITION

5.1 Restrictions on Competition During Employment. During the term of Executive's employment with the Company, Executive shall not directly or indirectly compete against the Company, or directly or indirectly divert or attempt to divert any Customer's business from the Company anywhere the Company does or is taking steps to do business.

5.2 Post-Employment Restricted Services Obligation. For a period of two (2) years following the end, for whatever reason, of Executive's employment with the Company, Executive agrees not to directly or indirectly provide Restricted Services to any Competitor in the Territory.

5.3 Definitions.

(a) Restricted Services. The term "Restricted Services" means employment duties and functions of the type provided by Executive to the Company during the twelve (12) month period immediately prior to the end, for whatever reason, of Executive's employment with the Company.

(b) Competitor. The term "Competitor" means Carhartt, Inc., L.L. Bean, Inc., Cabela's Inc., Land's End, Inc., VF Corporation, and any and all of their respective affiliates and successors. In addition, the term "Competitor" shall mean any corporation, partnership, association, or other person or entity that engages in any business which, at

any time during the eighteen (18) month period immediately prior to the end, for whatever reason, of Executive's employment with the Company, and regardless of business format (including, but not limited to, department stores, specialty stores, discount stores, direct marketing, or electronic commerce): (i) marketed, manufactured, or sold men's or women's work wear of the type marketed, manufactured or sold by the Company during the eighteen (18) month period immediately prior to the end of Executive's employment with the Company; and (ii) had combined annual revenues in excess of $100 million.

(c) Territory. The term "Territory" shall mean the United States of America and Canada.

ARTICLE VI
BUSINESS IDEA RIGHTS

6.1 Assignment. The Company will own, and Executive hereby assigns to the Company and agrees to assign to the Company, all rights in all Business Ideas which Executive originates or develops whether alone or working with others while Executive is employed by the Company. All Business Ideas which are or form the basis for copyrightable works are hereby assigned to the Company and/or shall be assigned to the Company or shall be considered "works for hire" as that term is defined by United States Copyright Law.

6.2 Definition of Business Ideas. The term "Business Ideas" means all ideas, designs, modifications, formulations, specifications, concepts, know-how, trade secrets, discoveries, inventions, data, software, developments and copyrightable works, whether or not patentable or registrable, which Executive originates or develops, either alone or jointly with others while Executive is employed by the Company and which are: (i) related to any business known to Executive to be engaged in or contemplated by the Company; (ii) originated or developed during Executive's working hours; or (iii) originated or developed in whole or in part using materials, labor, facilities or equipment furnished by the Company.

6.3 Disclosure. While employed by the Company, Executive will promptly disclose all Business Ideas to the Company.

6.4 Execution of Documentation. Executive, at any time during or after the Employment Term, will promptly execute all documents which the Company may reasonably require to perfect its patent, copyright and other rights to such Business Ideas throughout the world.

ARTICLE VII
NON-SOLICITATION OF EMPLOYEES

During the term of Executive's employment with the Company and for two (2) years thereafter, Executive shall not directly or indirectly encourage any Company employee to terminate employment with the Company or solicit such an individual for employment outside the Company in any manner which would end or diminish that employee's services to the Company.

ARTICLE VIII
EMPLOYEE DISCLOSURES AND ACKNOWLEDGMENTS

8.1 Confidential Information of Others. Executive warrants and represents to the Company that Executive is not subject to any employment, consulting or services agreement, or any restrictive covenants or agreements of any type, which would conflict or prohibit Executive from fully carrying out Executive's duties as described under the terms of this Agreement. Further, Executive warrants and represents to the Company that Executive has not and will not retain or use, for the benefit of the Company, any confidential information, records, trade secrets, or other property of a former employer.

8.2 Scope of Restrictions. Executive acknowledges that during the course of Executive's employment with the Company, Executive will gain knowledge of Confidential Information and Trade Secrets of the Company. Executive acknowledges that the Confidential Information and Trade Secrets of the Company are necessarily shared with Executive on a routine basis in the course of performing Executive's job duties and that the Company has a legitimate protectable interest in such Confidential Information and Trade Secrets, and in the goodwill and business prospects associated therewith. Executive acknowledges that the Company does business in all states in the United States and in Canada. Accordingly, Executive acknowledges that the scope of the restrictions contained in this Agreement are appropriate, necessary and reasonable for the protection of the business, goodwill and property rights of the Company, and that the restrictions imposed will not prevent Executive from earning a living in the event of, and after, the end, for any reason, of Executive's employment with the Company.

8.3 Prospective Employers. Executive agrees, during the term of any restriction contained in Articles IV, V, VI, VII, VIII, IX and X of this Agreement, to disclose this Agreement to any entity which offers employment or engagement to Executive. Executive further agrees that, during the term of any restriction contained in Articles IV, V, VI, VII, VIII, IX and X, the Company may send a copy of this Agreement to, or otherwise make the provisions hereof known to, any person or entity with which Executive seeks to establish a business relationship, including, without limitation, potential employers, joint-venturers, or persons or entities to whom Executive seeks to provide consulting services as an independent contractor.

8.4 Third Party Beneficiaries. All of the Company's affiliates, successors and assigns are third party beneficiaries with respect to Executive's performance of Executive's duties under this Agreement and the undertakings and covenants contained in this Agreement, and the Company and any such entity, enjoying the benefits thereof, may enforce this Agreement directly against Executive.

8.5 Survival. The Covenants set forth in Articles IV, V, VI, VII, VIII, IX and X of this Agreement shall survive the termination of this Agreement.

8.6 Injunctive Relief. Executive acknowledges that the services to be rendered by Executive hereunder are of a special, unique, and extraordinary character and, in connection with such services, Executive will have access to Confidential Information and Trade Secrets that are vital to the Company's business. Executive consents and agrees that, in the event of the breach or a threatened breach by Executive of any of the provisions of this Agreement, the Company

would sustain irreparable harm and that damages at law would not be an adequate remedy for a violation of this Agreement, and, in addition to any other rights or remedies that the Company may have under this Agreement, common or statutory law or otherwise, the Company shall be entitled to specific performance and/or injunctive or other equitable relief from a court of competent jurisdiction enforcing this Agreement and/or restraining Executive from committing, threatening to commit, or continuing any violation of this Agreement (in each case without posting a bond or other security), including, but not limited to, restraining Executive from disclosing, using for any purpose, selling, transferring, or otherwise disposing of, in whole or in part, any Confidential Information and/or Trade Secrets. Nothing contained herein shall be construed as prohibiting the Company from pursuing any other remedies available to it for any breach or threatened breach of any provision of this Agreement, including, but not limited to, the recovery of damages, costs, and fees, including the recovery of any prior Severance Payments made to Executive.

8.7 Consistency With Applicable Law. Executive acknowledges and agrees that nothing in this Agreement prohibits Executive from reporting possible violations of law to any governmental agency or entity or making other disclosures that are protected under the whistleblower provisions of federal, state or local laws or regulations.

ARTICLE IX
RETURN OF RECORDS

Upon the end, for any reason, of Executive's employment with the Company, or upon request by the Company at any time, Executive, within five (5) days after the termination of Executive's employment or earlier upon the Company's written request, shall return to the Company all documents, records, information, equipment (including computers, laptops, tablet computers, cell phones and other such equipment ("Electronic Equipment")) and materials belonging and/or relating to the Company (except Executive's own personnel and wage and benefit materials relating solely to Executive and Executive's personal Electronic Equipment which is not owned by the Company), all passwords and/or access codes related to such equipment and/or materials, and all copies of all such materials. Upon the end, for any reason, of Executive's employment with the Company, or upon request of the Company at any time, Executive further agrees to destroy such records maintained by Executive on Executive's personally-owned Electronic Equipment, which destruction the Company may reasonably confirm.

ARTICLE X
NONDISPARAGEMENT

Executive agrees that Executive will not, at any time (whether during or after the Employment Term), publish or communicate to any person or entity any Disparaging (as defined below) remarks, comments or statements concerning the Company and its respective present and former members, partners, directors, officers, shareholders, employees, agents, attorneys, successors and assigns, except as required by law, rule or regulation. "Disparaging" remarks, comments or statements are those that impugn the character, honesty, integrity or morality or business acumen or abilities in connection with any aspect of the operation of business of the individual or entity being disparaged.

ARTICLE XI
MISCELLANEOUS

11.1 Notice. Notices and all other communications provided for in this Agreement shall be in writing and shall be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid, or sent by electronic mail or prepaid overnight courier to the Parties at the addresses set forth below (or such other address as shall be specified by the Parties by like notice pursuant to this Section 11.1):

To the Company:	Duluth Holdings, Inc. [Personal Information Omitted]
With a copy to:	Godfrey & Kahn, S.C. [Personal Information Omitted]
To Executive:	Al Dittrich [Personal Information Omitted]

Such notices and communications shall be deemed given upon personal delivery or receipt at the address or email account of the party stated above or at any other address specified by such party to the other party in writing, except that if delivery is refused or cannot be made for any reason, then such notice shall be deemed given on the third day after it is sent.

11.2 Entire Agreement; Amendment; Waiver. This Agreement (including any documents referred to herein) sets forth the entire understanding of the Parties hereto with respect to the subject matter contemplated hereby. Any and all previous agreements and understandings between or among the Parties regarding the subject matter hereof, whether written or oral, are superseded by this Agreement. This Agreement shall not be amended or modified except by a written instrument duly executed by each of the Parties hereto. Any extension or waiver by any party of any provision hereto shall be valid only if set forth in an instrument in writing signed on behalf of such party.

11.3 Headings. The headings of sections and paragraphs of this Agreement are for convenience of reference only and shall not control or affect the meaning or construction of any of its provisions.

11.4 Attorneys' Fees; Expenses. Except as provided in Section 2.3(c), above, each party hereto shall bear and pay all of the respective fees, expenses and disbursements of their agents, representatives, accountants and counsel incurred in connection with and related to this Agreement.

11.5 Waiver of Breach. The waiver by either party of the breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by either party.

11.6 Severability. If any court of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, then such invalidity or unenforceability shall have no effect on the other provisions hereof, which shall remain valid, binding and enforceable and in full force and effect, and, to the extent allowed by law, such invalid or unenforceable provision shall be construed in a manner so as to give the maximum valid and enforceable effect to the intent of the Parties expressed therein.

11.7 Governing Law. This Agreement shall in all respects be construed according to the laws of the State of Wisconsin, without regard to its conflict of laws principles.

11.8 Future Cooperation. Executive agrees that, during Executive's employment and following the termination of Executive's employment for any reason, Executive will cooperate with requests by the Company to assist in the defense or prosecution of any lawsuits or claims in which the Company, or its officers, directors or employees may be or become involved and in connection with any internal investigation or administrative, regulatory or judicial proceeding, in each case which relates to matters occurring while Executive was employed by the Company, at such times and at such places as shall be mutually convenient for Executive and the Company, taking into account any employment commitments which Executive then has. Executive shall be compensated by the Company at a rate comparable to that which Executive earned while an employee of the Company or that which Executive is currently earning, whichever is greater; provided, however, that during such time as Executive is receiving Severance Payments pursuant to Section 3.2(c) of this Agreement, such Severance Payments shall be the sole compensation provided to Executive for services reasonably requested under this Section 11.8.

11.9 Compliance with Section 409A of the Code and the 409A Regulations. This Agreement, and any ambiguity hereunder, shall be interpreted and administered so that any payments or benefits are either exempt from or avoid taxation under Section 409A of the Code, the 409A Regulations and any authority promulgated thereunder. Executive acknowledges that the Company has made no representations as to the treatment of the compensation and benefits provided hereunder and the Executive has been advised to obtain Executive's own tax advice. Any term used in this Agreement which is defined in Code Section 409A or the 409A Regulations shall have the meaning set forth therein unless otherwise specifically defined herein. Any obligations under this Agreement that are subject to the requirements of Code Section 409A and arise in connection with Executive's "termination of employment," "termination" or other similar references shall only be triggered if the termination of employment or termination qualifies as a "separation from service" within the meaning of Section 1.409A-1(h) of the 409A Regulations. Notwithstanding any other provision of this Agreement, if at the time of the termination of Executive's employment, Executive is a "specified employee," as defined in Section 409A or the 409A Regulations, and any payments upon such termination under this Agreement hereof will result in additional tax or interest to Executive under Code Section 409A,

Executive will not be entitled to receive such payments until the date which is the earlier of: (i) six (6) months after the termination of Executive's employment; or (ii) Executive's death. Each amount or benefit payable pursuant to this Agreement shall be deemed a separate payment for purposes of Section 409A and the 409A Regulations.

11.10 Successors.

(a) This Agreement is personal to Executive and shall not be assignable by Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by Executive's legal representatives.

(b) This Agreement shall be assignable by the Company without the written consent of Executive and shall inure to the benefit of and be binding upon the Company and its respective successors and assigns. Upon assignment of this Agreement by the Company, all references to the "Company" shall be deemed to refer to the party to which this Agreement is assigned.

11.11 Acknowledgement of Representation. Executive and the Company acknowledge that they have had the opportunity to be represented by counsel of their own choosing and, therefore, in the event of a dispute over the meaning of this Agreement or any provisions thereof, neither party shall be entitled to any presumption of correctness in favor of the interpretation advanced by such party or against the interpretation advanced by the other party.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date first written above.

EXECUTIVE:

/s/ Al Dittrich
Al Dittrich

DULUTH HOLDINGS, INC.:

/s/ Stephanie Pugliese
Stephanie Pugliese
President & Chief Executive Officer

Exhibit 10.5

RESTRICTED STOCK AGREEMENT

STOCK AGREEMENT (the "Agreement") is made and entered into as of the 30th day of April, 2012, by and between DULUTH HOLDINGS INC., a Wisconsin corporation (the "Company"), and STEPHANIE PUGLIESE (the "Executive").

WITNESSETH:

WHEREAS, the Executive is a key employee of the Company and in order to provide the Executive with incentives to remain employed by the Company and to advance the interests of the Company, the Board of Directors of the Company has determined that it is in the best interest of the Company to provide the Executive with an opportunity to obtain shares of the Company's common stock on the terms and conditions provided herein; and WHEREAS, the purpose of this Agreement is to set forth the terms and conditions pursuant to which the Subject Shares (as hereinafter defined) are being transferred to the Executive.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto promise and agree as follows:

1. Award of Subject Shares. Subject to Section 8, below, the Company hereby awards thirty-three (33) shares of the Company's Class B non-voting common stock (the "Common Stock") to the Executive, subject to the terms and conditions set forth in this Agreement.

2. Vesting of the Subject Shares. The Subject Shares shall vest on February 2, 2017; provided, however, that all vesting shall immediately cease in the event that the Executive's employment with the Company is terminated for any reason. Any of the Subject Shares which have not become vested shall be referred to herein as "Unvested Stock." In the event the Executive's employment with the Company is terminated for any reason, the Executive shall forfeit all Unvested Stock and all Unvested Stock shall revert to the Company. All of the Unvested Stock not previously forfeited shall be deemed to be fully vested upon a Sale of the Company (as defined in the Stockholders Agreement (as defined below)).

3. Shareholder Status. Prior to the vesting of the Subject Shares, but only so long as the Executive remains in the employ of the Company, the Executive shall have the right to vote the Subject Shares on certain matters which the Wisconsin Business Corporation Law provides that all stock, whether voting o non-voting, must be given the right to vote, the right to receive and retain all regular cash dividends paid or distributed in respect of the Subject Shares if the record date for such dividends is on or after the date of this Agreement (provided that the Executive has properly executed and filed an election under Section 83(b) of the Internal Revenue Code related to the grant of the Subject Shares), and except as expressly provided otherwise herein, all other rights as a holder of outstanding shares of the Common Stock. Until the Subject Shares fully vest pursuant to Section 2, above, the Company shall retain custody of the stock certificates representing the Subject Shares. As soon as practicable after all of the

Subject Shares vest, the Company shall release or cause to be released certificate(s) representing such shares. Notwithstanding the foregoing, the Company shall have the right to delay the delivery of any such shares to be delivered hereunder until (a) the completion of such registration or qualification of the shares under federal, state or foreign law, ruling or regulation as the Company shall deem to be necessary or advisable, and (b) receipt from the Executive of such documents and information as the Company may deem necessary or appropriate in connection with such registration or qualification or the delivery of the Subject Shares hereunder.

4. Stockholders Agreement. By execution of this Agreement, the Executive agrees that the Subject Shares shall be bound by and made subject to the terms and restrictions of that certain Amended and Restated Stockholders Agreement dated as of December 17, 2001, as amended, among the Company and others (the "Stockholders Agreement").

5. Warranties of the Executive. The Executive hereby warrants and represents to the Company, which warranties and representations shall be true and correct as of the date hereof and which shall survive the date hereof, as follows:

(a) The Executive has all necessary power and authority to execute and deliver this Agreement and to comply with the provisions hereof;

(b) The execution, delivery and performance of this Agreement and the agreements and instruments relating hereto by the Executive constitute the valid and legally binding obligations of the Executive, enforceable against the Executive in accordance with their respective terms;

(c) Neither the execution and delivery of this Agreement by the Executive, nor the consummation of the transactions hereby, will violate or constitute a breach of any agreement, instrument or restriction to which the Executive is a party or by which the Executive is bound;

(d) That (i) the Executive is accepting the Subject Shares solely for the Executive's own account for investment and not on behalf of other persons or with a view to the distribution or resale thereof; (ii) the Executive's financial condition is such that the Executive is not under any present necessity or constraint to dispose of the Subject Shares to satisfy any existing or contemplated debt or undertaking; (iii) the Executive has no present or contemplated agreement, understanding, arrangement, obligation, indebtedness or commitment providing for or which is likely to provide for a disposition in any manner of the Subject Shares and is not aware of any circumstances presently in existence which are likely to promote in the future any disposition by the Executive of the Subject Shares; and (iv) the Executive does not have in mind any sale of the Subject Shares upon the occurrence or nonoccurrence of any predetermined or undetermined event or circumstance; and

(e) That (i) the Executive is aware that the Subject Shares have not been registered (nor is registration contemplated) under the Securities Act of 1933, as amended (the "Act"), and accordingly, that federal and state securities laws require that the Subject

Shares be held indefinitely unless they are subsequently registered under such Act or unless, in the opinion of counsel for the Company, a sale or transfer may be made without registration thereunder; (ii) the Executive fully understands that the Company is under no obligation, and has not given any commitment whatsoever, to register the Subject Shares or the sale thereof under the Act; (iii) the Executive acknowledges and agrees that the Executive has had access to sufficient information to enable the Executive, because of the Executive's knowledge and experience in financial and business matters, to evaluate the risks of this investment and to make an informed decision; (iv) the Executive further understands that the Executive must bear the economic risk of the Executive's investment in the Subject Shares for an indefinite period of time; and (v) the Executive agrees that the Subject Shares may bear a legend restricting the transfer thereof consistent with the foregoing.

6. Warranties of the Company. The Company hereby warrants and represents to the Executive, which warranties and representations shall be true and correct as of the date hereof and which shall survive the Closing, as follows:

(a) The Company has all necessary power and authority to execute and deliver this Agreement and the agreements and instruments relating hereto and to comply with the provisions hereof;

(b) The execution, delivery and performance of this Agreement and the agreements and instruments relating hereto by the Company constitute the valid and legally binding obligations of the Company, enforceable against it in accordance with their respective terms;

(c) Neither the execution and delivery of this Agreement by the Company, nor the consummation of the transactions hereby, will violate or constitute a breach of any agreement, instrument or restriction to which it is a party or by which it is bound; and

(d) The Subject Shares, when validly issued, will be fully paid and nonassessable.

7. Indemnification. Each party hereto agrees to indemnify and hold harmless the other party upon demand from and against any and all liabilities, damages, costs and expenses (including reasonable attorneys' fees) resulting from any breach by such party of any warranty, representation or agreement hereunder.

8. Taxes. The Executive may complete and file an election under Section 83(b) of the Internal Revenue Code, in the form attached hereto as Exhibit A, to treat the fair market value of the Subject Shares as taxable income for the year of the award, whether such Subject Shares are vested or not. If the Executive makes the Section 83(b) election, the Company shall require the payment of or withhold any income or withholding tax which it believes is payable as a result of the award of the Subject Shares or any payments thereon or in connection therewith, and the Company may defer making delivery with respect to the Subject Shares until arrangements satisfactory to the Company have been made with regard to any such withholding

obligation. To assist the Executive with the payment of such taxes in the event the Executive makes the Section 83(b) election, the Company shall pay to the Executive additional compensation in the amount of $57,623.32 [assuming a withholding tax obligation at the 38% rate of $35,726.46, divided by the tax gross-up factor of 1-38%]. The Company shall apply this amount, after deduction of appropriate withholding taxes, to the Executive's income and withholding tax obligations resulting from the award of the Subject Shares to the Executive. If the Executive does not make the Section 83(b) election, the Company shall not pay the Executive the additional compensation as the Subject Shares will not be taxed until they have vested.

9. No Employment Rights. This Agreement shall not confer upon the Executive any right with respect to continuation of employment by the Company, nor shall it interfere in any way with the right of the Company to terminate the Executive's employment at any time.

10. Adjustments. In the event of any change in the outstanding Common Stock of the Company by reason of a stock split, stock dividend, combination or reclassification of shares, recapitalization, merger, sale or similar event, the Company shall be authorized to adjust the Subject Shares or substitute new securities for the Subject Shares in an equitable manner. In the event of a merger, sale or similar event in which any shares of stock of another company (the "Consideration Shares") are received as all or part of the consideration for the issued and outstanding shares of the Common Stock, the Company shall substitute an equitable number of the Consideration Shares for the Subject Shares. After such substitution, the Consideration Shares shall be treated the same as the Subject Shares for purposes of this Agreement and this Agreement shall continue and remain valid in all respects.

11. Notices. Any notice to be given to the Company under the terms of this Agreement shall be given in the same manner as set forth in the Stockholders Agreement.

12. Pronouns; Headings. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular forms of nouns and pronouns shall include the plural, and vice-versa. The headings of the sections of this Agreement are for convenience of reference only and in no way define, limit or affect the scope or substance of any section of this Agreement.

13. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements and understandings, whether written or oral, relating to the subject matter of this Agreement.

14. Amendment. This Agreement may be amended or modified only by a written instrument executed by each of the parties hereto.

15. Governing Law. This Agreement and all matters arising hereunder or in connection herewith shall be determined in accordance with the internal laws of Wisconsin without regard to principles and conflicts of law.

16. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of both parties and their respective successors and permitted assigns, including any corporation with which or into which the Company may be merged or which may succeed to its assets or business; provided, however, this Agreement and the rights and obligations hereunder shall not be assignable or transferable by the Executive.

17. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document.

IN WITNESS WHEREOF, the parties have caused this Agreement to be effective as of the date first written above.

COMPANY:

DULUTH HOLDINGS INC.

By: */s/ Stephen L. Schlecht*
Stephen L. Schlecht, Chief Executive Officer

EXECUTIVE:

/s/ Stephanie Pugliese
Stephanie Pugliese

EXHIBIT A

Election Pursuant to Section 83(b)
of the Internal Revenue Code

The undersigned taxpayer hereby makes an election pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended, with respect to the property described below and supplies the following information in accordance with Treas. Reg. Section 1.83-2(e).

1. The name, address and taxpayer identification number of the undersigned are:

Stephanie Pugliese
[Personal information omitted]

2. Description of property with respect to which the election is being made:

Thirty-three (33) shares of the no par value Class B Non-Voting Common Stock of Duluth Holdings Inc., a Wisconsin corporation (the "Company").

3. Date on which property was transferred is May 1, 2012. The taxable year to which this election relates is calendar year 2012.

4. Nature of restrictions to which property is subject:

Thirty-three (33) shares will vest on February 2, 2017. Vesting will be accelerated in the event of a sale of the Company. Unvested shares are subject to automatic forfeiture upon any termination of the taxpayer's employment with the Company.

5. The fair market value at the time of transfer of the property with respect to which this election is being made is $2,849.00 per share for an aggregate value of $94,017.00 for thirty- three (33) shares of the no par value Class B Non-Voting Common Stock of the Company.

6. The taxpayer paid nothing for the thirty-three (33) shares of the no par value Class B Non-Voting Common Stock of the Company.

7. A copy of this statement has been furnished to the Company.

Dated: May 1, 2012

/s/ Stephanie Pugliese
Stephanie Pugliese

Exhibit 10.6

RESTRICTED STOCK AGREEMENT

THIS RESTRICTED STOCK AGREEMENT (the "Agreement") is made and entered into as of the 1st day of April, 2014, by and between DULUTH HOLDINGS INC., a Wisconsin corporation (the "Company"), and STEPHANIE PUGLIESE (the "Executive").

WITNESSETH:

WHEREAS, the Executive is a key employee of the Company and in order to provide the Executive with incentives to remain employed by the Company and to advance the interests of the Company, the Board of Directors of the Company has determined that it is in the best interest of the Company to provide the Executive with an opportunity to obtain shares of the Company's common stock on the terms and conditions provided herein; and

WHEREAS, the purpose of this Agreement is to set forth the terms and conditions pursuant to which the Subject Shares (as hereinafter defined) are being transferred to the Executive.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto promise and agree as follows:

1. Award of Subject Shares. Subject to Section 8, below, the Company hereby awards thirty-three (33) shares of the Company's Class B non-voting common stock (the "Common Stock") to the Executive, subject to the terms and conditions set forth in this Agreement.

2. Vesting of the Subject Shares. The Subject Shares shall vest on February 1, 2019; provided, however, that all vesting shall immediately cease in the event that the Executive's employment with the Company is terminated for any reason. Any of the Subject Shares which have not become vested shall be referred to herein as "Unvested Stock." In the event the Executive's employment with the Company is terminated for any reason, the Executive shall forfeit all Unvested Stock and all Unvested Stock shall revert to the Company. All of the Unvested Stock not previously forfeited shall be deemed to be fully vested upon a Sale of the Company (as defined in the Stockholders Agreement (as defined below)).

3. Shareholder Status. Prior to the vesting of the Subject Shares, but only so long as the Executive remains in the employ of the Company, the Executive shall have the right to vote the Subject Shares on certain matters which the Wisconsin Business Corporation Law provides that all stock, whether voting or non-voting, must be given the right to vote, the right to receive and retain all regular cash dividends paid or distributed in respect of the Subject Shares if the record date for such dividends is on or after the date of this Agreement (provided that the Executive has properly executed and filed an election under Section 83(b) of the Internal Revenue Code related to the grant of the Subject Shares), and except as expressly provided otherwise herein, all other rights as a holder of outstanding shares of the Common Stock. Until the Subject Shares fully vest pursuant to Section 2, above, the Company shall retain custody of

the stock certificates representing the Subject Shares. As soon as practicable after all of the Subject Shares vest, the Company shall release or cause to be released certificate(s) representing such shares. Notwithstanding the foregoing, the Company shall have the right to delay the delivery of any such shares to be delivered hereunder until (a) the completion of such registration or qualification of the shares under federal, state or foreign law, ruling or regulation as the Company shall deem to be necessary or advisable, and (b) receipt from the Executive of such documents and information as the Company may deem necessary or appropriate in connection with such registration or qualification or the delivery of the Subject Shares hereunder.

4. Stockholders Agreement. By execution of this Agreement, the Executive agrees that the Subject Shares shall be bound by and made subject to the terms and restrictions of that certain Amended and Restated Stockholders Agreement dated as of December 17, 2001, as amended, among the Company and others (the "Stockholders Agreement").

5. Warranties of the Executive. The Executive hereby warrants and represents to the Company, which warranties and representations shall be true and correct as of the date hereof and which shall survive the date hereof, as follows:

(a) The Executive has all necessary power and authority to execute and deliver this Agreement and to comply with the provisions hereof;

(b) The execution, delivery and performance of this Agreement and the agreements and instruments relating hereto by the Executive constitute the valid and legally binding obligations of the Executive, enforceable against the Executive in accordance with their respective terms;

(c) Neither the execution and delivery of this Agreement by the Executive, nor the consummation of the transactions hereby, will violate or constitute a breach of any agreement, instrument or restriction to which the Executive is a party or by which the Executive is bound;

(d) That (i) the Executive is accepting the Subject Shares solely for the Executive's own account for investment and not on behalf of other persons or with a view to the distribution or resale thereof; (ii) the Executive's financial condition is such that the Executive is not under any present necessity or constraint to dispose of the Subject Shares to satisfy any existing or contemplated debt or undertaking; (iii) the Executive has no present or contemplated agreement, understanding, arrangement, obligation, indebtedness or commitment providing for or which is likely to provide for a disposition in any manner of the Subject Shares and is not aware of any circumstances presently in existence which are likely to promote in the future any disposition by the Executive of the Subject Shares; and (iv) the Executive does not have in mind any sale of the Subject Shares upon the occurrence or nonoccurence of any predetermined or undetermined event or circumstance; and

(e) That (i) the Executive is aware that the Subject Shares have not been registered (nor is registration contemplated) under the Securities Act of 1933, as amended (the "Act"), and accordingly, that federal and state securities laws require that the Subject

Shares be held indefinitely unless they are subsequently registered under such Act or unless, in the opinion of counsel for the Company, a sale or transfer may be made without registration thereunder; (ii) the Executive fully understands that the Company is under no obligation, and has not given any commitment whatsoever, to register the Subject Shares or the sale thereof under the Act; (iii) the Executive acknowledges and agrees that the Executive has had access to sufficient information to enable the Executive, because of the Executive's knowledge and experience in financial and business matters, to evaluate the risks of this investment and to make an informed decision; (iv) the Executive further understands that the Executive must bear the economic risk of the Executive's investment in the Subject Shares for an indefinite period of time; and (v) the Executive agrees that the Subject Shares may bear a legend restricting the transfer thereof consistent with the foregoing.

6. Warranties of the Company. The Company hereby warrants and represents to the Executive, which warranties and representations shall be true and correct as of the date hereof and which shall survive the Closing, as follows:

(a) The Company has all necessary power and authority to execute and deliver this Agreement and the agreements and instruments relating hereto and to comply with the provisions hereof;

(b) The execution, delivery and performance of this Agreement and the agreements and instruments relating hereto by the Company constitute the valid and legally binding obligations of the Company, enforceable against it in accordance with their respective terms;

(c) Neither the execution and delivery of this Agreement by the Company, nor the consummation of the transactions hereby, will violate or constitute a breach of any agreement, instrument or restriction to which it is a party or by which it is bound; and

(d) The Subject Shares, when validly issued, will be fully paid and nonassessable.

7. Indemnification. Each party hereto agrees to indemnify and hold harmless the other party upon demand from and against any and all liabilities, damages, costs and expenses (including reasonable attorneys' fees) resulting from any breach by such party of any warranty, representation or agreement hereunder.

8. Taxes. The Executive may complete and file an election under Section 83(b) of the Internal Revenue Code, in the form attached hereto as Exhibit A, to treat the fair market value of the Subject Shares as taxable income for the year of the award, whether such Subject Shares are vested or not. If the Executive makes the Section 83(b) election, the Company shall require the payment of or withhold any income or withholding tax which it believes is payable as a result of the award of the Subject Shares or any payments thereon or in connection therewith, and the Company may defer making delivery with respect to the Subject Shares until arrangements satisfactory to the Company have been made with regard to any such withholding obligation. To assist the Executive with the payment of such taxes in the event the Executive

makes the Section 83(b) election, the Company shall pay to the Executive additional compensation equal to the federal and state income tax liability of the Executive resulting solely from such election (including the additional federal and state income tax liability resulting from such additional compensation). The Company shall apply this amount, after deduction of appropriate withholding taxes, to the Executive's income and withholding tax obligations resulting from the award of the Subject Shares to the Executive. If the Executive does not make the Section 83(b) election, the Company shall not pay the Executive the additional compensation as the Subject Shares will not be taxed until they have vested.

9. No Employment Rights. This Agreement shall not confer upon the Executive any right with respect to continuation of employment by the Company, nor shall it interfere in any way with the right of the Company to terminate the Executive's employment at any time.

10. Adjustments. In the event of any change in the outstanding Common Stock of the Company by reason of a stock split, stock dividend, combination or reclassification of shares, recapitalization, merger, sale or similar event, the Company shall be authorized to adjust the Subject Shares or substitute new securities for the Subject Shares in an equitable manner. In the event of a merger, sale or similar event in which any shares of stock of another company (the "Consideration Shares") are received as all or part of the consideration for the issued and outstanding shares of the Common Stock, the Company shall substitute an equitable number of the Consideration Shares for the Subject Shares. After such substitution, the Consideration Shares shall be treated the same as the Subject Shares for purposes of this Agreement and this Agreement shall continue and remain valid in all respects.

11. Notices. Any notice to be given to the Company under the terms of this Agreement shall be given in the same manner as set forth in the Stockholders Agreement.

12. Pronouns; Headings. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular forms of nouns and pronouns shall include the plural, and vice-versa. The headings of the sections of this Agreement are for convenience of reference only and in no way define, limit or affect the scope or substance of any section of this Agreement.

13. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements and understandings, whether written or oral, relating to the subject matter of this Agreement.

14. Amendment. This Agreement may be amended or modified only by a written instrument executed by each of the parties hereto.

15. Governing Law. This Agreement and all matters arising hereunder or in connection herewith shall be determined in accordance with the internal laws of Wisconsin without regard to principles and conflicts of law.

16. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of both parties and their respective successors and permitted assigns, including any corporation with which or into which the Company may be merged or which may succeed to its assets or business; provided, however, this Agreement and the rights and obligations hereunder shall not be assignable or transferable by the Executive.

17. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document.

IN WITNESS WHEREOF, the parties have caused this Agreement to be effective as of the date first written above.

COMPANY:

DULUTH HOLDINGS INC.

By: */s/ Stephen L. Schlecht*
Stephen L. Schlecht, Chairman

EXECUTIVE:

/s/ Stephanie Pugliese
Stephanie Pugliese

EXHIBIT A

Election Pursuant to Section 83(b)
of the Internal Revenue Code

The undersigned taxpayer hereby makes an election pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended, with respect to the property described below and supplies the following information in accordance with Treas. Reg. Section 1.83-2(e).

1. The name, address and taxpayer identification number of the undersigned are:

Stephanie Pugliese
[Personal information omitted]

2. Description of property with respect to which the election is being made:

Thirty-three (33) shares of the no par value Class B Non-Voting Common Stock of Duluth Holdings Inc., a Wisconsin corporation (the "Company").

3. Date on which property was transferred is April, 2014. The taxable year to which this election relates is calendar year 2014.

4. Nature of restrictions to which property is subject:

Thirty-three (33) shares will vest on February 2, 2019. Vesting will be accelerated in the event of a sale of the Company. Unvested shares are subject to automatic forfeiture upon any termination of the taxpayer's employment with the Company.

5. The fair market value at the time of transfer of the property with respect to which this election is being made is $9,628.00 per share for an aggregate value of $317,724.00 for thirty-three (33) shares of the no par value Class B Non-Voting Common Stock of the Company.

6. The taxpayer paid nothing for the thirty-three (33) shares of the no par value Class B Non-Voting Common Stock of the Company.

7. A copy of this statement has been furnished to the Company.

Dated: April 1, 2014

/s/ Stephanie Pugliese
Stephanie Pugliese

Exhibit 10.7

DULUTH HOLDINGS INC.
RESTRICTED STOCK AGREEMENT

THIS RESTRICTED STOCK AGREEMENT (the "Agreement") is made and entered into as of the 2nd day of February, 2015, by and between DULUTH HOLDINGS INC., a Wisconsin corporation (the "Company"), and Stephanie Pugliese (the "Executive").

WITNESSETH:

WHEREAS, the Executive is a key employee of the Company and in order to provide the Executive with incentives to remain employed by the Company and to advance the interests of the Company, the Board of Directors of the Company has determined that it is in the best interest of the Company to provide the Executive with additional shares of the Company's common stock on the terms and conditions provided herein; and

WHEREAS, the purpose of this Agreement is to set forth the terms and conditions pursuant to which the Subject Shares (as hereinafter defined) are being transferred to the Executive.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and conditioned upon Executive's execution of a Restrictive Covenant Agreement, the parties hereto promise and agree as follows:

1. Award of Subject Shares. Subject to Section 9, below, the Executive's agreements herein, and conditioned upon the Executive's execution of the Restrictive Covenant Agreement delivered simultaneously with this Agreement and incorporated herein, the Company hereby awards shares of the Company's Class B non-voting common stock (the "Common Stock") to the Executive, subject to the terms and conditions set forth in this Agreement. The award shall consist of twenty-five (25) shares of the Common Stock (the "Subject Shares").

2. Vesting of the Subject Shares. The Subject Shares shall vest as follows:

Vesting Date	**Number of Subject Shares Vested**
February 1, 2020	25

3. Unvested Shares Upon Termination and Change in Control. In the event that the Executive's employment with the Company is terminated for any reason, all vesting of the subject shares shall immediately cease. Any of the Subject Shares which have not become vested shall be referred to herein as "Unvested Stock." In the event the Executive's employment with the Company is terminated for any reason, the Executive shall forfeit all Unvested Stock and all of such Unvested Stock shall revert to the Company. All Unvested Stock that has not been previously forfeited shall be deemed to be fully vested upon a Change in Control. Change in Control shall mean (i) a sale, transfer or other disposition of all or substantially all of the assets of the Company, whether consummated in one transaction or a series of related transactions; or (ii) a sale, transfer or other disposition of a majority interest in all of the issued and outstanding capital stock of the Company, including, without limitation, pursuant to a plan

of merger, share exchange or consolidation, to an "Unrelated Purchaser(s)." "Unrelated Purchaser(s)" shall mean (i) any entity which is not directly or indirectly, actually or constructively, an affiliate of or controlled by any of the following: the Company, a subsidiary of the Company or an affiliate of the Company or (ii) any person who is not a stockholder or a member or members of a group consisting of a stockholder's spouse, issue or a trust created for the primary benefit of the stockholder, his or her spouse or his or her issue.

4. Shareholder Status. Prior to the vesting of the Subject Shares, but only so long as the Executive remains employed by the Company, the Executive shall have (i) the right to vote the Subject Shares on certain matters which the Wisconsin Business Corporation Law provides that all stock, whether voting or non-voting, must be given the right to vote, (ii) the right to receive and retain all regular cash dividends paid or distributed in respect of the Subject Shares if the record date for such dividends is on or after the date of this Agreement (provided that the Executive has properly executed and filed an election under Section 83(b) of the Internal Revenue Code related to the grant of the Subject Shares), and (iii) except as expressly provided otherwise herein, all other rights as a holder of outstanding shares of the Common Stock. Until the Subject Shares fully vest pursuant to Section 2, above, the Company shall retain custody of the stock certificates representing the Subject Shares. As soon as practicable after all of the Subject Shares vest, the Company shall release or cause to be released certificate(s) representing such shares. Notwithstanding the foregoing, the Company shall have the right to delay the delivery of any such shares to be delivered hereunder until (a) the completion of such registration or qualification of the shares under federal, state or foreign law, ruling or regulation as the Company shall deem to be necessary or advisable, and (b) receipt from the Executive of such documents and information as the Company may deem necessary or appropriate in connection with such registration or qualification or the delivery of the Subject Shares hereunder.

5. Stockholders Agreement. By execution of this Agreement, the Executive acknowledges that she is a party to the Amended and Restated Stockholders Agreement dated as of December 17, 2001, as amended from time to time among the Company and others (the "Stockholders Agreement") and agrees that the Executive and the Subject Shares shall be bound by the terms and restrictions of the Stockholder's Agreement.

6. Warranties of the Executive. The Executive hereby warrants and represents to the Company, which warranties and representations shall be true and correct as of the date hereof and which shall survive the date hereof, as follows:

(a) The Executive has all necessary power and authority to execute and deliver this Agreement and to comply with the provisions hereof;

(b) The execution, delivery and performance of this Agreement and the agreements and instruments relating hereto by the Executive constitute the valid and legally binding obligations of the Executive, enforceable against the Executive in accordance with their respective terms;

(c) Neither the execution and delivery of this Agreement by the Executive, nor the consummation of the transactions hereby, will violate or constitute a breach of any agreement, instrument or restriction to which the Executive is a party or by which the Executive is bound;

(d) That (i) the Executive is accepting the Subject Shares solely for the Executive's own account for investment and not on behalf of other persons or with a view to the distribution or resale thereof; (ii) the Executive's financial condition is such that the Executive is not under any present necessity or constraint to dispose of the Subject Shares to satisfy any existing or contemplated debt or undertaking; (iii) the Executive has no present or contemplated agreement, understanding, arrangement, obligation, indebtedness or commitment providing for or which is likely to provide for a disposition in any manner of the Subject Shares and is not aware of any circumstances presently in existence which are likely to promote in the future any disposition by the Executive of the Subject Shares; and (iv) the Executive does not have in mind any sale of the Subject Shares upon the occurrence or nonoccurrence of any predetermined or undetermined event or circumstance; and

(e) That (i) the Executive is aware that the Subject Shares have not been registered (nor is registration contemplated) under the Securities Act of 1933, as amended (the "Act"), and accordingly, that federal and state securities laws require that the Subject Shares be held indefinitely unless they are subsequently registered under such Act or unless, in the opinion of counsel for the Company, a sale or transfer may be made without registration thereunder; (ii) the Executive fully understands that the Company is under no obligation, and has not given any commitment whatsoever, to register the Subject Shares or the sale thereof under the Act; (iii) the Executive acknowledges and agrees that the Executive has had access to sufficient information to enable the Executive, because of the Executive's knowledge and experience in financial and business matters, to evaluate the risks of this investment and to make an informed decision; (iv) the Executive further understands that the Executive must bear the economic risk of the Executive's investment in the Subject Shares for an indefinite period of time; and (v) the Executive agrees that the Subject Shares may bear a legend restricting the transfer thereof consistent with the foregoing.

7. Warranties of the Company. The Company hereby warrants and represents to the Executive, which warranties and representations shall be true and correct as of the date hereof and which shall survive the Closing, as follows:

(a) The Company has all necessary power and authority to execute and deliver this Agreement and the agreements and instruments relating hereto and to comply with the provisions hereof;

(b) The execution, delivery and performance of this Agreement and the agreements and instruments relating hereto by the Company constitute the valid and legally binding obligations of the Company, enforceable against it in accordance with their respective terms;

(c) Neither the execution and delivery of this Agreement by the Company, nor the consummation of the transactions hereby, will violate or constitute a breach of any agreement, instrument or restriction to which it is a party or by which it is bound; and

(d) The Subject Shares, when validly issued, will be fully paid and nonassessable.

8. Indemnification. Each party hereto agrees to indemnify and hold harmless the other party upon demand from and against any and all liabilities, damages, costs and expenses (including reasonable attorneys' fees) resulting from any breach by such party of any warranty, representation or agreement hereunder.

9. Taxes. As a condition of accepting this award, the Executive hereby agrees to complete and file an election under Section 83(b) of the Internal Revenue Code, in the form attached hereto as Exhibit A, to treat the fair market value of the Subject Shares as taxable income for the year of the award, whether such Subject Shares are vested or not. The Executive shall forfeit the award if he or she does not complete and file a timely election under Section 83(b) of the Internal Revenue Code. To assist the Executive with payment of any income or withholding taxes payable as a result of the award of Subject Shares or any payments thereon or in connection therewith when the Executive makes the Section 83(b) election, the Company shall pay to the Executive additional compensation in the amount of $288,807.69. The Company shall apply this amount, after deduction of appropriate withholding taxes, to the Executive's income and withholding tax obligations resulting from the award of the Subject Shares to the Executive.

10. No Employment Rights. This Agreement shall not confer upon the Executive any right with respect to continuation of employment by the Company, nor shall it interfere in any way with the right of the Company to terminate the Executive's employment at any time.

11. Adjustments. In the event of any change in the outstanding Common Stock of the Company by reason of a stock split, stock dividend, combination or reclassification of shares, recapitalization, merger, sale or similar event, the Company shall be authorized to adjust the Subject Shares or substitute new securities for the Subject Shares in an equitable manner. In the event of a merger, sale or similar event in which any shares of stock of another company (the "Consideration Shares") are received as all or part of the consideration for the issued and outstanding shares of the Common Stock, the Company shall substitute an equitable number of the Consideration Shares for the Subject Shares. After such substitution, the Consideration Shares shall be treated the same as the Subject Shares for purposes of this Agreement and this Agreement shall continue and remain valid in all respects.

12. Notices. Any notice to be given to the Company under the terms of this Agreement shall be deemed to be given and received in all respects (i) when personally delivered, (ii) when sent via reputable overnight courier service, or (iii) three (3) days after being deposited in the United States mail, registered or certified mail, postage prepaid, return receipt requested, in each case addressed to the address of the Executive as the same shall appear on the stock transfer book of the Company, or, in the case of the Company, the principal office of the Company.

13. Pronouns; Headings. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular forms of nouns and pronouns shall include the plural, and vice-versa. The headings of the sections of this Agreement are for convenience of reference only and in no way define, limit or affect the scope or substance of any section of this Agreement.

14. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements and understandings, whether written or oral, relating to the subject matter of this Agreement.

15. Amendment. This Agreement may be amended or modified only by a written instrument executed by each of the parties hereto.

16. Governing Law. This Agreement and all matters arising hereunder or in connection herewith shall be determined in accordance with the internal laws of Wisconsin without regard to principles and conflicts of law.

17. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of both parties and their respective successors and permitted assigns, including any corporation with which or into which the Company may be merged or which may succeed to its assets or business; provided, however, this Agreement and the rights and obligations hereunder shall not be assignable or transferable by the Executive.

18. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document.

IN WITNESS WHEREOF, the parties have caused this Agreement to be effective as of the date first written above.

COMPANY:

DULUTH HOLDINGS INC.

By: */s/ Stephen L. Schlecht*
Stephen L. Schlecht, Executive Chairman

EXECUTIVE:

/s/ Stephanie Pugliese
Stephanie Pugliese

EXHIBIT A

Section 83(b) Election [See attached)

[See attached]

ELECTION PURSUANT TO SECTION 83(b) OF THE INTERNAL REVENUE CODE

The undersigned taxpayer hereby makes an election pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended, with respect to the property described below and supplies the following information in accordance with Treas. Reg. Section 1.83-2(e).

1. The name, address and taxpayer identification number of the undersigned are:

Stephanie Pugliese
[Personal information omitted]

2. Description of property with respect to which the election is being made:

Twenty-five (25) shares of the no par value Class B Non-Voting Common Stock of Duluth Holdings Inc., a Wisconsin corporation (the "Company").

3. Date on which property was transferred is February 2, 2015.

4. The taxable year to which this election relates is calendar year 2015.

5. Nature of restrictions to which property is subject:

All twenty-five (25) shares will vest on February 1, 2020. Vesting will be accelerated in the event of a Change in Control of the Company. Unvested shares are subject to automatic forfeiture upon any termination of the taxpayer's employment with the Company.

6. The fair market value at the time of transfer of the property with respect to which this election is being made is $12,515 per share for an aggregate value of $312,875 for twenty- five (25) shares of the no par value Class B Non-Voting Common Stock of the Company.

7. The taxpayer paid Zero Dollars ($0) for the twenty-five (25) shares of the no par value Class B Non-Voting Common Stock of the Company.

8. A copy of this statement has been furnished to the Company.

Dated: February 10, 2015

/s/ Stephanie Pugliese
Stephanie Pugliese

Exhibit 10.8

DULUTH HOLDINGS INC.

RESTRICTED STOCK AGREEMENT

THIS RESTRICTED STOCK AGREEMENT (the "Agreement") is made and entered into as of the 2nd day of February, 2015, by and between DULUTH HOLDINGS INC., a Wisconsin corporation (the "Company"), and AI Dittrich (the "Executive").

WITNESSETH:

WHEREAS, the Executive is a key employee of the Company and in order to provide the Executive with incentives to remain employed by the Company and to advance the interests of the Company, the Board of Directors of the Company has determined that it is in the best interest of the Company to provide the Executive with an opportunity to obtain shares of the Company's common stock on the terms and conditions provided herein; and

WHEREAS, the purpose of this Agreement is to set forth the terms and conditions pursuant to which the Subject Shares (as hereinafter defined) are being transferred to the Executive.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and conditioned upon Executive's execution of a Restrictive Covenant Agreement, the parties hereto promise and agree as follows:

1. Award of Subject Shares. Subject to Section 9, below, the Executive's agreements herein, and conditioned upon the Executive's execution of the Restrictive Covenant Agreement delivered simultaneously with this Agreement and incorporated herein, the Company hereby awards shares of the Company's Class B non-voting common stock (the "Common Stock") to the Executive, subject to the terms and conditions set forth in this Agreement. The award shall consist of sixty-six (66) shares of the Common Stock (the "Subject Shares").

2. Vesting of the Subject Shares. The Subject Shares shall vest as follows:

Vesting Date	Number of Subject Shares Vested	Cumulative Number of Subject Shares Vested
February 1, 2017	33	33
February 1, 2018	33	66

3. Unvested Shares Upon Termination and Change in Control. In the event that the Executive's employment with the Company is terminated for any reason, all vesting of the subject shares shall immediately cease. Any of the Subject Shares which have not become vested shall be referred to herein as "Unvested Stock." In the event the Executive's employment with the Company is terminated for any reason, the Executive shall forfeit all Unvested Stock and all of such Unvested Stock shall revert to the Company. All Unvested Stock that has not

been previously forfeited shall be deemed to be fully vested upon a Change in Control. Change in Control shall mean (i) a sale, transfer or other disposition of all or substantially all of the assets of the Company, whether consummated in one transaction or a series of related transactions; or (ii) a sale, transfer or other disposition of a majority interest in all of the issued and outstanding capital stock of the Company, including, without limitation, pursuant to a plan of merger, share exchange or consolidation, to an "Unrelated Purchaser(s)." "Unrelated Purchaser(s)" shall mean (i) any entity which is not directly or indirectly, actually or constructively, an affiliate of or controlled by any of the following: the Company, a subsidiary of the Company or an affiliate of the Company or (ii) any person who is not a stockholder or a member or members of a group consisting of a stockholder's spouse, issue or a trust created for the primary benefit of the stockholder, his or her spouse or his or her issue.

4. Shareholder Status. Prior to the vesting of the Subject Shares, but only so long as the Executive remains employed by the Company, the Executive shall have (i) the right to vote the Subject Shares on certain matters which the Wisconsin Business Corporation Law provides that all stock, whether voting or non-voting, must be given the right to vote, (ii) the right to receive and retain all regular cash dividends paid or distributed in respect of the Subject Shares if the record date for such dividends is on or after the date of this Agreement (provided that the Executive has properly executed and filed an election under Section 83(b) of the Internal Revenue Code related to the grant of the Subject Shares), and (iii) except as expressly provided otherwise herein, all other rights as a holder of outstanding shares of the Common Stock. Until the Subject Shares fully vest pursuant to Section 2, above, the Company shall retain custody of the stock certificates representing the Subject Shares. As soon as practicable after all of the Subject Shares vest, the Company shall release or cause to be released certificate(s) representing such shares. Notwithstanding the foregoing, the Company shall have the right to delay the delivery of any such shares to be delivered hereunder until (a) the completion of such registration or qualification of the shares under federal, state or foreign law, ruling or regulation as the Company shall deem to be necessary or advisable, and (b) receipt from the Executive of such documents and information as the Company may deem necessary or appropriate in connection with such registration or qualification or the delivery of the Subject Shares hereunder.

5. Stockholders Agreement. By execution of this Agreement, the Executive agrees that the Executive and the Subject Shares shall be bound by the terms and restrictions of the Amended and Restated Stockholders Agreement dated as of December 17, 2001, as amended from time to time among the Company and others (the "Stockholders Agreement") as if such Executive were an original party thereto. As a condition to the award of the Subject Shares hereunder, the Executive shall execute the Joinder Agreement to the Stockholders Agreement and if applicable, the Spousal Consent and Acknowledgment, each dated as of even date herewith. Both forms are attached hereto as Exhibit A.

6. Warranties of the Executive. The Executive hereby warrants and represents to the Company, which warranties and representations shall be true and correct as of the date hereof and which shall survive the date hereof, as follows:

(a) The Executive has all necessary power and authority to execute and deliver this Agreement and to comply with the provisions hereof;

(b) The execution, delivery and performance of this Agreement and the agreements and instruments relating hereto by the Executive constitute the valid and legally binding obligations of the Executive, enforceable against the Executive in accordance with their respective terms;

(c) Neither the execution and delivery of this Agreement by the Executive, nor the consummation of the transactions hereby, will violate or constitute a breach of any agreement, instrument or restriction to which the Executive is a party or by which the Executive is bound;

(d) That (i) the Executive is accepting the Subject Shares solely for the Executive's own account for investment and not on behalf of other persons or with a view to the distribution or resale thereof; (ii) the Executive's financial condition is such that the Executive is not under any present necessity or constraint to dispose of the Subject Shares to satisfy any existing or contemplated debt or undertaking; (iii) the Executive has no present or contemplated agreement, understanding, arrangement, obligation, indebtedness or commitment providing for or which is likely to provide for a disposition in any manner of the Subject Shares and is not aware of any circumstances presently in existence which are likely to promote in the future any disposition by the Executive of the Subject Shares; and (iv) the Executive does not have in mind any sale of the Subject Shares upon the occurrence or nonoccurrence of any predetermined or undetermined event or circumstance; and

(e) That (i) the Executive is aware that the Subject Shares have not been registered (nor is registration contemplated) under the Securities Act of 1933, as amended (the "Act"), and accordingly, that federal and state securities laws require that the Subject Shares be held indefinitely unless they are subsequently registered under such Act or unless, in the opinion of counsel for the Company, a sale or transfer may be made without registration thereunder; (ii) the Executive fully understands that the Company is under no obligation, and has not given any commitment whatsoever, to register the Subject Shares or the sale thereof under the Act; (iii) the Executive acknowledges and agrees that the Executive has had access to sufficient information to enable the Executive, because of the Executive's knowledge and experience in financial and business matters, to evaluate the risks of this investment and to make an informed decision; (iv) the Executive further understands that the Executive must bear the economic risk of the Executive's investment in the Subject Shares for an indefinite period of time; and (v) the Executive agrees that the Subject Shares may bear a legend restricting the transfer thereof consistent with the foregoing.

7. Warranties of the Company. The Company hereby warrants and represents to the Executive, which warranties and representations shall be true and correct as of the date hereof and which shall survive the Closing, as follows:

(a) The Company has all necessary power and authority to execute and deliver this Agreement and the agreements and instruments relating hereto and to comply with the provisions hereof;

(b) The execution, delivery and performance of this Agreement and the agreements and instruments relating hereto by the Company constitute the valid and legally binding obligations of the Company, enforceable against it in accordance with their respective terms;

(c) Neither the execution and delivery of this Agreement by the Company, nor the consummation of the transactions hereby, will violate or constitute a breach of any agreement, instrument or restriction to which it is a party or by which it is bound; and

(d) The Subject Shares, when validly issued, will be fully paid and nonassessable.

8. Indemnification. Each party hereto agrees to indemnify and hold harmless the other party upon demand from and against any and all liabilities, damages, costs and expenses (including reasonable attorneys' fees) resulting from any breach by such party of any warranty, representation or agreement hereunder.

9. Taxes. As a condition of accepting this award, the Executive hereby agrees to complete and file an election under Section 83(b) of the Internal Revenue Code, in the form attached hereto as Exhibit B, to treat the fair market value of the Subject Shares as taxable income for the year of the award, whether such Subject Shares are vested or not. The Executive shall forfeit the award if he or she does not complete and file a timely election under Section 83(b) of the Internal Revenue Code. The Company shall require the payment of or withhold any income or withholding tax which it believes is payable as a result of the award of the Subject Shares or any payments thereon or in connection therewith, and the Company may defer making delivery with respect to the Subject Shares until arrangements satisfactory to the Company have been made with regard to any such withholding obligation. To assist the Executive with the payment of such taxes when the Executive makes the Section 83(b) election, the Company shall pay to the Executive additional compensation in the amount of $381,226.15. The Company shall apply this amount, after deduction of appropriate withholding taxes, to the Executive's income and withholding tax obligations resulting from the award of the Subject Shares to the Executive.

10. No Employment Rights. This Agreement shall not confer upon the Executive any right with respect to continuation of employment by the Company, nor shall it interfere in any way with the right of the Company to terminate the Executive's employment at any time.

11. Adjustments. In the event of any change in the outstanding Common Stock of the Company by reason of a stock split, stock dividend, combination or reclassification of shares, recapitalization, merger, sale or similar event, the Company shall be authorized to adjust the Subject Shares or substitute new securities for the Subject Shares in an equitable manner. In the event of a merger, sale or similar event in which any shares of stock of another company (the "Consideration Shares") are received as all or part of the consideration for the issued and outstanding shares of the Common Stock, the Company shall substitute an equitable number of the Consideration Shares for the Subject Shares. After such substitution, the Consideration Shares shall be treated the same as the Subject Shares for purposes of this Agreement and this Agreement shall continue and remain valid in all respects.

12. Notices. Any notice to be given to the Company under the terms of this Agreement shall be deemed to be given and received in all respects (i) when personally delivered, (ii) when sent via reputable overnight courier service, or (iii) three (3) days after being deposited in the United States mail, registered or certified mail, postage prepaid, return receipt requested, in each case addressed to the address of the Executive as the same shall appear on the stock transfer book of the Company, or, in the case of the Company, the principal office of the Company.

13. Pronouns; Headings. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular forms of nouns and pronouns shall include the plural, and vice-versa. The headings of the sections of this Agreement are for convenience of reference only and in no way define, limit or affect the scope or substance of any section of this Agreement.

14. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements and understandings, whether written or oral, relating to the subject matter of this Agreement.

15. Amendment. This Agreement may be amended or modified only by a written instrument executed by each of the parties hereto.

16. Governing Law. This Agreement and all matters arising hereunder or in connection herewith shall be determined in accordance with the internal laws of Wisconsin without regard to principles and conflicts of law.

17. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of both parties and their respective successors and permitted assigns, including any corporation with which or into which the Company may be merged or which may succeed to its assets or business; provided, however, this Agreement and the rights and obligations hereunder shall not be assignable or transferable by the Executive.

18. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document.

19. Tax Reimbursement. In the event that the Executive makes the Section 83(b) election and the Executive's employment is subsequently terminated by the Company without Cause (as defined in the Stockholders Agreement), the Company shall reimburse the Executive for one-half of the income taxes paid (at the 48% rate) in connection with the Section 83(b) election that are attributable to any Unvested Stock (excluding any taxes paid in connection with the additional compensation) at the time of such termination.

[Signature page and exhibits follow]

IN WITNESS WHEREOF, the parties have caused this Agreement to be effective as of the date first written above.

COMPANY:

DULUTH HOLDINGS INC.

By: */s/ Stephen L. Schlecht*
Stephen L. Schlecht, Executive Chairman

EXECUTIVE:

/s/ Al Dittrich
Al Dittrich

RESTRICTIVE COVENANT AGREEMENT

THIS RESTRICTIVE COVENANT AGREEMENT ("Agreement") is made and entered into by and between Stephanie Pugliese ("Executive") and Duluth Holdings, Inc. (the "Company").

RECITALS

A. As a condition of and in consideration for the Company's award of common stock to Executive pursuant to that certain Restricted Stock Agreement dated February 2, 2015, Executive has agreed to execute and be bound by the terms of this Agreement.

B. During Executive's employment with the Company, Executive has personally generated and been entrusted with, and will continue to personally generate and be entrusted with, information, ideas and materials which are the Company's confidential and proprietary property, including, without limitation, trade secrets, confidential financial information, product designs, product costs, marketing information and information related to other confidential and proprietary matters of the Company.

C. The Company has expended and will continue to expend substantial time, effort and money to protect such confidential and proprietary Company property, to service its customers and prospective customers and to provide Executive the opportunity and the resources to extend the goodwill of the Company.

D. By entering into this Agreement, Executive acknowledges and agrees that the scope of the restrictions contained in this Agreement are appropriate, necessary and reasonable for the protection of the Company's business, goodwill, and property rights, including the protection of the Company's confidential and proprietary property and its customer relationships.

E. By entering into this Agreement, Executive further acknowledges and agrees that the restrictions imposed by this Agreement will not prevent him/her from earning a living in the event of, and after, the end, for whatever reason, of his/her employment with the Company.

AGREEMENT

In consideration of the award of common stock and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Executive and the Company hereby agree as follows:

1. Confidentiality Obligations.

1.1 During Employment. While Executive is employed by the Company, Executive will not directly or indirectly use or disclose any Confidential Information or Trade Secret of the Company, except in the interest and for the benefit of the Company.

1.2 Trade Secrets Post-Employment. After the end, for whatever reason, of Executive's employment with the Company, Executive will not directly or indirectly use or disclose any Trade Secret of the Company.

1.3 Confidential Information Post-Employment. For a period of two (2) years following the end, for whatever reason, of Executive's employment with the Company, Executive will not directly or indirectly use or disclose any Confidential Information of the Company.

1.4 General Skills and Knowledge. Nothing in this Agreement shall prevent Executive, after the end of employment with the Company, from using general skills and knowledge gained while employed by the Company.

1.5 Trade Secret Law. Nothing in this Agreement shall limit or supersede any common law, statutory or other protections of trade secrets where such protections provide the Company with greater rights or protections for a longer duration than provided in this Agreement.

2. Non-Competition During Employment. While Executive is employed by the Company, Executive will not directly or indirectly compete against the Company, or directly or indirectly divert or attempt to divert business from the Company anywhere the Company does business.

3. Post-Employment Restricted Services Obligation. For a period of two (2) years following the end, for whatever reason, of Executive's employment with the Company, Executive agrees not to directly or indirectly provide Restricted Services to any Competitor in the Territory.

4. Non-Solicitation of Employees. During the term of Executive's employment with the Company and for two (2) years thereafter, Executive shall not directly or indirectly encourage any Company employee to terminate his/her employment with the Company or solicit such an individual for employment outside the Company in a manner that would end or diminish that employee's services to the Company.

5. Business Idea Rights.

5.1 Assignment. The Company will own, and Executive hereby assigns and agrees to assign to the Company, all rights in all Business Ideas which Executive originates or develops either alone or working with others while Executive is employed by the Company. All Business Ideas which are or form the basis for copyrightable works are hereby assigned to the Company and/or shall be assigned to the Company or shall be considered "works for hire" as that term is defined by United States copyright law.

5.2 Disclosure. While employed by the Company, Executive will promptly disclose all Business Ideas to the Company.

5.3 Execution of Documentation. Executive, at any time during or after the term of his/her employment with the Company may reasonably require to perfect its patent, copyright and other rights to such Business Ideas throughout the world.

6. Return of Property. Upon the end, for whatever reason, of Executive's employment with the Company or upon request by the Company at any time, Executive shall immediately return to the Company all property, documents, records, and materials belonging and/or relating to the Company, all pass- words and/or access codes to such Company property, and all copies of all such materials. Upon the end, for whatever reason, of Executive's employment with the Company or upon request by the Company at any time, Executive further agrees to destroy such records maintained by him/her on his/her own computer equipment and to certify in writing, at the Company's request, that such destruction bas occurred.

7. Definitions.

7.1 Confidential Information. The term "Confidential Information" means all non-Trade Secret information of, about or related to the Company or provided to the Company by its customers and suppliers that is not known generally to the public or the Company's competitors. Confidential Information includes but is not limited to: (i) strategic plans, budgets, forecasts, financial information, inventions, product designs and specifications, material specifications, materials sourcing information, product costs, information about products under development, research and development information, production processes, equipment design and layout, customer lists, information about orders from and transactions with customers, sales and marketing information, strategies and plans, pricing information; and (ii) information which is marked or otherwise designated or treated as confidential or proprietary by the Company.

7.2 Trade Secret. The term "Trade Secret" has that meaning set forth under applicable law.

7.3 Exclusions. Notwithstanding the foregoing, the terms "Confidential Information" and "Trade Secret" do not include, and the obligations set forth in this Agreement do not apply to, any information which: (i) can be demonstrated by Executive to have been known by him/her prior to his/her employment by the Company; (ii) is or becomes generally available to the public through no act or omission of Executive; (iii) is obtained by Executive in good faith from a third party who discloses such information to Executive on a non-confidential basis without violating any obligation of confidentiality or secrecy relating to the information disclosed; or (iv) is independently developed by Executive outside the scope of his/her employment without use of Confidential Information or Trade Secrets of the Company.

7.4 Restricted Services. The term "Restricted Services" means employment duties and functions of the type provided by Executive to the Company during the twelve (12) month period immediately prior to the end, for whatever reason, of Executive's employment with the Company.

7.5 Competitor. The term "Competitor" means Carhartt, Inc., L.L. Bean, Inc., Cabela's Inc., Land's End, Inc., VF Corporation, and any and all of their respective affiliates and successors. In addition, the term "Competitor" shall mean any corporation, partnership, association, or other person or entity that engages in any business which, at any time during the eighteen (18) month period immediately prior to the end, for whatever reason, of Executive's employment with the Company, and regardless of business format (including, but not limited to, department stores, specialty stores, discount stores, direct marketing, or electronic commerce): (i) marketed, manufactured, or sold men's or women's work wear and (ii) had combined annual revenues in excess of $100 million.

7.6 Territory. The term "Territory" shall mean the United States of America and Canada.

7.7 Business Ideas. The term "Business Ideas" means all ideas, designs, modifications, formulations, specifications, concepts, know-how, trade secrets, discoveries, inventions, data, software, developments and copyrightable works, whether or not patentable or registrable, which Executive originates or develops, either alone or jointly with others while Executive is employed by the Company and which are: (i) related to any business known to Executive to be engaged in or contemplated by the Company; (ii) originated or developed during Executive's working hours; or (iii) originated or developed in whole or in part using materials, labor, facilities or equipment furnished by the Company.

8. Executive Disclosures and Acknowledgments.

8.1 Confidential Information of Others. Executive certifies that Executive has not, and will not, disclose or use during Executive's time as an employee of the Company, any confidential information which Executive acquired as a result of any previous employment or under a contractual obligation of confidentiality or secrecy before Executive became an employee of the Company. All prior obligations (written and oral), such as confidentiality agreements or covenants restricting future employment or consulting, that Executive has entered into which restrict Executive's ability to perform any services as an employee for the Company are listed below under the heading List of Prior Obligations.

8.2 Prospective Employers. Executive agrees, during the term of any restriction contained in this Agreement, to disclose this Agreement to any entity which offers employment to Executive. Executive further agrees that the Company may send a copy of this Agreement to, or otherwise make the provisions hereof known to, any of Executive's potential or future employers.

9. Miscellaneous.

9.1 Binding Effect. This Agreement binds Executive's heirs, executors, administrators, legal representatives and assigns and inures to the benefit of the Company and its successors and assigns.

9.2 Entire Agreement; Amendment or Waiver. This Agreement contains the entire understanding between the parties with respect to the subject matter hereof, and all prior discussions, negotiations, agreements, correspondence and understandings, whether oral or written, between Executive and the Company with respect to the subject matter addressed in this Agreement are merged in it and superseded by it. No provision of this Agreement may be amended or waived other than in writing by the party against whom enforcement of such amendment or waiver is sought.

9.3 Injunctive Relief. The parties agree that damages will be an inadequate remedy for breaches of this Agreement and in addition to damages and any other available relief, a court shall be empowered to grant injunctive relief (without the necessity of posting bond or other security).

9.4 Governing Law. This Agreement shall be governed by and construed in accordance with the substantive and procedural laws of Wisconsin.

9.5 Consideration. Execution of this Agreement is a condition of Executive's award of common stock pursuant to that certain Restricted Stock Agreement dated February 2, 2015 and constitutes the consideration for Executive's undertakings hereunder. Executive acknowledges and agrees that execution of this Agreement is not a condition of Executive's continued employment with the Company.

9.6 Severability. The obligations imposed by, and the provisions of this Agreement are severable and should be construed independently of each other. The invalidity of one provision shall not affect the validity of any other provision.

9.7 Terminable-At-Will. Nothing in this Agreement shall be construed to limit the right of either party to terminate the employment relationship at any time for any or no reason with or without notice.

9.8 Jurisdiction and Venue. Executive and the Company agree that all disputes between them regarding this Agreement, including, without limitation, all disputes involving claims for interpretation, breach or enforcement of this Agreement, shall be litigated exclusively in the State of Wisconsin Circuit Court for Dane County or the United States District Court for the Western District of Wisconsin, and both parties irrevocably consent to, and waive any challenge to, the jurisdiction of, and venue in, such courts.

List of Prior Obligations

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EXECUTIVE:

/s/ Stephanie Pugliese

Date: February 2, 2015

DULUTH HOLDINGS, INC.

By: */s/ Mark DeOrio*

Date: February 2, 2015

RESTRICTIVE COVENANT AGREEMENT

THIS RESTRICTIVE COVENANT AGREEMENT ("Agreement") is made and entered into by and between Al Dittrich ("Executive") and Duluth Holdings, Inc. (the "Company").

RECITALS

A. As a condition of and in consideration for the Company's award of common stock to Executive pursuant to that certain Restricted Stock Agreement dated February 2, 2015, Executive has agreed to execute and be bound by the terms of this Agreement.

B. During Executive's employment with the Company, Executive has personally generated and been entrusted with, and will continue to personally generate and be entrusted with, information, ideas and materials which are the Company's confidential and proprietary property, including, without limitation, trade secrets, confidential financial information, product designs, product costs, marketing information and information related to other confidential and proprietary matters of the Company.

C. The Company has expended and will continue to expend substantial time, effort and money to protect such confidential and proprietary Company property, to service its customers and prospective customers and to provide Executive the opportunity and the resources to extend the goodwill of the Company.

D. By entering into this Agreement, Executive acknowledges and agrees that the scope of the restrictions contained in this Agreement are appropriate, necessary and reasonable for the protection of the Company's business, goodwill, and property rights, including the protection of the Company's confidential and proprietary property and its customer relationships.

E. By entering into this Agreement, Executive further acknowledges and agrees that the restrictions imposed by this Agreement will not prevent him/her from earning a living in the event of, and after, the end, for whatever reason, of his/her employment with the Company.

AGREEMENT

In consideration of the award of common stock and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Executive and the Company hereby agree as follows:

1. Confidentiality Obligations.

1.1 During Employment. While Executive is employed by the Company, Executive will not directly or indirectly use or disclose any Confidential Information or Trade Secret of the Company, except in the interest and for the benefit of the Company.

1.2 Trade Secrets Post-Employment. After the end, for what- ever reason, of Executive's employment with the Company, Executive will not directly or indirectly use or disclose any Trade Secret of the Company.

1.3 Confidential Information Post-Employment. For a period of two (2) years following the end, for whatever reason, of Executive's employment with the Company, Executive will not directly or indirectly use or disclose any Confidential Information of the Company.

1.4 General Skills and Knowledge. Nothing in this Agreement shall prevent Executive, after the end of employment with the Company, from using general skills and knowledge gained while employed by the Company.

1.5 Trade Secret Law. Nothing in this Agreement shall limit or supersede any common law, statutory or other protections of trade secrets where such protections provide the Company with greater rights or protections for a longer duration than provided in this Agreement.

2. Non-Competition During Employment. While Executive is employed by the Company, Executive will not directly or indirectly compete against the Company, or directly or indirectly divert or attempt to divert business from the Company anywhere the Company does business.

3. Post-Employment Restricted Services Obligation. For a period of two (2) years following the end, for whatever reason, of Executive's employment with the Company, Executive agrees not to directly or indirectly provide Restricted Services to any Competitor in the Territory.

4. Non-Solicitation of Employees. During the term of Executive's employment with the Company and for two (2) years thereafter, Executive shall not directly or indirectly encourage any Company employee to terminate his/her employment with the Company or solicit such an individual for employment outside the Company in a manner that would end or diminish that employee's services to the Company.

5. Business Idea Rights.

5.1 Assignment. The Company will own, and Executive hereby assigns and agrees to assign to the Company, all rights in all Business Ideas which Executive originates or develops either alone or working with others while Executive is employed by the Company. All Business Ideas which are or form the basis for copyrightable works are hereby assigned to the Company and/or shall be assigned to the Company or shall be considered "works for hire" as that term is defined by United States copyright law.

5.2 Disclosure. While employed by the Company, Executive will promptly disclose all Business Ideas to the Company.

5.3 Execution of Documentation. Executive, at any time during or after the term of his/her employment with the Company may reasonably require to perfect its patent, copyright and other rights to such Business Ideas throughout the world.

6. Return of Property. Upon the end, for whatever reason, of Executive's employment with the Company or upon request by the Company at any time, Executive shall immediately return to the Company all property, documents, records, and materials belonging and/or relating to the Company, all passwords and/or access codes to such Company property, and all copies of all such materials. Upon the end, for whatever reason, of Executive's employment with the Company or upon request by the Company at any time, Executive further agrees to destroy such records maintained by him/her on his/her own computer equipment and to certify in writing, at the Company's request, that such destruction has occurred.

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7.1 Confidential Information. The term "Confidential Information" means all non-Trade Secret information of, about or related to the Company or provided to the Company by its customers and suppliers that is not known generally to the public or the Company's competitors. Confidential Information includes but is not limited to: (i) strategic plans, budgets, forecasts, financial information, inventions, product designs and specifications, material specifications, materials sourcing information, product costs, information about products under development, research and development information, production processes, equipment design and layout, customer lists, information about orders from and transactions with customers, sales and marketing information, strategies and plans, pricing information; and (ii) information which is marked or otherwise designated or treated as confidential or proprietary by the Company.

7.2 Trade Secret. The term "Trade Secret" has that meaning set forth under applicable law.

7.3 Exclusions. Notwithstanding the foregoing, the terms "Confidential Information" and "Trade Secret" do not include, and the obligations set forth in this Agreement do not apply to, any information which: (i) can be demonstrated by Executive to have been known by him/her prior to his/her employment by the Company; (ii) is or becomes generally available to the public through no act or omission of Executive; (iii) is obtained by Executive in good faith from a third party who discloses such information to Executive on a non-confidential basis without violating any obligation of confidentiality or secrecy relating to the information disclosed; or (iv) is independently developed by Executive outside the scope of his/her employment without use of Confidential Information or Trade Secrets of the Company.

7.4 Restricted Services. The term "Restricted Services" means employment duties and functions of the type provided by Executive to the Company during the twelve (12) month period immediately prior to the end, for whatever reason, of Executive's employment with the Company.

7.5 Competitor. The term "Competitor" means Carhartt, Inc., L.L. Bean, Inc., Cabela's Inc., Land's End, Inc., VF Corporation, and any and all of their respective affiliates and successors. In addition, the term "Competitor" shall mean any corporation, partnership, association, or other person or entity that engages in any business which, at any time during the eighteen (18) month period immediately prior to the end, for whatever reason, of Executive's employment with the Company, and regardless of business format (including, but not limited to, department stores, specialty stores, discount stores, direct marketing, or electronic commerce): (i) marketed, manufactured, or sold men's or women's work wear and (ii) had combined annual revenues in excess of $100 million.

7.6 Territorv. The term "Territory" shall mean the United States of America and Canada.

7.7 Business Ideas. The term "Business Ideas" means all ideas, designs, modifications, formulations, specifications, concepts, know-how, trade secrets, discoveries, inventions, data, software, developments and copyrightable works, whether or not patentable or registrable, which Executive originates or develops, either alone or jointly with others while Executive is employed by the Company and which are (i) related to any business known to Executive to be engaged in or contemplated by the Company; (ii) originated or developed during Executive's working hours; or (iii) originated or developed in whole or in part using materials, labor, facilities or equipment furnished by the Company.

8. Executive Disclosures and Acknowledgments.

8.1 Confidential Information of Others. Executive certifies that Executive has not, and will not, disclose or use during Executive's time as an employee of the Company, any confidential information which Executive acquired as a result of any previous employment or under a contractual obligation of confidentiality or secrecy before Executive became an employee of the Company. All prior obligations (written and oral), such as confidentiality agreements or covenants restricting future employment or consulting, that Executive has entered into which restrict Executive's ability to perform any services as an employee for the Company are listed below under the heading List of Prior Obligations.

8.2 Prospective Employers. Executive agrees, during the term of any restriction contained in this Agreement, to disclose this Agreement to any entity which offers employment to Executive. Executive further agrees that the Company may send a copy of this Agreement to, or otherwise make the provisions hereof known to, any of Executive's potential or future employers.

9. Miscellaneous.

9.1 Binding Effect. This Agreement binds Executive's heirs, executors, administrators, legal representatives and assigns and inures to the benefit of the Company and its successors and assigns.

9.2 Entire Agreement: Amendment or Waiver. This Agreement contains the entire understanding between the parties with respect to the subject matter hereof, and all prior discussions, negotiations, agreements, correspondence and understandings, whether oral or written, between Executive and the Company with respect to the subject matter addressed in this Agreement are merged in it and superseded by it. No provision of this Agreement may be amended or waived other than in writing by the party against whom enforcement of such amendment or waiver is sought.

9.3 Injunctive Relief. The parties agree that damages will be an inadequate remedy for breaches of this Agreement and in addition to damages and any other available relief, a court shall be empowered to grant injunctive relief (without the necessity of posting bond or other security).

9.4 Governing Law. This Agreement shall be governed by and construed in accordance with the substantive and procedural laws of Wisconsin.

9.5 Consideration. Execution of this Agreement is a condition of Executive's award of common stock pursuant to that certain Restricted Stock Agreement dated February 2, 2015 and constitutes the consideration for Executive's undertakings hereunder. Executive acknowledges and agrees that execution of this Agreement is not a condition of Executive's continued employment with the Company.

9.6 Severability. The obligations imposed by, and the provisions of, this Agreement are severable and should be construed independently of each other. The invalidity of one provision shall not affect the validity of any other provision.

9.7 Terminable-At-Will. Nothing in this Agreement shall be construed to limit the right of either party to terminate the employment relationship at any time for any or no reason with or without notice.

9.8 Jurisdiction and Venue. Executive and the Company agree that all disputes between them regarding this Agreement, including, without limitation, all disputes involving claims for interpretation, breach or enforcement of this Agreement, shall be litigated exclusively in the State of Wisconsin Circuit Court for Dane County or the United States District Court for the Western District of Wisconsin, and both parties irrevocably consent to, and waive any challenge to, the jurisdiction of, and venue in, such courts.

List of Prior Obligations

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EXECUTIVE

/s/ Allen L. Dittrich

DATE: February 2, 2015

DULUTH HOLDINGS, INC.

By: */s/ Mark M. DeOrio*

DATE: February 2, 2015

Exhibit 10.11

DATE: April 16, 2014

TO: Vice Presidents

From: Stephanie Pugliese

RE: **Confidential Vice President Bonus Plan**

In recognition of the continuing growth and performance of the Company, we are pleased to offer this plan, which provides for a higher level of bonus awards for **Vice Presidents**. The Plan is designed to reward **Vice Presidents** for outstanding performance and effort when the Company achieves 80% or more of budgeted Earnings Before Tax and Bonus (EBT & B). Starting this year, Vice Presidents are eligible to receive a bonus of 30% of Eligible Wages at the 100% payout level. This compares to 20% in prior years and has been increased in recognition of Vice Presidents' continued contribution to the profitability of the entire company. The Plan represents compensation that is in addition to your base salary.

The following Plan features are consistent with the 2013 Plan:

- Bonus awards are based upon attainment of EBT & B
- Bonus awards begin with a payout equal to 20% of bonus potential when EBT & B reaches 80% of budget
- The maximum award will be 125% of bonus potential

The **Vice President** Bonus Plan Bonus plan potential is **30% of Eligible Wages** at the 100% payout level

Eligible Wages - Bonus payout dollars will be calculated based on the employee's Eligible Wages, which are defined as regular salary paid between January 1 and December 31, 2014. If an employee is promoted into a salaried position during 2014, the bonus award will be based on regular salary paid from the date of promotion through year end.

Eligibility For Bonus Payments - To be eligible for their bonus payout, employees must be employed by the Company in a salaried position as of Friday, March 13, 2015. The 2014 bonus payout, if any, will be made by March 13, 2015.

The 2014 Plan bonus award will be 80% of bonus potential at budget attainment.

Bonus award payouts for 2014 are further detailed in the following chart:

(000s) EBT & Bonus	Performance To Budget	% of Bonus Potential	Your Bonus Payout%	
$16,480	80.0%	20.0%	6.00%	Threshold
$16,995	82.5%	27.5%	8.25%	
$17,510	85.0%	35.0%	10.50%	
$18,025	87.5%	42.5%	12.75%	
$18,540	90.0%	50.0%	15.00%	
$19,055	92.5%	57.5%	17.25%	
$19,570	95.0%	65.0%	19.50%	
$20,085	97.5%	72.5%	21.75%	
$20,600	100.0%	80.0%	24.00%	Budget
$21,012	102.0%	84.0%	25.20%	
$21,424	104.0%	88.0%	26.40%	
$21,836	106.0%	92.0%	27.60%	
$22,248	108.0%	96.0%	28.80%	
$22,660	110.0%	100.0%	30.00%	Target
$24,308	118.0%	105.0%	31.50%	
$25,956	126.0%	110.0%	33.00%	
$27,604	134.0%	115.0%	34.50%	
$29,252	142.0%	120.0%	36.00%	
$30,900	150.0%	125.0%	37.50%	Max Bonus

Bonus awards for EBT & B results falling in between the levels indicated above will be prorated.

Bonus Award Examples

An individual with a 30% bonus potential who is paid $150,000 between January 1 and December 31, 2014 would earn the following bonus awards under the Plan:

1. If the Company achieves 80% of budgeted EBT & B or $16,480,000, this individual will earn a bonus of $9,000 ($150,000 x 6% = $9,000).
2. If the Company achieves 100% of budgeted EBT & B or $20,600,000, this individual will earn a bonus of $36,000 ($150,000 x 24% = $36,000).
3. If the Company achieves 150% of budgeted EBT & B or $30,900,000, this individual will earn a bonus of $56,250 ($150,000 x 37.50% = $56,250).

This policy is administered at the discretion of the Company and may be modified at any time with the authorization of the Company's CEO and/or Board of Directors.

DATE: August 7, 2015

TO: Steve Schlecht, Stephanie Pugliese

FROM: Board of Directors

RE: **Chairman and Chief Executive Officer Bonus Plan**

This memorandum will confirm the component parts of the 2015 Chairman and Chief Executive Officer Bonus Plan (the "Plan"). The Plan is designed to reward the Chairman and Chief Executive Officer for outstanding performance and effort when the Company achieves 80% or more of budgeted Earnings Before Tax and Bonus ("EBT & B"). The Plan represents compensation that is in addition to base salary. The Plan provides for the following:

- Bonus awards are based upon attainment of budgeted EBT & B established by the Board of Directors
- Bonus award potential is 70% of Eligible Wages (defined below) at the 100% payout level
- Bonus awards begin with a payout equal to 20% of bonus potential when EBT & B reaches 80% of budget
- The maximum award will be 125% of bonus potential, or 87.5% of Eligible Wages

Eligible Wages – Bonus awards will be calculated based on your Eligible Wages, which are defined as regular salary paid between February 2, 2015 and January 31, 2016.

Budgeted EBT & B – The 2015 budgeted EBT &B are established and maintained by the Board of Directors.

Eligibility For Bonus Payments – To be eligible for their bonus payout, you must be employed by the Company as of Friday, April 15, 2016. The 2015 bonus payout, if any, will be made by April 15, 2016.

The 2015 Plan bonus award will be 90% of bonus potential at budget attainment. Additionally, the maximum award will be earned when EBT&B reaches 130% of budgeted EBT & B.

Bonus award payouts for 2015 are further detailed in the following chart:

Performance To Budget	% of Bonus Potential	Your Bonus Payout %	
80.0%	20.0%	14.00%	Threshold
82.5%	28.8%	20.16%	
85.0%	37.5%	26.25%	
87.5%	46.3%	32.41%	
90.0%	55.0%	38.50%	
92.5%	63.8%	44.66%	
95.0%	72.5%	50.75%	
97.5%	81.3%	56.91%	
100.0%	90.0%	63.00%	Budget
102.0%	92.0%	64.40%	
104.0%	94.0%	65.80%	
106.0%	96.0%	67.20%	
108.0%	98.0%	68.60%	
110.0%	100.0%	70.00%	Target
114.0%	105.0%	73.50%	
118.0%	110.0%	77.00%	
122.0%	115.0%	80.50%	
126.0%	120.0%	84.00%	
130.0%	125.0%	87.50%	Max Bonus

Bonus awards for EBT & B results falling in between the levels indicated above will be prorated.

Bonus Award Examples

An individual with a 70% bonus potential who is paid $300,000 between February 2, 2015 and January 31, 2016 would earn the following bonus awards under the Plan:

1. If the Company achieves 80% of budgeted EBT & B, this individual will earn a bonus of $42,000 ($300,000 x 14% = $42,000).
2. If the Company achieves 100% of budgeted EBT & B, this individual will earn a bonus of $189,000 ($300,000 x 63% = $189,000).
3. If the Company achieves 130% of budgeted EBT & B, this individual will earn a bonus of $262,500 ($300,000 x 87.5% = $262,500).

This policy is administered at the discretion of the Company and may be modified at any time with the authorization of the Board of Directors.

Exhibit 10.13

DATE: August 7, 2015

TO: Al Dittrich and Mark DeOrio

From: Stephanie Pugliese

RE: **Senior Vice President Bonus Plan**

This memo will confirm the component parts of the 2015 Senior Vice President Bonus Plan for Al Dittrich and Mark DeOrio (the "Plan"). The Plan is designed to reward the Senior Vice Presidents for outstanding performance and effort when the Company achieves 80% or more of budgeted Earnings Before Tax and Bonus ("EBT & B"). The Plan represents compensation that is in addition to base salary. The Plan provides for the following:

- Bonus awards are based upon attainment of budgeted EBT & B established by the Board of Directors
- Bonus award potential is 40% of Eligible Wages (defined below) at the 100% payout level
- Bonus awards begin with a payout equal to 20% of bonus potential when EBT & B reaches 80% of budget
- The maximum award will be 125% of bonus potential, or 50.0% of Eligible Wages

Eligible Wages – Bonus awards will be calculated based on the employee's Eligible Wages, which are defined as regular salary paid between February 2, 2015 and January 31, 2016.

Budgeted EBT & B – The 2015 budgeted EBT & B are established and maintained by the Company's Board of Directors.

Eligibility For Bonus Payments – To be eligible for their bonus payout, employees must be employed by the Company as of Friday, April 15, 2016. The 2015 bonus payout, if any, will be made by April 15, 2016.

The 2015 Plan bonus award will be 90% of bonus potential at budget attainment. Additionally, the maximum award will be earned when EBT&B reaches 130% of budgeted EBT & B.

Bonus award payouts for 2015 are further detailed in the following chart:

Performance To Budget	% of Bonus Potential	Your Bonus Payout %	
80.0%	20.0%	8.00%	Threshold
82.5%	28.8%	11.52%	
85.0%	37.5%	15.00%	
87.5%	46.3%	18.52%	
90.0%	55.0%	22.00%	
92.5%	63.8%	25.52%	
95.0%	72.5%	29.00%	
97.5%	81.3%	32.52%	
100.0%	90.0%	36.00%	Budget
102.0%	92.0%	36.80%	
104.0%	94.0%	37.60%	
106.0%	96.0%	38.40%	
108.0%	98.0%	39.20%	
110.0%	100.0%	40.00%	Target
114.0%	105.0%	42.00%	
118.0%	110.0%	44.00%	
122.0%	115.0%	46.00%	
126.0%	120.0%	48.00%	
130.0%	125.0%	50.00%	Max Bonus

Bonus awards for EBT & B results falling in between the levels indicated above will be prorated.

Bonus Award Examples

An individual with a 40% bonus potential who is paid $200,000 between February 2, 2015 and January 31, 2016 would earn the following bonus awards under the Plan:

1. If the Company achieves 80% of budgeted EBT & B, this individual will earn a bonus of $16,000 ($200,000 x 8% = $16,000).
2. If the Company achieves 100% of budgeted EBT & B, this individual will earn a bonus of $72,000 ($200,000 x 36% = $72,000).
3. If the Company achieves 130% of budgeted EBT & B, this individual will earn a bonus of $100,000 ($200,000 x 50% = $100,000).

This policy is administered at the discretion of the Company and may be modified at any time with the authorization of the Company's Chief Executive Officer and/or Board of Directors. 14097615.2

Exhibit 10.14

Summary of Outside Director Compensation Program

Annual Retainers

Director	$40,000	Paid quarterly at beginning of quarter
Chair of Audit Committee	+$15,000	Paid quarterly
Chair of Compensation Committee	+$10,000	Paid quarterly
Non-chair committee member	+$5,000	Paid quarterly

Note: All travel expenses paid based on voucher; pro-rated payment for the quarter during which the initial public offering is consummated.

STOCK COMPENSATION: $40,000/year; each grant subject to one year vesting; first year value based on initial public offering price and granted upon consummation of initial public offering; subsequent years' stock compensation granted in May of year.

Note: For subsequent new Board members who join Board mid-year, cash and stock compensation is pro-rated.

Exhibit 10.15

March 6, 2015

To: Roger Lewis

From: Stephanie Pugliese
cc: Steve Schlecht

RE: Agreement for consulting services for March, 2015 – February, 2016

Dear Roger:

As a follow up to our phone conversation on February 23, 2015 I am sending you this proposal of services for the coming year.

We have agreed to a one-time payment of $60,000.00 to be paid to you on March 6, 2015. This amount reflects acknowledgement of work done in 2014 and your contributions to the successful year we had. In addition, we agree to a fee of $5,000.00 to be billed monthly for consulting services in the following areas:

1. Continued regular consultations with our VP of Marketing, Suz Harms as you have been for the past several years
2. Involvement in planning of marketing strategy, including media spend, direct interaction with our media planner and advertising agency partners and analysis of market opportunities
3. Guidance in several strategic planning discussions for the total business, with dates to be determined throughout the year. These discussions will include input from several areas of the business outside of marketing, including merchandising and product development
4. Participation in the opportunity assessment and budgeting for 2016 and involvement in discussions around a 3-5 year plan for growth

Roger, I value your partnership and know that you will continue to counsel our internal team with great diligence and attention to the opportunities that this Brand has ahead of us. I look forward to working with you closely this year.

Please sign and date on the line below and return this to me.

Sincerely,

Stephanie Pugliese
President and CEO
Duluth Trading Company

/s/ Roger Lewis
Roger Lewis

Exhibit 10.17

[Form for Non-Employee Directors]

DULUTH HOLDINGS INC.

RESTRICTED STOCK AGREEMENT

This Restricted Stock Agreement (this "Agreement") is executed as of by and between Duluth Holdings Inc., a Wisconsin corporation (the "Company"), and (the "Director").

W I T N E S S E T H:

WHEREAS the Board of Directors of the Company has established the 2015 Equity Incentive Plan of Duluth Holdings Inc. (the "Plan") with the approval of the shareholders of the Company;

WHEREAS, the Company has adopted the Outside Director Compensation Program for its non-employee directors effective for service for periods beginning on or after the consummation of the Company's initial public offering pursuant to which the Director is entitled to receive Restricted Stock under the Plan; and

WHEREAS, the Director has been granted Restricted Stock under the Plan subject to the terms provided in this Agreement and the Plan.

NOW, THEREFORE, the Company and the Director hereby agree as follows:

1. Provisions of Plan Control. This Agreement shall be governed by the provisions of the Plan, the terms and conditions of which are incorporated herein by reference. The Plan empowers the Committee to make interpretations, rules and regulations thereunder, and, in general, provides that determinations of such Committee with respect to the Plan shall be binding upon the Director. Unless otherwise provided herein, all capitalized terms in this Agreement shall have the meanings ascribed to them in the Plan. A copy of the Plan will be delivered to the Director upon reasonable request.

2. Terms of Award. The Director has been granted [1] shares of Restricted Stock under the Plan. The Committee has determined that the Restricted Period, for one hundred percent of such shares (shares), shall end on , the first anniversary of the date of the grant of the Restricted Stock. The Director shall forfeit all Restricted Stock if his or her service with the Company ends prior the expiration of the Restricted Period. Notwithstanding the foregoing, if the Director's service with the Company ends prior to the expiration of the Restricted Period due to his or her death or Disability, all restrictions applicable to any Restricted Stock granted under this Agreement shall immediately lapse.

4. Dividends and Voting Rights. The Director shall be entitled to receive any dividends that become payable with respect to such shares of Restricted Stock and shall be entitled to voting rights with respect to such shares of Restricted Stock.

5. Compliance with Laws and Regulations. The issuance and transfer of Shares in accordance with this Agreement and the Plan will be subject to compliance by the Company and Director with all applicable requirements of federal and state securities laws and with all applicable requirements of any

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1 The number of shares of Restricted Stock the Director is granted is equal to $40,000 divided by the per Share price at which Shares are sold in the initial public offering.

stock exchange on which the Company's common stock may be listed at the time of such issuance or transfer. The Company shall have the right to delay the issue or delivery of any Shares under the Plan until (i) the completion of such registration or qualification of such Shares under any federal or state law, ruling or regulation as the Company shall determine to be necessary or advisable, and (ii) receipt from the Director of such documents and information as the Committee may deem necessary or appropriate in connection with such registration or qualification.

6. Taxes. The Company may require payment or reimbursement of or may withhold any tax that it believes is required as a result of the grant or vesting of such Restricted Stock or any payments in connection with the Restricted Stock, and the Company may defer making delivery of any Restricted Stock or Shares in respect of Restricted Stock until arrangements satisfactory to the Company have been made with regard to any such payment, reimbursement, or withholding obligation.

7. No Right to Service. The granting of Restricted Stock under this Agreement shall not be construed as granting to the Director any right with respect to continued service with the Company, nor shall it interfere in any way with the right of the Company to terminate the Director's service at any time.

8. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same agreement providing for a single grant of shares of Restricted Stock.; and any counterpart may be delivered to another party by e-mail or facsimile transmission. A facsimile ("fax") signature to this Agreement, or a signature to this Agreement electronically transmitted in "pdf" format or by email, shall be considered a binding signature and shall have the same force and effect as an original signature.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed as of the date and year first above written.

DULUTH HOLDINGS INC.

By:_____

Name:_____

Its:_____

The undersigned Director hereby accepts the foregoing grant of Restricted Stock and agrees to the several terms and conditions hereof and of the Plan.

_____

Director

Exhibit 10.18

LEASE

THIS LEASE, dated as of September 12, 2014 is made by and between Schlecht Retail Ventures LLC, a Wisconsin limited liability company ("Landlord"), and Duluth Holdings, Inc., a Wisconsin corporation, d/b/a Duluth Trading Company, LLC, a Wisconsin limited liability company. ("Tenant").

1. Leased Premises.

(a) Approximately 23,794 square feet (7,845 square feet on the first floor, 7,580 square feet on the second floor and 8,369 square feet on the lower level floor, including the mechanical rooms) of the approximately 27,938 square foot building located at 100 First Street, Mt. Horeb, Wisconsin (the "Leased Premises").

(b) For and in consideration of the rents to be paid by Tenant, and the covenants and agreements contained in this Lease, Landlord hereby leases the Leased Premises to Tenant, and Tenant hereby leases the Leased Premises from Landlord.

2. Use of Leased Premises.

(a) The Leased Premises shall be used as follows:

For offices and uses in connection with product innovation and creative/design ideation space.

(b) Tenant may use the Leased Premises for other purposes only with the prior written consent of Landlord, which consent will not be unreasonably withheld, conditioned or delayed.

3. Initial Lease Term. Tenant shall have and hold the Leased Premises for an initial term of three (3) years commencing on October 1, 2014, and expiring on September 30, 2017 (the "Initial Term"). The Initial Term, as the same may be extended by the Extension Term (as described below), is referred to in this Lease as the "Term." The term "Lease Year," as used in this Lease, means a period of twelve (12) consecutive calendar months starting on the first day of October in each year of the Term. The first Lease Year commences on October 1, 2014, and expires on September 30, 2015. Each subsequent Lease Year commences on the anniversary of October 1, 2014.

4. Option to Extend Lease Term. Tenant has the option to extend the Term for two (2) additional three (3) year periods, on the same terms and conditions set forth herein, except that Base Rent will be adjusted as provided for in the Base Rent Schedule (as defined below). Tenant's option to extend the Term shall be exercised by Tenant giving written notice of extension to Landlord at least one hundred eighty (180) days prior to the end of the Initial Term. If Tenant fails to timely exercise Tenant's option to extend the Term as provided herein, this Lease shall terminate at the end of the Initial Term and Tenant's right to thereafter extend the Term will be of no further force or effect.

5. Rents.

(a) It is understood and agreed that the rents specified in this Lease shall be absolutely net to Landlord, that all costs, expenses and obligations of every kind relating to the Leased Premises (except as otherwise specifically provided herein) which may arise or become due during the Term shall be paid by Tenant, and that Landlord shall be indemnified by Tenant against all such costs, expenses and obligations.

(b) Commencing with the first Lease Year, and continuing during each successive Lease Year during the entire Term of the Lease, Tenant shall pay to Landlord, as base rent (the "Base Rent"), the amount established as Base Rent for that Lease Year on the Base Rent Schedule attached hereto as **Exhibit A** (the "Base Rent Schedule") as well as all sums payable under this Lease other than the Base Rent ("Additional Rent"). The term "Rent" shall mean Base Rent and the Additional Rent. Rent shall be paid by Tenant in monthly installments on the first day of each calendar month, without demand or set-off.

(c) Tenant agrees to pay to Landlord: (i) eighty-six percent (86%) of Real Property Taxes (as defined below), (ii) eighty-six percent (86%) of CAM Expenses (as defined below) and (iii) all insurance premiums covering Tenant's possessions, (collectively, "Net Operating Charges"). In addition, Tenant shall be responsible for direct payment of its actual utility consumption for electric, water and sewer, which shall be separately metered, as well as janitorial services, snow removal services and window cleaning services for the entire building, including the United States Postal Service "USPS" portion of the building.

(d) All rents and other amounts due hereunder shall be paid to Landlord in care of Landlord, at 170 Countryside Drive, Belleville, Wisconsin 53508, or at such other place as Landlord may from time to time designate in writing, without demand therefore, on the dates herein prescribed.

6. Taxes, Assessments and Charges.

(a) Common area maintenance expenses ("CAM Expenses") are all costs and expenses associated with the operation and maintenance of the Common Areas (as defined herein) of the building and the repair and maintenance of the plumbing, electrical, utility and safety systems (to the extent not performed by Tenant), including, but not limited to, the following: gardening and landscaping; utility, water and sewage services for the common areas; maintenance of signs (other than tenants' signs); worker's compensation insurance; personal property taxes; rentals or lease payments paid by Landlord for rented or leased personal property used in the operation or maintenance of the common areas; fees for required licenses and permits routine maintenance and repair of roof membrane, flashings, gutters, downspouts, roof drains, maintenance of paving for the lot utilized by Tenant, (including sweeping, striping, repairing, resurfacing and repaving); general maintenance; painting; lighting; cleaning; refuse removal; security and similar items; reserves for roof replacement, exterior painting and other appropriate reserves; and a property management fee. Landlord may cause any or all of such services to be provided by third parties and the cost of such services shall be included in CAM Expenses.

(b) ‘Real Property Taxes” shall mean all real estate taxes, assessments, utility charges, and all charges and costs which may be or become a lien on the Leased Premises, and all other governmental charges, of any kind or nature whatsoever, including but not limited to assessments for public improvements or benefits (all of which taxes, assessments, utility charges, levies, and other charges and costs aforesaid are hereinafter collectively referred to as “impositions”) which are assessed, levied, confirmed, imposed or may become a lien upon the Leased Premises, or become payable during the Term with respect to the Leased Premises. If by law any such imposition is payable or may at the option of the taxpayer be paid in installments, Tenant may pay the same, together with any accrued interest on the unpaid balance of such imposition, in installments as the same respectively become due and payable, and in any event before any fine, penalty, interest or cost may be added thereto for the nonpayment of any such installment and interest.

(c) Any imposition relating to a fiscal period of the taxing authority, a part of which period is included within the Term and a part of which is not included in the Term, shall (whether or not such imposition shall be assessed, levied, confirmed, imposed or become a lien upon the Leased Premises, or shall become payable during the Term) be adjusted as between Landlord and Tenant as of the commencement or termination of the Term, as the case may be, so that Landlord shall pay that portion of such imposition which that part of such fiscal period included in the period of time before or after the termination of the Term bears to such fiscal period, and Tenant shall pay the remainder thereof. With respect to any imposition for public improvements or benefits which by law is payable, or at the option of the taxpayer may be paid in installments, Landlord shall pay the installments thereof which become due and payable before commencement and after termination of the Term, and the Tenant shall pay those installments which become due and payable during the Term.

(d) If Tenant fails, refuses or neglects to pay any amount required by it to be paid under this Section 6 when the same shall become due, the amount or amounts thereof, together with any penalties and interest thereon, shall be deemed to be additional rent and shall be due and payable to Landlord immediately, and Landlord shall have all rights and remedies in connection therewith as provided for unpaid rent under this Lease.

(e) Tenant shall pay any taxes or charges which may be levied or assessed on the rents required to be paid hereunder; and if an income tax shall be levied or assessed during the Term by any governmental authority or body upon the income arising from the rents provided herein for the use and occupancy of the Leased Premises in lieu of or as a substitute for ad valorem property taxes upon the Leased Premises, Tenant shall pay the same, which shall be computed, however, as if the income under this Lease was the only income of Landlord. Except as aforesaid, nothing herein shall be construed to require Tenant to pay any income, franchise or other taxes of Landlord accruing by reason of the rents received hereunder.

(f) Tenant covenants to furnish or cause to be furnished to Landlord, within thirty (30) days after the date when any such imposition is due and payable by Tenant as herein provided, official receipts of the appropriate taxing authority, or other proof satisfactory to Landlord, evidencing the payment thereof.

(g) Tenant shall have the right to contest in good faith the amount or validity of any such imposition by appropriate legal proceedings (but this shall not be deemed or construed in any way as relieving, modifying or extending Tenant's covenants to pay any such imposition at the time and in the manner as herein provided), on the condition, however, that such legal proceedings shall not cause the sale of the Leased Premises or any part thereof to satisfy such imposition, and Tenant shall have deposited with Landlord, as security for the payment of such imposition, cash in an amount sufficient to pay such imposition, together with all interest and penalties in connection therewith, and all charges that may be assessed against or become a charge on the Leased Premises or any part thereof, in said legal proceedings. Upon termination of such legal proceedings, the money so deposited shall be applied to the payment and discharge of said imposition, the interest and penalties in connection therewith and the charges and costs accruing in such legal proceedings, and the balance, if any, shall be paid to Tenant, provided Tenant is not then in default under this Lease. In the event that such money shall be insufficient for this purpose, Tenant shall forthwith pay over to Landlord an amount of money sufficient, together with the money deposited as aforesaid, to pay the same. Tenant shall be entitled to receive whatever interest shall actually be earned on the money deposited aforesaid.

(h) Landlord agrees to join in any such proceedings if the same be required to legally prosecute such contest of the amount or validity of such imposition, provided that Landlord shall not thereby be subjected to any liability for the payment of any costs, expenses, or legal or other fees in connection therewith. Tenant covenants to indemnify and save Landlord harmless from any such costs, expenses or fees. Tenant shall be entitled to all refunds of any such imposition and penalties or interest thereon which have been paid by Tenant (or paid by Landlord and for which Landlord has been fully reimbursed by Tenant or otherwise).

7. Condition of Premises, Repairs and Maintenance.

(a) Prior to the first day of the First Lease Year, Landlord shall substantially complete or install, at Landlord's expense, (i) a new roof on the older portion of the building on the Leased Premises (ii) painting of the green columns on the exterior of the building (iii) an updated HVAC system (iv) new carpeting and new flooring (v) painting of the interior walls (vi) new interior lighting, (vii) new ceiling tiles, as needed (viii) completion of office and meeting rooms to tenant's specifications, including the demolition of existing office elements required by Tenant (ix) male and female showers with new restrooms on the lower level (x) an indoor bicycle storage rack near the building's west entrance (xi) under the atrium on the main floor, a large bistro-like area with counters as well as a space for tables and chairs with a seating capacity of forty (40) to be used for employee breaks, lunches and meetings ("Bistro Area") (xii) in connection with the Bistro Area, space for food preparation, food storage, coffee machines, etc.

(b) Tenant shall be responsible for the completion of the installation of: (i) all external brand signage (ii) LAN or other low voltage wiring/technology (iii) internal branding messages and (iv) fixtures and equipment for the offices, meeting spaces and the Bistro Area. Tenant agrees to provide and service all moveable equipment related to the Bistro Area.

(c) Tenant agrees, at its own cost and expense and at all times during the Term, to keep the Leased Premises in a safe, neat, clean and sanitary condition; to keep the building, other improvements and equipment thereof, and all sidewalks, curbs, areaways and appurtenances and the glass of doors and windows of the Leased Premises in good and tenantable repair and condition; to make all necessary replacements thereof; and to heat and maintain the same and pay all utility charges therefore. Tenant further agrees that it will not suffer any waste to be committed upon the Leased Premises or to any building or other improvement thereon or the equipment thereof; that it will not at any time do anything to the Leased Premises or to any building, improvement or equipment thereon which will in any way impair or diminish the value thereof, except for ordinary wear and tear; and that it will not permit any nuisance to exist on the Leased Premises.

(d) Landlord shall perform repairs or make any necessary replacements to the roof, structural portions of the Lease Premises and the HVAC systems. All other regular maintenance shall be included in the CAM charges to be paid by Tenant.

8. Liability Insurance and Indemnity.

(a) Tenant shall procure and maintain at its sole cost and expense at all times during the Term comprehensive general public liability insurance insuring Landlord and Tenant in an amount of at least $1,000,000.00 in respect to bodily injury or death to any one person, and in the amount of at least $2,000,0000.00 for injuries or deaths from any one accident, and in the amount of $500,000.00 for property damage, with respect to any claims, demands or causes of action of any person or persons arising out of accidents occurring on or about the Leased Premises during the Term, or arising out of Tenant’s use thereof, it being understood that such insurance shall cover the building and all improvements, equipment and parking areas on the Leased Premises, as well as other parts of the Leased Premises, and all driveways and sidewalks in front of or adjacent to the Leased Premises.

(b) The aforesaid limits of liability shall be increased or decreased by mutual consent of the parties, which consent shall not be unreasonably withheld by either party, in the event of any factors or occurrences, including substantial increases in the level of jury verdicts or judgments or the passage of state, federal or other governmental compensation plans, or laws which would materially increase or decrease Landlord’s or Tenant’s exposure to risk.

(c) Certificates evidencing such insurance coverage, or the policies therefore, shall be deposited with Landlord and shall protect Landlord as well as Tenant. Such certificates or policies shall contain a provision that the insurer will not terminate or cancel such insurance unless thirty (30) days’ prior written notice of such cancellation is given to Landlord, and shall be in such form and from such companies as Landlord shall approve, which approval shall not be unreasonably withheld.

(d) At all times during the Term, Tenant shall keep and maintain, or cause its agents, contractors and subcontractors to keep and maintain, such workmen's compensation insurance and such other forms of insurance as may from time to time be required by law or may be otherwise necessary to protect Landlord and the Leased Premises from claims of any person who may at any time work on the Leased Premises, whether as a servant, agent or employee of Landlord or Tenant, or otherwise.

(e) Tenant agrees to indemnify and hold Landlord harmless from and against any and all claims, damages, costs and expenses, including reasonable attorneys' fees, arising from or connected with Tenant's use and occupancy of the Leased Premises. It is expressly understood and agreed that Landlord shall not be liable for any loss or damage to persons or to the property of Tenant or of its employees or invitees resulting from a condition of the Leased Premises or an accident or casualty in or about the Leased Premises.

9. Casualty Insurance, Destruction of Leased Premises and Waiver.

(a) Tenant shall procure and maintain at its sole cost and expense at all times during the Term insurance on the Leased Premises and other improvements, including all fixtures, boilers, motors, machinery and other equipment that may be built or placed upon the Leased Premises, and all additions thereto and replacements thereof, against the hazard of fire and such other hazards as are covered by insurance commonly referred to and known as "extended coverage insurance," including vandalism and malicious mischief. Such extended coverage insurance shall be maintained in an amount not less than eighty (80%) per cent of the actual cash value of the insurable building, improvements and equipment, excluding the cost of excavation and of foundations below the level of the lowest basement floor, or if there is no basement, below the level of the ground, with a full replacement cost endorsement or rider. During the reconstruction or restoration of any building or improvement on the Leased Premises, Tenant shall obtain and keep in effect builder's risk completed value type of insurance against fire and such other hazards as are covered by said "extended coverage insurance" policies.

(b) All of said policies of insurance shall cover the interests of Landlord and Tenant and any mortgagees (with a standard mortgage clause or endorsement), as their respective interests may appear, and shall be issued by responsible companies authorized to do business in the State of Wisconsin.

(c) Tenant covenants and agrees that no loss or damage by fire or other casualty or cause, of or to the building or any other improvements at any time on the Leased Premises, shall operate to terminate this Lease, or to relieve or discharge Tenant from the payment of rent, taxes, other monies to be treated as rent hereunder, or any of the additional amounts of money payable by Tenant hereunder as the same become due and payable, or from the performance or fulfillment of any of Tenant's obligations and undertakings under this Lease.

(d) Landlord and Tenant hereby expressly waive any rights of recovery that each has or may acquire against the other for any and all liability and expense for loss, damage or destruction of property located on or being a part of the Leased Premises, resulting from perils ordinarily covered by standard policies of fire and extended coverage insurance, vandalism and malicious mischief, and originating from any cause whatsoever, including negligent or other acts or omissions of Landlord or Tenant, or any of the agents or employees thereof; provided that the parties are able to obtain a clause or provision in their respective insurance policies permitting such waiver.

(e) If during the Term the building, or any of the improvements or equipment on the Leased Premises are either partially damaged or substantially or wholly destroyed by fire or other casualty or cause, Landlord shall repair, rebuild or restore the same in such manner and to such extent as shall make the same or any substitute therefore as nearly as practicable of the same character and condition as before such loss or damage, all pursuant to plans and specifications of Tenant approved by Landlord, which approval shall not be withheld unreasonably. The insurance proceeds received by reason of such loss or destruction are hereby constituted a trust fund, and shall be paid to and used by Landlord, for the repair, rebuilding, restoration or replacement of the damaged or destroyed property as aforesaid.

(f) Landlord shall use due diligence to collect the proceeds of such insurance and use the same promptly for the purpose aforesaid. If such insurance proceeds exceed the cost of the repair, rebuilding, restoration or replacement of the damaged or destroyed property aforesaid, the surplus shall be paid and belong to Tenant, if it is not then in default under the terms of this Lease. If such insurance proceeds are less than the cost of such repair, rebuilding, restoration or replacement, Tenant shall supply the additional funds necessary therefore upon demand by Landlord.

10. Alterations and Improvements.

(a) Tenant shall not make any alterations or improvements to or of the Leased Premises or any part thereof without Landlord’s prior written consent, which consent shall not be unreasonably withheld. Any such alterations or improvements shall be performed and completed at the sole cost and expense of Tenant, in a workmanlike manner. Tenant covenants and agrees not to permit, create, incur or impose or cause or suffer others to permit, create, incur or impose any lien or obligation against the Leased Premises or Landlord by reason of any such alterations or improvements. Tenant agrees to hold Landlord free and harmless of and from any and all claims or demands by any contractor, subcontractor, materialman, laborer or any other person against the Leased Premises or Landlord, relating to or arising because of such alterations or improvements.

(b) All alterations, improvements and replacements of, in or to the Leased Premises or any part thereof made by Tenant during the Term shall immediately be and become the property of Landlord, free from any right or interest of Tenant with respect thereto except as the lessee hereunder.

11. Removal of Property of Tenant. Any trade fixtures, moveable partitions or other personal property of Tenant placed or located in or upon the Leased Premises may be removed by Tenant, provided it is not then in default under this Lease. Any damage to the Leased Premises caused by the installation or removal of the same shall be repaired promptly by Tenant. The Leased Premises and all parts thereof shall be restored and left by Tenant, at or prior to the end of the Term, in as good condition as they were in before the installation of the items removed, except for ordinary wear and tear. All property not so removed shall be deemed abandoned by Tenant to Landlord.

12. Assignment and Subletting. Tenant shall not sublet the Leased Premises or any part thereof, nor assign this Lease, without in each case obtaining the prior written consent of Landlord, which consent shall not be unreasonably withheld; and Tenant nevertheless shall at all times continue and remain directly liable to Landlord for all its obligations under this Lease. It is specifically understood and agreed that if Tenant shall abandon the Leased Premises, or shall make an assignment for the benefit of creditors or file a petition for bankruptcy relief, or if a receiver or trustee of its property shall be appointed, or if it shall take the benefit of any insolvency or bankruptcy act or law, or if any interest of Tenant in this Lease shall pass to another by operation of law, Landlord may, at Landlord's option and without notice, at once terminate this Lease and take possession of the Leased Premises.

13. Landlord's Access To Leased Premises. Landlord, and Landlord's agents, employees and representatives shall have access to the Leased Premises at all reasonable times for the purpose of examining and inspecting the same, showing the Leased Premises to a prospective tenant or purchaser, and making repairs and replacements which Tenant is required to make but has failed to make after ten (10) days' written notice from Landlord to Tenant, except as otherwise provided in paragraph 16. However, nothing contained herein shall impose upon Landlord any obligation to make any repairs or replacements which Tenant is obligated to make hereunder. The usual "For Rent" or "For Sale" signs may be placed upon the Leased Premises at any time within the last five (5) months of the Term, or at any time Tenant is in default hereunder.

14. Compliance With Lease Provisions. Tenant agrees to pay the rents and other monies at the times and in the manner aforesaid during the Term, and at the expiration thereof or earlier termination of the lease for any cause to deliver up the Leased Premises to Landlord peacefully and quietly in the condition called for by the terms of this Lease. Tenant further agrees that it will not suffer any waste to be committed upon the Leased Premises, that it will use the same only for the purposes described herein; that it will observe special care and caution to preserve the Leased Premises from damage or injury by fire or otherwise; that it will observe and comply with such rules and regulations as may be required by the insurance company or companies that may insure the Leased Premises; and that it will observe and comply with all ordinances or laws, rules and regulations of federal, state, and local governments, and all agencies thereof, in connection with using or occupying the Leased Premises and conducting its business or activities thereon.

15. Default By Tenant. It is mutually understood and agreed that if Tenant shall default in the payment of any of the rents above stipulated or any part thereof, or shall default in the payment of any other monies required to be paid hereunder or any part thereof, or shall be in default for breach of, noncompliance with or failure to perform any covenant, agreement, condition or provision required on Tenant's part to be kept, complied with or performed hereunder (other than the payment of rent or other monies hereunder), each or any of which events or occurrences shall constitute a default of Tenant under this Lease, Landlord shall have the right to terminate this Lease as hereinafter provided. If Landlord, in the event of any such default, desires to terminate this Lease, Landlord shall give written notice of the default to Tenant, and Tenant shall have fifteen (15) days after the giving of such notice to cure any default based upon the nonpayment of any rent or other monies as aforesaid, and Tenant shall have thirty (30) days to cure any other default. However, if at the end of that thirty (30) day period such other default has not been completely cured but Tenant has commenced to cure the same and has employed diligent efforts to do so, the right of Landlord to terminate this Lease shall be abated as long as Tenant proceeds with due diligence to cure such default. If the default is not cured within the applicable period of time above provided, it shall be lawful for Landlord, or Landlord's agents, attorneys or assigns, in addition to any and all other remedies provided by law or this Lease, to declare the Term ended and to re-enter said Leased Premises either with or without process of law, and to expel or remove Tenant or any person or persons occupying the same, and to retake possession of the Leased Premises and all buildings and other improvements located thereon, without hindrance or delay, and without prejudice to any remedies or rights which Landlord may have for rent in arrears or any preceding breach of covenants, or for future rents accruing during the remainder of the Term which Landlord shall not reasonably be able to mitigate, whether such expulsion or removal is accomplished directly by Landlord, by legal proceedings instituted for such purpose, or otherwise.

16. Landlord's Right To Perform Tenant's Covenants. Tenant covenants and agrees that if Tenant shall at any time fail to pay any amount then required to be paid by it under this Lease (including any imposition pursuant to the provisions of Section 6 hereof), or if Tenant shall fail to perform any other covenant or agreement on Tenant's part required to be performed, then after ten (10) days' written notice to and demand upon Tenant which is not complied with during such period, Landlord may (but shall not be obligated to do so), without waiving or releasing Tenant from any of the obligations of Tenant under this Lease, pay any such imposition or other sum or perform or pay others to perform such other covenant or agreement, provided that Landlord shall not be required to give said prior written notice to Tenant in the case of repairs to the Leased Premises which must be made immediately to prevent or limit damage to the Leased Premises and which Tenant does not make upon demand by Landlord. All sums so paid by Landlord shall be deemed additional rent hereunder and shall be payable to Landlord on demand, or at the option of Landlord may be added to any rent then due or thereafter becoming due under this Lease. Tenant covenants to pay or cause to be paid to Landlord any such sum or sums with interest thereon at the rate of eighteen (18%) per cent per annum from the date of payment by Landlord; and Landlord shall have (in addition to any other right or remedy of Landlord) the same rights and remedies in the event of the nonpayment thereof by Tenant as in the case of default by Tenant in the payment of rent.

17. Quiet Enjoyment. Landlord covenants and agrees with Tenant that upon Tenant paying the rents and other monies hereunder and performing the covenants and agreements herein contained on its part to be performed, it shall at all times during said Term peaceably and quietly have, hold and enjoy the Leased Premises.

18. Signs. Tenant shall be permitted, subject to the approval of Landlord, which approval shall not be unreasonably withheld, to erect and maintain suitable signs on the Leased Premises at Tenant's expense. Tenant shall have the right to remove such signs upon vacating the Leased Premises, but shall repair any damage to the building or Leased Premises caused by the installation or removal of such signs.

19. Notices.

(a) Any notice, demand or request which may be given or is required to be given by either of the parties to the other hereunder shall be in writing and shall be served personally, or shall be served or given by United States registered or certified mail, with postage prepaid and return receipt requested, addressed as follows:

(i) If intended for Landlord, to Landlord at the place at which rent was last paid, with a copy to:

Mark E. O'Neill
Godfrey & Kahn, S.C.
780 North Water Street
Milwaukee, WI 53202

(ii) If intended for Tenant, to it at the address set forth below or at such other place as Tenant may from time to time designate in a written notice to Landlord:

Duluth Holdings, Inc.
d/b/a Duluth Trading Co.
170 Countryside Drive
P.O. Box 409
Belleville, WI 53508

(b) If mailed, such notice, demand or request shall be deemed to have been served or given when deposited in the United States mail in a sealed envelope with postage duly prepaid and return receipt requested.

20. Subordination of Lease. Landlord reserves the right to subordinate this Lease to the lien of any mortgage placed upon the Leased Premises or any part thereof, and Tenant agrees to execute and deliver upon demand such further instruments subordinating this Lease to the lien of any such mortgage as requested by Landlord or any mortgagee or proposed mortgagee, and hereby irrevocably appoints Landlord the attorney-in-fact of Tenant to execute and deliver any such instrument or instruments for and in the name of Tenant; provided, however, that any instrument subordinating this Lease to the lien of any such mortgage shall, as a condition thereof, provide that this Lease shall continue in full force and effect, and neither such mortgagee nor the receiver in the event of foreclosure shall have the right to cancel or terminate this Lease, as long as Tenant is not in default under any of the terms hereof. Landlord shall notify Tenant of any such subordination of this Lease and shall at all times keep Tenant advised of the name and address of any mortgagee.

21. Condemnation.

(a) If during the Term all of the Leased Premises shall be taken by condemnation or eminent domain by any authority having the right of condemnation or eminent domain, or by purchase by such authority in lieu of condemnation, this Lease shall terminate as of the date title shall vest in, or possession shall be taken by or on behalf of, the condemnor, whichever occurs first. Any unearned rent paid in advance by Tenant shall be refunded to it, provided Tenant is not then in default under this Lease. Tenant shall thereafter have no claims against Landlord for the unexpired Term.

(b) If only a portion of the Leased Premises shall be taken as aforesaid, and if such taking shall reduce the total floor area of the Leased Premises by more than fifteen percent (15%) or the parking areas on the Leased Premises by more than fifteen percent (15%), either party at its option may terminate this Lease by giving written notice to the other party on or before the date title to such portion shall vest in, or possession shall be taken by or on behalf of, the condemnor, whichever occurs first. In the event of such termination of this Lease, any unearned rent paid in advance by Tenant shall be refunded to it, provided Tenant is not then in default under this Lease and Tenant shall thereafter have no claims against Landlord for the unexpired Term. If neither party terminates this Lease in the event of such partial taking, or if such partial taking does not exceed the limits above stated, this Lease shall continue in effect as to the portion not taken, and the proceeds of the award received by Landlord (less reasonable attorneys' fees and disbursements incurred by Landlord in connection with procuring such award, and less the part of the award attributable to the taking of land as distinguished from the building, improvements and equipment located on the Leased Premises) shall be applied by Landlord, to the extent necessary, toward the cost of reconstructing the remaining Leased Premises, which construction Landlord hereby undertakes and agrees to accomplish, so as to make the remaining Leased Premises a unit practicable so far as reasonably possible for the conduct of the business carried on by Tenant on the Leased Premises, and Tenant shall contribute toward the cost of such reconstruction any further amount that may be needed for such purpose. The fixed rent herein reserved shall be reduced from and after the date when title vests in or possession is taken by the condemnor by an amount proportional to the reduction in the value of the Leased Premises immediately before the taking and immediately after the reconstruction.

(c) Any and all awards or payments for the taking of the Leased Premises or any part thereof in condemnation proceedings or as a result of the power of eminent domain, or by purchase in lieu thereof, shall belong and be paid exclusively to Landlord. However, nothing contained herein shall be construed to preclude Tenant from prosecuting any claim against the condemning authority for damage to, loss or value of, or cost of removal of fixtures, appliances, equipment and other personal property belonging to Tenant.

22. Miscellaneous.

(a) Each party agrees to pay and discharge all reasonable costs, attorney fees and expenses incurred or paid by the other party in enforcing the covenants and agreements of this Lease.

(b) No failure or delay on the part of either party to enforce any of the terms, covenants, conditions or agreements hereof shall operate as a waiver thereof nor avoid or affect the right of the party to enforce the same upon a subsequent default or breach.

(c) If Tenant continues to hold over and occupy the Leased Premises after the expiration of the Term without the prior written consent of Landlord, such holding over shall not operate to renew or extend this Lease but shall create and constitute a tenancy from month to month, on the same terms and conditions as herein provided.

(d) Neither Landlord nor Tenant shall record this Lease without the written consent of the other party. However, upon request by either party the parties shall join in the execution of a memorandum of this Lease which may be recorded by either party.

(e) Except as otherwise provided in this Lease, the rights and remedies herein granted are cumulative and are in addition to any given by any statute or rule of law, or otherwise, and the use of one remedy shall not be taken to exclude or waive the right to the use of another.

(f) This Lease sets forth all the covenants, promises, agreements, conditions and understandings between Landlord and Tenant concerning the lease of the Leased Premises. No subsequent alteration, amendment, change or addition to or of this Lease shall be binding upon Landlord or Tenant unless the same is reduced to writing and signed by the parties.

(g) This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, except as otherwise specifically provided herein.

(h) Landlord and Tenant represent and warrant that neither party has dealt with any broker in connection with this Lease.

(i) Landlord represents and warrants to Tenant that the dimensions of the Leased Premises are accurate.

(j) Landlord represents and warrants to Tenant that it owns the Leased Premises free and clear of all liens, encumbrances and claims of third parties.

[Signature page follows]

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

LANDLORD

SCHLECHT RETAIL VENTURES, LLC, a
Wisconsin limited liability company

By: */s/ Stephen Schlecht*
Stephen Schlecht, Managing Partner

TENANT

DULUTH HOLDINGS, INC., a
Wisconsin corporation a/b/a Duluth Trading Company LLC, a
Wisconsin limited liability company

By: */s/ Stephanie Pugliese*
Stephanie Pugliese, President

EXHIBIT A

BASE RENT SCHEDULE

INITIAL TERM

Lease Year	Annual Base Rent	Monthly Base Rent
First Lease Year through Third Lease Year	$ 230,000.00	$ 19,166.67

FIRST EXTENSION TERM

Lease Year	Annual Base Rent	Monthly Base Rent
Fourth Lease Year through Sixth Lease Year	$ 253,000.00	$ 21,083.33

SECOND EXTENSION TERM

Lease Year	Annual Base Rent	Monthly Base Rent
Seventh Lease Year through Ninth Lease Year	$ 260,590.00	$ 21,715.83

Exhibit 10.19

COMMERCIAL LEASE

THIS COMMERCIAL LEASE (this "Lease"), effective as of the 14th day of February, 2010 (the "Effective Date"), is made by and between **Schlecht Retail Ventures LLC**, a Wisconsin limited liability company ("Landlord"), and **Duluth Holdings Inc.**, a Wisconsin corporation ("Tenant").

RECITALS

A. Landlord owns that certain real property (i) located at 100 West Main Street, Mount Horeb, Wisconsin, and (ii) legally described on **Exhibit A** attached to this Lease (the "Land").

B. An approximately 7,710 square foot building (the "Building") is located on the Land.

C. Landlord has agreed to lease certain portions of the Land and Building to Tenant and Tenant has agreed to lease certain portions of the Land and Building from Landlord on the terms and conditions provided for in this Lease.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing recitals that are incorporated into and made a part of this Lease, the mutual covenants, promises and agreements contained in this Lease, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Landlord and Tenant hereby covenant, promise and agree as follows:

1. **DEFINED TERMS**. The terms listed below shall have the following meanings:

(a)	"Additional Rent"	Those payments and charges that are required of Tenant and designated in this Lease as Additional Rent.
(b)	"Fixed Rent"	The amounts payable by Tenant to Landlord pursuant to Section 4(a).
(c)	"Landlord's Address"	170 Countryside Drive Belleville, WI 53508 Attention: Steve Schlecht Facsimile: 608-424-1710
(d)	"Leased Premises"	The Initial Leased Premises or the Final Leased Premises (as defined in Section 2 below), as applicable.

(e)	"Permitted Uses"	Operation of a commercial retail store and all ancillary legal uses.
(f)	"Rent"	All Fixed Rent, Additional Rent and other charges payable by Tenant under this Lease.
(g)	"Tenant's Address"	170 Countryside Drive Belleville, WI 53508 Attention: Steve Schlecht Facsimile: 608-424-1710

2. LEASED PREMISES.

(a) Initial Leased Premises. As of the Effective Date, a residential apartment on the second floor of the Building (the "Apartment") is leased by a third party (the "Month to Month Tenant") pursuant to an oral, month to month lease (the "Month to Month Lease"). From and after the Effective Date until the date that the Month to Month Lease has terminated and the Month to Month Tenant has vacated the Apartment (the "Transition Date"), the Leased Premises shall consist of the Land, the Building, and all other improvements located on the Land except for the Apartment (the "Initial Leased Premises"). Prior to the Transition Date, Tenant shall provide access over and through the Initial Leased Premises to the extent reasonably necessary for the Month to Month Tenant to use and occupy the Apartment in a manner substantially similar to the Month to Month Tenant's use and occupancy of the Apartment immediately prior to the Effective Date.

(b) Final Leased Premises. On the Transition Date, the Leased Premises shall consist of the Land, the Building, and all other improvements located on the Land, including without limitation the Apartment (the "Final Leased Premises").

(c) General. In consideration of the terms, covenants, conditions, and agreements to be performed by Landlord and Tenant under this Lease, Landlord hereby leases the Leased Premises to Tenant, and Tenant hereby leases the Leased Premises from Landlord.

(d) Condition. Tenant agrees that Landlord has made no representation or warranty, express or implied, regarding the condition of the Leased Premises or its fitness for any particular purpose. Tenant has inspected and approved the Leased Premises. Tenant accepts the Initial Leased Premises in "as is" condition as of the Effective Date, and Tenant shall accept the Apartment in its "as is" condition as a part of the Final Leased Premises as of the Transition Date. No agreement of Landlord or its agents, members or employees to alter, remodel, decorate, clean or improve the Leased Premises (or to provide Tenant with any credit or allowance for the same) has been made by or on behalf of Landlord or relied upon by Tenant, except as expressly stated otherwise in this Lease.

3. TERM. The term of this Lease (the "Term") is approximately fifteen (15) years commencing on the Effective Date and terminating on February 28, 2025, unless extended or sooner terminated as provided for in this Lease. The Term shall automatically renew thereafter for successive terms of one (1) year, unless either party gives written notice of termination to the other party at least thirty (30) days prior to the end of the then-current term, provided however, that the Term shall not exceed a total of ninety-eight (98) years.

4. RENT.

(a) Fixed Rent.

(i) Initially. Beginning on the Effective Date and continuing through February 28, 2013, Tenant shall pay annual Fixed Rent of Sixty Thousand Three Hundred and 00/100 Dollars ($60,300.00), to Landlord, in advance, in equal monthly installments of Five Thousand Twenty-Five and 00/100 Dollars ($5,025.00) on the first day of each calendar month during the Term.

(ii) Fixed Rent Adjustment. On March 1, 2013 (the "First Adjustment Date"), the Fixed Rent shall increase by three percent (3%). Thereafter during the Term, the Fixed Rent shall increase by three percent (3%) on each date (each an "Adjustment Date") that is the third (3rd) anniversary of the First Adjustment Date or the most recent prior Adjustment Date, as applicable.

(b) Additional Rent — Generally. In addition to Fixed Rent, Tenant shall pay, on or before the date due, all Additional Rent provided for in this Lease.

(c) Payment of Rent. Each Fixed Rent payment shall be made by Tenant to Landlord at Landlord's Address or such other place as Landlord shall designate in writing, on or before the date due, without prior demand and without deduction or offset. The covenant to pay Rent is hereby declared to be independent of all other covenants in this Lease. Rent for all partial months during the Term will be pro-rated on a daily basis.

(d) Net Lease. This Lease is a net Lease and as such, to the extent not already provided in this Lease, Tenant agrees that at all times during the Term, Tenant shall pay all Rent and any and all other fees, costs or expenses related to the use and operation of the Leased Premises.

5. SECURITY DEPOSIT. There is no security deposit under this Lease.

6. TAXES, UTILITIES, REPAIR AND MAINTENANCE.

(a) Taxes. Tenant shall pay, as Additional Rent, on or before the date due, all real estate taxes, special assessments, sewer and water charges, and all other fees, charges, taxes or assessments levied, assessed or imposed against the Leased Premises, Tenant's leasehold interest, all Alterations (as hereinafter defined), personal property or trade fixtures placed in, upon or about the Leased Premises during the Term, or any period when Tenant occupies the Leased Premises by any governmental authority with jurisdiction over the Leased Premises.

(b) Utility Expenses. Tenant shall pay, as Additional Rent, on or before the date due, all fees, charges, costs and expenses for gas, light and power, telecommunications, water, sewer and other utility and municipal services furnished to the Leased Premises during the Term.

(c) Repairs and Maintenance. Tenant shall, at Tenant's expense, keep, maintain, repair and replace, as necessary, the Leased Premises and all equipment and facilities contained on or serving the Leased Premises, in good condition and repair, which shall include, without limitation, the regular removal of all garbage, trash, rubbish or other refuse from the Leased Premises, the removal of all snow and ice from the parking areas, driveways and sidewalks located on the Leased Premises, and the maintenance, repair, and replacement, as necessary, of (i) all landscaping located on the Leased Premises; (ii) all parking areas and driveways located on the Leased Premises, (iii) all mechanical systems, serving the Leased Premises (including, without limitation, all HVAC units), and (iv) the roof, foundation, and all other structural components of the Leased Premises.

(d) Applicability to the Apartment. For the purposes of this Section 6, the term "Leased Premises" shall mean the Final Leased Premises, no matter if before or after the Transition Date.

7. USE.

(a) Permitted Uses. Tenant shall use the Leased Premises only for the Permitted Uses and shall not use or permit the Leased Premises to be used for any other purpose. Tenant shall not use or occupy, or permit the use or occupancy of the Leased Premises in violation of (i) any recorded covenants, conditions or restrictions affecting the Leased Premises, (ii) any law, regulation, ordinance, rule or requirement of any governmental authority with jurisdiction over the Leased Premises, (iii) any certificate of occupancy issued with respect to the Leased Premises, or (iv) any insurance policy covering the Leased Premises. Tenant shall not commit, or suffer to be committed, waste, nor allow any nuisance to occur in, on or about the Leased Premises. Tenant shall comply with any lawful directive and/or orders, rules and regulations of any governmental authority with respect to the use or occupancy of the Leased Premises. Tenant shall, at Tenant's sole cost, comply with all reasonable requirements of any insurance company in order to maintain the insurance coverages required in this Lease.

(b) Americans with Disabilities Act. Tenant shall use the Leased Premises in conformance with, and shall perform all construction, repair, replacement, alteration, removal and remodeling work on the Leased Premises in conformance with, the requirements of the Americans with Disabilities Act, as it may be amended from time to time, and all regulations issued by the United States Attorney General or other authorized agencies under the authority of the Americans with Disabilities Act (collectively, the "Act"). Tenant agrees to reimburse and indemnify Landlord for any expenses incurred because of Tenant's failure to use the Leased Premises in accordance with, or the failure of Tenant's work to conform with, the Act, including, without limitation (i) the costs of making any alterations, renovations or accommodations required by the Act, or any

governmental enforcement agency or any court, (ii) any and all fines, civil penalties and damages awarded against Tenant or Landlord that may result from a violation or violations of the Act and (iii) all reasonable legal expenses incurred in defending claims made under the Act, including reasonable attorney's fees and expenses.

8. ALTERATIONS, COMPLIANCE, WORKMANSHIP AND LIENS.

(a) Alterations. If Tenant desires to make any alterations, additions, installations, substitutions, improvements or decorations (collectively, "Alterations") in and to the Leased Premises, Tenant shall obtain Landlord's prior written consent to those Alterations, which consent will not be unreasonably withheld, conditioned or delayed.

(b) Quality of Work. All work on any Alterations, and all work described elsewhere in this Lease, if any, shall be undertaken and completed (i) by skilled contractors reasonably acceptable to Landlord and carrying such insurance coverages as are required by Landlord, (ii) at reasonable times, (iii) in a first-class, workmanlike manner, (iv) employing new, high-quality materials, unless otherwise approved in advance, in writing, by Landlord, and (v) according to plans and specifications reviewed and approved in advance, in writing, by Landlord.

(c) Compliance with Laws; Insurance. All work on any Alterations, shall be undertaken and completed in compliance with all applicable laws, regulations and rules of any governmental authority with jurisdiction over the Leased Premises. Before commencement of any work, Tenant's contractor shall provide any completion and lien indemnity bond required by Landlord, and Tenant shall provide evidence of such insurance as Landlord may require, naming Landlord as an additional insured.

(d) Liens. Nothing in this Lease shall authorize Tenant to perform any act that would in any way encumber Landlord's title to the Leased Premises. Tenant agrees to pay promptly when due the entire cost of any work or materials furnished to the Leased Premises so that the Leased Premises shall at all times be free of liens for labor or materials. If any lien or notice of intent to hold a lien is filed against or attached to the Leased Premises, or Tenant's interest therein, Tenant shall immediately either pay the amount of said lien in full, or shall provide and pay for a noncancellable bond placed with a reputable company reasonably approved by Landlord, in an amount equal to twice the amount of said lien. Said bond shall insure the interest of Landlord from any loss by reason of the filing of such lien. Tenant also agrees to pursue immediately, in good faith, Tenant's legal remedies to remove said lien.

(e) Removal. All Alterations shall become part of the Leased Premises and remain a part of the Leased Premises at the end of the Term, provided however, if Landlord gives Tenant notice, at least thirty (30) days before the end of the Term, to remove any Alterations, Tenant shall do so and shall pay the cost of the removal and any repair required by the removal.

(f) Tenant's Personal Property. All of Tenant's personal property, trade fixtures, machinery and equipment, furniture, and movable partitions shall remain Tenant's property and may be removed at any time provided that Tenant repairs any damage to the Leased Premises caused by said removal. If Tenant fails to remove any such materials at the end of the Term, Landlord may do so and store them at Tenant's expense, in any manner chosen by Landlord, without any liability to Tenant. Upon fifteen (15) days notice to Tenant, Landlord may sell any such materials at public or private sale and apply the amounts received to any amounts outstanding under this Lease, including the cost of removal, storage and sale.

9. **INSURANCE**.

(a) Generally. All insurance policies required to be carried by Tenant under this Lease shall be issued by insurers licensed to do business in Wisconsin and reasonably acceptable to Landlord, shall be in a form satisfactory to Landlord and shall name Landlord, and any party reasonably designated by Landlord, as additional insureds, as their interests may appear. Tenant shall promptly provide certificates of insurance in form satisfactory to Landlord and evidence of payment of premiums to Landlord upon Landlord's request made from time to time. All policies of insurance shall include a provision requiring the insurer to give Landlord at least thirty (30) days prior written notice before terminating, canceling, reducing coverage or making any changes in any policy.

(b) Liability Insurance. At all times during the Term, Tenant shall carry commercial general liability insurance with limits of $1,000,000 per occurrence / $1,000,000 in the aggregate.

(c) Fire and Extended Coverage Insurance. At all times during the Term, Tenant shall carry commercial property insurance, including fire and extended coverage, vandalism, malicious mischief and all risk coverage upon the Leased Premises (including all Alterations), and all property owned or leased by Landlord and located on the Leased Premises, in the full replacement cost thereof. Tenant shall also carry commercial property insurance, including fire and extended coverage, vandalism, malicious mischief and all risks coverage upon all property owned by Tenant and located on the Leased Premises, in the full replacement cost thereof.

(d) Applicability to the Apartment. For the purposes of this Section 9, the term "Leased Premises" shall mean the Final Leased Premises, no matter if before or after the Transition Date.

10. INDEMNIFICATION. Tenant agrees at all times to indemnify and save, protect and keep harmless Landlord and the Leased Premises from every and all cost, loss, damage, liability and expense whatsoever, including, without limitation, actual attorney's fees and expenses, that may arise from or be claimed against Landlord or the Leased Premises by any person or persons, for any injuries or damages to person or property of whatever kind arising from the acts or omissions of Tenant, its customers, invitees, employees and agents, or from the use or occupancy of the Leased Premises by Tenant, its customers, invitees, employees and agents, or from any breach or default by Tenant in the performance of its obligations under this Lease.

11. WAIVER OF SUBROGATION. Landlord and Tenant agree to have all fire and extended coverage or material damage insurance with respect to the Leased Premises or any portion thereof or property therein include a clause or endorsement denying to the insurer rights of subrogation against the other party to the extent rights have been waived by the insured prior to occurrence of injury or loss and further providing that the insurance will not be invalidated should the insured, prior to a loss, waive in writing any or all right of recovery against any party for loss occurring to the property described in this Lease. Each party, notwithstanding any provision of this Lease to the contrary, hereby waives any rights of recovery against the other for injury or loss due to hazards covered by valid and collectible insurance policies, to the extent of any recovery collectible under such insurance.

12. DESTRUCTION OF THE LEASED PREMISES. If the Leased Premises are partially or totally destroyed by fire or other casualty, then Tenant shall rebuild, refurnish and equip the Leased Premises at Tenant's expense. Tenant shall be entitled to all insurance proceeds as a result of the damage to or destruction of the Leased Premises. Tenant shall initiate and pursue the necessary work to repair or restore the Leased Premises with all reasonable dispatch, in a manner consistent with sound construction methods and in accordance with law, but Tenant shall not be liable for any delays or interruptions occasioned by strikes, casualties, critical materials in short supply, governmental regulations, or any other causes beyond Tenant's control. All restoration or repair undertaken under this Section 12 will be undertaken and completed in conformity with the requirements of Section 8 above. For the purposes of this Section 12, the term "Leased Premises" shall mean the Final Leased Premises, no matter if before or after the Transition Date.

13. CONDEMNATION.

(a) Taking of Part or Whole. If the Leased Premises are rendered untenantable by reason of a condemnation (or by a deed given in lieu thereof), then either party may terminate this Lease by giving written notice of termination to the other party within thirty (30) days after the condemnation, in which event this Lease shall terminate effective as of the date which is the day immediately preceding the date of the condemnation. If this Lease so terminates, Rent shall be paid on a pro-rata basis through the termination date. If the condemnation does not render the Leased Premises untenantable, this Lease shall terminate with respect to that portion of the Leased Premises that is taken, and Rent shall abate in proportion to the part of the Leased Premises condemned; further, for that portion of the Leased Premises which is not condemned, the Lease shall continue in full force and effect and Tenant, at Tenant's expense, shall promptly restore the portion thereof not condemned, to the extent reasonably possible, to substantially the same condition as existing prior to the condemnation. Notwithstanding the foregoing, Tenant shall not be required to expend an amount in excess of the proceeds actually received by Landlord from the condemning authority and released by Landlord to Tenant for said purpose. For the purposes of this Section 13, the term "Leased Premises" shall mean the Final Leased Premises, no matter if before or after the Transition Date.

(b) Award. All compensation awarded for any taking shall be the property of Landlord, provided however, Landlord shall not be entitled to any award made to Tenant for its leasehold interest, interruption of business or relocation of Tenant's equipment, fixtures and other property, and Tenant shall be entitled to pursue any claim therefor.

14. DEFAULT.

(a) Definition. Should Tenant (i) fail to pay any Rent due under this Lease or any part thereof within (5) days after receipt of written notice of that failure from Landlord, (ii) fail to perform or observe any other agreements, obligations, covenants or conditions on Tenant's part to be performed or observed under this Lease and Tenant does not cure that failure within thirty (30) days after written notice from Landlord, (iii) make an assignment for the benefit of creditors, file a voluntary petition in bankruptcy, or file for an arrangement or reorganization or suffer an involuntary petition to be filed against Tenant or suffer a receiver or trustee to be appointed for Tenant, or permit Tenant's fixtures or merchandise in the Leased Premises to be attached or taken under execution or other legal process, then in all or any of such events a breach of this Lease (a "Default") shall have occurred.

(b) Remedies. In the event of a Default, Landlord, in addition to any other remedies available at law or in equity, shall have the immediate right, or the option at any time while such default exists and upon notice: (i) to terminate this Lease and all rights of Tenant under this Lease or; (ii) without terminating this Lease, to terminate Tenant's right to possession of the Leased Premises. An election by Landlord to terminate Tenant's right to possession of the Leased Premises without terminating the Lease shall not preclude a subsequent election by Landlord to terminate the Lease. Upon termination of this Lease, whether by lapse of time or otherwise, or upon any termination of Tenant's right of possession without termination of this Lease, Tenant shall surrender possession and vacate the Leased Premises immediately, and deliver possession thereof to Landlord.

(c) Termination of Possession. After Landlord takes possession of the Leased Premises under Section 14(b) without terminating the Lease, Landlord may, but need not, relet the Leased Premises or any part thereof for the account of Tenant to any person, firm or corporation for such rent, for such time and upon such terms as Landlord, in Landlord's sole discretion shall determine. In any such case, Landlord may make repairs, alterations and additions in or to the Leased Premises and redecorate the same to the extent deemed by Landlord necessary. Tenant shall, upon demand, pay the cost thereof, together with Landlord's expenses of the reletting. If the consideration, if any, collected by Landlord upon reletting of the Leased Premises for Tenant's account is not sufficient to pay monthly the full amount of the Rent then due, together with the costs of repairs, alterations, additions, redecorating and Landlord's other costs and expenses of regaining possession and reletting the Leased Premises, Tenant shall pay to Landlord the amount of each monthly deficiency upon demand.

(d) Termination of the Lease. If Landlord elects to terminate this Lease due to Tenant's Default, then Landlord may recover from Tenant: (i) any unpaid Rent that was due under this Lease on or before the date of termination (the "Termination Date"); plus (ii) the worth at the time of termination of the unpaid Rent for the balance of the Term after the Termination Date; plus (iii) any other amount necessary to compensate Landlord

for all the detriment proximately and directly caused by Tenant's failure to perform its obligations under this Lease or that ordinarily would be likely to result therefrom, including, without limitation, all Landlord's expenses in connection with reletting the Leased Premises, repossession costs, brokerage commissions, attorneys' and legal assistants' fees and expenses of preparing the Leased Premises for a new tenant. No action of Landlord in accordance with the foregoing, or any failure to relet or to collect rent under reletting, shall release or reduce Tenant's liability. The "worth at the time of termination" under Section 14(d)(i) is computed by calculating the present value of the future unpaid Rent using a discount rate equal to twelve percent (12%) per annum. Nothing in this Lease shall limit Landlord's right to obtain, in any bankruptcy or insolvency proceedings by reason of termination of this Lease, an amount equal to the maximum allowed by law, even if greater than the amount set forth above.

(e) Self-Help. In addition to any of the foregoing remedies and so long as this Lease is not terminated, Landlord shall, upon delivery of written notice to Tenant, have the right to remedy any default of Tenant and to add to the Rent payable under this Lease all of Landlord's costs in so doing, plus interest thereon as provided in Section 25(b).

15. ESTOPPEL CERTIFICATE. Tenant agrees, within fifteen (15) days after written request therefor by Landlord, to execute in recordable form and deliver to Landlord a statement, in writing, certifying (a) the Effective Date, (b) the amount of Fixed Rent, if any, paid in advance, and, if then true, (c) that this Lease is unmodified and in full force and effect, (d) that Rent is paid currently without any offsets, (e) that Tenant has no defenses, offsets or counterclaims against its obligations to pay Rent and perform its other covenants under this Lease, and (f) that there are no uncured defaults by Landlord, or stating those claimed by Tenant.

16. QUIET ENJOYMENT. Landlord agrees that so long as Tenant is not in default under this Lease, Tenant shall have the peaceable and quiet enjoyment and possession of the Leased Premises without hindrance by Landlord, except for matters in this Lease specifically provided.

17. SURRENDER. When the tenancy created by this Lease terminates, Tenant agrees to surrender the Leased Premises to Landlord in the same or better condition than existed when Tenant entered possession, being free from trash or debris, and being broom clean, ordinary wear and tear excepted. As set forth in Section 8(e) above, Tenant agrees to remove any Alterations made by Tenant, if so requested by Landlord, and Tenant shall promptly restore the Leased Premises following that removal. Tenant may remove its trade fixtures and shall repair promptly any damage caused by such removal. Tenant also agrees to deliver all keys for the Leased Premises to Landlord.

18. SUBLETTING OR ASSIGNMENT BY TENANT. Tenant may not encumber, mortgage, assign, or otherwise transfer this Lease, any right or interest in this Lease or any right or interest in the Leased Premises, nor may Tenant sublet the Leased Premises or any part thereof (each of the foregoing, a "Transfer") without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. A consent by Landlord to one Transfer shall not be deemed to be a consent to any subsequent Transfer. No Transfer shall relieve the Tenant from its obligations under this Lease. Any Transfer without the prior written consent of Landlord, whether it be voluntary or involuntary, by operation of law or otherwise, is void.

19. ACCESS TO LEASED PREMISES. Landlord or its agents will have free access to the Leased Premises at all reasonable times upon prior notice for the purpose of inspecting the Leased Premises, making repairs and/or exhibiting the Leased Premises to prospective tenants, purchasers and mortgagees, provided however, that, except in the event of an emergency (in which case, no prior notice shall be required), Landlord shall provide Tenant with at least twenty-four (24) hours notice before entering that the Leased Premises.

20. HOLDING OVER. Any holding over by the Tenant or any assignee or subtenant beyond the expiration of the Term of this Lease shall give rise to a tenancy at sufferance only, at a monthly rent equal to twice the monthly Fixed Rent payable by Tenant for the last month proceeding the termination or expiration of the Term and otherwise subject to all other applicable terms, covenants and conditions in this Lease. In the event of any holding over, Tenant shall indemnify Landlord against all loss or liability resulting from such holdover, including, without limitation, all claims for damages by any other tenant to whom Landlord may have leased all or any part of the Leased Premises.

21. DAMAGE TO TENANT'S PROPERTY. Notwithstanding anything to the contrary contained in this Lease, Landlord or its agents are not liable for loss or destruction of, damage to or theft of, any property, owned by Tenant or its employees or invitees and located on the Leased Premises, or for loss suffered by Tenant's business resulting from any other cause other than the negligent or intentionally wrongful acts or omissions of Landlord, or for any loss or damage that may be occasioned by or through the acts or omissions of persons occupying other portions of the Building. Tenant shall give prompt notice to Landlord in the case of fire, casualty or accidents on the Leased Premises.

22. ENVIRONMENTAL. Tenant shall properly treat, handle, store, and dispose of any hazardous wastes, toxic substances or toxic or hazardous materials (collectively "Hazardous Materials") to be used, generated, stored or disposed of on, under or about, or transported to or from, the Leased Premises (collectively "Hazardous Materials Activities"). Except to the extent caused by Landlord's negligence or intentional misconduct, Tenant shall indemnify, defend with counsel acceptable to Landlord and hold Landlord harmless from and against any claims, damages, costs and liabilities arising out of (a) Tenant's Hazardous Materials Activities, or (b) any other Hazardous Materials Activities occurring on the Leased Premises (i) during the Term, or (ii) during Tenant's use or occupancy thereof or resulting from the acts or omissions of Tenant. For the purposes hereof, Hazardous Materials shall include, but not be limited to, substances defined as "hazardous substances," "toxic substances," or "hazardous wastes" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended; Resource Conservation and Recovery Act of 1976, as amended; Hazardous Materials Transportation Act, as amended; all other laws and ordinances governing similar matters; and any regulations adopted and publications promulgated pursuant to said laws.

23. SIGNAGE. Tenant shall have the right to install and maintain a sign or signs at the Leased Premises advertising Tenant's business at the Leased Premises, provided that said signage complies with all applicable laws, ordinances, rules and regulations. Upon Landlord's request, at the end of the Term, Tenant shall, at Tenant's expense, remove any signage installed at the Leased Premises and restore the Leased Premises to the condition existing prior to installation of said signage.

24. SUBORDINATION. This Lease is and shall be subject and subordinate at all times to the lien of any mortgages now or hereafter placed on or against the Leased Premises, or on or against Landlord's interest or estate in the Leased Premises, or any part of or interest in the foregoing (and in all cases including all extensions, renewals, amendments and supplements to any mortgage), without the necessity of the execution and delivery of any further instruments on the part of Tenant to effectuate such subordination. Tenant covenants and agrees to execute and deliver upon demand such further instruments evidencing such subordination of this Lease to the lien of any such mortgages as may be required by Landlord. Notwithstanding anything contained in this Section, in the event the holder of any mortgage shall at any time elect to have this Lease constitute a prior and superior lien to its mortgage, then upon that holder notifying Tenant, this Lease shall be deemed prior and superior in lien to that mortgage, whether this Lease is dated prior to or subsequent to the date of that mortgage.

25. MISCELLANEOUS.

(a) Non-Waiver. Any payment of Rent and receipt by Landlord shall only be construed as being on account of the earliest stipulated unpaid Rent irrespective of endorsements or statements on such Rent payment or accompanying the same, and, in no case shall the payment of Rent or any other sum by Tenant, or the acceptance of such Rent or other sum by Landlord, extend the Term of this Lease. No action or failure to act by any party to this Lease shall constitute a waiver of any right or duty afforded to such party under this Lease, nor shall any such action or failure to act constitute an approval of, or acquiescence in, any breach of this Lease except as may be specifically agreed in writing. Acceptance of Rent by Landlord at any time when the Tenant is in default under any covenant or condition hereof shall not be construed as a waiver of such default.

(b) Unpaid Amounts. Any amount owed by Tenant under this Lease and not paid within ten (10) days of the date when due shall bear interest at the rate of twelve percent (12%) per annum from the date due until paid in full.

(c) Memorandum of Lease. Tenant shall, at the request of Landlord, execute and deliver a memorandum of lease that may be recorded at Landlord's expense. Any such memorandum of lease shall set forth the Effective Date, the Term, a description of the Leased Premises, and other terms and provisions reasonably requested by Landlord (provided that, in no event, shall such instrument set forth the amount of Rent or other charges payable under this Lease).

(d) Notices. Any notice, demand or request provided for or permitted to be given pursuant to this Lease shall be in writing and shall be deemed to have been properly given (i) upon receipt, if hand delivered, (ii) upon deposit thereof at any main or branch United States Post Office, if sent by United States registered or certified mail, return receipt requested, (iii) on the first business day following deposit thereof at the office or drop box of a nationally recognized overnight delivery service, if sent by such

service, or (iv) upon electronic confirmation of receipt by the sending equipment, if sent by facsimile, addressed to Landlord at Landlord's address or to Tenant at Tenant's address or at such other address as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice.

(e) Assignment by Landlord; Binding Effect. Except as otherwise provided below, Tenant acknowledges and agrees that Landlord may assign this Lease without the prior written consent of the Tenant, and that such assignee shall be entitled to all the benefits of this Lease, provided that assignee agrees to be bound to all the obligations of Landlord under this Lease. This Lease and all rights under this Lease shall inure to the benefit of and be binding upon the Tenant and the Landlord, their respective successors and assigns, subject to the provisions of Section 18 above.

(f) Headings. All headings and titles in this Lease are for reference only and do not form a part of this Lease.

(g) Relationship of the Parties. Nothing contained in this Lease shall be deemed or construed by the parties to this Lease nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties to this Lease, it being understood and agreed that neither the method of computation of Rent nor any other provision contained in this Lease nor any acts of the parties to this Lease, shall be deemed to create any relationship between the parties to this Lease other than the relationship of Landlord and Tenant.

(h) Attorneys' Fees. Should any litigation be commenced between the parties to this Lease concerning the Leased Premises, this Lease, or the rights and duties of either in relation thereto, the prevailing party in such litigation shall be entitled, in addition to such other relief as may be granted in the litigation, to a reasonable sum for its attorney's fees and costs in such litigation, which shall be determined by the court in such litigation or in a separate action brought for that purpose.

(i) Cumulative Remedies. The remedies given to Landlord in this Lease shall not be exclusive but shall be cumulative and in addition to all remedies now or hereafter allowed by law.

(j) Severability. In the event that any one or more of the provisions, paragraphs, words, clauses, phrases or sentences contained in this Lease or the application thereof in any circumstance is held invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision, paragraph, word, clause, phrase or sentence in every other respect and of the remaining provisions, paragraphs, words, clauses, phrases or sentences of this Lease shall not be in any way impaired, it being the intention of the parties that this Lease shall be enforceable to the fullest extent permitted by law.

(k) Entire Agreement. This Lease sets forth all the covenants, promises, agreements, conditions and understandings between Landlord and Tenant concerning the Leased Premises and the letting thereof. No subsequent alteration, amendment, change or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by both parties.

(l) Limitation on Liability. The obligations of Landlord under this Lease do not constitute personal obligations of the individual members of Landlord, and Tenant shall not seek recourse against any individual member of Landlord or any of their personal assets for satisfaction of any liability in respect to this Lease. If Landlord should fail to perform any covenant, term or condition of this Lease, and if, as a consequence of that default, Tenant recovers a money judgment against Landlord, that judgment shall be satisfied only out of the proceeds of sale received upon execution of that judgment and levied thereon against the right, title and interest of Landlord in the Leased Premises and out of rents or other income from the Leased Premises receivable by Landlord, subject, nevertheless, to the rights of Landlord's mortgagee, if any. The foregoing limitation of liability shall be noted in any judgment secured against Landlord and in the judgment index.

(m) Controlling Law. This Lease, and the rights and obligations of the parties to this Lease, shall be construed and enforced in accordance with the internal laws of the State of Wisconsin.

(n) Counterparts. This Lease may be executed in any number of counterparts, any or all of which may contain the signature of any one of the parties, and all of which shall be construed together as a single instrument.

(o) Sale or Transfer by Landlord. In the event of any sale or other transfer of the Leased Premises or this Lease, Landlord shall be entirely relieved of all obligations under this Lease from and after the date of the transfer provided however, that the transferee shall assume the obligations of Landlord under this Lease.

[Signature Page Follows]

IN WITNESS WHEREOF, Tenant and Landlord have executed this Lease as of the date first written above.

LANDLORD:	TENANT:
Schlecht Retail Ventures LLC	Duluth Holdings Inc.
By: /s/ Steve Schlecht	By: /s/ Steve Schlecht
Name: Steve Schlecht	Name: Steve Schlecht
Title: Member	Title: CEO

EXHIBIT A
LEGAL DESCRIPTION OF LAND

Lots Five (5), Six (6), Seven (7) and Eight (8), Block One (1), Carl Boeck's Survey and Plat of Mount Horeb Station, in the Village of Mount Horeb, Dane County, Wisconsin.

Tax Parcel Number: 157/0606-123-2025-5

Exhibit 10.20

108 NORTH FRANKLIN STREET

108 North Franklin Street
Port Washington, Wisconsin

RETAIL SPACE LEASE

by and between

LDC-728 MILWAUKEE, LLC,
Landlord

and

DULUTH HOLDINGS, INC.
Tenant

First Floor

Date: January 23, 2012

RETAIL SPACE LEASE

1. BASIC LEASE PROVISIONS

1.01 Landlord and Address:

LDC-728 Milwaukee, LLC
c/o Lighthouse Development Company
2140 North Prospect Avenue
Milwaukee, Wisconsin 53202

1.02 Tenant and Current Address:

Duluth Holdings, Inc.
170 Countryside Drive
P.O. Box 409
Belleville, Wisconsin 53508

1.03 Building: An approximately 19,500 square foot, two-story office and retail building located at 108 North Franklin Street, Port Washington, Wisconsin (together with the land on which it is situated and all appurtenances thereto). The stated square footage does not include the basement of the Building.

1.04 Premises: Approximately 9,984 square feet on the first floor of the Building, as shown on the floor plan attached hereto as Exhibit A and 2,500 square feet of the basement of the Building.

1.05 Term: Ninety-one (91) months.

1.06 Commencement Date: January 23, 2012.

1.07 Expiration Date: The last day of the ninety-first (91st) full calendar month following the Commencement Date.

1.08 Monthly Base Rent: Monthly Base Rent shall be payable in the following amounts during the periods indicated:

Period	Monthly Base Rent	Annual Base Rent
Months 1-8	$ 0.00	—
Months 9-12	$10,608.00	—
Months 13-24	$10,608.00	$127,296.00
Months 25-36	$10,608.00	$127,296.00
Months 37-48	$10,820.16	$129,841.92
Months 49-60	$11,036.56	$132,438.72
Months 61-72	$11,257.29	$135,087.48
Months 73-84	$11,482.44	$137,789.28
Months 85-91	$11,718.09	$140,545.08

Tenant shall pay no Rent during the first eight (8) months of the Term, from January 1, 2012, through August 31, 2012 (the "Rent Abatement Period"). Rent shall commence on September 1, 2012. The total amount of Monthly Base Rent abated during the Rent Abatement Period shall equal $84,864.00 (the "Monthly Abated Base Rent"). If there is a Default by Tenant during the Rent Abatement Period, and Landlord elects to terminate this Lease or Tenant's right to possession of the Premises due to that Default, then (i) the portion of the Monthly Abated Base Rent that would have otherwise been due to Landlord from the date of the Default through August 31, 2012, plus Additional Rent (as defined below) that would have been due from Tenant from the date of the Default through August 31, 2012, shall immediately become due and payable to Landlord; and (ii) Tenant shall not be entitled to any further abatement of Rent pursuant to this paragraph. The payment by Tenant of Rent in the event of a Default shall not limit or affect any of Landlord's other rights or remedies, in the event of a default by Tenant, pursuant to this Lease or at law or in equity.

1.09 Rentable Area of Premises: Approximately 9,984 rentable square feet. Landlord and Tenant acknowledge and agree that although the Premises includes both the 9,984 square feet of retail space on the first floor of the Building and approximately 2,500 square feet of space in the basement of the Building (the "Basement Space"), for the purposes of all measurements under this Lease, the Premises will be deemed to be approximately 9,984 square feet.

1.10 Tenant's Share: 50%

1.11 Security Deposit: $0

1.12 Leasing Broker and Address: RE/MAX United

The Tom Didier Team
110 E. Grand Avenue
Port Washington, Wisconsin 53074

The words identified in this Section 1 shall have the meanings ascribed to them in this Section 1 for all purposes of this Lease.

2. DEMISE

2.01 Premises. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Premises located in the Building for the Term and upon the terms, covenants and conditions set forth in this Lease. This Lease shall be in full force and effect from the date it is signed and delivered by Landlord and Tenant.

2.02 Basement Space.

(a) Prior to the Commencement Date, Landlord shall, as part of Landlord's Work (as defined below) clean up the basement of the Building and the Basement Space.

(b) As part of Tenant's Work (as defined below), Tenant shall demise and separate the Basement Space from the rest of the basement, so that the Basement Space is secured and locked and available for Tenant's exclusive use.

2.03 License. Landlord hereby grants Tenant a non-exclusive license, for the entire Term of this Lease to use those parts of the Building necessary to move persons, merchandise and other personal property between the Premises on the first floor of the Building and that part of the Premises comprised of the Basement Space; provided, however, Tenant shall not have the right to use any portion of the Building which is leased to other tenants as of the date of this Lease.

3. TERM

The Term of this Lease shall commence on the Commencement Date and expire on the Expiration Date unless sooner terminated or renewed as provided in this Lease.

4. RENT AND ADDITIONAL RENT

4.01 Additional Rent. All sums payable by Tenant under this Lease other than Monthly Base Rent shall be deemed "Additional Rent." The term "Rent" shall mean Monthly Base Rent and Additional Rent. Tenant shall commence paying Additional Rent on April 1, 2012. Landlord shall estimate in advance and charge to Tenant, Tenant's Share of the following costs, to be paid with the Monthly Base Rent, in installments, on a monthly basis throughout the Term: (i) all Real Property Taxes (as defined herein), (ii) all insurance premiums due with respect to the Building and the Parking Lot (as defined below) and (iii) all CAM Expenses (as defined herein). Collectively, the aforementioned Real Property Taxes, insurance and CAM Expenses shall be referred to as the "Total Operating Costs". Landlord's estimate of Tenant's Share of Total Operating Costs shall be paid by Tenant in equal monthly installments with Tenant's payment of Monthly Base Rent. Landlord may adjust its estimates of Total Operating Costs at any time based upon Landlord's experience and reasonable anticipation of costs. Such adjustments shall be effective as of the next Rent payment date after notice to Tenant. Within one hundred twenty (120) days after the end of each calendar year during the Term, Landlord shall deliver to Tenant a statement prepared in accordance with generally accepted accounting principles setting forth, in reasonable detail, the Total Operating Costs paid or incurred by Landlord during the preceding calendar year and Tenant's Share of such Total Operating Costs (the "Annual Statement"). Within thirty (30) days after Tenant's receipt of the Annual

Statement, there shall be an adjustment between Landlord and Tenant. If the actual amount of Tenant's Share of the Total Operating Costs for that calendar year exceed the monthly installment payments made by Tenant during that year, then Tenant shall pay the difference to Landlord within thirty (30) days of receipt of the Annual Statement. If the actual amount of Tenant's Share of the Total Operating Costs for that calendar year is less than the monthly installment payments made by Tenant during that year, then Landlord shall credit the difference to the monthly installment(s) next due from Tenant or if the Term has ended, pay the difference to Tenant within thirty (30) days after Landlord's delay of the Annual Statement. Tenant's share of Total Operating Costs for partial years shall be pro-rated.

4.02 Payment of Rent. Tenant shall pay to Landlord, or such other person or entity or at such other place as Landlord may from time to time direct in writing, all amounts due Landlord from Tenant hereunder, including, without limitation, Monthly Base Rent and Additional Rent. Except as specifically provided in this Lease, Rent shall be paid without abatement, deduction or setoff of any kind, it being the intention of the parties that, to the full extent permitted by law, Tenant's covenant to pay Rent shall be independent of all other covenants contained in this Lease, including Tenant's continued occupancy of the Premises. Tenant's obligation hereunder to pay Rent accruing during the Term (whether or not the amount thereof is determined or determinable as of the date of termination or expiration of this Lease) shall survive the termination of this Lease.

4.03 Payment of Rent. Rent shall be payable, in advance, on the first day of each calendar month during the Term. If the Term commences on a day other than the first day of a calendar month, then Rent for such month will be prorated on a per diem basis based on the actual number of days in that month.

4.04 Real Property Taxes. Tenant shall pay Tenant's Share of Real Property Taxes (as defined herein) on the Building payable during the special assessments Term. Tenant shall make such payments in accordance with this Section 4.

4.05 Definition of "Real Property Tax". "Real Property Tax" shall mean taxes, assessments (special, betterment, or otherwise), levies, fees, rent taxes, excises, impositions, charges, BID fees, water and sewer rents and charges, and all other government levies and charges, general and special, ordinary and extraordinary, foreseen and unforeseen, which are imposed or levied upon or assessed against the Building. Real Property Tax shall include Landlord's reasonable costs and expenses of contesting any Real Property Tax. If at any time during the Term the present system of ad valorem taxation of real property shall be changed so that in lieu of the whole or any part of the ad valorem tax on real property, or in lieu of increases therein, there shall be assessed on Landlord a capital levy or other tax on the gross rents received with respect to the Building or a federal, state, county, municipal, or other local income, franchise, excise or similar tax, assessment, levy, or charge (distinct from any now in effect) measured by or based, in whole or in part, upon gross rents, then all of such taxes, assessments, levies, or charges, to the extent so measured or based, shall be deemed to be a Real Property Tax. Notwithstanding any provision in this Section 4.05 to the contrary, if any Real Property Tax (including without limitation special assessments levied on the Building) is payable over time in installments, then only the installments due for a specific calendar year shall be included in the Real Estate Tax from that calendar year.

4.06 Personal Property Taxes. Tenant shall pay directly all taxes charged against trade fixtures, furnishings, equipment, inventory, or any other personal property belonging to Tenant. Tenant shall use its best efforts to have personal property taxed separately from the Building. If any of Tenant's personal property shall be taxed with the Building, Tenant shall pay Landlord the taxes for such personal property within fifteen (15) days after Tenant receives a written statement from Landlord for such personal property taxes.

4.07 Common Area Maintenance Expenses. Common area maintenance expenses ("CAM Expenses") are all costs and expenses associated with the operation and maintenance of the Common Areas (as defined herein) of the Building and the repair and maintenance of the heating, ventilation, air conditioning, plumbing, electrical, utility and safety systems (to the extent not performed by Tenant), including, but not limited to, the following: gardening and landscaping; snow removal; utility, water and sewage services for the common areas; maintenance of signs (other than tenants' signs); worker's compensation insurance; personal property taxes; reasonable rentals or lease payments paid by Landlord for rented or leased personal property used in the operation or maintenance of the Common Areas; fees for required licenses and permits routine maintenance and repair of roof membrane, flashings, gutters, downspouts, roof drains, maintenance of paving for the lot utilized by Tenant, (including sweeping, striping, repairing, resurfacing and repaving); general maintenance; painting; lighting; cleaning; refuse removal; security and similar items; reasonable reserves for roof replacement (not to exceed 2% of all other CAM Expenses), exterior painting; and a property management fee (not to exceed 15% of CAM Expenses before the property management fee). Landlord may cause any or all of such services to be provided by third parties and the cost of such services shall be included in CAM Expenses. CAM Expenses shall not include: (a) the cost of capital repairs and replacements, provided, however, that the annual depreciation (based on the useful life of the item under generally accepted accounting principles) of any such capital repair or replacement to the Common Areas or the heating, ventilating, air-conditioning, plumbing, electrical, utility and safety systems serving the Property, shall be included in the CAM Expenses each year during the Term; and (b) the cost of capital improvements, provided, however, that the annual depreciation (based on the useful life of the item under generally accepted accounting principles) of any capital improvement undertaken to reduce CAM Expenses or made in order to comply with legal requirements shall be included in CAM Expenses each year during the Term. As used in this Lease, "Common Areas" shall mean all areas within the Building which are available for the common use of tenants of the Building and which are not leased or held for the exclusive use of Tenant or other tenants, including, but not limited to, parking areas, driveways, sidewalks, access roads, landscaping, and planted areas.

5. USE OF PREMISES

5.01 Quiet Enjoyment. Tenant shall not commit, or suffer to be committed, any annoyance, waste, nuisance, act or thing against public policy, or which may disturb the quiet enjoyment of Landlord or any other tenant or occupant of the Building. Tenant agrees not to deface or damage the Building in any manner.

5.02 Separate Entrance. The Premises shall have a separate entrance so Tenant shall not be restricted as to its business hours at the Building; provided, however, Tenant shall at all times comply with all applicable municipal regulations. Landlord shall not, at anytime during the Term, undertake or complete any work at or reconfiguration or restructuring of the Building that will in any way interfere with or change the access to the Premises as configured on the Commencement Date.

6. RULES AND REGULATIONS

6.01 Rules and Regulations. Tenant agrees to observe the reservations and rights reserved to Landlord in this Lease. Tenant shall comply, and shall cause its employees, agents, clients, customers, guests and invitees to comply, with the reasonable rules and regulations adopted by Landlord during the Term and applied generally to all tenants of the Building. Any violation by Tenant or any of its employees, agents, clients, customers, guests or invitees of any of the rules and regulations so adopted by Landlord shall be a default by Tenant under this Lease and may be restrained by court injunction; but whether or not so restrained, Tenant acknowledges and agrees that it shall be and remain liable for all damages, loss, costs and expense resulting from any violation by Tenant or such other persons of any of said rules and regulations. Landlord shall reasonably attempt to enforce all rules and regulations against all other tenants in the Building.

6.02 Use of Premises. Tenant shall use the Premises only for (a) the retail sale of quality soft goods, hard goods and food service products, (b) accessories and merchandise related thereto and (c) any and all other products and merchandise of the type and nature sold, from time to time, at the other Duluth Trading Company stores or through the Duluth Trading Company at the log or Web Site. Tenant shall operate its business under the name of Duluth Trading Company and under no other name, and for no other purpose except as stated herein. The use of the Premises shall be in full compliance with all laws, ordinances, rules and regulations of all public authorities having jurisdiction over the Premises. No auction, distress, fire, bankruptcy, or liquidation, or any similar type of sale shall be conducted on the Premises, nor shall Tenant use any advertising medium that shall be a nuisance to Landlord or other tenants such as loudspeakers, or radio broadcasts in a manner so as to be heard outside the Premises. Tenant may display and sell merchandise on the sidewalk outside the building provided Tenant's displays do not interfere with other tenants and their guests' use of the Building. Tenant shall be allowed to place tables on the deck provided access to the deck is not unreasonably restricted by such tables. During the Term of this Lease, Tenant agrees to take all means necessary to prevent any manner of operation or use of the Premises not in accordance with good business standards, including, without limitation, the use of the Premises for solicitation, demonstrations, itinerant vending, or any operation, use, or activity that would interfere with the performance or observance of this Lease or the rights referred to herein or the rights of other tenants in the Building. Tenant shall at all times operate its business in a reputable and first-class manner so as not to injure the reputation of Building and shall employ sufficient personnel to assure a successful operation from the Premises.

7. SERVICES PROVIDED

7.01 Utilities. Tenant acknowledges that Tenant shall be responsible for paying all separately metered or sub-metered utilities used within the Premises, including, but not limited to, natural gas, electric, water and sewer. Tenant shall directly pay to the applicable utility all costs and expenses associated with such utilities. Tenant shall also arrange for and pay for all janitorial and trash removal services for the Premises.

7.02 Data Systems. Tenant acknowledges that Tenant shall be responsible for making arrangements for and shall pay the cost of the installation, repair and maintenance of its own telephone and data systems. At no time shall Tenant permit the use of electricity consumed in the Premises to exceed the capacity of feeders to the Building or the risers or wiring installation.

8. LEASEHOLD IMPROVEMENTS; ALTERATIONS

8.01 Alterations and Tenant's Initial Build-Out.

(a) Tenant shall not, without Landlord's prior written consent (which consent will not be unreasonably withheld, conditioned or delayed), permit any material alteration, improvement, addition or installation in or to the Premises (all of which is collectively referred to as "Tenant's Work"). Tenant shall pay the cost of preparation of the plans for Tenant's Work, all permit fees and the fees of said contractors and subcontractors. Before commencement of any Tenant's Work or delivery of any materials into the Premises or the Building, Tenant shall furnish to Landlord, for Landlord's prior written consent (which consent will not be unreasonably withheld, conditioned or delayed), architectural plans and specifications certified by a licensed architect or engineer reasonably acceptable to Landlord, and such other documentation as Landlord shall reasonably request. Tenant agrees to hold Landlord, its beneficiaries and their respective agents, partners, officers, servants and employees forever harmless against all claims and liabilities of every kind, nature and description which may arise out of or in any way be connected with any such Work. All alterations, improvements, additions and installations to or in the Premises shall become part of the Premises at the time of installations. All of Tenant's Work and Tenant's alterations under this Lease shall be undertaken and completed in a first class, high quality manner, by experienced contractors using high-quality materials, in accordance with standards of quality seen in similar retail buildings in the Milwaukee metropolitan market. Without limiting the foregoing, Tenant shall have the right, at Tenant's expense, and prior to July 1, 2012, to construct and reconstruct the exterior of the Building and the exterior signage in a manner acceptable to Landlord, Tenant and to the City of Port Washington (the "City"), all in accordance with the provisions of this Section 8.01(a).

(b) From and after the Commencement Date, Tenant shall "build-out" the Tenant improvements and the Premises in the manner described on **Exhibit C**. Landlord hereby approves and consents to Tenant's "build-out" plans, as described on **Exhibit C**.

8.02 Payment by Landlord, Letter of Credit and Non-Disturbance.

(a) Upon the completion of Tenant's Work needed to prepare the Premises for opening, but in no event later than October 1, 2012, Landlord shall reimburse Tenant for up to $105,000 spent by Tenant for Tenant's Work on the interior of the Premises under this Lease and up to $20,000 spent by Tenant for Tenant's Work on the exterior of the Premises under this Lease. If Tenant has not completed Tenant's Work on or before October 1, 2012, Landlord shall reimburse Tenant in accordance with the previous sentence on the date Tenant's Work is completed.

(b) Simultaneously with the execution of this Lease, Landlord shall deposit $125,000 in cash with Knight-Barry Title Insurance Company, Inc. in accordance with the Escrow Agreement attached hereto as **Exhibit D**.

(c) Simultaneously with the execution of this Lease, Landlord shall provide Tenant with a Non-Disturbance Agreement (each a "Non-Disturbance Agreement") from each and every party that has been granted a mortgage on the Building. The form and substance of each such Non-Disturbance Agreement shall be acceptable to Tenant in Tenant's reasonable discretion, provided however, each Non-Disturbance Agreement shall provide (i) that so long as Tenant is not in default under the Lease beyond any applicable notice and cure period, Tenant's use, occupancy and enjoyment of the Premises and the Building shall not be disturbed, and (ii) that the Non-Disturbance Agreement will be binding on the mortgagee and the mortgagee's successors and assigns.

8.03 Trade Fixtures. Subject to the rules and regulations, Tenant, at any time Tenant is not in Default hereunder, may remove from the Premises its movable trade fixtures and personal property. Tenant shall repair any damage to the Premises caused by such removal, failing which Landlord may remove the same and repair the Premises and Tenant shall pay the cost thereof to Landlord on demand.

9. CONDITION OF PREMISES

9.01 Condition of Premises.

(a) Landlord represents and warrants that, to the best of Landlord's knowledge, the Building and the Premises, including, the structural, mechanical, electrical, plumbing and HVAC systems and the roof (collectively, the "Building Systems") are in good working condition and comply with all applicable codes and regulatory requirements including the American With Disabilities Act and State accessibility codes (together, the "ADA"). Landlord represents and warrants that, to the best of Landlord's knowledge, neither the Building nor the Premises is in violation of any Environmental Laws (as defined in Section 27 below) or any rules or regulations promulgated under the Environmental Laws. No agreements or representations, except such as are expressly contained herein, have been made to Tenant respecting the condition of the Premises.

(b) Landlord's Work is described on **Exhibit B**, attached hereto and made a part hereof.

(c) Those components of Landlord's Work described in Sections 2.1 - 2.4 of **Exhibit B** are referred to herein as "Landlord's Initial Work."

(i) Prior to the Commencement Date, Landlord shall commence Landlord's Initial Work. Landlord shall complete Landlord's Initial Work by March 1, 2012. If Landlord does not complete Landlord's Initial Work by March 15, 2012, then (in addition to all other Monthly Base Rent abatements and Monthly Base Rent credits provided for in this Lease) Tenant shall receive two (2) days abatement of Monthly Base Rent for every one (1) day between March 15, 2012, and the completion of Landlord's Initial Work.

(ii) Notwithstanding any other provision in this Lease to the contrary, if Landlord does not complete Landlord's Initial Work by May 15, 2012, then Tenant shall have the right, but not the obligation, to terminate this Lease by delivery of written notice of termination to Landlord, in which event this Lease shall terminate and neither party will have any further obligations hereunder.

(iii) All of Landlord's Initial Work shall be undertaken and completed in a first class, high quality manner, by experienced contractors using high-quality materials, in accordance with standards of quality seen in similar retail buildings in the Milwaukee metropolitan market. After completion of Landlord's Initial Work, and the completion of all "punch-list items," Tenant shall, accept possession of the Premises, and said acceptance shall be deemed to be Tenant's acceptance of Landlord's Initial Work.

(d) Those components of Landlord's Work described in Sections 2.5 and 2.6 of **Exhibit B** are referred to herein as "Landlord's Subsequent Work."

(i) Landlord shall complete Landlord's Subsequent Work by August 1, 2012. If Landlord does not complete Landlord's Subsequent Work by August 15, 2012, then (in addition to all other Monthly Base Rent abatements and Monthly Base Rent credits provided for in this Lease) Tenant shall receive two (2) days abatement of Monthly Base Rent for every one (1) day between August 15, 2012, and the completion of Landlord's Subsequent Work.

(ii) Notwithstanding any other provision in this Lease to the contrary, if Landlord does not complete Landlord's Subsequent Work by August 31, 2012, then Tenant shall have the right, but not the obligation, to terminate this Lease by delivery of written notice of termination to Landlord, in which event this Lease shall terminate and neither party will have any further obligations hereunder.

(iii) All of Landlord's Subsequent Work shall be undertaken and completed in a first class, high quality manner, by experienced contractors using high-quality materials, in accordance with standards of quality seen in similar retail buildings in the Milwaukee metropolitan market. After completion of Landlord's Subsequent Work, and the completion of all "punch-list items," Tenant shall accept Landlord's Subsequent Work.

9.02 Maintenance by Tenant. Tenant shall, at its sole cost and expense, make all repairs and replacements not made by Landlord pursuant to Section 9.03. Tenant shall, at its sole cost and expense, keep the Premises clean and safe and in as good repair and condition as when all of the work described in the Work Letter was completed (or as to subsequent Work, as and when such Work was completed) and shall promptly and adequately repair and replace, as

applicable, all damage to the Premises and the Building caused by Tenant or any of its employees, agents, guests or invitees, including replacing or repairing all damaged or broken glass, fixtures and appurtenances resulting from any such damage, under the supervision and with the approval of Landlord. If Tenant does not promptly and adequately make the repairs or replacements, Landlord may, but need not, make the repairs and replacements and Tenant shall pay Landlord the cost thereof on demand.

9.03 Maintenance by Landlord. Landlord shall be obligated to maintain and make necessary repairs and replacements to the structural elements of the Building, the exterior windows of the Building, the roof of the Building, all HVAC systems servicing the Building, the public corridors and lobby of the Building, the foundation of the Building and all electrical and plumbing facilities in or servicing the Building. Without limiting the provisions of the preceding sentence, Landlord shall maintain, repair and replace the HVAC system which serves the Premises. The cost of maintaining and repairing the HVAC system which services the Premises shall be paid exclusively by Tenant and billed back to Tenant as a CAM Expense. In addition, pursuant to Section 28.07 below, Landlord shall comply with Landlord's insurance, repair and maintenance obligations for the Parking Lot under the Parking Lot Agreement.

9.04 Signage. Landlord and Tenant shall mutually agree upon the location and design of Tenant's signage and Tenant's other exterior elements to the Building. Landlord's consent to said location and design shall not be unreasonably withheld, conditioned or delayed. All signage and exterior design elements shall be subject to the approval of the City and any other applicable authority. Landlord shall, at Tenant's expense, support all of Tenant's applications for signage with the City. Landlord shall cooperate and support Tenant's effort for alterations to the Building for access and delivery of items to the Premises and the location of the Tenant's trash receptacles and "dumpster corrals."

10. SURRENDER

10.01 Surrender. At the termination of this Lease, by lapse of time or otherwise, Tenant shall surrender possession of the Premises to Landlord and deliver all keys to the Premises and all locks therein to Landlord and make known to Landlord the combination of all combination locks in the Premises, and shall return the Premises and all equipment and fixtures of Landlord therein to Landlord in broom clean condition and in as good condition as when Tenant originally took possession, ordinary wear and tear excepted, failing which Landlord may restore the Premises and such equipment and fixtures to such condition and Tenant shall pay the reasonable cost thereof to Landlord on demand.

10.02 Alterations. Upon termination of this Lease or of Tenant's right to possession of the Premises, by lapse of time or otherwise, all installations, additions, partitions, hardware, light fixtures, floor coverings, non-trade fixtures and improvements, temporary or permanent, whether placed there by Tenant or Landlord, shall be Landlord's property and shall remain upon the Premises, all without compensation, allowance or credit to Tenant; provided, however, that if prior to any such termination or within thirty (30) days thereafter Landlord so directs by notice, Tenant, at Tenant's sole expense, shall promptly remove such of the installations, additions, partitions, hardware, light fixtures, floor coverings, non-trade fixtures and improvements in or to the Premises by or on behalf of Tenant as are designated in such notice and repair any damage to the Premises caused by such removal, failing which Landlord may remove the same and repair the Premises, and Tenant shall pay the reasonable cost thereof to Landlord on demand.

10.03 Survival. All obligations of Tenant under this Section 10 shall survive the termination of this Lease, by lapse of time or otherwise.

11. DAMAGE OR DESTRUCTION

11.01 Extent of Damage. If, during the Term, more than twenty-five percent (25%) of the Building is damaged or made untenantable by fire or other casualty, cause, condition or thing whatsoever, Landlord may, by written notice to Tenant given within sixty (60) days after such damage, terminate this Lease. Such termination shall become effective as of the date of such damage if the Premises are substantially untenantable, otherwise as of the date thirty (30) days following the service of such notice of termination of this Lease. Unless this Lease is terminated, if the Premises are made partially or wholly untenantable as aforesaid, Landlord, subject to the provisions of this Section 11, shall restore the same at Landlord's expense with reasonable promptness. If, as a result of a fire or other casualty, the Premises are made partially or wholly untenantable, and if Landlord fails to commence such restoration within ninety (90) days after Landlord is able to take possession of the damaged space in the Premises or fails to reasonably diligently complete the restoration of the Premises, Tenant may terminate this Lease by giving notice thereof to Landlord (i) not later than one hundred twenty (120) days after Landlord is able to take possession if Landlord has not theretofore commenced such restoration or (ii) prior to the substantial completion of such restoration, if Landlord commences such restoration within said ninety (90) day period, but fails to reasonably diligently complete the restoration of the Premises, and such termination shall be effective as of the fifth (5th) day after receipt of said notice by Landlord. In the event of termination of this Lease, Monthly Base Rent and Additional Rent shall be prorated on a per diem basis and paid only to the effective date of such termination. If all of the Premises are untenantable but this Lease is not terminated, all Rent shall abate from the date of the fire or other casualty until the Premises are ready for occupancy and reasonably accessible to Tenant. If part of the Premises is untenantable, Rent shall be prorated on a per diem basis and apportioned in accordance with the part of the Premises which is usable by Tenant until the damaged part is ready for Tenant's occupancy. In all cases, with respect to Landlord's obligations under this Section 11, such obligations shall be adjusted and all time periods extended by the period on account of delay caused by adjustment of insurance loss, strikes, governmental approvals, labor difficulties or any cause beyond Landlord's reasonable control.

11.02 Tenant Repairs. If Landlord repairs and restores the Premises as provided in Section 11.01 above, Landlord shall repair or restore any decorations (excluding personal property), alterations or improvements to the Premises installed or approved by Landlord. Tenant shall be responsible for repair and replacement of trade fixtures, furnishings, equipment, personal property or leasehold improvements belonging to Tenant.

12. EMINENT DOMAIN

12.01 Termination of Lease. In the event that the whole or a substantial part of the Premises shall be condemned or taken in any manner for any public or quasi-public use (or sold under threat of such taking), and as a result thereof, the remainder of the Premises cannot be used for the same purpose as prior to such taking, the Lease shall terminate as of the date possession is taken.

12.02 Partial Condemnation of Premises. If less than a substantial part of the Premises shall be so condemned or taken (or sold under threat thereof) and after such taking the Premises can be used for the same purposes as prior thereto, the Lease shall cease only as to the part so taken as of the date possession shall be taken by such authority, and Tenant shall pay full Rent up to that date (with appropriate refund by Landlord of such Rent attributable to the part so taken as may have been paid in advance for any period subsequent to the date possession is taken) and thereafter Monthly Base Rent and Additional Rent shall be equitably adjusted to reflect the reduction in the Premises by reason of such taking. Landlord shall, at its expense, make all necessary repairs or alterations to the Building so as to constitute the remaining Premises a complete architectural unit, provided that Landlord shall not be obligated to undertake any such repairs or alterations if the cost thereof exceeds the award resulting from such taking.

12.03 Partial Condemnation of Building. If part of the Building shall be so condemned or taken (or sold under threat thereof), or if any adjacent property or street shall be condemned or improved by a public or quasi-public authority in such a manner as to alter the use of any part of the Premises or the Building and, in the opinion of Landlord, the Building or any part thereof should be altered, demolished or restored in such a way as to materially alter the Premises, Landlord may terminate this Lease by notifying Tenant of such termination within sixty (60) days following the taking of possession by such public or quasi-public authority, and this Lease shall expire on the date specified in the notice of termination, which shall be not less than sixty (60) days after the giving of such notice, as fully and completely as if such date were the date hereinbefore set forth as the expiration of the Term, and the Monthly Base Rent and Additional Rent hereunder shall be apportioned as of such date.

12.04 Award. Landlord shall be entitled to receive the entire award normally given to property owners, including the damages for the property taken and damages to the remainder, with respect to any condemnation proceedings affecting the Building. Tenant agrees not to make any claim against Landlord or the condemning authority for any portion of the award normally given to property owners, Tenant shall have the right to pursue and receive an award of the type generally given to tenants of buildings subject to condemnation or eminent domain.

13. INDEMNIFICATION

13.01 Indemnification by Tenant. To the extent not expressly prohibited by law, Tenant agrees to hold harmless and indemnify Landlord, its partners, all Mortgagees and all of their respective agents, beneficiaries, partners, officers and employees, against claims and liabilities, including reasonable attorneys' fees (but only to the extent said claims and liabilities are not cured by the acts or omissions of Landlord or Landlord's contractors, employees or agents), for injuries to all persons and damage to or theft or misappropriation or loss of property occurring in or about the Premises arising from Tenant's occupancy of the Premises or the conduct of its business, or from activity, work, or thing done, permitted or suffered by Tenant, its employees, agents, guests or invitees in or about the Premises, or from any breach or default on

the part of Tenant in the performance of any covenant or agreement on the part of Tenant to be performed pursuant to the terms of this Lease or due to any other act or omission of Tenant, its agents or employees. Landlord may, at its option, repair such damage or replace such loss, and Tenant shall upon demand by Landlord reimburse Landlord for the costs of such repairs, replacement and damages in excess of amounts, if any, paid to Landlord under insurance covering such damages. In the event any action or proceeding is brought against Landlord, its partners, any Mortgagee or any of their respective agents, beneficiaries, partners, officers or employees by reason of any such claims, then, upon notice from Landlord, Tenant covenants to defend such action or proceeding by counsel reasonably satisfactory to Landlord.

13.02 Indemnification by Landlord. To the extent not expressly prohibited by law, Landlord agrees to hold harmless and indemnify Tenant and all of Tenant's agents, beneficiaries, partners, officers and employees, against claims and liabilities, including reasonable attorneys' fees (but only to the extent said claims and liabilities are not caused by the acts or omissions of Tenant or Tenant's contractors, employees or agents), from any breach or default on the part of Landlord in the performance of any covenant or agreement on the part of Landlord to be performed pursuant to the terms of this Lease or due to any other act or omission of Landlord, its agents or employees. Tenant may, at its option, repair such damage or replace such loss, and Landlord shall upon demand by Tenant reimburse Tenant for the costs of such repairs, replacement and damages in excess of amounts, if any, paid to Tenant under insurance covering such damages. In the event any action or proceeding is brought against Tenant or Tenant's agents, beneficiaries, partners, officers or employees by reason of any such claims, then, upon notice from Tenant, Landlord covenants to defend such action or proceeding by counsel reasonably satisfactory to Tenant.

13.03 Damage to Building. If any damage to the Building or any equipment or appurtenance therein, whether belonging to Landlord or to other tenants in the Building, results from any act or neglect of Tenant, its agents, employees, guests or invitees, Tenant shall be liable therefor and Landlord may, at Landlord's option, repair such damage, and Tenant shall, upon demand by Landlord, reimburse Landlord the total cost of such repairs and damages to the Building. If Landlord elects not to repair such damage, Tenant shall promptly repair such damages at its own cost. If Tenant occupies space in which there is exterior glass, then Tenant shall be responsible for the damage, breakage or repair of such glass, except to the extent such loss or damage is recoverable under Landlord's insurance, if any.

14. INSURANCE; WAIVER OF SUBROGATION

14.01 Tenant's Insurance. Tenant shall procure and maintain at its own cost policies of commercial general public liability and property damage insurance with contractual liability coverage for the agreements of indemnity provided for under this Lease and a broad form general liability endorsement to afford protection with such limits as may be reasonably requested by Landlord from time to time (which as of the date hereof shall be not less than $2,000,000 under a combined single limit of coverage) insuring Landlord and its respective agents, members, officers, and employees and Tenant from all claims, demands or action for injury to or death of any person or persons and for damage to property made by, or on behalf of, any person or persons, firm or corporation, arising from, related to or connected with the Premises. The insurance shall be issued by companies and be in form and substance satisfactory

to Landlord and any Mortgagee of the Building and shall include Landlord, and any Mortgagee as additional insureds. The aforesaid insurance policies shall provide that they shall not be subject to cancellation except after at least thirty (30) days' prior written notice to Landlord and all such Mortgagees (unless such cancellation is due to non-payment of premiums, in which event ten (10) days' prior written notice shall be required). Certificates of insurance policies shall be delivered to Landlord prior to the commencement of the Term and renewals thereof not less than thirty (30) days prior to the end of the term of each such coverage.

14.02 Casualty. Tenant shall carry insurance of the type typically referred to as "all risk" insurance, including water damage, insuring its interest in the Tenant improvements in the Premises (to the extent not covered by Landlord's property insurance) and its interest in all its personal property and trade fixtures located on or within the Building, without limitation, its office furniture, equipment and supplies.

14.03 Waiver. Notwithstanding any other provision of this Lease to the contrary, Landlord and Tenant each hereby waive all rights of action against the other for loss or damage to the Premises, or the Building and property of Landlord and Tenant in the Building, which loss or damage is insured or is required pursuant to this Lease to be insured by valid and collectible insurance policies to the extent of the proceeds collected or collectible under such insurance policies, subject to the condition that this waiver shall be effective only when the waiver is permitted by such insurance policies or when, by the use of good faith effort, such waiver could have been permitted in the applicable insurance policies. The policies of insurance required to be maintained by Tenant under the terms of this Lease shall contain waiver of subrogation clauses in form and content satisfactory to Landlord.

14.04 Increase of Insurance Rates. Tenant shall not conduct or permit to be conducted by its employees, agents, guests or invitees any activity, or place any equipment in or about the Premises or the Building that will in any way increase the cost of fire insurance or other insurance on the Building. If any increase in the cost of fire insurance or other insurance is stated by any insurance company or by the applicable Insurance Rating Bureau, if any, to be due to any activity or equipment of Tenant in or about the Premises or the Building, such statement shall be conclusive evidence that the increase in such cost is due to such activity or equipment and, as a result thereof, Tenant shall be liable for the amount of such increase. Tenant shall reimburse Landlord for such amount upon written demand from Landlord and any such sums shall be considered Additional Rent payable hereunder. Tenant, at its sole expense, shall comply with any and all requirements of any insurance organization or company necessary for the maintenance of reasonable fire and public liability insurance covering the Premises and the Building.

14.05 Landlord's Insurance. Landlord shall procure and maintain at Landlord's own cost (i) policies of commercial general public liability with respect to all claims, demands or action for injury to or death of any person or persons and for damage to property and (ii) casualty insurance covering the Building for loss or damage by fire or other casualty in an amount equal to the full replacement value of the Building. The cost for the insurance maintained by Landlord pursuant to this Section 14.05 shall be included in the Total Operating Costs.

15. LANDLORD'S RIGHT OF ACCESS

15.01 Landlord Access. Landlord and its contractors and representatives shall have the right to enter the Premises at all reasonable times to and upon 24 hour notice (except in the case of emergencies), to inspect the same, to make repairs, alterations and improvements, to maintain the Premises and the Building, specifically including, but without limiting the generality of the foregoing, to make repairs, additions or alterations within the Premises to mechanical, electrical and other facilities serving other premises in the Building, to post such reasonable notices as Landlord may desire to protect its rights, to exhibit the Premises to Mortgagees and purchasers, and, during the one hundred eighty (180) days prior to the expiration of the Term, to exhibit the Premises to prospective tenants. In the event the Premises are vacant, Landlord may place upon the doors or in the windows of the Premises any usual or ordinary "To Let", "To Lease", or "For Rent" signs. Tenant shall permit Landlord to erect, use, maintain and repair pipes, cables, conduit, plumbing, vents, ducts and wires, in, to and through the Premises to the extent Landlord may now or hereafter deem necessary or appropriate for the property operation, maintenance and repair of the Building and any portion of the Premises.

15.02 Minimize Interference. In exercising its rights under this Section 15, Landlord will use reasonable efforts to minimize any interference with Tenant's use or occupancy of the Premises, provided that Landlord will not be obligated to provide overtime labor or perform work after regular Building hours.

16. RIGHTS RESERVED TO LANDLORD

16.01 Rights of Landlord. Landlord shall have the following rights, exercisable without notice and without liability to Tenant for damage or injury to property, person or business (all claims for damage being hereby waived and released by Tenant) and without effecting an eviction or disturbance of Tenant's use or possession or giving rise to any claim for set-offs or abatement of Rent:

(a) To change the name or street address of the Building or the suite number of the Premises;

(b) To install and maintain signs on the exterior and interior of the Building, provided no such sign interfere with Tenant's signage or Tenant's exterior design elements to the Building;

(c) To have keys to the Premises;

(d) To grant to anyone the exclusive right to conduct an office, hotel, or residential use or a first class, high quality retail business in the Building, provided such exclusive right shall not operate to exclude Tenant from the use expressly permitted by this Lease. No space in the Building shall be used for any purposes other that provided for in the preceding sentence, and no space in the Building shall be used for adult services or adult material;

(e) To make reasonable repairs, additions or alterations to the Building provided no such repairs, additions or alterations shall modify, change or reduce the size or access to the Premises or the Common Areas.

17. TRANSFER OF LANDLORD'S INTEREST; LIABILITY OF LANDLORD

17.01 Transfer of Landlord's Interest. Subject to Section 30.03 below, upon any sale, assignment or transfer of the Building by Landlord, other than merely as security, provided the purchaser, assignee or transferee agrees to abide by the provisions of this Lease, Tenant agrees to look solely to the purchaser, assignee or transferee with respect to all matters in connection with this Lease and the transferor Landlord shall be released from any further obligations hereunder.

18. TRANSFER OF TENANT'S INTEREST

18.01 Transfer of Tenant's Interest. Tenant shall not sell, assign, encumber, mortgage or transfer this Lease or any interest therein, sublet or permit the occupancy or use by others of the Premises or any part thereof, or allow any transfer hereof or any lien upon Tenant's interest by operation of law or otherwise (collectively, a "Transfer") without the prior written consent of Landlord, which consent will not be unreasonably withheld, conditioned or delayed. Any Transfer which is not in compliance with the provisions of this Section 18, shall, at the option of Landlord, be void and of no force or effect.

18.02 Bankruptcy Assignment. If Tenant individually, or as debtor or debtor in possession or if a trustee in bankruptcy acting on behalf of Tenant pursuant to the Bankruptcy Code, 11 U.S.C. 101 et seq., shall sublet or assign the Premises or any part thereof or assign any interest in this Lease at a rental rate (or additional consideration) in excess of the then current Monthly Base Rent and Additional Rent per rentable square foot, 50% of said excess Rent (or additional consideration) shall be and become the property of Landlord and shall be paid to Landlord as it is received by Tenant. If Tenant shall sublet the Premises or any part thereof, Tenant shall be responsible for all actions and neglect of the subtenant and its officers, members, employees, agents, guests and invitees as if such subtenant and such persons were employees of Tenant. Nothing in this Section 18.02 shall be construed to relieve Tenant from the obligation to obtain Landlord's prior written consent to any proposed sublease or assignment.

18.03 Liability. The consent by Landlord to any Transfer shall not be construed as a waiver or release of Tenant from liability for the performance of all covenants and obligations to be performed by Tenant under this Lease, and Tenant shall remain liable therefor, nor shall the collection or acceptance of Rent from any assignee, subtenant or occupant constitute a waiver or release of Tenant from any of its obligations or liabilities under this Lease. Any consent given pursuant to this Section 18 shall not be construed as relieving Tenant from the obligation of obtaining Landlord's prior written consent to any subsequent assignment or subletting.

18.04 Voluntary Assignment. A withdrawal or change, whether voluntary, involuntary or by operation of law or in one or more transactions, of members owning a controlling interest in Tenant shall be deemed a voluntary assignment of this Lease and subject to the provisions of this Section 18. Neither this Lease nor any interest herein nor any estate created thereby shall pass by operation of law or otherwise to any trustee, custodian or receiver in bankruptcy of Tenant or any assignee for the assignment of the benefit of creditors of Tenant.

19. DEFAULT: LANDLORD'S RIGHTS AND REMEDIES

19.01 Default. The occurrence of any one or more of the following matters constitutes a default ("Default") by Tenant under this Lease:

(a) Failure by Tenant to pay, within five (5) days after the due date, any Rent or any other amounts due and payable by Tenant under this Lease;

(b) Failure by Tenant to cure forthwith, after notice thereof from Landlord or another tenant acquiring knowledge thereof, any hazardous condition that Tenant has created in violation of law or of this Lease;

(c) Failure by Tenant to observe or perform any covenant, agreement, condition or provision not identified in (a) or (b) above of this Lease, if such failure shall continue for thirty (30) days after written notice thereof to Tenant by Landlord (or provided Tenant is diligently pursuing a cure, such longer time as is reasonably necessary to effectuate the cure);

(d) The levy upon execution or the attachment by legal process of the leasehold interest of Tenant, or the filing or creation of a lien in respect of such leasehold interest;

(e) Tenant becomes insolvent or bankrupt or admits in writing its inability to pay its debts as they mature, makes an assignment for the benefit of creditors, or applies for or consents to the appointment of a trustee or receiver for itself or for all or a part of its property;

(f) Proceedings for the appointment of a trustee, custodian or receiver of Tenant or for all or a part of Tenant's property are filed against Tenant and are not dismissed within thirty (30) days;

(g) Proceedings in bankruptcy, or other proceedings for relief under any law for the relief of debtors, are instituted by or against Tenant, and, are not dismissed within sixty (60) days thereof;

(h) Tenant shall repeatedly default in the timely payment of Rent or any other charges required to be paid, or shall repeatedly default in keeping, observing or performing any other covenant, agreement, condition or provision of this Lease, whether or not Tenant shall timely cure any such payment or other default. For the purposes of this subsection, the occurrence of similar defaults three times during any twelve month period shall constitute a repeated default.

Any notice periods provided for under this Section 19 shall run concurrently with any statutory notice periods, and any notice given hereunder may be given simultaneously with or incorporated into any such statutory notice.

19.02 Remedies. If a Default occurs, Landlord shall have the following rights and remedies, which shall be distinct, separate and cumulative, and which may be exercised by Landlord concurrently or consecutively in any combination and which shall not operate to exclude or deprive Landlord of any other right or remedy which Landlord may have in law or equity:

(a) Landlord may terminate this Lease by giving to Tenant notice of Landlord's intention to do so, in which event the Term shall end, and all right, title and interest of Tenant hereunder shall expire, on the date stated in such notice;

(b) Landlord may terminate the right of Tenant to possession of the Premises without terminating this Lease by giving notice to Tenant that Tenant's right of possession shall end on the date stated in such notice, whereupon the right of Tenant to possession of the Premises or any part thereof shall cease on the date stated in such notice but Tenant's obligations under this Lease shall continue in full force and effect; and

(c) Landlord may enforce the provisions of this Lease and may enforce and protect the rights of Landlord hereunder by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained herein, or for the enforcement of any other appropriate legal or equitable remedy, including injunctive relief and recovery of all moneys due or to become due from Tenant under any of the provisions of this Lease.

19.03 Vacation of Premises. If Landlord exercises either of the remedies provided for in subparagraphs (a) and (b) of Section 19, Tenant shall surrender possession and vacate the Premises immediately and deliver possession thereof to Landlord, and Landlord may then, or at any time thereafter, re-enter and take complete and peaceful possession of the Premises, full and complete license so to do being granted to Landlord, and Landlord may remove all property therefrom, without being deemed in any manner guilty of trespass, eviction or forcible entry and detainer and without relinquishing Landlord's right to Rent or any other right even to Landlord hereunder or by operation of law.

19.04 Non-Release of Tenant. If Landlord terminates the right of tenant to possession of the Premises without terminating this Lease, such termination of possession shall not release Tenant, in whole or in part, from Tenant's obligation to pay the Rent hereunder for the full stated Term, and Landlord shall have the right to immediate recovery of all such amounts. Alternatively, at Landlord's option, Landlord shall have the right, from time to time, to recover from Tenant, and Tenant shall remain liable for, all Monthly Base Rent and Additional Rent and any other sums then due under this Lease during the period from the date of such notice of termination of possession to the end of the Term. Landlord may file suit from time to time to recover any such sums and no suit or recovery by Landlord of any such sums or portion thereof shall be a defense to any subsequent suit brought for any other sums due under this Lease. Alternatively, if Landlord elects to terminate this Lease, Landlord shall be entitled to recover from Tenant all Monthly Base Rent and Additional Rent accrued and unpaid for the period up to and including such termination date, as well as all other additional sums payable by Tenant hereunder. In addition, Landlord shall be entitled to recover, as damages for loss of the benefit of its bargain and not as a penalty, the sum of (x) the unamortized cost to Landlord, computed

and determined in accordance with generally accepted accounting principles, of any tenant improvements provided by Landlord at its expense, (y) the aggregate sum which at the time of such termination represents the excess, if any, of the present value of the aggregate Monthly Base Rent and Additional Rent (as reasonably estimated by Landlord) for the remainder of the Term over the then present value of the then aggregate fair rental value of the Premises for the balance of the Term, immediately prior to such termination, such present worth to be computed in each case on the basis of a three percent (3%) per annum discount from the respective dates upon which rentals would have been payable hereunder had the Term not been terminated, and (z) any damages in addition thereto, including reasonable attorneys' fees and court costs, which Landlord shall have sustained by reason of the breach of any of the covenants of this Lease other than for the payment of Rent.

19.05 Releasing. In the event Landlord terminates the right of Tenant to possession of the Premises without terminating this Lease as aforesaid, Landlord shall use commercially reasonable efforts to relet the Premises or any part thereof for the account of Tenant for such rent, for such time (which may be for a term extending beyond the Term) and upon such terms as Landlord in Landlord's sole discretion shall determine, and Landlord shall not be required to accept any tenant offered by Tenant or to observe any instructions given by tenant relative to such reletting and may give the leasing of any unleased space in the Building priority over the reletting of the Premises. Also, in any such event, Landlord may make repairs, alterations and additions in or to the Premises and redecorate the same to the extent deemed by Landlord necessary or desirable, and, in connection herewith, change the locks to the Premises, and Tenant shall upon demand pay the cost thereof together with Landlord's expenses of reletting. Landlord may collect the rents from any such reletting and apply the same first to the payment of the expenses of reentry, redecoration, repair and alterations and the expense of reletting (including without limitation brokers' commissions and attorneys' fees) and second to the payment of Rent herein provided to be paid by Tenant. Any excess or residue shall operate only as an offsetting credit against the amount of Rent as the same theretofore became or thereafter becomes due and payable hereunder, but the use of such offsetting credit to reduce the amount of Rent due Landlord, if any, shall not be deemed to give Tenant any right, title or interest in or to such excess or residue and any such excess or residue shall belong solely to Landlord. No such reentry or repossession, repairs, alterations and additions, or reletting shall be construed as an eviction or ouster of Tenant, an election on Landlord's part to terminate this Lease or an acceptance of a surrender of this Lease, unless a written notice of such intention be given to Tenant, or shall operate to release Tenant in whole or in part from any of Tenant's obligations hereunder. Landlord may, at any time and from time to time, sue and recover judgment for any deficiencies remaining after the application of the proceeds of any such reletting.

19.06 Removal Property. All property removed from the Premises by Landlord pursuant to any provisions of this Lease or of law shall be handled, removed or stored by Landlord at the cost, expense and risk of Tenant, and Landlord shall in no event be responsible for the value, preservation or safekeeping thereof. Tenant shall pay Landlord upon demand for all expenses incurred by Landlord in such removal and storage.

19.07 Attorney's Fees. Tenant shall pay all costs, charges and expenses, including court costs and reasonable attorneys' fees incurred by Landlord in enforcing Tenant's obligations under this Lease, in the exercise by Landlord of any of its remedies in the event of a default, in

any litigation, negotiations or transactions in which Tenant causes Landlord, without Landlord's fault, to become involved or concerned, or in consideration of any request for approval of or consent to any action by Tenant which is prohibited by this Lease or which may be done only with Landlord's approval or consent, whether or not such approval or consent is given.

19.08 Remedies Cumulative. All of Landlord's rights and remedies under this Lease shall be cumulative with and in addition to any and all rights and remedies which Landlord may have at law or equity. Any specific remedy provided for in any provision of this Lease shall not preclude the concurrent or consecutive exercise of a remedy provided for in any other provision hereof.

19.09 Default by Landlord. If Landlord fails to observe or perform any covenant, agreement, condition or provision of this Lease and said failure shall continue for thirty (30) days after written notice thereof to Landlord by Tenant (or provided Landlord is diligently pursuing a cure, such longer time as is reasonably necessary to effectuate a cure), then Landlord shall be in default under this Lease and Tenant shall, at Tenant's option, have the right to (a) cure Landlord's default at Tenant's expense and charge Landlord for the cost of the cure, and if Landlord does not reimburse Tenant for the cost of the cure within thirty (30) days after Landlord's receipt of a written invoice that reasonably documents Tenant's costs to cure Landlord's default, Tenant shall have the right, with notice to Landlord, to off-set the cost of the cure against Monthly Base Rent otherwise due under this Lease, and/or (b) pursue any other remedies available to Tenant under this Lease, at law or in equity.

20. INDEMNIFICATION; COUNTERCLAIMS

If any person not a party to this Lease shall institute an action against Tenant or arising out of any act or omission of Tenant, in which Landlord, any mortgagee or any of their respective beneficiaries, partners, officers, employees, agents or servants (collectively, "Indemnified Persons") shall be made a party, Tenant shall indemnify and hold harmless all such Indemnified Persons from all liabilities by reason thereof, including reasonable attorneys' fees and other costs incurred by the Indemnified Persons in such action.

21. PAYMENT OF REAL ESTATE TAXES AND OTHER DELINQUENCIES

21.01 Payment of Real Estate Taxes. Within sixty (60) days of the execution of this Lease, Landlord shall provide Tenant with written evidence that all Real Estate Taxes for the year 2010 have been paid in full. The 2009 Real Estate Taxes have been paid in full.

21.02 Intentionally Deleted.

22. HOLDING OVER

If Tenant retains possession of the Premises or any part thereof after the termination of the Term or any extension thereof, by lapse of time or otherwise, Tenant, unless Landlord otherwise elects, shall become a tenant at sufferance and shall pay Landlord monthly rent, at double the rate of Monthly Base Rent and Additional Rent in effect for the month immediately preceding said holding over, computed on a per month basis, for each month or part thereof (without reduction for any such partial month) that Tenant thus remains in possession. Tenant

agrees to indemnify and hold Landlord harmless from and against any and all losses, costs, damages, expenses, claims and liabilities incurred or sustained by Landlord as a result of retention of possession of the Premises by Tenant. The provisions of this Section 23 do not exclude Landlord's right of reentry or any other right hereunder.

23. ESTOPPEL CERTIFICATE

Tenant agrees that from time to time, upon not less than fifteen (15) days' prior written request by Landlord, Tenant will, and Tenant will cause any subtenant, licensee, concessionaire or other occupant of the Premises to, promptly complete, execute and deliver to Landlord or any party or parties designated by Landlord a statement in writing certifying: (i) that this Lease is unmodified and in full force and effect (or if there have been modifications that the same are in full force and effect as modified and identifying the modifications); (ii) the dates to which the Rent and other charges have been paid; (iii) that the Premises have been unconditionally accepted by Tenant (or if not, stating with particularity the reasons why the Premises have not been unconditionally accepted); (iv) the amount of any Security Deposit held hereunder; (v) that, so far as the party making the certificate knows, Landlord is not in default under any provisions of this Lease, if such is the case, and if not, identifying all defaults with particularity; and (vi) any other matter reasonably requested by Landlord. Any purchaser or Mortgagee of any interest in the Building shall be entitled to rely on said statement. Failure to give such a statement within fifteen (15) days after said written request shall be conclusive evidence, upon which Landlord and any such purchaser or Mortgagee shall be entitled to rely, that this Lease is in full force and effect and Landlord is not in default and Tenant shall be estopped from asserting against Landlord or any such purchaser or Mortgagee any defaults of Landlord existing at that time but Tenant shall not thereby be relieved of the affirmative obligation to give such statement.

24. NOTICES AND DEMANDS

All notices, demands, approvals, consents, requests for approval or consent or other writings in this Lease provided to be given, made or sent by either party hereto to the other ("Notice") shall be in writing and shall be deemed to have been fully given, made or sent when made by personal delivery or two (2) business days after deposit in the United States mail, certified or registered and postage prepaid and properly addressed as follows or one (1) day after deposited for overnight delivery by FedEx, UPS or a similar commercial delivery service which tracks delivery status of letters:

To Landlord:	To Landlord at the address set forth in Section 1.01.	
To Tenant:	(i)	If any Notice is to be given Tenant prior to occupancy, to the address set forth in Section 1.02.
	(ii)	If any Notice is to be given Tenant after occupancy, to the Premises; provided, however, if the Premises shall have been vacated, Notice may be posted on the door to the Premises with a copy to Jeffrey J. Femrite at Godfrey & Kahn.

The address to which any Notice should be given, made or sent to either party may be changed by written notice given by such party as above provided.

25. CONSTRUCTION OF LEASE

Section and Subsection headings in this Lease are for convenience only and are not to be construed as part of this Lease or in any way defining, limiting, amplifying, construing, or describing the provisions hereof. Time is of the essence of this Lease and every term, covenant and condition hereof. This Lease contains and embodies the entire agreement of the parties hereto, and no representation, inducements or agreements, oral or otherwise, not contained in this Lease shall be of any force or effect. This Lease may not be modified in whole or in part in any manner other than by an instrument in writing duly signed by both parties hereto.

26. REAL ESTATE BROKERS

Tenant represents and warrants unto Landlord that Tenant has not directly dealt with any broker other than The Tom Didier Team- RE/MAX United. Landlord shall be responsible for the payment of brokerage fees to The Tom Didier Team – RE/MAX United in accordance with this Lease.

27. ENVIRONMENTAL COMPLIANCE

During the Term of the Lease, Tenant shall fully comply with any laws or rules and regulations promulgated thereunder relating to the Premises and Tenant's use thereof, including, but not limited to, Occupational Safety and Health Act, 29 U.S.C. Sections 651, et seq.; the Toxic Substances Control Act, 15 U.S.C. Sections 2601, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq.; the Clean Air Act, 42 U.S.C. Sections 7901, et seq.; the Clean Water Act, 33 U.S.C. Sections 1251, et seq.; the Comprehensive Environmental Response, Compensation and Liability Act of 1980 and the 1986 Superfund Amendments and Reauthorization Act, 42 U.S.C. Sections 9601, et seq.; the National Environmental Policy Act, 42 U.S.C. Sections 4231, et seq.; the Refuse Act, 33 U.S.C. Sections 407, et seq.; the Safe Drinking Water Act, 42 U.S.C. Sections 300(f), et seq.; the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. Sections 11001, et seq.; or any other federal, state or local law, ordinance or regulation promulgated under any of those statutes and any amendments thereto, as well as applicable Department of Transportation regulations (collectively, the "Environmental Laws"). Tenant shall notify Landlord immediately if Tenant receives any notice of noncompliance with any Environmental Laws or rules and regulations promulgated thereunder, including, but not limited to, those enumerated above. Tenant shall not cause or permit its business in the Premises to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process hazardous substances, or other dangerous or toxic substances, or solid waste, except in compliance with all applicable federal, state and local laws or regulations. Tenant shall notify Landlord immediately if Tenant learns of any non-compliance or of any facts (such as the existence of any release or the threat of release of hazardous substances at, on, from or beneath the surface of the Premises) which could give rise to a claim of non-compliance with such Environmental Laws or rules and regulations promulgated thereunder.

28. MISCELLANEOUS

28.01 Applicable Law. This Lease shall be governed by and construed in accordance with the laws of the State of Wisconsin.

28.02 Late Charges. At the option of Landlord, Landlord may impose a late payment fee equal to $100.00 per day if any payment of Rent is paid more than ten (10) days after its due date. In addition, any amount due hereunder shall bear interest after default in the payment thereof at the annual rate of twelve percent (12%).

28.03 Non-Waiver of Defaults. No waiver of any provision of this Lease shall be implied by any failure of Landlord to enforce any remedy on account of the violation of such provision, even if such violation be continued or repeated subsequently, and no express waiver shall affect any provision other than the one specified in such waiver and in that event only for the time and in the manner specifically stated. No receipt of monies by Landlord from Tenant after the termination of this Lease will in any way alter the length of the Term or Tenant's right of possession hereunder or, after the giving of any notice, shall reinstate, continue or extend the Term or affect any notice given Tenant prior to the receipt of such monies, it being agreed that after the service of notice or the commencement of a suit or after final judgment for possession of the Premises, Landlord may receive and collect any Rent due, and the payment of Rent shall not waive or affect said notice, suit or judgment, nor shall any such payment be deemed to be other than on account of the amount due, nor shall the acceptance of Rent be deemed a waiver of any breach by Tenant of any term, covenant or condition of this Lease. No endorsement or statement on any check or any letter accompanying any check or payment of Rent shall be deemed an accord and satisfaction. Landlord may accept any such check or payment without prejudice to Landlord's right to recover the balance due of any installment or payment of Rent or pursue any other remedies available to Landlord with respect to any existing Defaults. None of the terms, covenants or conditions of this Lease can be waived by either Landlord or Tenant except by appropriate written instrument.

28.04 Force Majeure. Neither Landlord nor Tenant shall not be deemed in default with respect to the failure to perform any of the terms, covenants and conditions of this Lease if such failure is due in whole or in part to any strike, lockout, labor dispute (whether legal or illegal), civil disorder, inability to procure materials, failure of power, restrictive governmental laws and regulations, riots, insurrections, war, fuel shortages, accidents, casualties, Acts of God, acts caused directly or indirectly by the other (or the other's agents, employees, guests or invitees), acts of other tenants or occupants of the Building or any other cause beyond their reasonable control. In such event, the time for performance shall be extended by an amount of time equal to the period of the delay so caused.

28.05 Landlord's Right to Perform Tenant's Duties. If Tenant fails timely to perform any of its duties under this Lease, Landlord shall have the right (but not the obligation), after the expiration of any grace period specifically provided by this Lease, to perform such duty on behalf and at the expense of Tenant without further notice to Tenant, and all sums expended or expenses incurred by Landlord in performing such duty shall be deemed to be Additional Rent under this Lease and shall be due and payable to Landlord upon demand by Landlord.

28.06 Survival of Obligations. Obligations not fully performed at the expiration of the Term or earlier termination of this Lease shall survive such expiration or termination.

28.07 Parking.

(a) Pursuant to a parking lot agreement (the "Parking Agreement") by and between Landlord and the owner of the Holiday Inn located near the Premises (i) Landlord has the right to use up to sixty (60) parking spaces in the parking lot located to the south of the Building, immediately across Grand Avenue (the "Parking Lot"), and (ii) Landlord is responsible for one-half (50%) of all costs associated with or related to the care and maintenance, repair and replacement of the Parking Lot and fifty percent (50%) of the insurance costs and real estate taxes for the Parking Lot. Tenant acknowledges that the insurance, real estate taxes, maintenance, repair and replacement cost for the Parking Lot shall be included in the Total Operating Costs. The second floor tenant of the Building, Franklin Energy, LLC, uses up to twenty-six (26) parking spaces in the Parking Lot and Landlord will use its reasonable efforts to limit Franklin Energy, LLC use to no more than twenty-six (26) spaces.

(b) Landlord grants to Tenant and to Tenant's customers, the non-exclusive right to use any spaces in the Parking Lot at all times during the Term. Tenant agrees to observe and promote reasonable safety precautions in the use of the Parking Lot, and shall at all times abide by all reasonable rules and regulations promulgated by Landlord governing the use of the Parking Lot. It is understood and agreed that Landlord does not assume any responsibility for any damage or loss to any automobiles parked in the Parking Lot or to any personal property located therein, or for any injury sustained by any person in or about the Parking Lot.

28.08 Work Letter and Exhibits. Tenant shall be solely responsible for the construction and payment for any other improvements required or necessary for Tenant's occupancy of the Premises. Exhibits attached hereto are hereby incorporated in this Lease by reference and all terms and conditions of this Lease shall apply to the provisions set forth in such Exhibits.

28.09 Smith Bros. Coffee Shop. Upon execution of this Lease Port Coffee, LLC and Tenant shall execute an Asset Purchase Agreement (the "Asset Purchase Agreement") pursuant to which the Tenant shall close on the purchase the assets of Smith Bros. Coffee Shop on February 15, 2012. Landlord shall cause Port Coffee, LLC to comply with the terms of the Asset Purchase Agreement.

29. LIMITATION OF LIABILITY

In consideration of the benefits accruing hereunder, Tenant and all successors and assigns of Tenant covenants and agree that, anything contained herein to the contrary notwithstanding, the obligations under this Lease do not constitute personal obligations of the individual partners, directors, officers or shareholders of Landlord, or the partners, directors, officers or shareholders of the partners of Landlord. Any claim based on or in respect to any liability of Landlord under this Lease shall be enforced only against the Building and not against any other assets, properties

or funds of: (1) Landlord or any director, officer, general partner, limited partner, employee or agent of Landlord or its general partners (or any legal representative, heir, estate, successor or assign thereof); (2) any predecessor or successor partnership or corporation (or other entity) of Landlord or its general partners, either directly or through Landlord or its predecessor or successor partnership or corporation (or other entity) of Landlord or its general partners; and (3) any other person or entity. Tenant further agrees that each of the foregoing provisions shall be applicable to any covenant or agreement either expressly contained in this Lease or imposed by statute or at common law.

30. RENEWAL OPTION

Landlord hereby grants to Tenant the option to extend the initial Lease Term on the same terms, conditions and provisions as contained in this Lease, except as otherwise provided herein, for one (1) consecutive period of five (5) years, (the "Option Period").

(a) Tenant's option to extend shall be exercisable by written notice from Tenant to Landlord given no later than twelve (12) months prior to the expiration of the then existing Lease Term, time being of the essence.

(b) Monthly Base Rent shall be payable in the following amounts during the Option Period:

Period	Monthly Base Rent	Annual Base Rent
Months 1-12	$11,946.33	$143,355.96
Months 13-24	$12,185.25	$146,223.00
Months 25-36	$12,468.96	$149,627.52
Months 37-48	$12,677.54	$152,130.48
Months 49-60	$12,931.96	$155,183.52

(c) Tenant may only exercise its option to extend, and an exercise thereof shall only be effective, if at the time of Tenant's exercise and at the commencement of an Option Period, this Lease is in full force and effect and no Default has occurred under this Lease.

30.02 Contingency. Tenant's obligations under this Lease are contingent upon Tenant securing confirmation that (i) Landlord has secured the City's approval of the reconfiguration and reconstruction of the City's streets adjacent to the Building, in a design acceptable to Landlord and Tenant, in their reasonable discretion, that will allow for a "loading zone" that will serve the Premises at all times during the Term, (ii) the City has reconfigured and reconstructed the City's streets adjacent to the Building using a design acceptable to Tenant and Landlord to allow for the "loading zone" in the manner described in Section 30.02(i), (iii) Landlord has secured approval from the City for the Landlord to construct a "dumpster corral," to be designed, constructed and located in a manner acceptable to Landlord and Tenant, in their reasonable discretion, on the City's Parking Lot, (iv) Landlord has constructed, at Landlord's expense, the

"dumpster corral" described in Section 30.02(iii) in a manner acceptable to Tenant, in Tenant's reasonable discretion, (v) Tenant shall be able to secure Landlord's and the City's approval of all exterior signage and exterior design elements on the Building that are acceptable to Landlord, Tenant and the City. If Tenant cannot satisfy all of the contingencies described in this Section 30.02 by July 1, 2012, Tenant shall have the right, by delivery of written notice of termination to Landlord, to terminate this Lease, in which event this Lease will terminate and the parties will have no further obligations hereunder. The "dumpster coral" shall be approximately located as described on attached **Exhibit C**.

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

LANDLORD:

LDC-728 MILWAUKEE, LLC
A Wisconsin limited liability company

By: */s/ Thomas P. DeMuth*
Name: Thomas P. DeMuth
Title: Member

Date: January 20, 2012

TENANT:

DULUTH HOLDINGS, INC.

By: */s/ Steve Schlecht*
Name: Steve Schlecht
Title: CEO

Date:

EXHIBIT A

FLOOR PLAN OF PREMISES

[Renderings Omitted]

EXHIBIT B

WORK LETTER

1. This Work Letter shall set forth the obligations of Landlord and Tenant with respect to the preparation of the Premises for Tenant's initial occupancy. All improvements described in this Work Letter to be constructed in and upon the Premises by Landlord are hereinafter referred to as "Landlord's Work". All other work not described below in Section 2 and necessary for Tenant's occupancy of the Premises shall be performed by Tenant at Tenant's sole cost and expense and shall be the "Tenant's Work."

2. Landlords Work shall include only the following items:

   2.1 Installation of an HVAC system to service the Premises based upon Tenant's use of the Premises as a retail space and no other assumed use. Landlord shall extend duct work to a single location in the Premises and Tenant shall be responsible for the work and the cost and expense necessary to distribute the hot and cold air throughout the Premises.

   2.2 Extension of a main circuit panel to a single location in Tenant's space as indicated by Tenant. Tenant shall be responsible for the work and the cost and expense of distributing the electrical service in the Premises.

   2.3 Sub-metering of the water to the Premises.

   2.4 Stubbing water piping and waste plumbing to locations specified by Tenant.

   2.5 Repairs to the Boardwalk, fascia board on the exterior of the Building and repairs to the exterior lighting servicing the Building.

   2.6 Construct "dumpster corral" and related landscaping in Parking Lot.

3. Provided Tenant has completed the Tenant's Work, Landlord shall reimburse Tenant on or before October 1, 2012 for $105,000 spent by Tenant for Tenant's Work on the interior of the Premises and $20,000 spent by Tenant on exterior alterations required to accommodate Tenant operations. If Tenant completes Tenant's Work after October 1, 2012, Landlord shall reimburse Tenant in accordance with the previous sentence on the date Tenant's Work is completed.

[END OF EXHIBIT B]

EXHIBIT C

TENANT'S "BUILD-OUT" PLANS FOR PREMISES

[Renderings Omitted]

Exhibit 10.21

FIRST AMENDMENT TO LEASE

This First Amendment to Lease is entered into as of the 31 day of January, 2013, by and between Scott Welsh, as receiver for LDC-728 Milwaukee, LLC ("Landlord") and Duluth Holdings Inc. ("Tenant").

RECITALS

A. Landlord and Tenant are parties to that certain Retail Space Lease dated January 23, 2012 (the "Lease"), relating to certain premises ("Premises") of a building located at 108 N. Franklin Street, Port Washington, Wisconsin ("Building").

B. Landlord and Tenant now desire to amend and modify the Lease as set forth below.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to amend the Lease as follows:

1. Definitions. All capitalized terms used herein shall have the meanings set forth in the Lease unless they are otherwise defined herein.

2. Free Rent and Rent Abatement. Landlord and Tenant acknowledge that according to the terms of this Lease, Tenant was entitled to certain free rent and rent abatement as follows: (a) In accordance with Section 1.08 of the Lease, Tenant was not required to pay Rent for the first eight (8) months of the Term ("Free Rent"); and (b) In accordance with Section 9.01 of the Lease, because the completion of Landlord's Initial Work and Landlord's Subsequent Work was delayed for a total of one hundred ninety (190) days, Tenant was entitled to three hundred eighty (380) days of abatement of Monthly Base Rent ("Rent Abatement"). Other than the Free Rent and the Rent Abatement, as of the execution of this Amendment, nothing has occurred at the Building or under this Lease, which would entitle Tenant to any other "free rent" or "rent abatements".

3. Commencement Date. Landlord and Tenant confirm that the Commencement Date is January 23, 2012.

4. Expiration Date. Section 1.07 of the Lease is amended so that the Expiration Date is August 31, 2019.

5. Monthly Base Rent. Section 1.08 of the Lease is hereby deleted and replaced with the following:

Period	Monthly Base Rent	Annual Base Rent
1/23/12 —9/22/12	$ 0.00*	—
9/23/12 —10/6/13	$ 0.00**	—
10/7/13 —1/31/15	$10,608.00***	$127,296.00
2/1/15 —1/31/16	$10,820.16	$129,841.92
2/1/16 —1/31/17	$11,036.56	$132,438.72
2/1/17 —1/31/18	$11,257.29	$135,087.48
2/1/18 —1/31/19	$11,482.44	$137,789.28
2/1/19 —8/31/19	$11,718.09	$140,545.08

*Tenant shall pay no Rent during the first eight (8) months of the Term.

**Tenant's obligation to pay the Monthly Base Rent otherwise due for this three hundred eighty (380) day period shall be abated, but Tenant shall pay Additional Rent during this period.

***Monthly Base Rent shall commence on October 7, 2013. Monthly Base Rent for October 2013 will be prorated on a per diem basis based on the actual number of days in that month. Accordingly, Tenant shall pay Monthly Base Rent in the amount of $8,554.84 for such month on or before October 1, 2013.

6. Landlord's Work. Tenant acknowledges that all Landlord's Initial Work and Landlord's Subsequent Work has been completed to Tenant's satisfaction.

7. Effect of Amendment. Except as modified herein, all of the terms and the conditions of the Lease shall remain in full force and effect, and Landlord and Tenant hereby reaffirm their respective obligations thereunder. Tenant represents that Landlord is not in default of any terms, conditions, or covenants of the Lease.

8. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one instrument. Signatures delivered by facsimile, electronic mail, or similar electronic methods shall have the same effect as originals.

[Remainder of Page Intentionally Left Blank. Signature Page Follows.]

IN WITNESS WHEREOF, this Amendment has been executed by the parties as of the date first written above.

Landlord:

LDC-728 Milwaukee, LLC

By: */s/ Scott Welsh*
Scott Welsh, Receiver

Tenant:

Duluth Holdings Inc.

By: */s/ Mark DeOrio*
Mark DeOrio, Chief Financial Officer,
Senior Vice President — Operations

Exhibit 10.22

SECOND AMENDMENT TO LEASE

This Second Amendment to Lease is entered into as of the 20th day of December, 2013, by and between Schlecht Port Washington LLC ("Landlord") and Duluth Holdings Inc. ("Tenant").

RECITALS

A. Landlord and Tenant are parties to that certain Retail Space Lease dated January 23, 2012 (the "Lease"), relating to certain premises ("Premises") of a building located at 108 N. Franklin Street, Port Washington, Wisconsin ("Building").

B. Landlord and Tenant now desire to amend and modify the Lease as set forth below.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to amend the Lease as follows:

1. Definitions. All capitalized terms used herein shall have the meanings set forth in the Lease unless they are otherwise defined herein.

2. Landlord and Address. Section 1.01 is hereby eliminated in its entirety and replaced with the following provision:

1.01 Landlord and Address:

Schlecht Port Washington LLC
c/o Duluth Holdings Inc.
170 Countryside Drive
Belleville, WI

3. Term. Section 1.05 is hereby eliminated in its entirety and replaced with the following provision:

1.05 Term: One-hundred twenty (120) months.

4. Commencement Date. Section 1.06 is hereby eliminated in its entirety and replaced with the following provision:

1.06 Commencement Date: January 1, 2014.

5. Expiration Date. Section 1.07 is hereby eliminated in its entirety and replaced with the following provision:

1.07 Expiration Date: The last day of the one-hundred twentieth (120th) full calendar month following the Commencement Date.

6. Monthly Base Rent. Section 5 of the First Amendment to Lease, dated January 31, 2013 between Landlord and Tenant, which deleted and replaced Section 1.08 of the Lease, is hereby deleted and replaced with the following:

Calendar Year	Monthly Base Rent	Annual Base Rent
2014	$10,608.00	$127,296.00
2015	$10,820.16	$129,841.92
2016	$11,036.56	$132,438.76
2017	$11,257.29	$135,087.53
2018	$11,482.44	$137,789.28
2019	$11,712.09	$140,545.07
2020	$11,946.33	$143,355.97
2021	$12,185.26	$146,223.09
2022	$12,428.96	$149,147.55
2023	$12,677.54	$152,130.50

7. Renewal Option Rent. Section 30 (b) of the Lease is hereby deleted and replaced with the following:

Calendar Year	Monthly Base Rent	Annual Base Rent
2024	$12,931.09	$155,173.11
2025	$13,189.71	$158,276.58
2026	$13,453.51	$161,442.11
2027	$13,722.58	$164,670.95
2028	$13,997.03	$167,964.37

8. Effect of Amendment. Except as modified herein, all of the terms and the conditions of the Lease shall remain in full force and effect, and Landlord and Tenant hereby reaffirm their respective obligations thereunder. Tenant represents that Landlord is not in default of any terms, conditions, or covenants of the Lease.

9. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one instrument. Signatures delivered by facsimile, electronic mail, or similar electronic methods shall have the same effect as originals.

[Remainder of Page Intentionally Left Blank. Signature Page Follows.]

IN WITNESS WHEREOF, this Amendment has been executed by the parties as of the date first written above.

Landlord:

Schlecht Port Washington LLC

By: /s/ Stephen L. Schlecht
Stephen L. Schlecht, Member

Tenant:

Duluth Holdings Inc.

By: /s/ Mark DeOrio
Mark DeOrio, Chief Financial Officer,
Senior Vice President - Operations

Exhibit 10.24(a)

AMENDED AND RESTATED LOAN AGREEMENT

THIS AMENDED AND RESTATED LOAN AGREEMENT (this "Agreement"), dated June 13, 2011, is by and among Harris N.A. (the "Lender"), Duluth Holdings Inc., a Wisconsin corporation ("Holdings"), and Duluth Trading Company, LLC, a Wisconsin limited liability company ("Trading," and collectively with Holdings, the "Borrowers").

1. DEFINITIONS.

As used in this Agreement, the following terms shall have the following meanings:

"Adjusted LIBOR Rate" means the sum of (i) the Applicable Margin plus (ii) the quotient of (a) the LIBOR Rate, divided by (b) one minus the Reserve Requirement (expressed as a decimal).

"Advances" means advances by the Lender to any Borrower under Section 3 hereof.

"Affiliate" shall mean any person which directly or indirectly controls, is controlled by, or is under common control with, any Borrower. One person shall be deemed to control another person if the controlling person owns directly or indirectly 10% or more of any class of voting stock or membership interest of the controlled person or possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of the controlled person, whether through ownership of stock or membership interest, by contract or otherwise.

"Applicable Eligible Inventory Advance Amount" shall mean (i) 65% of Borrowers' Eligible Inventory for the time period between October 1 and November 30 of each year and (ii) 50% of Borrowers' Eligible Inventory for all other periods.

"Applicable Margin" means 1.75% per annum.

"Borrowing Base" shall mean, at any date of determination, the sum of: (i) 80% of Borrowers' Eligible Accounts; plus (ii) the Applicable Eligible Inventory Advance Amount; less (iii) such reserves as Lender, in its sole discretion, deems necessary or appropriate, taking into account each Borrower's and each Borrower's customers' financial condition and prospects, the nature and condition of the Collateral, applicable contingencies, potential wage liens, currency exchange risk and any other factor deemed material by Lender. Such reserves may include reserves for any Letter of Credit Liabilities. The amount of the Borrowing Base shall be determined periodically from the most recent Borrowing Base Certificate delivered to the Lender pursuant to Section 8.1(d).

"Borrowing Base Certificate" means a Borrowing Base Certificate delivered to Lender under Section 8.1(d) hereof.

"Business Day" means a day (other than a Saturday or Sunday) on which banks generally are open in Wisconsin and/or New York for the conduct of substantially all of their commercial lending activities and on which dealings in United States dollars are carried on in the London interbank market.

"Collateral" shall mean all assets of the Borrowers, including but not limited to the Collateral (as defined in the Amended and Restated Security Agreement executed by Borrowers in favor of Lender dated the date hereof).

"Consolidated" or "consolidated" shall refer to consolidation in accordance with GAAP of the accounting and financial information of only the Borrowers, and shall not include any accounting or financial information of any other Subsidiary, Schlecht Enterprises LLC or Schlecht Retail Ventures LLC.

"Default" means any event which, with notice, lapse of time or both, would constitute an Event of Default.

"EBITDA" means, the Borrowers' consolidated Net Income before taxes, plus amortization, depreciation, and interest.

"Eligible Accounts" shall mean the book United States dollar value (net of finance charges and service charges) of only such accounts of Borrowers arising from the sale of inventory or the rendition of services in the ordinary course of business in which only the Lender holds a security interest and as to which the Lender, in its sole discretion, shall from time to time determine to be collectible in a timely manner in the ordinary course of business without dispute on set-off and otherwise acceptable to Lender. Without limiting the Lender's right, in its sole discretion, to consider any account not to be an Eligible Account, and by way of example only of types of accounts that the Lender will consider not to be Eligible Accounts, the Lender, notwithstanding any earlier classification of eligibility, may consider any account not to be an Eligible Account if:

(i) any warranty is breached as to the account or the account debtor disputes liability or makes any claim with respect to the account;

(ii) (a) the account is not paid by the account debtor within 90 days after the date of the original invoice relating thereto; or (b) the account is owed by any account debtor who has not paid 25% or more of such account debtor's accounts within the time period specified in subsection (ii)(a) above;

(iii) a petition in bankruptcy or other application for relief under any insolvency law is filed with respect to the account debtor owing the account, or the account debtor owing the account assigns for the benefit of creditors, becomes insolvent, fails, suspends, or goes out of business, or the Lender, in its reasonable discretion, shall become dissatisfied with the creditworthiness of an account debtor owing an account;

(iv) the account arises from a sale to an account debtor outside the United States, unless the sale is on letter of credit, acceptance or other terms acceptable to the Lender;

(v) the account debtor is (a) an Affiliate, supplier or creditor of any Borrower, (b) a member, shareholder, employee or agent of any Borrower, or (c) a subsidiary of, or affiliated with any Borrower or its shareholders, members, officers, or directors;

(vi) the account debtor is the United States of America or any agency or department thereof and the account is subject to the Assignment of Claims Act;

(vii) the account has not been invoiced or is represented by an invoice dated prior to the shipment of inventory or rendition of services relating to such account;

(viii) the account is not denominated in U.S. Dollars;

(ix) it arises from a bill-and-hold, guaranteed sale, sale-and-return, sale on approval, consignment, other terms by reason of which the payment by the account debtor may be conditional or any other repurchase or return basis or represents billing for samples or is evidenced by chattel paper;

(x) it is retention or progress billing or is subject to any offset, deduction, defense, dispute or counterclaim or the customer is also a creditor or supplier of any Borrower or the account is otherwise contingent or subject to deduction, other than discounts and allowances made in the ordinary course of business for prompt payment; or

(xi) any surety has issued a bond in favor of the account debtor with respect to the contractual obligations of any Borrower to such account debtor.

No advances will be made against the portion of accounts of any single account debtor which exceeds 20% of all Eligible Accounts or against any portion of any Eligible Account which consists of interest or finance charges.

"Eligible Inventory" shall mean the book United States dollar value of only Borrowers' raw materials and finished goods inventory (without limitation, specifically excluding supplies, packaging and work in process) in which only the Lender holds a security interest and as to which the Lender, in its sole discretion, shall elect from time to time to constitute Eligible Inventory. Eligible Inventory shall include inventory that is in transit with a common carrier from vendors and suppliers of Borrowers, provided that, the Lender may, at any time and in its sole discretion, without limitation, (a) consider such in-transit inventory not to be Eligible Inventory or (b) require (1) all bills of lading for such inventory to be issued in the name of the applicable Borrower and consigned to the order of the Lender, (2) additional reserves within the Borrowing Base for any applicable custom duties, (3) collateral access agreements from the applicable customs broker or such other party as requested by Lender, or (4) a sublimit on the amount of such inventory that will constitute Eligible Inventory. Without limiting the Lender's right, in its sole discretion, to consider any inventory not to be Eligible Inventory, and by way of example only of types of inventory that the Lender will consider not to be Eligible Inventory, the Lender, notwithstanding any earlier classification of eligibility, may consider any inventory not to be Eligible Inventory if such inventory:

(i) is perishable;

(ii) is custom inventory for which a Borrower does not have valid purchase orders;

(iii) is slow-moving, damaged, defective, obsolete or discontinued inventory;

(iv) is used, returned or demo inventory;

(v) is not located at one of Borrowers' facilities described in Schedule 2 attached hereto or other location approved by Lender;

(vi) is in transit with a common carrier from vendors and suppliers of Borrowers, except as set forth above;

(vii) is consigned to or by any Borrower;

(viii) is produced in violation of the Fair Labor Standards Act or subject to the "hot goods" provisions contained in 29 U.S.C. §215 or any successor to such section;

(ix) is proprietary software; or

(x) is not owned by any Borrower free and clear of all security interests, liens, encumbrances, and claims of third parties.

The value of Eligible Inventory shall be the lower of the cost or market value of the Eligible Inventory computed on a first-in, first-out basis net of reserves in accordance with GAAP.

"Funded Debt" means for each of the Borrowers, the sum of the following: (i) all indebtedness for borrowed money, including the loans evidenced by the Revolving Note and Term Note, (ii) all obligations issued, undertaken or assumed as the deferred purchase price of property or services (other than trade payables entered into in the ordinary course of business on ordinary terms), (iii) all obligations evidenced by notes, bonds, debentures or similar instruments, including obligations so evidenced incurred in connection with the acquisition of property, assets or businesses, (iv) the principal portion of all indebtedness created or arising under any conditional sale or other title retention agreement, or incurred as financing, in either case with respect to property acquired by one or more Borrower (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession of such property), and (v) the principal portion of all obligations with respect to capital leases. For purposes hereof, Funded Debt shall not include any intercompany indebtedness owing by a Borrower to another Borrower or to Schlecht Enterprises LLC or Schlecht Retail Ventures LLC.

"Funded Debt to EBITDA Ratio" means, as of any date, a ratio of (i) all Funded Debt of the Borrowers, divided by (ii) EBITDA for the 12 consecutive month period then ended. This ratio will be calculated based on the Borrowers' consolidated financial reports only and shall exclude activities and balances of Schlecht Enterprises LLC and Schlecht Retail Ventures LLC.

"GAAP" means generally accepted accounting principles consistently applied with those of the preceding fiscal year of the Borrowers. Except as otherwise expressly provided herein, all

terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect in the United States from time to time; provided that, if any Borrower notifies the Lender that such Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Lender notifies any Borrower that the Lender requests an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith.

"Guarantor" means Schlecht Retail Ventures LLC.

"Guaranty" means the guaranty of Guarantor of all Obligations relating to the Term Loan described in Section 3.4 below and more particularly described therein.

"Hedging Agreement" means any interest rate, currency or commodity swap agreement, cap agreement or collar agreement, and any other agreement or arrangement designed to protect against fluctuations in interest rates, currency exchange rates or commodity prices.

"Hedging Agreement Liabilities" means all obligations and liabilities of any Borrower to Lender or any affiliate of Lender under any Hedging Agreement.

"Letter of Credit Liabilities" means the face amount of all outstanding letters of credit issued by Lender at the request of any Borrower, the unreimbursed amounts of drawings under such letters of credit and all unpaid interest, fees and expenses relating to the foregoing.

"LIBOR Rate" means the one month London Interbank Offered Rate (LIBOR) as reported on Bloomberg Financial Market's terminal screen entitled "Official BBA LIBOR Fixings" as reported on the first day of each month (or, if such day is not a Business Day, on the immediately prior Business Day), unless such rate is no longer available or published, in which case such rate shall be at a comparable index rate selected by the Lender with notice to the Borrowers. The Lender shall determine the applicable interest rate based on the foregoing, and its determination thereof shall be conclusive and binding except in the case of manifest error.

"Loan Documents" means this Agreement, the Notes, each document delivered hereunder and each other instrument, document, guaranty, mortgage, deed of trust, chattel mortgage, pledge, power of attorney, consent, assignment, contract, notice, security agreement, lease, financing statement, patent, trademark or copyright registration, subordination agreement, trust account agreement, Hedging Agreement, or other agreement executed and delivered by any Borrower with respect to this Agreement or the Obligations or to create or perfect any security interest in any Collateral, in each case as amended, modified or supplemented from time to time.

"Maximum Advance Amount" shall mean (i) Thirteen Million and 00/100 Dollars ($13,000,000.00) for the time period between July 1 and December 31 of each year and (ii) Seven Million Five Hundred Thousand and 00/100 Dollars ($7,500,000.00) for all other periods.

"Net Income" means, for any period, net income (or loss) of each Borrower, determined in accordance with GAAP, excluding extraordinary gains but including extraordinary losses.

"Net Worth Minimum" means (i) for each March 31, 90% of the consolidated Tangible Net Worth of the Borrowers as of the end of the prior fiscal year, (ii) for each June 30, 75% of the consolidated Tangible Net Worth of the Borrowers as of the end of the prior fiscal year, (iii) for each September 30, 75% of the consolidated Tangible Net Worth of the Borrowers as of the end of the prior fiscal year, and (iv) for each December 31, 110% of the consolidated Tangible Net Worth of the Borrowers as of the end of the prior fiscal year.

"Notes" means the (i) Revolving Note and (ii) Term Note.

"Obligations" means all obligations of any Borrower arising under this Agreement, the Notes or any other Loan Document, and all other amounts owing by any Borrower to Lender or any affiliate of Lender, including but not limited to Letter of Credit Liabilities, Hedging Agreement Liabilities, fees for cash management, deposit account or other services, overdrafts, checks dishonored or other reversals and charges related thereto, equipment leases, and credit card liabilities.

"Regulation D" means Regulation D of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor thereto or other regulation or official interpretation of said Board of Governors relating to reserve requirements applicable to member banks of the Federal Reserve System.

"Reserve Requirement" means the maximum aggregate reserve requirement (including all basic, supplemental, marginal and other reserves) which is imposed under Regulation D.

"Revolving Note" means the Borrowers' Amended and Restated Revolving Note dated the date hereof in favor of Lender in the maximum principal amount of Thirteen Million and 00/100 Dollars ($13,000,000.00), as it may be amended, modified, supplemented or replaced from time to time.

"Subsidiary" means any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of any Borrower on any such Borrower's consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other corporation, limited liability company, partnership, association or other entity of which any Borrower owns, controls or holds securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests.

"Tangible Net Worth" means the Borrowers' total assets, excluding all intangible assets (including, without limitation, goodwill, trademarks, patents, copyrights, organization expenses, and similar intangible items) less total liabilities, all determined on a consolidated basis.

"Term Note" means the Borrowers' Amended and Restated Term Note dated the date hereof in favor of Lender in the original principal amount of Six Hundred Eighty-Four Thousand Nine Hundred Sixty and 05/100 Dollars ($684,960.05), as it may be amended, modified, supplemented or replaced from time to time.

"Termination Date" means the earlier of May 31, 2013 or the date on which the Lender terminates the Borrowers' rights hereunder.

2. CONDITIONS PRECEDENT.

Prior to the initial Advance hereunder, Borrowers shall deliver to the Lender each of the following, executed as appropriate and in form and substance and from sources satisfactory to Lender:

2.1 The Notes;

2.2 The Guaranty;

2.3 An Amended and Restated Security Agreement from Borrowers granting to the Lender a security interest in the Collateral described therein to secure repayment of the Notes and all Obligations, together with Uniform Commercial Code Standard Form UCC-1 Financing Statements sufficient to perfect the Lender's security interests in such Collateral, and UCC searches from the filing offices in all states required by the Lender which reflect that no other person holds a prior security interest in any such Collateral except as permitted by Section 9.1 hereof;

2.4 A Consent of Lessor from the landlords of each of the locations listed on Schedule 2;

2.5 Certified Articles of Organization or Articles of Incorporation and Operating Agreement or Bylaws of each Borrower and Guarantor;

2.6 Filed Articles of Dissolution of Sugar River Advertising, LLC, a Wisconsin limited liability company ("Sugar River");

2.7 Resolutions of each Borrower and Guarantor authorizing the execution, delivery and performance of the applicable Loan Documents;

2.8 Certificates by the secretary or other officer of each Borrower and Guarantor certifying the names and the offices of the individuals authorized to sign the Loan Documents to which such Borrower or Guarantor is a party on behalf of such Borrower or Guarantor together with a sample of the true signatures of such officers and such other certifications as Lender may request;

2.9 Certificates of Good Standing or comparable document for each Borrower and Guarantor from each jurisdiction required by the Lender;

2.10 Evidence of insurance required by any Loan Document and appropriate lender's loss payable clauses and assignments;

2.11 A designation of authority identifying parties who are authorized to act on behalf of Borrowers with respect to this Agreement;

2.12 Payoff letters and lien releases, terminations and satisfactions for all debt and all liens and encumbrances that are not permitted hereunder;

2.13 A Borrowing Base Certificate showing the accounts receivable information and inventory information as of the end of business on April 30, 2011; and

2.14 Such other approvals, opinions or documents as the Lender may reasonably request.

3. CREDIT FACILITIES.

3.1 Revolving Credit Facility. The Lender has agreed, on the terms and conditions stated herein, to make Advances under this Section 3.1 to the Borrowers from time to time on any Business Day during the period from the date hereof and ending on the Termination Date; provided, however, that the Lender shall not be required to make an Advance under this Section 3.1 if, after giving effect to such Advance, the aggregate outstanding principal amount of the Advances under this Section 3.1 plus all Letter of Credit Liabilities would exceed the lesser of (a) the Maximum Advance Amount or (b) the Borrowing Base. Within the limits set forth above, the Borrowers may obtain Advances from the Lender under this Section 3.1, prepay the Revolving Note and re-borrow pursuant to this Section 3.1. The Advances under this Section 3.1 shall be evidenced by, and be payable with interest in accordance with the terms of, this Agreement and the Revolving Note. The Lender shall maintain records of the amount of each Advance under this Section 3.1 and of the amount of all payments on the Revolving Note. The aggregate outstanding principal amount of all Advances set forth on the records of the Lender shall be rebuttable presumptive evidence of the principal amount owing and unpaid on the Revolving Note.

3.2 Letters of Credit.

(a) Letter of Credit Sublimit. Subject to the terms and conditions of this Agreement, during the period from the date hereof to the Termination Date, the Lender may from time to time cause the issuance, upon any Borrower's request, of letters of credit (each a "Letter of Credit" or collectively, the "Letters of Credit") up to an aggregate face amount outstanding at any time of $1,500,000.00; provided that (i) the Letters of Credit shall be in form and substance acceptable to the Lender in its sole discretion, (ii) Borrowers shall have executed and delivered to the Lender the Lender's standard form Letter of Credit Agreement with respect to said Letters of Credit, (iii) at no time shall the aggregate sum of Advances under Section 3.1 hereof plus all Letter of Credit Liabilities exceed the lesser of the Maximum Advance Amount or the Borrowing Base, and (iv) no Letter of Credit shall have an expiry date later than three hundred sixty-five (365) days from the date of issuance (provided, however, that a Letter of Credit may provide for automatic extensions of its expiration date for one or more 365-day periods, so long as the Lender has the right to terminate the

Letter of Credit at the end of each 365-day period). Notwithstanding the foregoing, in the event any Letter of Credit is outstanding five (5) days prior to the Termination Date, Borrowers shall, on or before five (5) days prior to such Termination Date, deposit in an account with Lender, in the name and for the benefit of Lender (the "LC Collateral Account"), an amount in cash equal to 105% of the maximum amount available to be drawn on all then outstanding Letters of Credit. Such deposit shall be held by Lender as collateral for the payment and performance of all amounts owing by one or more Borrowers to Lender. The Lender shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account and the Borrowers hereby grant the Lender a security interest in the LC Collateral Account. The amount in such account may, at the Lender's option and in its sole discretion, be applied by the Lender to amounts owing by reason of any draw on a Letter of Credit.

(b) Letter of Credit Fees. The fee for each standby or commercial Letter of Credit outstanding shall be the greater of $300 or one percentage point (1.0%) per annum of the face amount of the Letter of Credit. In addition, Borrower shall pay all of Lender's standard fees for amendments, draw fees and other standard fees in connection with Letters of Credit.

(c) Reimbursement. In the event of any drawing under any Letter of Credit, the Lender will promptly notify Borrowers thereof. Borrowers shall reimburse the Lender on the first Business Day following notice of payment under any Letter of Credit (either with the proceeds of an advance under the Revolving Credit Facility or otherwise) in same day funds together with interest. Unless Borrowers shall, within one (1) Business Day of any drawing under any Letter of Credit, reimburse the Lender in full, Borrowers shall be deemed to have requested an Advance under the Revolving Credit Facility in the amount of the payment under the Letter of Credit that has not been reimbursed, the proceeds of which will be used to satisfy the reimbursement obligations of the Borrowers hereunder. The Borrowers' reimbursement obligations hereunder shall be absolute and unconditional under all circumstances irrespective of any rights of set-off, counterclaim or defense to payment any Borrower may claim or have against the Lender, the beneficiary of the Letter of Credit drawn upon or any other person, including, without limitation, any defense based on any failure of any Borrower to receive consideration or the legality, validity, regularity or unenforceability of the Letter of Credit.

3.3 Borrowing Procedure; Advances.

(a) Advances. Any Borrower shall give written or telephonic notice (promptly confirmed in writing by such Borrower if requested by the Lender) to the Lender of each requested Advance under this Section 3 by no later than 11:00 a.m. (Milwaukee time) on the Business Day on which such Advance is to be made. The Lender shall make such Advance by transferring the amount thereof in immediately available funds for credit to an account maintained by a Borrower with Lender.

(b) Conditions Precedent to All Advances. Each request for an Advance shall be deemed a representation and warranty that all conditions precedent to such credit extension under Section 6 hereof are satisfied as of the date of such request and as of the date of such extension.

(c) Borrowing Base Compliance; Mandatory Prepayment. Borrowers shall not allow the principal balance of the Revolving Note to exceed the amount permitted to be borrowed under Section 3.1 hereof, and without demand by Lender, the Borrowers shall immediately pay the amount of any such excess together with interest on the amount paid.

3.4 Term Loan. Subject to the terms, conditions and limitations hereof, as of the date hereof, Lender has lent money to Borrowers in the original principal amount of Six Hundred Eighty-Four Thousand Nine Hundred Sixty and 05/100 Dollars ($684,960.05). This loan (the "Term Loan") so made shall be evidenced by the Term Note. Each Borrower promises to pay to Lender the outstanding principal and accrued and unpaid interest under the Term Note as follows: (a) monthly payments of principal and interest in the amount of $26,834.37 each on the twelfth day of each month, and (b) a final payment of all outstanding principal and interest on May 12, 2013 (the "Term Loan Termination Date"). At Lender's sole option, payments due under the Term Note shall be debited to Borrowers' loan account ledger for the Revolving Credit Facility or debited against any Borrower's commercial demand account maintained with Lender.

3.5 Interest.

(a) Interest Rate. The unpaid principal balance of the Revolving Note shall bear interest at a rate equal to the applicable Adjusted LIBOR Rate in effect from time to time. Accrued and unpaid interest on the Revolving Note shall be payable in arrears on the last day of each month and on the date of termination of this Agreement; provided that interest accrued pursuant to Section 3.5(b) shall be payable on demand. The unpaid principal balance of the Term Note shall bear interest at a rate equal to 4.580% per annum. Interest shall be computed on the basis of the actual number of days elapsed in a year of 360 days. Interest on Advances will be computed on the unpaid principal balance from the date of each borrowing. The LIBOR Rate shall be determined by the Lender, and such determination shall be conclusive absent manifest error.

(b) Default Rate. Notwithstanding the foregoing, during the occurrence and continuance of an Event of Default, the Lender may, at its option, by notice to the Borrowers declare that the Notes shall bear interest at 5.0% plus the rate otherwise applicable to such Note, whether or not the Lender elects to accelerate the maturity of the Notes, from the date such increased rate is imposed by the Lender.

(c) Matters Affecting LIBOR Rate.

(i) If any applicable domestic or foreign law, treaty, rule or regulation now or later in effect (whether or not it now applies to the

Lender) or the interpretation or administration thereof by a governmental authority charged with such interpretation or administration, or compliance by the Lender with any guideline, request or directive of such an authority (whether or not having the force of law), shall make it unlawful or impossible for the Lender to maintain or fund the advances evidenced by the Revolving Note, then, upon notice to the Borrowers by the Lender, the outstanding principal amount, together with accrued interest and any other amounts payable to the Lender under the Revolving Note shall be repaid (a) immediately upon the Lender's demand if such change or compliance with such requests, in the Lender's judgment, requires immediate repayment, or (b) at the expiration of the last one month LIBOR Rate period before the effective date of any such change or request.

(ii) If the Lender determines that quotations of interest rates for the relevant deposits referred to in the definition of LIBOR Rate are not being provided for purposes of determining the interest rate as provided in this Agreement, then the Lender shall, at the Lender's option, give notice of such circumstances to the Borrowers, whereupon for so long a such circumstances exist, the Note shall bear interest at a comparable index rate selected by the Lender with notice to the Borrowers.

(d) Maximum Interest Rate. In no event shall the interest rate exceed the maximum rate allowed by law. Any interest payment that would for any reason be unlawful under applicable law shall be applied to principal.

3.6 Guaranty.

(a) Guaranty. Each Borrower hereby unconditionally and irrevocably guaranties, as primary obligor and not merely as surety, to and for the benefit of the Lender and the affiliates of Lender, the due and punctual payment of all obligations of each other Borrower to Lender or any affiliate of Lender, including, without limitation, interest accruing following the filing of a bankruptcy petition by or against any such party at the rate applicable thereto, whether or not such interest is allowed as a claim in bankruptcy (the "Guarantied Indebtedness"). The Guarantied Indebtedness includes but is not limited to obligations for money borrowed, overdraft facilities, Letter of Credit Liabilities, other letter of credit reimbursement obligations, Hedging Agreement Liabilities and obligations relating to banking services, such as but not limited to liabilities arising from or relating to overdrafts, checks returned for insufficient funds and ACH transfers, lease obligations and obligations under guaranties. The Guarantied Indebtedness includes all Obligations and all other amounts owing by one or more of the Borrowers to Lender or any affiliate of Lender, of whatever nature or amount and in whatever currency, whether under this Agreement or under separate credit arrangements.

(b) Waivers. Each Borrower agrees that the Guarantied Indebtedness owing by any Borrower may be extended or renewed, in whole or in part, without notice to or further assent from any other Borrower and without impairing the Borrowers' obligations under this Section 3.6. The Borrowers hereby waive (i) presentation to, demand of payment from, and protest and notice of protest to the Borrowers concerning the Guarantied Indebtedness, (ii) protest for nonpayment of principal of or interest on the Guarantied Indebtedness and (iii) all other notices to which any of them might otherwise be entitled as guarantor of the Guarantied Indebtedness.

(c) Obligations Unconditional. The obligations of the Borrowers under this Section 3.6 shall not be impaired by reason of any claim of waiver, release, surrender or compromise, and shall not be subject to any defense or set-off by reason of the unenforceability, in whole or in part, of the Guarantied Indebtedness. The obligations of each Borrower hereunder with respect to the guaranty hereunder shall not be impaired by (i) any lack of validity or enforceability of this Agreement, any Loan Document or any document evidencing, securing or relating to Guarantied Indebtedness (collectively, the "Guarantied Documents"), (ii) the failure of the Lender or any affiliate of Lender to assert any claim or demand or to enforce any right or remedy against any Borrower or any guarantor under any of the Loan Documents or Guarantied Documents, (iii) any extension or renewal, in whole or in part, of this Agreement or any Loan Document or Guarantied Document, (iv) any rescission, waiver, release, compromise, amendment or modification of, or any consent to departure from, any of the terms or provisions of this Agreement or the Loan Documents or Guarantied Documents, (v) any failure performance of any obligation with respect to this Agreement or any Loan Document or Guarantied Document, (vi) any act by the Lender to obtain or retain a lien upon or a security interest in any property to secure any Guarantied Indebtedness, or to release any security for any of the Guarantied Indebtedness, (vii) any exchange, release or non-perfection of any lien or security interest, (viii) any bankruptcy of any Borrower, or (ix) any other act or omission (other than payment in full) which may or might in any manner vary the risk of any Borrower, or which would otherwise operate as a discharge of or other defense available to any Borrower, as a matter of law.

(d) Guaranty of Payment. The Borrowers agree that this Section 3.6 constitutes a guaranty of payment and not merely of collection and waive any right to require that any resort be had by the Lender to any security held by it for the payment of the Guarantied Indebtedness or to any balance or any deposit account or credit in the Lender's in favor of any Borrower.

(e) Reinstatement. The Borrowers agree that this Section 3.6 shall continue to be effective or be reinstated, as the case may be, if at any time any part of any payment of principal of, or interest on, the Guarantied Indebtedness is stayed, rescinded or must otherwise be returned by Lender upon the bankruptcy or reorganization of any Borrower.

(f) Payment. Upon the failure of any one or more Borrower to pay any of the Guarantied Indebtedness when and as the same shall become due, whether at maturity, by acceleration or otherwise, the other Borrowers hereby promise to, and will, immediately on demand by the Lender, pay or cause to be paid to the Lender, an amount equal to the full amount of the Guarantied Indebtedness then due. All such payments shall be in the currency in which the Guarantied Indebtedness is denominated. Subject only to the terms and provisions of this Agreement, the Lender shall have the exclusive right to determine the application of payments and credits, if any, from the Borrowers or from any other person on account of the Obligations or the Guarantied Indebtedness.

(g) Subrogation, Subordination. The Borrowers hereby agree that, until such time as all of the Guarantied Indebtedness shall have been finally paid and the Lender's and affiliates of Lender's obligations to make advances of Guarantied Indebtedness shall have terminated, no payment made by or on account of any Borrower pursuant to this Section 3.6 shall entitle such Borrower, by subrogation or otherwise, to any payment by any other Borrower or from or out of any property of any other Borrower, and the Borrower making such payment shall not exercise any right or remedy against any such other Borrower or any property of any such other Borrower by reason of any performance by the Borrower making such payment of its obligations under this Section 3.6, including any claim or other rights which it may now or hereafter acquire against any such other Borrower that arise from the existence, payment, performance or enforcement of the guaranty under this Section 3.6, including any right of subrogation, reimbursement, exoneration, contribution, indemnification, any right to participate in any claim or remedy of the Lender or any affiliate of Lender, as the case may be, against any such other Borrower or any collateral now or hereafter pledged to the Lender or any affiliate of Lender, whether or not such claim, remedy or right arises in equity, at law or under contract, directly or indirectly, is for cash or other property or arises by set-off or in any other manner (as payment or security on account of such claim or other rights).

Each Borrower hereby further agrees that any and all claims of such Borrower against any other Borrower, or against any of such other Borrower's properties, shall be subordinate and subject in right of payment to the prior payment of all of the Guarantied Indebtedness; provided, however, any such other Borrower may in the ordinary course, and so long as no Event of Default or any condition that with notice or passage of time or both would be an Event of Default exists or would be caused by such payment, pay such claims.

If any amount shall be paid to any Borrower in violation of this Section 3.6(g), such amount shall be deemed to have been paid to such Borrower for the benefit of, and held in trust for the benefit of, the Lender or the applicable affiliate of Lender and shall forthwith be paid to the Lender. Each Borrower acknowledges that it has received and will receive direct and indirect benefits from the financing arrangements contemplated the Guarantied Documents and that the forbearance set forth in this Section 3.6 is knowingly granted in contemplation of such benefits.

(h) Delay, Etc. No delay on the part of the Lender or the affiliates of Lender in exercising any rights under this Section 3.6 or failure to exercise the same shall operate as a waiver of such rights. No notice to or demand on any Borrower shall be deemed to be a waiver of any obligation of such Borrower or the right of the Lender to take further action without notice or demand as provided herein, nor in any event shall any modification or waiver of the provisions of this Section 3.6 be effective unless such modification or waiver is in writing and signed by the party against whom it is to be enforced. Any such waiver shall apply only to the specific instance for which it is given.

4. PAYMENTS; COLLECTIONS.

4.1 Payments. Any other provision of this Agreement to the contrary notwithstanding, the Borrowers shall make all payments of interest on and principal of all loans and all payments to the Lender with respect to payment of other fees, costs and expenses payable under any Loan Document in immediately available funds to the Lender at its address for notices hereunder without setoff, deduction or counterclaim. The Borrowers authorize the Lender to charge from time to time against any account of any Borrower any Obligations when due, including but not limited to payments owing by reason of letters of credit issued by Lender. Each Borrower hereby authorizes the Lender to make an Advance under Section 3.1 hereof, at the Lender's sole discretion, to pay, on behalf of the Borrowers, any amount due on any Obligation when due, including but not limited to payments owing by reason of letters of credit issued by Lender, without further action on the part of any Borrower and regardless of whether the Borrowers are able to comply with the terms, conditions and covenants of this Agreement at the time of such Advance. Each payment received by the Lender may be applied to the Obligations under this Agreement or any other Loan Document in such order of application as the Lender, in its sole discretion, may elect.

4.2 Collections. Each Borrower shall continue to collect, at its own expense, all amounts due or to become due to such Borrower under such Borrower's accounts and other Collateral. In connection with such collections, each Borrower may take (and, at Lender's direction given after the occurrence and during the continuance of an Event of Default, shall take) such action as such Borrower or Lender may deem necessary or advisable to enforce collection of such Borrower's accounts and other Collateral; provided, however, that Lender shall have the right at any time, after the occurrence and during the continuance of an Event of Default, without giving written notice to any Borrower of Lender's intention to do so, to notify the account debtors under any of any Borrower's accounts or obligors with respect to such other Collateral of the assignment of such accounts and such other Collateral to Lender and to direct such account debtors or obligors to make payment of all amounts due or to become due to any Borrower thereunder directly to Lender and, upon such notification and at the expense of the Borrowers, to enforce collection of any such accounts or other Collateral, and to adjust, settle or compromise the amount or payment thereof in the same manner and to the same extent as any Borrower might have done, but unless and until Lender does so or gives such Borrower other instructions, such Borrower shall make all collections for Lender. Any application of any collection to the payment of any Obligation is conditioned upon final payment of any check or other instrument.

4.3 Prepayment of Term Loan. If any Borrower prepays any principal amount of the Term Loan before its scheduled due date (whether as the result of acceleration, voluntary prepayment, or otherwise), Borrowers hereby promise to pay to Lender a funding indemnity equal to the applicable "Lender Make-Whole Amount." For purposes hereof, "Lender Make-Whole Amount" means, in connection with the prepayment of any portion of the Term Loan, the amount determined by the Lender equal to the difference, if any (but not below zero), between (i) the discounted cash flow of the installments of principal that have been prepaid together with interest scheduled to accrue thereon as determined as of the date of the prepayment, minus (ii) the aggregate principal amount of the Term Loan that has been prepaid. In determining the discounted cash flow, the discount rate to be applied shall be the U.S. Treasury Rate with a maturity similar to the weighted average life of the principal amount of the Term Loan which is being prepaid. The discounted cash flow shall be calculated in accordance with accepted financial practice and on the same periodic basis as payments on the Term Loan are payable. For purposes of this definition, "U.S. Treasury Rate" shall be determined by reference to the yields for U.S. Treasury Notes as indicated (currently on page "678" thereof) on the Telerate Access Service for actively traded U.S. Treasury Notes at approximately 10:00 A.M. (New York City time) on the Business Day preceding such date of prepayment or, if such yield shall not be reported as of such time or the yields reported as of such time are not ascertainable, then the "U.S. Treasury Rate" shall be determined by reference to the most recent Federal Reserve Statistical Release H.15(519) which has become publicly available at least two Business Days prior to such date of prepayment and which shall be the most recent weekly average yield on actively traded U.S. Treasury Notes adjusted to a constant maturity equal to the remaining weighted average life of the outstanding principal amount of the Term Loan which is being prepaid.

4.4 Late Charge. If a payment required under this Agreement or the Notes is five (5) days or more late, Borrowers will be charged 5.0% of the unpaid portion of the regularly scheduled payment.

5. SET-OFF; ETC.

Upon the occurrence and during the continuance of an Event of Default, the Lender and each of the affiliates of Lender may offset any and all balances, credits, deposits (general or special, time or demand, provisional or final), accounts or monies of any Borrower then or thereafter with the Lender or such affiliate, or any other obligations of the Lender or such affiliate to such Borrower, against the Obligations. Each Borrower hereby grants to the Lender, for itself and as agent for each affiliate of Lender a security interest in all such balances, credits, deposits, accounts or monies to secure the Obligations.

6. CONDITIONS PRECEDENT TO ALL CREDIT EXTENSIONS.

The obligation of the Lender to extend any credit to the Borrowers shall be subject to the satisfaction of each of the following conditions, unless waived in writing by the Lender:

6.1 Representations and Warranties. The representations and warranties set forth in Section 7 shall be true and correct on the date of the requested credit extension and after giving effect thereto; and

6.2 Defaults. No Default or Event of Default shall have occurred and be continuing on the date of the requested credit extension or after giving effect thereto.

7. REPRESENTATIONS AND WARRANTIES.

To induce the Lender to extend credit hereunder, each of the Borrowers represents and warrants that at all times during the term of this Agreement:

7.1 Organization. Holdings is a corporation and Trading is a limited liability company, and each are validly organized and existing under the laws of Wisconsin, has full power and authority to own its property and conduct its business substantially as presently conducted by it and is duly qualified to do business in each jurisdiction where the nature of its business makes such qualification necessary and where the failure to so qualify would materially adversely affect such Borrower's condition (financial or otherwise), business, properties or assets.

7.2 Authority. Each Borrower has full power and authority to enter into and to perform its obligations under the Loan Documents to which such Borrower is a party.

7.3 Binding Effect. When executed and delivered, the Loan Documents will constitute the legal, valid, and binding obligations of each Borrower and Guarantor, as applicable, and will be enforceable against such parties in accordance with their respective terms subject only to bankruptcy, insolvency, reorganization, moratorium or similar laws at the time in effect affecting the enforceability of rights of creditors generally and by general equitable principles which may limit the right to obtain equitable remedies.

7.4 No Conflict. Each Borrower's execution, delivery and performance of the Loan Documents to which such Borrower is a party have been duly authorized by all necessary limited liability company or corporate action, do not require the consent or approval of any person which has not been obtained, and do not conflict with any agreement binding upon any Borrower or the property of any Borrower.

7.5 Litigation or Proceeding. Except as set forth on Schedule 7.5 hereto, there is no litigation, bankruptcy proceeding, arbitration or governmental proceeding pending, or to the knowledge of any Borrower threatened, against any Borrower which, if determined adversely to such entity, would have a material adverse effect on the condition (financial or otherwise), business, property or operations of such entity.

7.6 ERISA. None of Borrowers nor Borrowers' ERISA Affiliates has maintained, established, sponsored or contributed to any employee benefit plan which is a defined benefit plan ("Plan") covered by Title IV of the Employee Retirement Income Security Act of 1974 and the rules and regulations thereunder ("ERISA"); "ERISA Affiliate," as applied to any Borrower, shall mean any trade or business (whether or not incorporated) which is a member of a group of which any Borrower is a member and which is under common control within the meaning of Section 414 of the Internal Revenue Code and the regulations promulgated and rulings issued thereunder.

7.7 Use of Proceeds. Advances will be used to provide working capital to Borrowers and for each Borrower's general limited liability or corporate purposes; no part of the proceeds of any loans from Lender will be used by any Borrower for any purpose which (a) violates, or is inconsistent with, this Agreement, or (b) violates, or is inconsistent with, any regulations promulgated by the Board of Governors of the Federal Reserve System.

7.8 Compliance With Law. Except to the extent that it would not materially adversely affect any Borrower's condition (financial or otherwise), business, properties or assets, (a) each Borrower is in compliance with all federal, state and local laws, rules and regulations applicable to it including, without limitation, all pollution control and environmental regulations in each jurisdiction where it is doing business; and (b) to any Borrower's knowledge, such Borrower has no material liability for the release or threatened release of any toxic or hazardous waste, substance or constituent into the environment.

7.9 Accuracy of Financial Statements. The interim financial statements dated April 30, 2011, copies of which have been furnished to the Lender, have been prepared in accordance with GAAP and present fairly, in all material respects, the financial condition of each Borrower as of such date and the results of its operations for the period then ended.

7.10 No Material Change. Since the date of the financial statement described in Section 7.9 hereof, and since the date of the most recent annual financial statement delivered under Section 8.1 hereof, neither the condition (financial or otherwise), business, the properties nor the operations of any Borrower has been materially and adversely affected in any way.

7.11 Taxes. Each of Borrowers and Guarantor has filed all federal and state income tax and other tax returns which are required to be filed, and has paid all taxes as shown on said returns and all assessments received by such party to the extent that such taxes have become due, except taxes that are being contested in good faith where such party has adequate reserves for such taxes.

7.12 Licenses and Permits. Each Borrower possesses adequate licenses, permits, franchises, patents, copyrights, trademarks and trade names, or rights thereto, to conduct its business substantially as now conducted and as presently proposed to be conducted; all of the federally registered patents, trademarks and copyrights, which as of the date hereof are used by each Borrower in its business or owned by any Borrower, and all applications for any of the foregoing, are listed on Schedule 7.12 hereto.

7.13 No Default. No Borrower is in default of a material provision under any material agreement, instrument, decree or order to which it is a party or by which it or its property is bound or affected and assuming that this Agreement had been previously executed and delivered, no Default or Event of Default has occurred and is continuing hereunder.

7.14 Liens and Encumbrances. Each Borrower has good title to all of its properties and assets, including, without limitation, the Collateral, free and clear of all mortgages, security interests, liens and encumbrances, except as permitted by Section 9.1.

All representations and warranties contained in this Section 7 shall survive the delivery of the Loan Documents, and the making of Lender's loans to Borrowers, and no investigation at any time made by or on behalf of Lender shall diminish its rights to rely thereon.

8. AFFIRMATIVE COVENANTS.

Each Borrower covenants and agrees with the Lender that, for so long as any Obligation of any Borrower remains unpaid or any Advances are available to any Borrower, each Borrower shall:

8.1 Financial Reports. Furnish to the Lender:

(a) as soon as available and in any event within 120 days after the end of each of the Borrowers' fiscal years, a copy of Holding's annual consolidated and consolidating audit report, including balance sheet and related statements of earnings, shareholders' equity and cash flows for such fiscal year, with comparative figures for the preceding fiscal year, prepared in accordance with GAAP and certified without qualification or exception by Holding's current independent certified public accountants or other independent certified public accountants satisfactory to the Lender and accompanied by the management letter, if any, delivered by such independent certified public accountants to Holding and the Holding's response thereto;

(b) as soon as available and in any event within 30 days after the end of each month of the Borrowers' fiscal year, a copy of the each Borrower's and each Subsidiary's internally prepared financial statements, consisting of a balance sheet as of the close of such month and related statements of earnings and cash flows for such month and from the beginning of such fiscal year to the end of such month prepared in accordance with GAAP and certified on behalf of such Borrower or Subsidiary as accurate and complete by such Borrower's or Subsidiary's authorized financial officer;

(c) with each financial statement required by Section 8.1(a) or (b) above for any period ending on the last day of a fiscal quarter of Borrowers, a Compliance Certificate in the form requested by Lender demonstrating each Borrower's compliance with the terms of this Agreement as of the end of the most recent reporting period in a form acceptable to the Lender and certified on behalf of each Borrower as accurate and complete by each Borrower's authorized financial officer;

(d) as soon as available and in any event within 15 days after the end of each fiscal month, a Borrowing Base Certificate showing the accounts receivable information and inventory information as of the end of business on the last day of such month. Each Borrowing Base Certificate and all supporting reports shall be in a form acceptable to the Lender and certified on behalf of each Borrower as accurate and complete by each Borrower's chief financial officer, treasurer or controller; and

(e) such other financial or other information or certification as the Lender may reasonably request.

8.2 Organization. Maintain and preserve its limited liability company or corporate existence.

8.3 Insurance. Maintain business interruption insurance sufficient for its business and other insurance of such other types and in such amounts as are maintained by companies of similar size engaged in the same or similar businesses and as may be required by any Loan Document; provided, however, that each policy of business interruption insurance and each policy insuring any Collateral securing any of Lender's loans to any Borrower shall name the Lender as the lender's loss payee.

8.4 Taxes. File all federal and state income tax and other tax returns (including, without limitation, withholding tax returns) which are required and make payments as required of such taxes; provided, however, that the Borrowers shall not be required to pay any such tax so long as the validity thereof is being contested in good faith by appropriate proceedings and adequate book reserves shall have been set aside with respect thereto.

8.5 Expenses. Reimburse the Lender for reasonable expenses, fees and disbursements (including, without limitation, reasonable attorneys' fees and legal expenses, appraisal fees and other third party professional fees), incurred in connection with the preparation or administration of this Agreement or any other Loan Document or the Lender's enforcement of the obligations of any Borrower under any Loan Document, whether or not suit is commenced, which attorneys' fees and legal expenses shall include, but not be limited to, any attorneys' fees and legal expenses incurred in connection with any appeal of a lower court's judgment or order.

8.6 Inspection and Audit. Permit the Lender and its representatives at reasonable times and intervals and upon reasonable notice to visit any of the Borrowers' offices and inspect its books and records including, without limitation, permitting the Lender to examine any Collateral securing any of Lender's loans to any Borrower and reimburse the Lender for all examination fees and expenses incurred in connection with such examinations at its then current rate for such services and for its out-of-pocket expenses incurred in connection therewith. Notwithstanding the foregoing and provided that no Event of Default has occurred and is continuing, Borrowers shall be required to reimburse the Lender for its examination fees and expenses in connection with only one such examination per fiscal year.

8.7 Wage Liens. At all times take all appropriate action and all action requested by Lender to (a) limit the extent of employee wage liens encumbering the Collateral, (b) keep Lender informed as to the extent of any risk of such liens, and (c) protect Lender from loss by reason of such liens.

8.8 Deposit Accounts. Maintain all of its depository accounts with Lender.

9. NEGATIVE COVENANTS.

Each Borrower covenants and agrees with the Lender that, for so long as any Obligation of any Borrower remains unpaid or any Advances are available to the Borrowers, no Borrower shall, without the Lender's prior written consent:

9.1 Liens and Security Interests. Create security interests or mortgages encumbering any of its assets except: (a) security interests in favor of the Lender; (b) other security interests described on Schedule 9.1 attached hereto and incorporated herein by reference; and (c) security interests created after the date of this Agreement in connection with capitalized lease obligations or other purchase money indebtedness incurred in connection with the acquisition of equipment, but only to the extent that: (i) the purchase money indebtedness is permitted by Section 9.2; (ii) such security interest attaches only to the equipment then being acquired by a Borrower, did not and does not attach to such Borrower's current assets and does not secure any other indebtedness; and (iii) no Default or Event of Default has occurred and is continuing at the time of the proposed creation of such security interest or would result therefrom.

9.2 Indebtedness. Create, incur, assume or suffer to exist any indebtedness except: (a) the indebtedness under this Agreement or any other Loan Document; (b) current liabilities (other than borrowed money) incurred in the ordinary course of business; (c) purchase money indebtedness (including the balance sheet amount of capitalized lease obligations) incurred after the date of this Agreement in the ordinary course of business in connection with the acquisition of equipment and not to exceed $100,000 in the aggregate; or (d) indebtedness owing to Carol Mueller in an amount not to exceed $215,000.

9.3 Transfer of Assets. Lease or sell all or any substantial portion of its property and business to any other entity or entities, whether in one transaction or a series of related transactions.

9.4 Merger. Consolidate with or merge into or with any other entity or entities.

9.5 Distributions; Management Fees. Except for transfers to be made on the date hereof and approved by Lender, declare or pay any distributions; purchase, redeem, retire or otherwise acquire for value any of the stock or membership interests (or any warrant or option to purchase any such stock or membership interests) of a Borrower now or hereafter outstanding; return any capital to its shareholders or members as such, or pay any management fees; except that each Borrower may distribute capital to shareholders and members in the amount equal to such shareholders' or members' federal and state income tax liability arising from their respective allocable shares of such Borrower's taxable income (such distributions being the "Tax Distributions"); provided, however, that: (a) such shareholders' or members' federal and state income tax liability shall be computed on the basis of the highest marginal combined tax rate for individuals under the Internal Revenue Code of 1986, as amended (the "Code") and Wisconsin law; (b) at the time such Tax Distributions are made, no Event of Default is continuing under either Section 10.1 or 10.4 of this Agreement; (c) such Tax Distribution will not create an Event of Default under either Section 10.1 or 10.4 of this Agreement.

9.6 Investments. Acquire, make or hold any investment in, or any substantial portion of the assets of, any other person except: (a) Holdings investment in Trading; (b) cash and cash equivalents; and (c) other investments described on Schedule 9.6 attached hereto and incorporated herein by reference.

9.7 Guaranties. Assume, guarantee, endorse or otherwise become liable upon the obligation of any person, firm or corporation except pursuant to the Loan Documents or by endorsement of negotiable instruments for deposit or collection in the ordinary course of business, nor sell any notes or accounts receivable with or without recourse.

9.8 Line of Business. Engage in any business other than the business engaged in by the Borrowers on the date of this Agreement.

9.9 ERISA. Maintain, establish, sponsor or contribute to any Plan (as defined in Section 7.6) which is a defined benefit plan and shall not permit any ERISA Affiliate (as defined in Section 7.6) of any Borrower to do so.

9.10 Loans and Advances. Make any loan or advance to, or otherwise extend any credit to, any Borrower's officers, directors, shareholders, partners, members, managers or Affiliates or to any member of any such person's immediate family, other than advances in the ordinary course of business to suppliers, employees and officers of any Borrower consistent with such Borrower's past practices, in an aggregate amount at any time outstanding not to exceed $50,000.

9.11 Fiscal Year End. Change its fiscal year-end.

9.12 Transfers to Subsidiaries. Transfer any assets to any Subsidiary, except with the prior written consent of Lender.

9.13 Corporate Structure. (a) Create, acquire or have in existence any Subsidiaries, other than those in existence on the date hereof, or (b) own any capital stock, membership interest or other ownership interest in any entity, other than those in existence on the date hereof.

9.14 Government Regulation. No Borrower shall (a) be or become subject at any time to any law, regulation, or list of any government agency (including, without limitation, the U.S. Office of Foreign Asset Control list) that prohibits or limits Lender from making any advance or extension of credit to any Borrower or from otherwise conducting business with any Borrower, or (b) fail to provide documentary and other evidence of any Borrower's identity as may be requested by Lender at any time to enable Lender to verify such Borrower's identity or to comply with any applicable law or regulation, including, without limitation, Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318.

9.15 Tangible Net Worth. Permit the Tangible Net Worth of Borrowers, as of the last day of any fiscal quarter, to be less than the Net Worth Minimum.

9.16 Funded Debt to EBITDA. Permit the Funded Debt to EBITDA Ratio to be greater than (a) 1.0:1.0 as of the quarters ending March 31, June 30 and December 31 of each year, and (b) 2.5:1.0 as of the quarter ending September 30 of each year.

10. EVENTS OF DEFAULT.

The occurrence of any one or more of the following shall constitute an event of default ("Event of Default") hereunder:

10.1 Payments. Any Borrower (a) shall default under Section 3.3(c) of this Agreement, or (b) shall default in the due and punctual payment of any installment of interest or principal on any Note on the date when due, or in due and punctual payment of any other amount which is due and payable to the Lender under any Loan Document or any other Obligations on the date when due, and such default continues for a period of ten (10) days. Any default under Section 3.3(c) shall not be subject to any grace period.

10.2 Nonperformance. Any Borrower (a) shall default under Sections 8.1 or 9 of this Agreement, or (b) shall default (other than those defaults expressly covered by other subsections of this Section 10) under any other provision of the Loan Documents and such default continues for a period of 30 days. Any default under Sections 8.1 or 9 shall not be subject to any cure period.

10.3 Default Under Other Documents. Any Borrower shall default and fail to cure such default in the time provided therein under the terms of any agreement, indenture, deed of trust, mortgage, promissory note or security agreement governing the borrowing of money in an amount in excess of $25,000 (other than this Agreement and the other Loan Documents) and (a) the maturity of any amount owed under such document or instrument is accelerated or (b) such default shall continue unremedied or unwaived for a period of time to permit such acceleration.

10.4 Insolvency; Bankruptcy. Any Borrower or any guarantor of any Obligations shall become insolvent or generally fail to pay, or admit in writing any Borrower's or any guarantor's inability to pay, any Borrower's or guarantor's debts as they become due; or any Borrower or any guarantor of any Obligations shall apply for, consent to, or acquiesce in, the appointment of a trustee, receiver or other custodian for any Borrower or guarantor or for any Borrower's or guarantor's property, or make a general assignment for the benefit of creditors; or, in the absence of such application, consent or acquiescence, a trustee, receiver or other custodian shall be appointed for any Borrower or any guarantor of any Obligations or for a substantial part of any such party's property and not be discharged within 60 days; or any bankruptcy, reorganization, debt arrangement, or other case or proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding shall be commenced in respect of any Borrower or any guarantor of any Obligations or be consented to or acquiesced in by any Borrower or any guarantor of any Obligations or remain for 60 days undismissed; or any Borrower or any guarantor of any Obligations shall take any action to authorize any of the foregoing.

10.5 Judgments. Any judgments, writs, warrants of attachment, executions or similar process (not covered by insurance or subject to an indemnity in favor of such Borrower, provided that Lender is satisfied, in its sole discretion, with such insurance coverage or indemnity) shall be issued against any Borrower or any assets of any Borrower where the aggregate amount of such judgments, writs, warrants of attachment, executions or similar process exceeds $50,000.00 in the aggregate and are not released, vacated, suspended, stayed abated or fully bonded prior to any sale and in any event within 30 days after its issue or levy.

10.6 Intentionally Blank.

10.7 Ownership; Control. Any change in equity ownership of any Borrower that results in Holdings not retaining a 100% equity ownership interest in Trading and Stephen L. Schlecht not retaining a majority of the voting common stock of Holdings.

10.8 Representations and Warranties. Any representation or warranty set forth in this Agreement or any other Loan Document shall be untrue in any material respect on the date as of which the facts set forth are stated or certified.

10.9 Loan Documents. Any Borrower or any Guarantor shall seek to revoke, repudiate or disavow the enforceability of any Loan Document.

Upon the happening of: (a) any Event of Default described in Section 10.4, the full unpaid principal amount of the Note and all other Obligations shall automatically be due and payable without any declaration, notice, presentment, protest or demand of any kind (all of which are hereby waived) and the Borrower's right to request or obtain Advances shall automatically terminate; or (b) any other Event of Default, the Lender may terminate the Borrowers' right to request or obtain Advances and may declare the outstanding principal amount of the Notes and all other Obligations of Borrower to the Lender to be due and payable without notice, presentment, protest or demand of any kind, whereupon the full unpaid amount of the Notes and any and all other Obligations, which shall be so declared due and payable, shall be and become immediately due and payable. In addition, the Lender may exercise any right or remedy available to it pursuant to any Loan Document, at law or in equity.

11. TERMINATION.

This Agreement may be terminated by Lender by written notice to the Borrowers at any time after the occurrence and during the continuance of an Event of Default. In the absence of such termination by the Lender, this Agreement shall continue in effect until the Termination Date. Notwithstanding the foregoing, the security interests and other liens granted to Lender and all Borrowers' duties, obligations and liabilities to Lender shall continue in full force and effect until all of the Obligations have been paid, performed or otherwise satisfied in full and any commitment of any such entity to extend additional credit to Borrowers has terminated.

12. MISCELLANEOUS.

12.1 Notices. Except as otherwise expressly provided herein, all notices, requests, demands and other communications provided for hereunder shall be in writing and shall be (a) personally delivered, (b) sent by first class United States mail, (c) sent by overnight

courier of national reputation, or (d) transmitted by facsimile, in each case addressed or faxed to the party to whom notice is being given at its address set forth on the signature page of this Agreement, or as to each party, at such other address or facsimile number as may hereafter be designated by such party in a written notice to the other party complying as to delivery with the terms of this section. All such notices, requests, demands and other communications shall be deemed to have been given (a) if personally delivered, on the date received, (b) if delivered by mail, three (3) business days after deposited in the mail, certified or registered, return receipt requested, (c) if sent by overnight courier, one (1) business day after deposited, or (d) if delivered by facsimile, on the date of transmission if during normal business hours on a business day, otherwise on the following business day. Notwithstanding the foregoing, any notice to the Lender pursuant to Section 3 shall not be deemed given until received by the Lender.

12.2 Governing Law. This Agreement, the Note and each other Loan Document shall be governed by, and interpreted and construed in accordance with, the internal laws, but not the law of conflicts, of the State of Wisconsin.

12.3 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns, except that no Borrower may assign or transfer its rights hereunder without the prior written consent of Lender.

12.4 Waivers, Amendments; etc. The provisions of this Agreement, or any other Loan Document, may from time to time be amended, modified or waived, if such amendment, modification or waiver is in writing and consented to by each Borrower and the Lender.

12.5 Inconsistencies, etc. In the event of any conflict or inconsistency between or among the provisions of this Agreement and any other Loan Document, it is intended that the provisions of this Agreement and such other Loan Document be enforceable except to the extent that the enforcement of such provisions is irreconcilable and, in that event, the provisions of this Agreement shall be controlling.

12.6 Participating Lenders. Each Borrower agrees that Lender may, at its option, grant to one or more of its affiliates or other financial institutions the right to participate in the loan advances described in this Agreement. If any participating lender shall at any time participate with Lender in making any loan advances hereunder, each Borrower hereby grants to such participating lender (in addition to any other rights which such participating lender may have) both a continuing lien and security interest in any money, security and other personal property of such Borrower which is in the possession of such participating lender, and an express, contractual right of setoff therein, for the benefit of all participating lender(s), the Lender and all other affiliates of Lender.

12.7 Affiliates; Lenders. Each Borrower agrees that the Lender may provide any information or knowledge the Lender may have about any Borrower or about any matter relating to the Notes or the Loan Documents to any of its subsidiaries or affiliates or their successors, or to any one or more purchasers or potential purchasers of the Notes or the Loan Documents. Each Borrower agrees that the Lender may at any time sell, assign or transfer one or more interests or participations in all or any part of its rights and obligations in the Notes to one or more purchasers whether or not related to the Lender.

12.8 USA PATRIOT ACT NOTIFICATION. The following notification is provided to each Borrower pursuant to Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318:

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person or entity that opens an account, including any deposit account, treasury management account, loan, other extension of credit, or other financial services product. What this means for each Borrower: When a Borrower opens an account, if such Borrower is an individual Lender will ask for such Borrower's name, taxpayer identification number, residential address, date of birth, and other information that will allow Lender to identify such Borrower, and if such Borrower is not an individual Lender will ask for such Borrower's name, taxpayer identification number, business address, and other information that will allow Lender to identify such Borrower. Lender may also ask, if such Borrower is an individual to see such Borrower's driver's license or other identifying documents, and if such Borrower is not an individual to see such Borrower's legal organizational documents or other identifying documents.

12.9 Limitation of Liability. None of the Lender, any affiliate of the Lender, any Borrower or any affiliate of any Borrower (the "Related Parties") shall have any liability with respect to, and the parties hereto hereby waive, release and agree not to sue upon, any claim for any punitive damages, any exemplary damages or any special, indirect or consequential damages suffered by any Related Party in connection with, arising out of, or in any way related to, this Agreement, the Notes or any other Loan Document, or the transactions contemplated and the relationship established hereby or thereby, or any act, omission or event occurring in connection herewith or therewith.

12.10 Venue. AT THE OPTION OF THE LENDER, THIS AGREEMENT AND EACH OTHER LOAN DOCUMENT TO WHICH ANY BORROWER IS A PARTY MAY BE ENFORCED IN ANY FEDERAL COURT OR WISCONSIN STATE COURT SITTING IN MILWAUKEE, WISCONSIN; AND EACH BORROWER CONSENTS TO THE JURISDICTION AND VENUE OF ANY SUCH COURT AND WAIVES ANY ARGUMENT THAT VENUE IN SUCH FORUMS IS NOT CONVENIENT. IN THE EVENT ANY BORROWER COMMENCES ANY ACTION IN ANOTHER JURISDICTION OR VENUE UNDER ANY TORT OR CONTRACT THEORY ARISING DIRECTLY OR INDIRECTLY FROM THE RELATIONSHIP CREATED BY THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, THE LENDER AT ITS OPTION SHALL BE ENTITLED TO HAVE THE CASE TRANSFERRED TO ONE OF THE JURISDICTIONS AND VENUES ABOVE-DESCRIBED, OR IF SUCH TRANSFER CANNOT BE ACCOMPLISHED UNDER APPLICABLE LAW, TO HAVE SUCH CASE DISMISSED WITHOUT PREJUDICE.

12.11 Entire Agreement; Amendment and Restatement. This Agreement, the Notes and the other Loan Documents embody the entire agreement and understanding between the Borrowers and the Lender with respect to the subject matter hereof and thereof. This

Agreement is an amendment and restatement of the following documents and is not a novation: (a) Business Loan Agreement (Asset Based) between Lender, Borrowers and Sugar River dated May 15, 2010, as amended by Amendment to Promissory Note and Business Loan Agreement dated May 12, 2011, (b) Business Loan Agreement between Lender, Borrowers and Sugar River dated May 4, 2010, as amended by Amendment to Promissory Note and Business Loan Agreement dated May 12, 2011, and (c) Business Loan Agreement between Lender, Borrowers and Sugar River dated May 12, 2010, as amended.

12.12 Indemnification. In consideration of the execution and delivery of this Agreement by Lender and the agreement to extend the credit provided hereunder, each Borrower hereby agrees to indemnify, exonerate and hold free and harmless Lender and each of the officers, directors, employees and agents of Lender (collectively, herein called the "Lender Parties") free and harmless from and against any and all actions, causes of action, suits, losses, liabilities, damages and expenses, including, without limitation, reasonable attorneys' fees and disbursements (collectively, and including all of the foregoing based upon contract, tort or otherwise, herein called the "Indemnified Liabilities"), incurred by the Lender Parties or any of them as a result of, or arising out of, or relating to (a) the execution, delivery, performance, enforcement or administration of this Agreement, the Notes, any consent, waiver or other agreement of any landlord of any Borrower, any guaranty of the Obligations, or any other document or instrument securing this Agreement or otherwise executed or delivered in connection with this Agreement, (b) the relationship of the parties as borrower, guarantor and lender, or (c) the noncompliance by any Borrower or by any property of any Borrower with environmental laws. Notwithstanding the foregoing, no Borrower shall be required to indemnify Lender for any such Indemnified Liabilities arising on account of the gross negligence or willful misconduct of Lender, and if and to the extent that the foregoing undertaking may be unenforceable for any reason, each Borrower hereby agrees to make the maximum contribution to the payment and satisfaction of each of the Indemnified Liabilities which is permissible under applicable law. This Section shall survive termination of this Agreement.

12.13 WAIVER OF TRIAL BY JURY. THE BORROWERS AND THE LENDER EACH WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS (i) UNDER THE LOAN DOCUMENTS OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION THEREWITH OR (ii) ARISING FROM ANY RELATIONSHIP EXISTING IN CONNECTION WITH THIS AGREEMENT, AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

[Signature Page Follows]

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

HARRIS N.A.

By: */s/ Charles P. Heffernan*
Name: Charles P. Heffernan
Title: Senior Vice President

1000 N. Water Street
Milwaukee, WI 53202
Attn: Charles P. Heffernan, Senior Vice President
Telecopy No: ( ) -

DULUTH HOLDINGS INC.

By: */s/ Mark DeOrio*
Name: Mark DeOrio
Title: Chief Financial Officer

170 Countryside Drive
PO Box 409
Belleville, Wisconsin 53508
Attn: Mark DeOrio, Chief Financial Officer
Telecopy No: ( ) -

DULUTH TRADING COMPANY, LLC
By: Duluth Holdings Inc., its sole member

By: */s/ Mark DeOrio*
Name: Mark DeOrio
Title: Chief Financial Officer

170 Countryside Drive
PO Box 409
Belleville, Wisconsin 53508
Attn: Mark DeOrio, Chief Financial Officer

Telecopy No: ( ) -

LIST OF SCHEDULES

Schedules 2	Locations
Schedule 7.5	Litigation
Schedule 7.12	Intellectual Property
Schedule 9.1	Securities Interests
Schedule 9.6	Investments

SCHEDULE 2

LOCATIONS

170 Countryside Drive
Belleville, Wisconsin 53508

100 West Main Street
Mount Horeb, Wisconsin 53572

SCHEDULE 7.5

LITIGATION

1. On May 6, 2011, Ironclad Performance Wear filed a patent infringement complaint against Trading, Damascus Worldwide, and Petzl America relating to the sales of work gloves having a particular finger construction. As of June 8, 2011, the complaint had not yet been served but a cease and desist letter was also sent to Trading. Counsel for Trading contacted counsel for Ironclad on June 1 and June 8 to discuss a possible resolution but has not yet had a response.

2. By letter received at Trading on May 16, 2011, Julie Lund d/b/a Northern Creative Concepts informed Trading of her U.S. design patent relating to a neck gaiter design. After reviewing the design patent, prior art cited during examination, and the Duluth product (the "Shoreman's Fleece Neck Gaiter"), Trading believes it has a very good non-infringement position and responded to Ms. Lund on May 23 advising her as such.

3. By May 18, 2011 letters from both K&L Gates and Mad Bomber Company, Trading received a demand that it cease using the term "Bomber" in connection with certain hats sold by Trading. Without admitting any liability, on June 1 Trading informed counsel for Mad Bomber Company that it would cease use of the "Bomber" term with the hats.

SCHEDULE 7.12

INTELLECTUAL PROPERTY

[See Attached]

Country Client	Mark	Status App. No. App. Date.	Reg. No. Reg. Date.	Our File No.
United States of America Duluth Holdings Inc./Duluth Tr	**BALLROOM**	Registered 77/834,381 24-Sep-2009	3,896,034 28-Dec-2010	056935-0030
United States of America Duluth Holdings Inc./Duluth Tr	**BUCKET MASTER**	Registered 78/375,561 27-Feb-2004	2,968,773 12-Jul-2005	056935-0023
United States of America Duluth Holdings Inc./Duluth Tr	**CAB COMMANDER**	Registered 78/181,931 05-Nov-2002	2,761,951 09-Sep-2003	056935-0018
United States of America Duluth Holdings Inc./Duluth Tr	**DULUTH TRADING CO. BORN ON THE JOB SITE etc & Des** 	Registered 78/378,006 03-Mar-2004	3,074,465 28-Mar-2006	056935-0022
United States of America Duluth Holdings Inc./Duluth Tr	**DULUTH TRADING COMPANY**	Registered	1,990,493 30-Jul-1996	056935-008D
United States of America Duluth Holdings Inc./Duluth Tr	**DULUTH TRADING COMPANY & Star Design** **[Duluth Logo]**	Registered 76/372,135 15-Feb-2002	2,706,592 15-Apr-2003	056935-0009
United States of America Duluth Holdings Inc./Duluth Tr	**FIRE HOSE**	Registered 78/287,663 14-Aug-2003	3,038,325 03-Jan-2006	056935-0021
United States of America Duluth Holdings Inc./Duluth Tr	**LONGTAIL T**	Registered 78/177,882 24-Oct-2002	2,838,487 04-May-2004	056935-0013

Country Client	Mark	Status App. No. App. Date.	Reg. No. Reg. Date.	Our File No.
United States of America Duluth Holdings Inc./Duluth Tr	**NO POLO SHIRT**	Registered 78/180,697 31-Oct-2002	2,911,660 14-Dec-2004	056935-0014
United States of America Duluth Holdings Inc./Duluth Tr	**ONE NIGHT STAND**	Registered 78/619,109 28-Apr-2005	3,155,201 10-Oct-2006	056935-0026

SCHEDULE 9.1

SECURITY INTERESTS

SCHEDULE 9.6

INVESTMENTS

Exhibit 10.24(b)

AMENDED AND RESTATED SECURITY AGREEMENT

THIS AMENDED AND RESTATED SECURITY AGREEMENT (this "Agreement"), dated as of June 13, 2011 is from Duluth Holdings Inc. and Duluth Trading Company, LLC, a Wisconsin limited liability company (each a "Company" and jointly, the "Companies"), in favor of Harris N.A. ("Secured Party").

1. Definitions. All terms defined in Articles 1 through 9 of the applicable Uniform Commercial Code, as it may be amended from time, shall have the meanings specified therein unless otherwise defined herein or unless the context otherwise requires. As used herein, the following terms have the following meanings:

"Accounts" has the meaning provided in the applicable Uniform Commercial Code.

"Collateral" means all of any Company's right, title and interest in and to the following, whether now owned and existing or hereafter created or acquired, wherever located, together with all additions and accessions and all proceeds and products thereof: Accounts; Instruments; supporting obligations, including all guaranties and letter of credit rights; all of the any Company's life insurance policies and their cash surrender values; Investment Property; deposit accounts; chattel paper; General Intangibles; computer and other data processing hardware, software programs, whether owned, licensed or leased, and, all documentation for such hardware and software; leases, rents, issues and profits; Equipment; Inventory; any insurance coverage relating to the foregoing, including casualty insurance coverage and credit insurance coverage, and all books and records of the Companies pertaining to any of the foregoing, including books and records stored or maintained on any type of computer and/or data processing system or equipment (including but not limited to all related discs, tapes, printouts and media). Collateral shall include all licenses and permits of the Companies.

"Environmental Laws" shall mean all federal, state and local laws including statutes, regulations, ordinances, codes, rules and other governmental restrictions and requirements relating to the discharge of air pollutants, water pollutants or process waste water or otherwise relating to the environment or hazardous substances including, but not limited to, the Federal Solid Waste Disposal. Act, the Federal Clean Air Act, the Federal Clean Water Act, the Federal Resource Conservation and Recovery Act of 1976, the Federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, regulations of the Environmental Protection Agency, regulations of the Nuclear Regulatory Agency, and regulations of any state department of natural resources or state environmental protection agency now or at any time hereafter in effect.

"Equipment" means all machinery, equipment, motor vehicles, furniture and fixtures owned by any Company and, to the extent legally assignable, all leases and agreements for use of machinery, equipment and fixtures leased by any Company, and all modifications, alterations, repairs, substitutions and replacements thereof or thereto.

"Event of Default" means the occurrence of any of the following: (a) an Event of Default under the Loan Agreement or any other agreement between any Company and Secured Party, (b) any representation made by any Company in this Agreement is false in any material respect on the date as of which made or as of which the same is to be effective or (c) any Company fails to timely comply with any of its obligations under this Agreement.

"General Intangibles" means any personal property owned by any Company (other than Accounts, Instruments, chattel paper, Equipment or Inventory) including, but not limited to, general intangibles, causes of action, contract rights, rights to insurance claims and proceeds, tax refunds, claims for tax refunds, rights of indemnification, contribution and subrogation, payment intangibles, goodwill, patents, know-how, trademarks, copyrights, trade names, patent, trademark, trade name and copyright registrations and applications, trade secrets, customer lists, licenses and franchises, and license agreements related to any of the foregoing (and income derived therefrom).

"Instrument" means a negotiable instrument owned by any Company, a certificated security owned by any Company or any other writing owned by any Company which evidences a right to the payment of money, other than chattel paper.

"Inventory" means all of any Company's inventory, including all goods held for sale, lease or demonstration or to be furnished under contracts of service, all goods leased to others, trade-ins and repossessions, raw materials, work in process and materials or supplies used or consumed in any Company's business.

"Investment Property" means all of any Company's investment property, including but not limited to all stock and other interest of any Company in its subsidiaries, if any.

"Lien" means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind.

"Loan Agreement" means the Amended and Restated Loan Agreement among the Companies and Secured Party dated the date hereof, as it may be amended, restated or otherwise modified from time to time.

"Notes" means the Revolving Note and the Term Note.

"Revolving Note" means the Amended and Restated Revolving Note of even date herewith executed by the Companies in favor of Secured Party in the principal amount of $13,000,000.00, as it may be amended, restated or replaced from time to time.

"Term Note" means the Amended and Restated Term Note of even date herewith executed by the Companies in favor of Secured Party in the principal amount of $684,960.05, as it may be amended, restated or replaced from time to time.

"Obligations" means all of any Company's debts, obligations and liabilities to Secured Party or any affiliate of Secured Party, including but not limited to all debts, obligations and liabilities arising pursuant to the Notes and the Loan Agreement, of whatever nature (contingent or otherwise), and all amendments and extensions or renewals thereof, whether

arising out of existing, contemporaneous or future credit granted by Secured Party to any Company, to any Company and another, or to another guaranteed by any Company. “Obligations” includes all Letter of Credit Liabilities (as defined in the Loan Agreement), Hedging Agreement Liabilities (as defined in the Loan Agreement), and all other Obligations (as defined in the Loan Agreement).

2. Grant of Security Interest.

2.1 Security Interest. Each Company grants Secured Party a security interest in the Collateral to secure the payment of the Obligations.

2.2 Right of Set Off. Each Company also grants Secured Party a security interest and lien in any credit balance or other money now or hereafter owed such Company by Secured Party, and, in addition, agrees that Secured Party may at any time after an occurrence of an Event of Default, without notice or demand, set off against such credit balance or other money any amount unpaid under the Obligations.

3. Representations and Warranties of the Companies. Each Company, jointly and severally, represents and warrants to Secured Party that:

3.1 Ownership. Except as permitted under the Loan Agreement, a Company owns the Collateral free of all Liens and no financing statement (other than those in favor of Secured Party) is on file covering any of the Collateral.

3.2 Sale of Goods or Services Rendered. Each Account and chattel paper constituting Collateral as of this date arose from the performance of services by a Company or from a bonafide sale or lease of goods which have been delivered or shipped to the account debtor and for which a Company has genuine invoices, shipping documents or receipts.

3.3 Location of Collateral. Duluth Holdings Inc.’s (“Duluth Holdings”) place of business or, if more than one, its chief executive office, and the place where Duluth Holdings keeps its records concerning Accounts, is 170 Countryside Drive, PO Box 409, Belleville, Wisconsin 53508. Duluth Trading Company, LLC’s (“Duluth Trading”) place of business or, if more than one, its chief executive office, and the place where Duluth Trading keeps its records concerning Accounts, is 170 Countryside Drive, PO Box 409, Belleville, Wisconsin 53508. No Company will not change, the location of its chief executive office, the place where it keeps records concerning Accounts or the place where Equipment or Inventory is kept unless such change is permitted by the Loan Agreement and 30 days’ advance written notice of such change, describing the new location, has been given to Secured Party.

3.4 Fixtures. Exhibit A contains the description of all real estate to which any Collateral is affixed.

3.5 Intellectual Property. Exhibit B contains a correct and complete list and description of all federally registered patents, trademarks and copyrights owned by any Company.

3.6 Environmental Compliance. To the knowledge of the Companies, there are no conditions existing currently or likely to exist during the term of the Loan Agreement which would subject any Company to damages, penalties, injunctive relief or cleanup costs under any Environmental Laws or which require or are likely to require cleanup, removal, remedial action or other response pursuant to Environmental Laws by any Company.

3.7 Effectiveness of Representations and Warranties. The representations and warranties contained in this Section 3 shall be true and correct on and as of the date hereof and until the Obligations have been paid in full, with such changes as are approved by Secured Party or are permitted by the Loan Documents (as defined in the Loan Agreement).

4. Covenants of the Company. Each Company agrees that while any credit is available to any Company under the Notes and while any of the Obligations remain unpaid:

4.1 Maintenance of Collateral. Each Company shall: (a) maintain the Collateral in good condition and repair and not permit its value to be impaired (ordinary wear and tear excepted); (b) keep the Collateral free from all Liens except Liens in favor of Secured Party and Liens permitted by the Loan Agreement; (c) defend the Collateral against all claims and legal proceedings by persons other than Secured Party; (d) pay and discharge when due all taxes, levies and other charges or fees upon the Collateral; (e) not sell, lease or otherwise dispose of the Collateral or permit the Collateral to become a fixture or an accession to other goods, except as permitted by this Agreement; (f) not permit the Collateral to be used in violation of any applicable law or regulation or policy of insurance; (g) operate its business in compliance with all applicable provisions of the federal Fair Labor Standards Act; and, (h) as to Collateral consisting of Instruments and chattel paper, preserve the rights of any Company therein against prior parties.

4.2 Insurance. Each Company will keep all the Collateral insured against loss by fire, extended coverage perils and such other hazards as Secured Party requires in amounts not less than the replacement cost thereof. All insurance policies shall be issued by an insurance company or companies acceptable to Secured Party.

Each Company shall cause the issuer of each insurance policy to issue a certificate of insurance naming Secured Party as an additional insured, lender’s loss payee and mortgagee and containing an agreement by the insurer that the policy shall not be terminated or modified without at least 30 days’ prior written notice to Secured Party, and each Company shall deliver each such certificate to Secured Party. In the event of any loss or casualty exceeding $250,000 for any loss or $1,000,000 in the aggregate for all losses in any fiscal year of any Company (the “floor amount”) which is covered by insurance, the Company experiencing such loss shall give immediate notice thereof to Secured Party and each Company grants to Secured Party the right to make proof of such loss or damage. Secured Party is hereby authorized and empowered by and on behalf of each Company to settle, adjust or compromise any claims for loss, damage or destruction under any such insurance policy.

The proceeds of any loss in excess of the floor amount shall be paid to Secured Party and, if initially received by any Company, shall be immediately turned over to Secured Party. The proceeds of any loss which is less than the floor amount shall be paid to the

Company entitled to such proceeds; provided, however, that if an Event of Default has occurred and is continuing, all proceeds of each such insurance policy shall be deposited with Secured Party. Each Company authorizes Secured Party to endorse in the name of such Company on any instrument evidencing such proceeds.

All proceeds of any such insurance received by Secured Party shall be held by Secured Party and shall be applied by it either to the Obligations or to the repair or replacement of the lost, stolen, damaged or destroyed property with respect to which such proceeds were received.

4.3 Maintenance of Security Interest. Each Company authorizes Secured Party to file financing statements describing the Collateral. Each Company shall, at such Company's expense, cooperate in Secured Party's efforts to comply with or address any amendments to Article 9 of the Uniform Commercial Code that may be in effect from time to time. Each Company shall, at such Company's expense, take any action requested by Secured Party to preserve and protect the rights of Secured Party in the Collateral or to establish, determine priority of, perfect, continue perfected, terminate and/or enforce Secured Party's interest in the Collateral. Each Company shall execute and deliver to Secured Party any and all documents which Secured Party reasonably requests to protect its security interest in the Collateral.

4.4 Books and Records; Inspection.

(a) Each Company will keep proper books of record and account in which full, true and proper entries will be made with respect to the Collateral. Without limiting the generality of the foregoing, each Company agrees that it will at all times keep accurate and complete records with respect to the Accounts and the Inventory including, but not limited to, a record of all payments received on account thereof and of all credits granted.

(b) Each Company agrees that Secured Party and its representatives shall have the right during normal business hours from time to time to call at any Company's place of business where its records concerning the Accounts are kept and any other place where any of the Collateral is located, examine the Collateral and all records concerning the Collateral and make extracts therefrom or copies thereof.

4.5 Chattel Paper; Instruments. Chattel paper, Instruments and other documents which constitute Collateral shall be on forms satisfactory to Secured Party. Each Company shall promptly mark all such forms of Collateral to indicate conspicuously Secured Party's interest therein and, upon request, deliver them to Secured Party.

4.6 Compliance with Environmental Laws. Each Company shall timely comply with all applicable Environmental Laws.

5. Possession and Use of Collateral. Until notice is given by Secured Party to the Companies after the occurrence and during the continuance of an Event of Default, the Companies (a) shall have the right to remain in possession and to use and to retain exclusive control of the Collateral with power to manage, operate, develop, use and enjoy the Collateral; (b) may sell, lease, use or dispose of Inventory in the ordinary course of business; (c) shall

diligently collect (at its own expense) the Accounts in accordance with sound business practices; (d) may sell or otherwise dispose of, free from the Lien of this Security Agreement, any Equipment which may have become obsolete, inadequate or worn-out if such Equipment is no longer necessary in the conduct of the business of the Companies (provided, however, that no Company may dispose of Equipment having an aggregate net book value greater than $250,000 during any 12-month period unless the prior written consent of Secured Party is obtained; (e) as to Equipment which is necessary in the conduct of any Company's business, may replace any item of such Equipment which has become obsolete,. inadequate or worn-out with another item of Equipment which has a value and useful life at least equal to that of such replaced Equipment immediately prior to the time such Equipment became obsolete, inadequate or worn-out, and is suitable for a use which is the same or similar to such item of replaced Equipment; (f) may alter, add to, repair or replace any and all Equipment; and (g) may dispose of any Collateral as otherwise expressly permitted under the Loan Documents.

6. Remedies of Secured Party.

6.1 Remedies Upon Default. Upon the occurrence and during the continuance of an Event of Default, Secured Party may exercise any or all of the following rights and remedies:

(a) Collection of Accounts. Secured Party may at any time notify the account debtor under any Account of Secured Party's security interest therein and direct such account debtor to make payments directly to Secured Party. Secured Party may enforce collection of, settle, compromise or renew any such Account. Any proceeds of Accounts received or collected by any Company shall not be commingled with any other funds or property of any Company and shall be turned over to Secured Party in precisely the form received (but endorsed by such Company for collection, if necessary) not later than the Business Day following the day of receipt. Each Company hereby irrevocably appoints Secured Party as such Company's attorney with power to ask for, demand, sue for, collect, receive and receipt for any monies due or to become due under any Account and to endorse checks, drafts, orders and other instruments for the payment of money to such Company with respect to an Account; provided that Secured Party shall not be obligated to make any demand for payment; to inquire concerning the nature or sufficiency of any payment received by Secured Party or to take any other action regarding any Account and no action taken or not taken by Secured Party with respect to an Account shall give rise to any defense, counterclaim or offset in favor of such Company or to any claim or proceeding against Secured Party.

(b) Wisconsin Uniform Commercial Code. Secured Party shall have all of the rights and remedies for default provided by the Wisconsin Uniform Commercial Code as well as any other applicable law. With respect to such rights and remedies:

(i) Secured Party may take possession of the Collateral without a hearing, the right to or necessity of which each Company waives;

(ii) Secured Party may require any Company to assemble the Collateral and make it available to Secured Party at any convenient place designated by Secured Party and Secured Party shall have the right to take immediate possession of the Collateral, and may enter any of the premises of any Company or wherever the Collateral shall be located and keep the Collateral at such locations without charge until sold; and

(iii) Written notice, when required by law, sent to any Company at least ten calendar days (counting the day of sending) before a proposed disposition of the Collateral is reasonable notice.

(c) Protective Advances. Secured Party is authorized, at its option, in any Company's name or otherwise, to take such action as may be necessary or desirable to remedy any failure by such Company to comply with its obligations hereunder including, without limitation, signing such Company's name or paying any amount so required, and any amount so paid shall be payable by such Company to Secured Party upon demand with interest from the date of payment by Secured Party at the applicable default interest rate stated in the Loan Agreement.

6.2 No Marshaling. The Collateral may be sold in such parcels and in such order as Secured Party shall determine. Each Company, for itself and all other persons claiming by, through or under it, hereby waives and releases, to the extent permitted by applicable law, any right to have the Collateral or any part thereof, marshaled upon any sale, foreclosure or other disposition thereof.

6.3 Instruments of Sale. Secured Party may execute and deliver to each purchaser of Collateral bills of sale, deeds or other instruments conveying or transferring the property sold. Each Company irrevocably appoints Secured Party as its attorney to execute and deliver all such instruments and ratifies and confirms all actions taken by Secured Party pursuant to such appointment. If so requested by Secured Party, each Company shall execute and deliver to Secured Party or to any such purchaser of Collateral such instruments of conveyance as deemed necessary or convenient by Secured Party.

6.4 Application of Proceeds. All amounts received by Secured Party in exercising its rights hereunder shall, unless otherwise required by law, be applied by Secured Party to expenses incurred by Secured Party in protecting or enforcing its rights under this Agreement (including without limitation reasonable attorneys' fees and all expenses of taking possession, storing, holding, repairing, restoring, preparing for disposition and disposing of the Collateral) and to the Obligations as set forth in Section 4.1 of the Loan Agreement.

6.5 Remedies Cumulative. No remedy granted herein to Secured Party is exclusive of any other remedy granted hereunder or by applicable law.

6.6 Waiver. Secured Party may permit a Company to cure any default hereunder without waiving the default so cured and Secured Party may waive any default without waiving any subsequent or prior default by such Company.

6.7 Protection or Preservation of Collateral. Secured Party has no duty to protect, insure, collect or realize upon the Collateral or preserve rights in it against prior parties. Secured Party shall not be responsible or liable for any shortage, discrepancy, damage, loss or destruction of any part of the Collateral regardless of the cause thereof. Secured Party has no obligation to clean the Collateral or otherwise prepare the Collateral for sale.

6.8 Compliance with Other Laws. Secured Party may comply with any applicable state or federal law requirements in connection with a disposition of the Collateral and compliance will not be considered adversely to affect the commercial reasonableness of any sale of the Collateral.

6.9 Warranties. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral.

7. Miscellaneous.

7.1 Notices. Any notices, communications and waivers under this Agreement shall be in writing and shall be (i) delivered in person, (ii) mailed, postage prepaid, either by registered or certified mail, return receipt requested, or (iii) by overnight express carrier, addressed in each case as follows:

To Secured Party: Harris N.A.
1000 N. Water Street
Milwaukee, WI 53202
Attn: Charles P. Heffernan, Senior Vice President

To any one or more Borrowers:

Duluth Holdings Inc. and/or Duluth Trading Company, LLC
170 Countryside Drive
P.O. Box 409
Belleville, WI 53508
Attn: Mark DeOrio, Chief Financial Officer

or to any other address as to any of the parties hereto; as such party shall designate in a written notice to the other party hereto. All notices sent pursuant to the terms of this Section 7.1 shall be deemed received (i) if personally delivered, then on the date of delivery, (ii) if sent by overnight, express carrier, then on the next Business Day (as defined in the Loan Agreement) immediately following the day sent, or (iii) if sent by registered or certified mail, then on the earlier of the third Business Day following the day sent or when actually received.

7.2 Governing Law. This Agreement is being delivered in and shall be deemed to be a contract governed by the laws of the State of Wisconsin and shall be interpreted and enforced in accordance with the laws of that state without regard to the principles of conflicts of laws.

7.3 Submission to Jurisdiction. As a material inducement to Secured Party making the loans evidenced by the Notes:

(a) EACH COMPANY AGREES THAT ALL ACTIONS OR PROCEEDINGS IN ANY MANNER RELATING TO OR ARISING OUT OF THIS AGREEMENT OR THE NOTE MAY BE BROUGHT ONLY IN COURTS OF THE STATE

OF WISCONSIN LOCATED IN MILWAUKEE COUNTY OR THE FEDERAL COURT FOR THE EASTERN DISTRICT OF WISCONSIN AND EACH COMPANY CONSENTS TO THE JURISDICTION OF SUCH COURTS.

(b) EACH COMPANY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH COURT AND ANY RIGHT IT MAY HAVE NOW OR HEREAFTER HAVE TO CLAIM THAT ANY SUCH ACTION OR PROCEEDING IS IN AN INCONVENIENT COURT.

7.4 Waiver of Jury Trial. EACH COMPANY HEREBY KNOWINGLY AND VOLUNTARILY WAIVES THE RIGHT IT MAY HAVE TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM BASED ON OR ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE NOTE, ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ANY OTHER ACTION OF EITHER PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT TO SECURED PARTY TO MAKE THE LOANS EVIDENCED BY THE NOTES.

7.5 Limitation of Liability. EACH COMPANY HEREBY WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER FROM SECURED PARTY ANY SPECIAL, EXEMPLARY, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES OR ANY DAMAGES, OF WHATEVER NATURE, OTHER THAN ACTUAL, COMPENSATORY DAMAGES.

7.6 Severability. The invalidity of any provision of this Agreement shall not affect the validity of any other provision.

7.7 Persons Bound. This Agreement is for the benefit of Secured Party and its successors and assigns and binds each Company and such Company’s successors and assigns.

7.8 Entire Agreement Amendment and Restatement. This Agreement, the Loan Agreement, the Notes and the other Loan Documents (as defined in the Loan Agreement) embody the entire agreement and understanding between the Companies and the Secured Party with respect to the subject matter hereof and thereof. This Agreement is an amendment and restatement of the following documents and is not a novation: (i) the Commercial Security Agreement executed by Duluth Holdings Inc. in favor of Secured Party dated May 4, 2010, and (ii) the Commercial Security Agreement executed by Duluth Trading Company, LLC in favor of Secured Party dated May 4, 2010.

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

DULUTH HOLDINGS INC.

By: /s/ Mark DeOrio
Name: Mark DeOrio
Title: Chief Financial Officer

DULUTH TRADING COMPANY, LLC
By: Duluth Holdings Inc., its sole member

By: /s/ Mark DeOrio
Name: Mark DeOrio
Title: Chief Financial Officer

EXHIBIT A

LEGAL DESCRIPTIONS

Property Address: 170 Countryside Drive, Belleville, Wisconsin 53508

Tax Key Number: 0508-344-0005-4

Legal Description: Lot 5, Plat of Belleville Industrial Park Number 2, Village of Belleville, Dane County, Wisconsin.

Property Address: 100 West Main Street, Mount Horeb, Wisconsin 53572

Tax Key Number: 157/0606-123-2025-5

Legal Description: Lots Five (5), Six (6), Seven (7) and Eight (8), Block One (1), Carl Boeck’s Survey and Plat of Mount Horeb Station, in the Village of Mount Horeb, Dane County, Wisconsin.

EXHIBIT B

INTELLECTUAL PROPERTY

[See Attached]

Country Client	Mark	Status App. No. App. Date.	Reg. No. Reg. Date.	Our File No.
United States of America Duluth Holdings Inc./Duluth Tr	**BALLROOM**	Registered 77/834,381 24-Sep-2009	3,896,034 28-Dec-2010	056935-0030
United States of America Duluth Holdings Inc./Duluth Tr	**BUCKET MASTER**	Registered 78/375,561 27-Feb-2004	2,968,773 12-Jul-2005	056935-0023
United States of America Duluth Holdings Inc./Duluth Tr	**CAB COMMANDER**	Registered 78/181,931 05-Nov-2002	2,761,951 09-Sep-2003	056935-0018
United States of America Duluth Holdings Inc./Duluth Tr	**DULUTH TRADING CO. BORN ON THE JOB SITE etc & Des** 	Registered 78/378,006 03-Mar-2004	3,074,465 28-Mar-2006	056935-0022
United States of America Duluth Holdings Inc./Duluth Tr	**DULUTH TRADING COMPANY**	Registered	1,990,493 30-Jul-1996	056935-008D
United States of America Duluth Holdings Inc./Duluth Tr	**DULUTH TRADING COMPANY & Star Design** **[Duluth Logo]**	Registered 76/372,135 15-Feb-2002	2,706,592 15-Apr-2003	056935-0009
United States of America Duluth Holdings Inc./Duluth Tr	**FIRE HOSE**	Registered 78/287,663 14-Aug-2003	3,038,325 03-Jan-2006	056935-0021
United States of America Duluth Holdings Inc./Duluth Tr	**LONGTAIL T**	Registered 78/177,882 24-Oct-2002	2,838,487 04-May-2004	056935-0013

Country Client	Mark	Status App. No. App. Date.	Reg. No. Reg. Date.	Our File No.
United States of America Duluth Holdings Inc./Duluth Tr	**NO POLO SHIRT**	Registered 78/180,697 31-Oct-2002	2,911,660 14-Dec-2004	056935-0014
United States of America Duluth Holdings Inc./Duluth Tr	**ONE NIGHT STAND**	Registered 78/619,109 28-Apr-2005	3,155,201 10-Oct-2006	056935-0026

Exhibit 10.24(c)

AMENDED AND RESTATED REVOLVING NOTE

U.S. $13,000,000.00 June 13, 2011

FOR VALUE RECEIVED, on the Termination Date (as defined in the Loan Agreement referred to hereinafter), the undersigned, Duluth Holdings Inc., a Wisconsin corporation ("Holdings"), and Duluth Trading Company, LLC, a Wisconsin limited liability company ("Trading," and collectively with Holdings, the "Borrowers"), jointly and severally, promise to pay to the order of Harris N.A. (the "Lender") the maximum principal sum of Thirteen Million and 00/100 U.S. Dollars (U.S. $13,000,000.00) or, if less, the aggregate unpaid principal amount of all Advances (as defined in the Loan Agreement) made by the Lender to the Borrowers pursuant to Section 3 of the Loan Agreement, together with interest pursuant to the Loan Agreement.

The Borrowers promise to pay interest on the unpaid principal amount hereof from the date hereof until such principal amount is paid in full at the rates and at the times provided in the Loan Agreement.

This Note is the Revolving Note referred to in the Amended and Restated Loan Agreement between Borrowers and Lender dated as of the date hereof (the Loan Agreement, as amended, modified, supplemented or restated from time to time being the "Loan Agreement").

Presentment and demand for payment, notice of dishonor, protest and notice of protest are hereby waived. In the event of default, the Borrowers agree to pay costs of collection and reasonable attorneys' fees (whether or not suit is commenced), including, without limitation, attorneys' fees and legal expenses incurred in connection with any appeal of a lower court's judgment or order.

This Note is an amendment and restatement of (a) the Promissory Note dated as of May 4, 2010 executed by Borrowers and Sugar River Advertising, LLC in favor of Lender in the maximum principal amount of $1,500,000, as amended by Amendment to Promissory Note and Business Loan Agreement dated May 12, 2011, and (b) the Promissory Note dated as of May 15, 2010 executed by Borrowers and Sugar River Advertising, LLC in favor of Lender in the maximum principal amount of $9,500,000, as amended by Amendment to Promissory Note and Business Loan Agreement dated May 12, 2011, and is not a novation.

DULUTH HOLDINGS INC.

By: /s/ Mark DeOrio
Name: Mark DeOrio
Title: Chief Financial Officer

DULUTH TRADING COMPANY, LLC
By: Duluth Holdings Inc., its sole member

By: /s/ Mark DeOrio
Name: Mark DeOrio
Title: Chief Financial Officer

Exhibit 10.24(d)

AMENDED AND RESTATED TERM NOTE

U.S. $684,960.05 June 13, 2011

FOR VALUE RECEIVED, on the Term Loan Termination Date (as defined in the Loan Agreement referred to hereinafter), the undersigned, Duluth Holdings Inc., a Wisconsin corporation ("Holdings"), and Duluth Trading Company, LLC, a Wisconsin limited liability company ("Trading," and collectively with Holdings, the "Borrowers"), jointly and severally, promise to pay to the order of Harris N.A. (the "Lender") the principal sum of Six Hundred Eighty-Four Thousand Nine Hundred Sixty and 05/100 Dollars ($684,960.05), together with interest pursuant the Loan Agreement.

The Borrowers promise to pay interest on the unpaid principal amount hereof from the date hereof until such principal amount is paid in full at the rates and at the times provided in the Loan Agreement.

This Note is the Term Note referred to in the Amended and Restated Loan Agreement between Borrowers and Lender dated as of the date hereof (the Loan Agreement, as amended, modified, supplemented or restated from time to time being the "Loan Agreement").

Presentment and demand for payment, notice of dishonor, protest and notice of protest are hereby waived. In the event of default, the Borrowers agree to pay costs of collection and reasonable attorneys' fees (whether or not suit is commenced), including, without limitation, attorneys' fees and legal expenses incurred in connection with any appeal of a lower court's judgment or order.

This Note is an amendment and restatement of the Promissory Note dated as of May 12, 2010 executed by Borrowers and Sugar River Advertising, LLC in favor of Lender in the original principal amount of $900,000, and is not a novation.

DULUTH HOLDINGS INC.

By: /s/ Mark DeOrio
Name: Mark DeOrio
Title: Chief Financial Officer

DULUTH TRADING COMPANY, LLC
By: Duluth Holdings Inc., its sole member

By: /s/ Mark DeOrio
Name: Mark DeOrio
Title: Chief Financial Officer

Exhibit 10.24(e)

GUARANTY

THIS GUARANTY (this "Guaranty") is made as of June 13, 2011 by Schlecht Retail Ventures LLC ("Guarantor") in favor Harris N.A. ("Lender").

In consideration of any credit or other financial accommodation previously, now or hereafter granted by Lender to Duluth Holdings Inc., a Wisconsin corporation and an affiliate of Guarantor, and Duluth Trading Company, LLC, a Wisconsin limited liability company and an affiliate of Guarantor (each, a "Borrower" and jointly, the "Borrowers"), pursuant to that certain Amended and Restated Term Note of even date herewith executed by Borrowers in favor of Lender, as it may be amended, restated, renewed, extended, refinanced or replaced from time to time (the "Term Note"), Guarantor hereby agrees as follows:

1. Guaranty of Payment. Guarantor unconditionally guarantees prompt payment in full of the following obligations of Borrowers to Lender or any affiliate of Lender: (a) all amounts owing from time to time and other obligations of Borrowers arising under (i) the Term Note, and (ii) to the extent pertaining to the indebtedness arising under the Term Note, an Amended and Restated Loan Agreement of even date herewith among Lender and the Borrowers, as it may be amended, restated or otherwise modified from time to time (the "Loan Agreement"), (b) all interest and other charges accrued or assessed under the Term Note and, to the extent pertaining to the indebtedness arising under the Term Note, the Loan Agreement; and (c) all reasonably allocated costs and expenses of collection or enforcement of the Term Note and, to the extent pertaining to the indebtedness arising under the Term Note, the Loan Agreement. The foregoing obligations of Borrowers to Lender or any affiliate of Lender described in the foregoing sections (a) to (c) are herein called the "Obligations". This is a guaranty of payment.

2. Guaranty of Performance. Guarantor unconditionally guarantees the full and faithful performance by Borrowers of all of Borrowers' obligations to Lender arising under the Term Note and, to the extent pertaining to the indebtedness arising under the Term Note, the Loan Agreement. Guarantor shall assume responsibility for and shall fully perform all of such obligations promptly on receiving written notice from Lender that Borrowers have failed to perform any such obligations.

3. No Impairment of Guaranty. Lender may, without notice to or the consent of Guarantor, at any time and from time to time, (a) agree with any Borrower to amend any provision of any Loan Document (as defined in the Loan Agreement) including any change in the interest rate therein or any change in the amount thereof or the time or manner of payment thereunder, (b) make any agreement with any Borrower for the extension, payment, compounding, compromise, discharge or release of any provision of any Loan Document or for any modification of the terms thereof, (c) release any other guarantor of the Obligations, and (d) release, modify or accept any security for any Obligation and/or this Guaranty, and the obligations of Guarantor hereunder shall not be impaired or affected by any of the foregoing. This Guaranty is valid and enforceable against the undersigned even though any Obligation is invalid or unenforceable against a Borrower.

4. Waivers.

(a) Guarantor waives any right or claim of right to cause a marshaling of Borrowers' assets or to proceed against Guarantor, any Borrower or any other guarantor of any of Borrowers' obligations in any particular order.

(b) Guarantor expressly waives and relinquishes all rights and remedies accorded by applicable law to guarantors, including, but not limited to, notice of acceptance of this Guaranty, presentment for payment, protest or demand, notice of such protest, demand, dishonor or nonpayment, any failure to pursue a Borrower or its property, any defense arising out of the absence, impairment or loss of any right of reimbursement or subrogation and any defense arising by reason of any defense of any Borrower or by reason of the cessation of the liability of any Borrower. Guarantor further waives any defenses based on suretyship or impairment of collateral. Without limiting the generality of the foregoing (i) the liability of Guarantor hereunder shall not be modified in any manner whatsoever by any extension, discharge or rejection that may be granted to any Borrower by any court in any proceeding under any bankruptcy act or amendments thereof and the undersigned expressly waives the benefit of any such extension, discharge or rejection, and (ii) this Guaranty shall be reinstated if at any time payment of any of the Obligations is rescinded or must otherwise be restored or returned by any party upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of any Borrower, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, any Borrower or any substantial part of its property, or otherwise, all as though such payment had not been made.

(c) Guarantor hereby waives any claim, including a claim for reimbursement, subrogation, contribution or indemnification, which Guarantor may have against a co-guarantor of any of the Obligations or against any Borrower and agrees not to exercise any such right until the Obligations are paid in full.

(d) With respect to any of the Obligations, Lender may from time to time before or after revocation of this Guaranty without affecting the liability of the Guarantor (i) surrender, release, impair, sell or otherwise dispose of any security or collateral for the Obligations, (ii) release or agree not to sue any guarantor or surety, (iii) fail to perfect its security interest in or realize upon any security or collateral, (iv) fail to realize upon any of the Obligations or to proceed against any Borrower or any guarantor or surety, (v) renew or extend the time of payment, (vi) increase or decrease the rate of interest or the amount of the Obligations, (vii) accept additional security or collateral, (viii) determine the allocation and application of payments and credits and accept partial payments, (ix) determine what, if anything, may at any time be done with reference to any security or collateral, and (x) settle or compromise the amount due or owing or claimed to be due or owing from any Borrower or any guarantor or surety, and none of the foregoing shall affect the Guarantor's liability for the full amount of the unpaid Obligations. The Guarantor expressly consents to and waives notice of all of the above.

5. Independent Obligations. The obligations of Guarantor hereunder are independent of the obligations of Borrowers and, in the event of any default hereunder, a separate action or actions may be brought and prosecuted against Guarantor whether or not a Borrower is joined therein or a separate action or actions is or are brought against any. Borrower. Lender's rights hereunder shall not be exhausted by its exercise of any of its rights or remedies or by any action or by any number of successive actions until and unless the Obligations have been paid and fully performed.

6. No Waiver. No delay on Lender's part in exercising any right, power or privilege under this Guaranty or any other document executed in connection herewith shall operate as a waiver of any such privilege, power or right.

7. Borrower Information. Guarantor assumes full responsibility for keeping fully informed of the financial condition of Borrowers and all other circumstances affecting Borrowers' ability to perform its obligations to Lender and agrees that Lender will have no duty to report to Guarantor any information which such party receives about Borrowers' financial condition or any circumstances bearing on its ability to perform.

8. Judgment Against a Borrower. Guarantor agrees that any judgment rendered against any Borrower for monies due on the Obligations shall in every and all respects bind and be conclusive against Guarantor as if Guarantor had appeared in any such proceedings and judgment therein had been rendered against Guarantor.

9. Tolling of Statute of Limitations. Any part payment on the Obligations by any Borrower or other circumstance which operates to toll any statute of limitations as to any Borrower shall also toll the statute of limitations as to Guarantor.

10. Subordination. Guarantor subordinates to Borrowers' obligations to Lender all indebtedness of any Borrower to Guarantor, whether now existing or hereafter contracted, whether direct or indirect, contingent or determined. With respect to any such indebtedness of any Borrower to Guarantor, Guarantor further agrees to make no claim therefor until any and all obligations of Borrowers to Lender shall have been discharged in full, and Guarantor further covenants and agrees not to assign all or any part of such indebtedness while this Guaranty remains in effect

11. Representations and Warranties. Guarantor hereby represents and warrants that:

(a) Guarantor is a limited liability company, validly organized and existing under the laws of Wisconsin, and has full power, authority and legal right to execute and deliver, and to perform its obligations under this Guaranty;

(b) this Guaranty constitutes a legal, valid and binding obligation of Guarantor, enforceable in accordance with its terms;

(c) to the best of Guarantor's knowledge, the execution, delivery and performance of this Guaranty will not violate any provision of any law or regulation or of any judgment, order, decree, determination or award of any court, arbitrator or governmental authority, bureau or agency or of any mortgage, indenture, loan or security agreement, lease,

contract or other agreement, instrument or undertaking to which Guarantor is a party or which purports to be binding upon Guarantor or any of Guarantor's property or assets or result in the creation or imposition of any lien on any of the property or assets of Guarantor pursuant to the provisions of any of the foregoing;

(d) to the best of Guarantor's knowledge, no consent of any other person (including, without limitation, creditors of Guarantor) and no consent, license, permit, approval or authorization of, exemption by, notice or report to, or registration, filing or declaration with, any governmental authority, bureau or agency is required in connection with the execution, delivery, performance, validity or enforceability of this Guaranty;

(e) to the best of Guarantor's knowledge, no litigation, arbitration, investigation or administrative proceeding of or before any court, arbitrator or governmental authority, bureau or agency is pending in connection with the execution, delivery, performance, validity or enforceability of this Guaranty; and

(f) the financial statements or other financial information of Guarantor provided to Lender, correctly sets forth the financial condition of Guarantor, and there has been no material adverse change in the business, operations, assets or condition, financial or otherwise, of Guarantor.

12. Interest and Right of Set Off. Unless a lien would be prohibited by law or would render a nontaxable account taxable, Guarantor grants to Lender a security interest and lien in any deposit account Guarantor may at any time have with Lender. Lender may, at any time that Lender has a right to demand payment from Guarantor, set off any amount unpaid on the Obligations against any deposit balances Guarantor may at any time have with Lender, or other money now or hereafter owed Guarantor by Lender.

13. Miscellaneous.

(a) Binding Effect. The terms, provisions, covenants and conditions contained in this Guaranty shall apply to and bind the heirs, administrators, legal representatives, successors and assigns of Guarantor. The terms, provisions, covenants and conditions contained in this Guaranty shall inure to the benefit of the heirs, executors, administrators, legal representatives, successors and assigns of Lender, including, but not limited to, any subsequent holder of the Term Note and the Loan Agreement.

(b) Joint and Several Liability. Should Guarantor consist of more than one person or entity, then, in such event, all such persons and entities shall be jointly and severally liable as Guarantor hereunder.

(c) Severability. If any term, provision, covenant or condition of this Guaranty, or any application thereof, should be held by a court of competent jurisdiction to be invalid, void or unenforceable, all provisions, covenants and conditions of this Guaranty, and all applications thereof not held invalid, void or unenforceable shall continue in full force and effect and shall in no way be affected, impaired or invalidated thereby.

(d) Interpretation. In this Guaranty, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural, and vice versa, and the term Lender shall include any further holder, including pledgees, of the Obligations guaranteed hereby.

(e) Governing Law. The laws of the State of Wisconsin shall govern the validity, construction, performance and effect of this Guaranty. Except as otherwise required by applicable law, Guarantor hereby irrevocably:

(i) submits in any legal proceeding relating to the Guaranty to the non-exclusive jurisdiction of any state or United States court of competent jurisdiction sitting in the State of Wisconsin and agrees to suit being brought in such court, as Lender may elect;

(ii) waives any objection it may now or hereafter have to the venue of such proceeding in any such court or any claim that such proceeding was brought in an inconvenient forum; and

(iii) agrees that nothing in this Guaranty shall preclude Lender's right to bring proceedings in any court or courts of competent jurisdiction as Lender may elect and that legal proceedings in any one or more jurisdictions shall not preclude legal proceedings in any other jurisdiction.

(f) Attorneys' Fees. In the event any action is commenced by Lender against Guarantor in connection herewith, or in the event of any other proceeding with respect to, or affecting, this Guaranty, the Term Note, or the Loan Agreement, including, but not limited to, any bankruptcy proceeding, Lender shall be entitled to its costs and expenses, including reasonable attorneys' fees, whether or not said action is prosecuted to judgment.

(g) Revocation. This is a continuing guaranty and shall remain in full force and effect until Lender receives written notice of its revocation signed by the undersigned or actual notice of the dissolution of the undersigned. Upon revocation by written notice or actual notice of dissolution, this Guaranty shall continue in full force and effect as to all Obligations contracted for or incurred before revocation, and as to them Lender shall have the rights provided by this Guaranty as if no revocation had occurred. Any renewal, extension or increase in the interest rate of any such Obligation, whether made before or after revocation, shall constitute an Obligation contracted for or incurred before revocation. Obligations contracted for or incurred before revocation shall also include credit extended after revocation pursuant to commitments made before revocation. Revocation by one of the undersigned shall not affect any of the liabilities or obligations of any of the other undersigned and this Guaranty shall continue in full force and effect with respect to them.

(h) Notice. Any notice required or permitted to be given hereunder, shall be deemed given two days after deposit of such notice in the U.S. mail, postage prepaid, return receipt requested; one day after deposit of same with a national commercial overnight delivery service; or upon transmission by facsimile transmission, provided that confirmation of such facsimile transmission is received and a copy of such transmission is within one day thereafter forwarded by U.S. Mail or commercial overnight delivery service; in the case of any of the foregoing, addressed as follows:

To any one or more Borrowers:

Duluth Holdings Inc. and/or Duluth Trading Company, LLC
170 Countryside Drive
P.O. Box 409
Belleville, WI 53508
Attn: Mark DeOrio, Chief Financial Officer

To Guarantor:

Schlecht Retail Ventures LLC
170 Countryside Drive
P.O. Box 409
Belleville, WI 53508
Attn: Stephen L. Schlecht

To Lender:

Harris N.A.
100 N. Water Street
Milwaukee, WI 53202
Attn: Charles P. Heffernan, Senior Vice President

(i) WAIVER OF JURY. GUARANTOR AND LENDER HEREBY VOLUNTARILY KNOWINGLY, IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) BETWEEN OR AMONG THEM ARISING OUT OF OR IN ANY WAY RELATED TO THIS GUARANTY, THE LOAN DOCUMENTS, OR ARISING OUT OF OR IN ANY WAY RELATED TO THE RELATIONSHIP AMONG THE PARTIES AS GUARANTOR, BORROWER AND LENDER OR OTHERWISE. THIS PROVISION IS A MATERIAL INDUCEMENT TO LENDER TO PROVIDE THE FINANCING SECURED HEREBY.

SCHLECHT RETAIL VENTURES LLC

By: /s/ Stephen L. Schlecht
Stephen L. Schlecht, Member

By: /s/ Marianne Schlecht
Marianne Schlecht, Member

Exhibit 10.25

FIRST AMENDMENT TO AMENDED AND RESTATED LOAN AGREEMENT

This First Amendment to Amended and Restated Loan Agreement (this "Amendment") dated effective as of June 30, 2012, is by and among BMO Harris Bank N.A., formerly known as Harris N.A. ("Lender"), Duluth Holdings Inc., a Wisconsin corporation ("Holdings"), and Duluth Trading Company, LLC, a Wisconsin limited liability company ("Trading," and collectively with Holdings, the "Borrowers").

RECITALS

WHEREAS, Lender and Borrowers are parties to that certain Amended and Restated Loan Agreement dated June 13, 2011 (the "Loan Agreement"); and

WHEREAS, Borrowers and Lender desire to amend the Loan Agreement as provided herein to, among other things, (i) make changes to the terms of the Loan Agreement and (ii) extend the maturity date of the Notes in the Loan Agreement.

AGREEMENT

NOW, THEREFORE, Lender and Borrowers hereby agree as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Loan Agreement except as revised below:

(a) The definition of "Applicable Eligible Inventory Advance Amount" shall be amended and restated as follows:

"Applicable Eligible Inventory Advance Amount" shall mean (i) 70% of Borrowers' Eligible Inventory for the time period between August 1 and November 30 of each year and (ii) 50% of Borrowers' Eligible Inventory for all other periods.

(b) The definition of "Maximum Advance Amount" shall be amended and restated as follows:

"Maximum Advance Amount" shall mean (i) Twenty Million and 00/100 Dollars ($20,000,000.00) for the time period between June 1 and December 31 of each year and (ii) Seven Million Five Hundred Thousand and 00/100 Dollars ($7,500,000.00) for all other periods.

(c) The definition of "Revolving Note" shall be amended and restated as follows:

"Revolving Note" means the Borrowers' First Amended and Restated Revolving Note dated June 30, 2012 in favor of Lender in the maximum principal amount of Twenty Million and 00/100 Dollars ($20,000,000.00), as it may be amended, modified, supplemented or replaced from time to time.

(d) The definition of "Termination Date" shall be amended and restated as follows:

"Termination Date" means the earlier of May 31, 2014 or the date on which the Lender terminates the Borrowers' rights hereunder.

2. Extension of Term Loan Termination Date. The date of the Term Loan Termination Date, set forth in Section 3.4 of the Loan Agreement, is hereby amended and restated from May 12, 2013 to August 12, 2013.

3. Funded Debt to EBITDA. Section 9.16 of the Loan Agreement shall be amended and restated as follows:

"9.16 Funded Debt to EBITDA. Permit the Funded Debt to EBITDA Ratio to be greater than (a) 1.0:1.0 as of the quarter ending March 31 of each year, (b) 1.40:1.0 as of the quarter ending June 30 of each year, (c) 4.50:1.0 as of the quarter ending September 30 of each year and (d) 1.0:1.0 as of the quarter ending December 31 of each year."

4. Conditions Precedent to Amendment. The obligation of Lender to enter into this Amendment shall be subject to the satisfaction of each of the following conditions:

(a) The representations and warranties set forth in Section 6 of the Loan Agreement shall be true and correct on the date of this Amendment and after giving effect thereto; and

(b) No Event of Default or other event which, with notice, lapse of time or both, would constitute an Event of Default (each such other event is referred to herein as a "Default") shall have occurred and be continuing on the date of this Amendment or after giving effect thereto.

5. Conditions of Effectiveness of this Amendment. The obligations of Lender to enter into this Amendment shall not be effective until Borrowers have delivered the following documents:

(a) this Amendment;

(b) the First Amended and Restated Revolving Note;

(c) the Reaffirmation of Guarantor;

(d) an Officer's Certificate of Holdings; and

(e) an Officer's Certificate of Trading.

6. Payments. Payments of accrued interest and, if applicable, any principal shall continue in accordance with the terms and conditions set forth in the Notes and the Loan Agreement.

7. Advances. Lender shall continue to make Advances (as defined in the Loan Agreement) in accordance with the terms and conditions set forth in the Notes and the Loan Agreement.

8. Effect of Amendment. Except as amended hereby or otherwise in writing signed by the party against whom it is to be enforced, the Notes and the Loan Agreement shall remain in full force and effect. This Amendment is a modification only and not a novation. Except for the above-quoted modifications, the Notes, the Loan Agreement, any other loan agreements, credit agreements, reimbursement agreements, security agreements, mortgages, deeds of trust, pledge agreements, assignments, guaranties, instruments or documents executed with or in favor of Lender, and all the terms and conditions thereof, shall be and remain in full force and effect with the changes herein deemed to be incorporated therein. This Amendment is to be considered attached to both the Notes and the Loan Agreement and made a part thereof. This Amendment shall not release or affect the liability of any guarantor of any promissory note or credit facility executed in reference to the Notes or the Loan Agreement or release any owner of collateral granted as security under any security agreement. The validity, priority and enforceability of either or both of the Notes or the Loan Agreement shall not be impaired hereby. To the extent that any provision of this Amendment conflicts with any term or condition set forth in the Notes or the Loan Agreement, or any document executed in conjunction therewith, the provisions of this Amendment shall supersede and control. Lender expressly reserves all rights against all parties to the Notes and the Loan Agreement.

9. Fees and Expenses. Borrowers shall pay all fees and expenses incurred by Lender (including fees of counsel) in connection with the preparation, issuance, maintenance and enforcement of this Amendment.

10. Law Governing. This Amendment shall be governed by the laws of the State of Wisconsin.

11. Binding Effect. This Amendment shall be binding upon the parties hereto and their respective successors and assigns.

12. Counterparts. This Amendment may be executed in counterparts, all of which shall be taken to be one and the same instrument, for the same effect as if all parties hereto had signed the same signature page. Receipt of an executed signature page to this Amendment by facsimile or other electronic transmission shall constitute effective delivery thereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the day and year first above written.

DULUTH HOLDINGS INC.

By: */s/ Mark DeOrio*
Mark DeOrio, Chief Financial Officer

DULUTH TRADING COMPANY, LLC

By: Duluth Holdings Inc., its sole member

By: */s/ Mark DeOrio*
Mark DeOrio, Chief Financial Officer

BMO HARRIS BANK N.A., f/k/a Harris N.A.

By: */s/ John M. Howard*
John M. Howard, Senior Vice President

REAFFIRMATION OF GUARANTOR

The undersigned hereby consents to the foregoing First Amendment to Amended and Restated Loan Agreement and ratifies and affirms its Guaranty dated June 13, 2011 of all of the Obligations, as defined in such Guaranty, of Duluth Holdings Inc., a Wisconsin corporation and Duluth Trading Company, LLC, a Wisconsin limited liability company to BMO Harris Bank N.A., formerly known as Harris N.A.

SCHLECHT RETAIL VENTURES LLC

By: */s/ Stephen L. Schlecht*
Stephen L. Schlecht, Member

By: */s/ Marianne Schlecht*
Marianne Schlecht, Member

Exhibit 10.26

SECOND AMENDMENT TO AMENDED AND RESTATED LOAN AGREEMENT

This Second Amendment to Amended and Restated Loan Agreement (this "Amendment") dated December 27, 2013, is by and among BMO Harris Bank N.A., formerly known as Harris N.A. ("Lender"), Duluth Holdings Inc., a Wisconsin corporation ("Holdings"), and Duluth Trading Company, LLC, a Wisconsin limited liability company ("Trading," and collectively with Holdings, the "Borrowers").

RECITALS

WHEREAS, Lender and Borrowers are parties to that certain Amended and Restated Loan Agreement dated June 13, 2011, as amended by First Amendment to Amended and Restated Loan Agreement dated June 30, 2012 (the "Loan Agreement"); and

WHEREAS, Borrowers and Lender desire to amend the Loan Agreement as provided herein.

AGREEMENT

NOW, THEREFORE, Lender and Borrowers hereby agree as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Loan Agreement except as revised below:

2. Borrowing Base Certificate. Section 8.1(d) of the Loan Agreement is amended to delete "15 days after the end of each fiscal month" and replace it with "30 days after the end of each fiscal month."

3. Consents of Lessor. On or before January 31, 2013, Borrowers shall deliver to Lender Consents of Lessor in form reasonably acceptable to Lender for Borrowers' locations at 100 West Main Street, Mount Horeb, Wisconsin 53572; 108 N. Franklin St., Port Washington, WI 53074; and 9801 Lyndale Ave. S, Bloomington, MN 55420.

4. Schedule 2. Schedule 2 to the Loan Agreement is deleted and replaced with the attached Schedule 2.

5. Effect of Amendment. Except as amended hereby or otherwise in writing signed by the party against whom it is to be enforced, the Notes and the Loan Agreement shall remain in full force and effect.

6. Fees and Expenses. Borrowers shall pay all fees and expenses incurred by Lender (including fees of counsel) in connection with the preparation, issuance, maintenance and enforcement of this Amendment.

7. Law Governing. This Amendment shall be governed by the laws of the State of Wisconsin.

8. Binding Effect. This Amendment shall be binding upon the parties hereto and their respective successors and assigns.

9. Counterparts. This Amendment may be executed in counterparts, all of which shall be taken to be one and the same instrument, for the same effect as if all parties hereto had signed the same signature page. Receipt of an executed signature page to this Amendment by facsimile or other electronic transmission shall constitute effective delivery thereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the day and year first above written.

DULUTH HOLDINGS INC.

By: /s/ S. L. Schlecht
/s/ CEO, _____

DULUTH TRADING COMPANY, LLC

By: Duluth Holdings Inc., its sole member

By: /s/ S. L. Schlecht, Member
/s/ Member, _____

BMO HARRIS BANK NA., f/k/a Harris N.A.

By: /s/ John M. Howard
John M. Howard, Senior Vice President

REAFFIRMATION OF GUARANTOR

The undersigned hereby consents to the foregoing Second Amendment to Amended and Restated Loan Agreement and ratifies and affirms its Guaranty dated June 13, 2011 of all of the Obligations, as defined in such Guaranty, of Duluth Holdings Inc., a Wisconsin corporation, and Duluth Trading Company, LLC, a Wisconsin limited liability company, to BMO Harris Bank N.A.

SCHLECHT RETAIL VENTURES LLC

By: /s/ S. L. Schlecht
Stephen L. Schlecht, Member

By: /s/ M. Schlecht
Marianne Schlecht, Member

(signature Page — Second Amendment to Amended and Restated Loan Agreement)

SCHEDULE 2

LOCATIONS

170 Countryside Drive
Belleville, Wisconsin 53508

1107 River Street (Hwy 69)
Belleville, WI 53508

100 West Main Street
Mount Horeb, Wisconsin 53572

108 N. Franklin St,
Port Washington, WI 53074

9801 Lyndale Ave. S
Bloomington, MN 55420

Exhibit 10.27

THIRD AMENDMENT TO AMENDED AND RESTATED LOAN AGREEMENT

This Third Amendment to Amended and Restated Loan Agreement (this "Amendment") dated April 15, 2014, is by and among BMO Harris Bank N.A., formerly known as Harris N.A. ("Lender"), Duluth Holdings Inc., a Wisconsin corporation ("Holdings"), and Duluth Trading Company, LLC, a Wisconsin limited liability company ("Trading," and collectively with Holdings, the "Borrowers").

RECITALS

WHEREAS, Lender and Borrowers are parties to that certain Amended and Restated Loan Agreement dated June 13, 2011, as amended by First Amendment to Amended and Restated Loan Agreement dated June 30, 2012 and Second Amendment to Amended and Restated Loan Agreement dated December 27, 2013 (the "Loan Agreement"); and

WHEREAS, Borrowers and Lender desire to amend the Loan Agreement as provided herein.

AGREEMENT

NOW, THEREFORE, Lender and Borrowers hereby agree as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Loan Agreement. As used in the Loan Agreement as amended hereby, the following terms shall have the following meanings:

"Applicable Margin" initially shall mean 1.5% per annum, and shall be adjusted within 30 days after Borrowers deliver to Lender Borrowers' financial statements for the last day of a fiscal year of Borrowers, commencing with the fiscal year ending December 31, 2013 (based on financial statements delivered under Section 8.1(b) hereof, subject to retroactive adjustment upon delivery of financial statements under Section 8.1(a) hereof in case such statements indicate a Net Income that would result in a different Applicable Margin), which adjustment shall be effective as of the first day of the month (the "Effective Date") in which the adjustment is made, provided that the Rate Adjustment Conditions (as defined hereinafter) are met. "Rate Adjustment Conditions" shall mean (a) the Borrowers' Net Income for the applicable fiscal year, as shown on the applicable annual financial statements, corresponds to a different Applicable Margin in accordance with the chart below, and (b) in the case of an Applicable Margin reduction, no Event of Default exists hereunder and no condition exists that would constitute an Event of Default hereunder with the giving of notice or passage of time or both. If Borrowers' financial statements for the last day of any fiscal year of Borrowers are not delivered to Lender as of the date required hereunder, then Lender may, at Lender's option, increase the Applicable Margin to the amount provided below for Tier 1.

If Net Income for the Fiscal Year is	Applicable Margin shall be
TIER 1 Less than or equal to $15,000,000	1.75%
TIER 2 Greater than $15,000,000 and less than or equal to $25,000,000	1.50%
TIER 3 Greater than $25,000,000	1.25%

"Business Day" means any day (other than a Saturday or Sunday) on which banks are not authorized or required to close in Chicago, Illinois. If the applicable Business Day relates to the determination of the LIBOR Rate, then Business Day means any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London, England.

"Guarantor" means any party that may guaranty some or all of the Obligations from time to time. As of the date hereof, there are no Guarantors.

"Guaranty" means any guaranty of some or all of the Obligations from time to time. As of the date hereof, there are no Guaranties.

"LIBOR Rate" means, for any month, the one-month London Interbank Offered Rate (LIBOR) as reported on Bloomberg Financial Market's terminal screen entitled "Official ICE LIBOR Fixings" as reported two Business Days prior to the first day of such month, unless such rate is no longer available or published, in which case such rate shall be at a comparable index rate selected by the Lender with notice to the Borrowers. The Lender shall determine the interest rate applicable to the Loans based on the foregoing, and its determination thereof shall be conclusive and binding except in the case of manifest error.

"Maximum Advance Amount" shall mean (i) Twenty Four Million and 00/100 Dollars ($24,000,000.00) for the time period between June 1 and December 31 of each year and (ii) Ten Million and 00/100 Dollars ($10,000,000.00) for all other periods.

"Revolving Note" means the Borrowers' Second Amended and Restated Revolving Note dated the date hereof in favor of Lender in the maximum principal amount of Twenty Four Million and 00/100 Dollars ($24,000,000.00), as it may be amended, modified, supplemented or replaced from time to time.

"Termination Date" means the earlier of May 31, 2015 or the date on which the Lender terminates the Borrowers' rights hereunder.

2. Conditions Precedent. This Amendment shall not be effective until Borrowers have delivered the following documents, executed as appropriate:

(a) this Amendment;

(b) the Second Amended and Restated Revolving Note;

(c) an Officer's Certificate and Borrowing Resolutions of Holdings; and

(d) an Officer's Certificate and Borrowing Resolutions of Trading.

3. Effect of Amendment. Except as amended hereby or otherwise in writing signed by the party against whom it is to be enforced, the Notes and the Loan Agreement shall remain in full force and effect.

4. Fees and Expenses. Borrowers shall pay all fees and expenses incurred by Lender (including fees of counsel) in connection with the preparation, issuance, maintenance and enforcement of this Amendment.

5. Law Governing. This Amendment shall be governed by the laws of the State of Wisconsin.

6. Binding Effect. This Amendment shall be binding upon the parties hereto and their respective successors and assigns.

7. Counterparts. This Amendment may be executed in counterparts, all of which shall be taken to be one and the same instrument, for the same effect as if all parties hereto had signed the same signature page. Receipt of an executed signature page to this Amendment by facsimile or other electronic transmission shall constitute effective delivery thereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the day and year first above written.

DULUTH HOLDINGS INC.

By: /s/ Mark DeOrio
Mark DeOrio, Chief Financial Officer

DULUTH TRADING COMPANY, LLC

By: Duluth Holdings Inc., its sole member

By: */s/ Mark DeOrio*
Mark DeOrio, Chief Financial Officer

BMO HARRIS BANK N.A., f/k/a Harris N.A.

By: */s/ Daniel W. Propson*
Daniel W. Propson, Vice President

(signature Page — Third Amendment to Amended and Restated Loan Agreement)

Exhibit 10.28

FOURTH AMENDMENT TO AMENDED AND RESTATED LOAN AGREEMENT

This Fourth Amendment to Amended and Restated. Loan Agreement (this "Amendment") dated May 21, 2014, is by and among BMO Harris Bank N.A., formerly known as Harris N.A. ("Lender"), Duluth Holdings Inc., a Wisconsin corporation ("Holdings"), and Duluth Trading Company, LLC, a Wisconsin limited liability company ("Trading," and collectively with Holdings, the "Borrowers").

RECITALS

WHEREAS, Lender and Borrowers are parties to that certain Amended and Restated Loan Agreement dated June 13, 2011, as amended by First Amendment to Amended and Restated Loan Agreement dated June 30, 2012, Second Amendment to Amended and Restated Loan Agreement dated December 27, 2013 and Third Amendment to Amended and Restated Loan Agreement dated April 15, 2014 (the "Loan Agreement"); and

WHEREAS, Borrowers and Lender desire to amend the Loan Agreement as provided herein.

AGREEMENT

NOW, THEREFORE, Lender and Borrowers hereby agree as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Loan Agreement. As used in the Loan Agreement as amended hereby, the following terms shall have the following meanings:

"Commodity Exchange Act" means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

"Excluded Swap Obligation" means, as to each Borrower, any Swap Obligation if, and to the extent that, all or a portion of the guarantee of such Borrower of, or the grant by such Borrower of a security interest to secure, such Swap Obligation (or any guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) (a) by virtue of such Borrower's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act and the regulations thereunder at the time the guarantee of such Borrower or the grant of such security interest becomes or would become effective with respect to such Swap Obligation or (b) in the case of a Swap Obligation subject to a clearing requirement pursuant to Section 2(h) of the Commodity Exchange Act (or any successor provision thereto), because such Borrower is a "financial entity," as defined in Section 2(h)(7)(C)(i) of the Commodity Exchange Act (or any successor provision thereto), at the time the guarantee of such Borrower becomes or would become effective with respect to such related Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such guarantee or security interest is or becomes illegal.

"Maximum Advance Amount" shall mean (i) Thirty Million and 00/100 Dollars ($30,000,000.00) for the time period between April 1 and December 31 of each year and (ii) Ten Million and 00/100 Dollars ($10,000,000.00) for all other periods.

"Revolving Note" means the Borrowers' Third Amended and Restated Revolving Note dated the date hereof in favor of Lender in the maximum principal amount of Thirty Million and 00/100 Dollars ($30,000,000.00), as it may be amended, modified, supplemented or replaced from time to time.

"Schlecht BMO Loan" means the loan evidenced by Term Note A.

"Swap Obligation" means, with respect to each Borrower, any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of section 1a(47) of the Commodity Exchange Act."

"Termination Date" means the earlier of (a) (i) for the Revolving Note, May 31, 2015, (ii) for Term Note A, March 5, 2017, and (iii) for Term Note B, May 21, 2019, or (b) the date on which the Lender terminates the Borrowers' rights hereunder.

"Term Loan B" shall mean the advance under Section 3.4(b) of the Loan Agreement as amended hereby.

"Term Note A" means the Promissory Note dated March 5, 2012 in the original principal amount of $3,750,000.00 and executed by Schlecht Enterprises LLC in favor of Lender, which Promissory Note is being assumed by Borrowers on the date hereof.

"Term Note B" means the Term Note B dated the date hereof and executed by Borrowers in favor of Lender in the original principal amount of $632,000.00.

2. References Updated. The references to "Term Note" in the following places in the Loan Agreement are amended to read "Term Notes": definition of "Funded Debt" and definition of "Notes." The references to "the Note" in the following places in the Loan Agreement are amended to read "the Notes": Section 12.2 and the paragraph following Section 10.9 and preceding Section 11. The reference to "the Note" in Section 3.5(c)(ii) of the Loan Agreement is amended to read "the Revolving Note and Term Note A." Section 4.3 is amended to delete the references to "the Term Loan" and replace them with "Term Loan B". The reference to "Termination Date" in Section 11 of the Loan Agreement shall mean the latest of the Termination Dates. The references to "Termination Date" in the following places in the Loan Agreement shall mean the Termination Date for the Revolving Loan: Section 3.1 and Section 3.2.

3. Term Loans. Section 3.4 of the Loan Agreement is amended to read as follows:

"3.4 Term Loans.

(a) Term Loan A. Borrowers are assuming the Schlecht BMO Loan on the date hereof. The Schlecht BMO Loan shall be Term Loan A under this Agreement, shall be governed by this Agreement and shall be evidenced by Term Note A. Each Borrower promises to pay Term Note A as provided in Term Note A. At Lender's sole option, payments due under Term Note A shall be debited to Borrowers' loan account ledger for the Revolving Credit Facility or debited against any Borrower's commercial demand account maintained with Lender. Amounts repaid on Term Note A may not be reborrowed.

(b) Term Loan B. Subject to the terms, conditions and limitations hereof, Lender will lend to Borrower the principal amount of Six Hundred Thirty Two Thousand and 00/100 Dollars ($632,000.00). The loan so made shall be evidenced by Term Note B. Each Borrower promises to pay to Lender the outstanding principal and accrued and unpaid interest under Term Note B as follows: (a) on the first day of each month, a payment in the amount of $5,267.00 principal plus all accrued and unpaid interest, and (b) a final payment of all outstanding principal and interest on the Termination Date for Term Note B. At Lender's sole option, payments due under Term Note B shall be debited to Borrowers' loan account ledger for the Revolving Credit Facility or debited against any Borrower's commercial demand account maintained with Lender. Amounts repaid on Term Note B may not be reborrowed."

(c) Use of Proceeds of Term Loans. Borrowers shall use proceeds of the Term Loans to purchase the real estate of Schlecht Enterprises LLC."

4. Interest. Section 3.5(a) of the Loan Agreement is amended to read as follows:

"(a) Interest Rate. The unpaid principal balances of the Revolving Note and Term Note A shall bear interest at a rate equal to the applicable Adjusted LIBOR Rate in effect from time to time. The unpaid balances of Term Note B shall bear interest at the rate of four percent (4.0%) per annum. Accrued and unpaid interest on the Revolving Note shall be payable in arrears on the last day of each month and on the date of termination of this Agreement; provided that interest accrued pursuant to Section 3.5(b) shall be payable on demand. Interest shall be computed on the basis of the actual number of days elapsed in a year of 360 days. Interest on Advances will be computed on the unpaid principal balance from the date of each borrowing. The LIBOR Rate shall be determined by the Lender, and such determination shall be conclusive absent manifest error."

5. Excluded Swap Obligations. The following is added to the Loan Agreement as Section 3.6(i):

"(i) Excluded Swap Obligations. Notwithstanding anything to the contrary contained herein, as to each Borrower, "Guarantied Indebtedness" shall exclude obligations that are Excluded Swap Obligations as to such Borrower.

6. Facility Fee. Borrowers shall pay a facility fee on the date hereof in the amount of Ten Thousand and 00/100 Dollars ($10,000.00), which amount shall be deemed fully earned upon Lender's execution of this Agreement.

7. Conditions Precedent. This Amendment shall not be effective until Borrowers have delivered the following documents, executed as appropriate:

(a) this Amendment;

(b) the Revolving Note;

(c) Term Note B;

(d) A Mortgage of the property located at 1107 River Street, Belleville, Wisconsin, together with such evidence of title, surveys and other due diligence as Lender may request;

(e) An amendment to the Security Agreement;

(f) such documents relating to the assumption of the Schlecht BMO Loan and related interest rate swap as Lender may request;

(g) evidence of the closing on the purchase by Holdings of the real estate of Schlecht Enterprises LLC, with the purchase price of such real estate paid in cash and with no more than $1,918,700.00 of proceeds of the Revolving Loan used for such purchase;

(h) such evidence of insurance as Lender may request;

(i) a legal opinion of Borrowers' counsel in such form as may be requested by Lender;

(j) an Officer's Certificate and Borrowing Resolutions of Holdings; and

(k) an Officer's Certificate and Borrowing Resolutions of Trading.

8. Effect of Amendment. Except as amended hereby or otherwise in writing signed by the party against whom it is to be enforced, the Notes and the Loan Agreement shall remain in full force and effect.

9. Fees and Expenses. Borrowers shall pay all fees and expenses incurred by Lender (including fees of counsel) in connection with the preparation, issuance, maintenance and enforcement of this Amendment.

10. Law Governing. This Amendment shall be governed by the laws of the State of Wisconsin.

11. Binding Effect. This Amendment shall be binding upon the parties hereto and their respective successors and assigns.

12. Counterparts. This Amendment may be executed in counterparts, all of which shall be taken to be one and the same instrument, for the same effect as if all parties hereto had signed the same signature page. Receipt of an executed signature page to this Amendment by facsimile or other electronic transmission shall constitute effective delivery thereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the day and year first above written.

DULUTH HOLDINGS INC.

By: */s/ Mark DeOrio*
Mark DeOrio, Chief Financial Officer

DULUTH TRADING COMPANY, LLC

By: Duluth Holdings Inc., its sole member

By: */s/ Mark DeOrio*
Mark DeOrio, Chief Financial Officer

BMO HARRIS BANK N.A.

By: */s/ John M. Howard*
John M. Howard, Senior Vice President

[Signature Page to Fourth Amendment to Amended and Restated Loan Agreement]

Exhibit 10.29

FIFTH AMENDMENT TO AMENDED AND RESTATED LOAN AGREEMENT

This Fifth Amendment to Amended and Restated Loan Agreement (this "Amendment") dated March 24, 2015, is by and among BMO Harris Bank N.A., formerly known as Harris N.A. ("Lender"), Duluth Holdings Inc., a Wisconsin corporation ("Holdings"), and Duluth Trading Company, LLC, a Wisconsin limited liability company ("Trading," and collectively with Holdings, the "Borrowers").

RECITALS

WHEREAS, Lender and Borrowers are parties to that certain Amended and Restated Loan Agreement dated June 13, 2011, as amended by First Amendment to Amended and Restated Loan Agreement dated June 30, 2012, Second Amendment to Amended and Restated Loan Agreement dated December 27, 2013, Third Amendment to Amended and Restated Loan Agreement dated April 15, 2014 and Fourth Amendment to Amended and Restated Loan Agreement dated May 21, 2014 (the "Loan Agreement"); and

WHEREAS, Borrowers and Lender desire to amend the Loan Agreement as provided herein.

AGREEMENT

NOW, THEREFORE, Lender and Borrowers hereby agree as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Loan Agreement. As used in the Loan Agreement as amended hereby, the following terms shall have the following meanings:

"Computation Period" means, as of the following dates, the corresponding date below:

Measurement Date	Computation Period
February 1, 2015	February 3, 2014 through February 1, 2015
May 3, 2015	May 1, 2014 through May 3, 2015
August 2, 2015	August 1, 2014 through August 2, 2015
November 1, 2015	November 1, 2014 through November 1, 2015
Last day of each Fiscal Quarter thereafter	The four Fiscal Quarters then ended

"Fiscal Quarter" means any fiscal quarter of Borrowers' Fiscal Year, and "Fiscal Quarter 1," "Fiscal Quarter 2," "Fiscal Quarter 3" and "Fiscal Quarter 4" mean the fiscal period of Borrower of thirteen or fourteen weeks, in each case ending on the date shown below:

Fiscal Year	2015	2016	2017	2018	2019
Fiscal Quarter		May 3, 2015	May 1, 2016	April 30, 2017	April 29, 2018
Fiscal Quarter 2		August 2, 2015	July 31, 2016	July 30, 2017	July 29, 2018
Fiscal Quarter 3		November 1, 2015	October 30, 2016	October 29, 2017	October 28, 2018
Fiscal Quarter 4	February 1, 2015	January 31, 2016	January 29, 2017	January 28, 2018	February 3, 2019

"Fiscal Year" means Borrowers' fiscal year ending on the last day of each Fiscal Quarter 4.

"Funded Debt to EBITDA Ratio" means, as of February 1, 2015 or the last day of any Fiscal Quarter thereafter, a ratio of (i) all Funded Debt of the Borrowers as of such date, divided by (ii) EBITDA for the Computation Period. This ratio will be calculated based on the Borrowers' consolidated financial reports only and shall exclude activities and balances of Schlecht Enterprises LLC and Schlecht Retail Ventures LLC.

"GAAP" means generally accepted accounting principles consistently applied with those of the preceding fiscal periods of the Borrowers, provided that Lender consents to the change referenced in Section 2 of this Amendment and appropriate related changes. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect in the United States from time to time; provided that, if any Borrower notifies the Lender that such Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Lender notifies any Borrower that the Lender requests an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith.

"Interim Period" means any four or five week fiscal period of a Fiscal Quarter.

"Net Worth Minimum" means (i) for the last day of each Fiscal Quarter 1, 90% of the consolidated Tangible Net Worth of the Borrowers as of the last day of the prior Fiscal Year, (ii) for the last day of each Fiscal Quarter 2, 75% of the consolidated Tangible Net Worth of the Borrowers as of the last day of the prior Fiscal Year, (iii) for

the last day of each Fiscal Quarter 3, 75% of the consolidated Tangible Net Worth of the Borrowers as of the last day of the prior Fiscal Year, (iv) as of the last day of each Fiscal Quarter 4, 110% of the consolidated Tangible Net Worth of the Borrowers as of the last day of the prior Fiscal Year (or in the case of February 1, 2015, as of December 31, 2013).

2. Consent to Change in Fiscal Year End. Lender consents to Borrowers (a) adopting a fiscal year end for the current fiscal year of Borrowers of February 1, 2015, and (b) adopting a fiscal year end for the subsequent fiscal years of Borrowers of the Sunday closest to January 31 of each year.

3. Financial Reports. Section 8.1 of the Loan Agreement shall be amended and restated as follows:

"8.1 Financial Reports. Furnish to the Lender:

(a) as soon as available and in any event within 120 days after the end of each Fiscal Year, a copy of Holding's annual consolidated and consolidating audit report, including balance sheet and related statements of earnings, shareholders' equity and cash flows for such Fiscal Year, with comparative figures for the preceding Fiscal Year (with such adjustments as are appropriate when comparing Borrowers' fiscal year ending February 1, 2015 with prior fiscal periods), prepared in accordance with GAAP and certified without qualification or exception by Holding's current independent certified public accountants or other independent certified public accountants satisfactory to the Lender and accompanied by the management letter, if any, delivered by such independent certified public accountants to Holding and the Holding's response thereto;

(b) as soon as available and in any event within 30 days after the end of each Interim Period, a copy of the each Borrower's and each Subsidiary's internally prepared financial statements, consisting of a balance sheet as of the close of such Interim Period and related statements of earnings and cash flows for such Interim Period and from the first day of the Fiscal Year to the end of such Interim Period (or in the case of Interim Periods ending on or before February 1, 2015, from February 3, 2014), prepared in accordance with GAAP and certified on behalf of such Borrower or Subsidiary as accurate and complete by such Borrower's or Subsidiary's authorized financial officer;

(c) with each financial statement required by Section 8.1(a) or (b) above for any period ending on the last day of a Fiscal Quarter, a Compliance Certificate in the form requested by Lender demonstrating each Borrower's compliance with the terms of this Agreement as of the end of the most recent reporting period in a form acceptable to the Lender and certified on behalf of each Borrower as accurate and complete by each Borrower's authorized financial officer;

(d) as soon as available and in any event within 15 days after the end of each Interim Period, a Borrowing Base Certificate showing the accounts receivable information and inventory information as of the end of business on the last day of such Interim Period. Each Borrowing Base Certificate and all supporting reports shall be in a form acceptable to the Lender and certified on behalf of each Borrower as accurate and complete by each Borrower's chief financial officer, treasurer or controller; and

(e) such other financial or other information or certification as the Lender may reasonably request."

4. Inspections. The last line of Section 8.6 of the Loan Agreement is amended to delete "fiscal year" and replace it with "Fiscal Year."

5. Tangible Net Worth. Section 9.15 of the Loan Agreement shall be amended and restated as follows:

"9.15 Tangible Net Worth. Permit the Tangible Net Worth of Borrowers, as of the last day of any Fiscal Quarter, to be less than the Net Worth Minimum."

6. Funded Debt to EBITDA. Section 9.16 of the Loan Agreement shall be amended and restated as follows:

"9.16 Funded Debt to EBITDA. Permit the Funded Debt to EBITDA Ratio to be greater than (a) 1.0:1.0 as of the last day of Fiscal Quarter 1 of each year, (b) 1.40:1.0 as of the last day of Fiscal Quarter 2 of each year, (c) 4.50:1.0 as of the last day of Fiscal Quarter 3 of each year and (d) 1.0:1.0 as of February 1, 2015 and as of the last day of each Fiscal Year thereafter."

7. Effect of Amendment. Except as amended hereby or otherwise in writing signed by the party against whom it is to be enforced, the Notes and the Loan Agreement shall remain in full force and effect.

8. Fees and Expenses. Borrowers shall pay all fees and expenses incurred by Lender (including fees of counsel) in connection with the preparation, issuance, maintenance and enforcement of this Amendment.

9. Law Governing. This Amendment shall be governed by the laws of the State of Wisconsin.

10. Binding Effect. This Amendment shall be binding upon the parties hereto and their respective successors and assigns.

11. Counterparts. This Amendment may be executed in counterparts, all of which shall be taken to be one and the same instrument, for the same effect as if all parties hereto had signed the same signature page. Receipt of an executed signature page to this Amendment by facsimile or other electronic transmission shall constitute effective delivery thereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the day and year first above written.

DULUTH HOLDINGS INC.

By: */s/ Mark DeOrio*
Mark DeOrio, Chief Financial Officer

DULUTH TRADING COMPANY, LLC

By: Duluth Holdings Inc., its sole member

By: */s/ Mark DeOrio*
Mark DeOrio, Chief Financial Officer

BMO HARRIS BANK N.A.

By: */s/ John M. Howard*
John M. Howard, Senior Vice President

[Signature Page to Fifth Amendment and Restated Loan Agreement]

Exhibit 10.30

SIXTH AMENDMENT TO AMENDED AND RESTATED LOAN AGREEMENT

This Sixth Amendment to Amended and Restated Loan Agreement (this "Amendment") dated May 31, 2015, is by and among BMO Harris Bank N.A., formerly known as Harris N.A. ("Lender"), Duluth Holdings Inc., a Wisconsin corporation ("Holdings"), and Duluth Trading Company, LLC, a Wisconsin limited liability company ("Trading," and collectively with Holdings, the "Borrowers").

RECITALS

WHEREAS, Lender and Borrowers are parties to that certain Amended and Restated Loan Agreement dated June 13, 2011, as amended by First Amendment to Amended and Restated Loan Agreement dated June 30, 2012, Second Amendment to Amended and Restated Loan Agreement dated December 27, 2013, Third Amendment to Amended and Restated Loan Agreement dated April 15, 2014, Fourth Amendment to Amended and Restated Loan Agreement dated May 21, 2014 and Fifth Amendment to Amended and Restated Loan Agreement dated March 24, 2015 (the "Loan Agreement"); and

WHEREAS, Borrowers and Lender desire to amend the Loan Agreement as provided herein.

AGREEMENT

NOW, THEREFORE, Lender and Borrowers hereby agree as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Loan Agreement. As used in the Loan Agreement as amended hereby, the following term shall have the following meaning:

"Termination Date" means the earlier of (a) (i) for the Revolving Note, July 31, 2015, (ii) for Term Note A, March 5, 2017, and (iii) for Term Note B, May 21, 2019, or (b) the date on which the Lender terminates the Borrowers' rights hereunder.

2. Effect of Amendment. Except as amended hereby or otherwise in writing signed by the party against whom it is to be enforced, the Notes and the Loan Agreement shall remain in full force and effect.

3. Fees and Expenses. Borrowers shall pay all fees and expenses incurred by Lender (including fees of counsel) in connection with the preparation, issuance, maintenance and enforcement of this Amendment.

4. Law Governing. This Amendment shall be governed by the laws of the State of Wisconsin.

5. Binding Effect. This Amendment shall be binding upon the parties hereto and their respective successors and assigns.

6. Counterparts. This Amendment may be executed in counterparts, all of which shall be taken to be one and the same instrument, for the same effect as if all parties hereto had signed the same signature page. Receipt of an executed signature page to this Amendment by facsimile or other electronic transmission shall constitute effective delivery thereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the day and year first above written.

DULUTH HOLDINGS INC.

By: */s/ Mark DeOrio*
Mark DeOrio, Chief Financial Officer

DULUTH TRADING COMPANY, LLC

By: Duluth Holdings Inc., its sole member

By: */s/ Mark DeOrio*
Mark DeOrio, Chief Financial Officer

BMO HARRIS BANK N.A.

By: */s/ John M. Howard*
John M. Howard, Senior Vice President

[Signature Page to Sixth Amendment to Amended and Restated Loan Agreement]

Exhibit 10.31

SEVENTH AMENDMENT TO AMENDED AND RESTATED LOAN AGREEMENT

This Seventh Amendment to Amended and Restated Loan Agreement (this "Amendment") dated July 27, 2015, is by and among BMO Harris Bank N.A., formerly known as Harris N.A. ("Lender"), Duluth Holdings Inc., a Wisconsin corporation ("Holdings"), and Duluth Trading Company, LLC, a Wisconsin limited liability company ("Trading," and collectively with Holdings, the "Borrowers").

RECITALS

WHEREAS, Lender and Borrowers are parties to that certain Amended and Restated Loan Agreement dated June 13, 2011, as amended by First Amendment to Amended and Restated Loan Agreement dated June 30, 2012, Second Amendment to Amended and Restated Loan Agreement dated December 27, 2013, Third Amendment to Amended and Restated Loan Agreement dated April 15, 2014, Fourth Amendment to Amended and Restated Loan Agreement dated May 21, 2014, Fifth Amendment to Amended and Restated Loan Agreement dated March 24, 2015 and Sixth Amendment to Amended and Restated Loan Agreement dated May _____, 2015 (the "Loan Agreement"); and

WHEREAS, Borrowers and Lender desire to amend the Loan Agreement as provided herein.

AGREEMENT

NOW, THEREFORE, Lender and Borrowers hereby agree as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Loan Agreement. As used in the Loan Agreement as amended hereby, the following terms shall have the following meanings:

"Applicable Margin" means 1.25% per annum.

"Available Revolving Commitment" means (a) the Maximum Advance Amount, minus (b) the sum of the outstanding principal balance of the Revolving Note, the face amount of Letters of Credit and unreimbursed disbursements under Letters of Credit.

"Maximum Advance Amount" means Forty Million and 00/100 Dollars ($40,000,000).

"Net Worth Minimum" means (i) prior to January 29, 2017, $27,500,000, (ii) on or after January 29, 2017 and prior to January 28, 2018, $40,000,000, and (iii) on January 28, 2018 and thereafter, $50,000,000.

"Revolving Note" means the Borrowers' Fourth Amended and Restated Revolving Note dated the date hereof in favor of Lender in the maximum principal amount of Forty Million and 00/100 Dollars ($40,000,000.00), as it may be amended, modified, supplemented or replaced from time to time.

"Termination Date" means the earlier of (a) (i) for the Revolving Note, July 31, 2018, (ii) for Term Note A, March 5, 2017, and (iii) for Term Note B, May 21, 2019, or (b) the date on which the Lender terminates the Borrowers' rights hereunder.

2. Commitment Fee. The following is added to the Loan Agreement as Section 3.5(e):

"(e) Commitment Fee. The Borrowers shall pay to the Lender a commitment fee which shall accrue at the rate of ..20% per annum on the average daily amount of the Available Revolving Commitment. Accrued commitment fees shall be payable in arrears on the first day of each month for the prior month and on the date on which the Lender's obligation to make Advances under Section 3.1 hereof terminates, commencing on the first such date to occur after the date hereof. All commitment fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed. All commitment fees payable hereunder are computed using this method. This calculation method results in a higher effective rate than the numeric commitment fee rate stated in this Agreement."

3. EBITDA. Section 9.16 of the Loan Agreement is amended to read as follows:

"9.16 EBITDA. Permit EBITDA to be less than $22,000,000 for any Computation Period."

4. Conditions Precedent. This Amendment shall not be effective until Borrowers have delivered the following documents, executed as appropriate:

(a) this Amendment;

(b) the Revolving Note;

(c) such Amendments to Mortgages and title insurance endorsements as Lender may request;

(d) an Officer's Certificate and Borrowing Resolutions of Holdings; and

(e) an Officer's Certificate and Borrowing Resolutions of Trading.

5. Effect of Amendment. Except as amended hereby or otherwise in writing signed by the party against whom it is to be enforced, the Notes and the Loan Agreement shall remain in full force and effect.

6. Fees and Expenses. Borrowers shall pay all fees and expenses incurred by Lender (including fees of counsel) in connection with the preparation, issuance, maintenance and enforcement of this Amendment.

7. Law Governing. This Amendment shall be governed by the laws of the State of Wisconsin.

8. Binding Effect. This Amendment shall be binding upon the parties hereto and their respective successors and assigns.

9. Counterparts. This Amendment may be executed in counterparts, all of which shall be taken to be one and the same instrument, for the same effect as if all parties hereto had signed the same signature page. Receipt of an executed signature page to this Amendment by facsimile or other electronic transmission shall constitute effective delivery thereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the day and year first above written.

DULUTH HOLDINGS INC.

By: */s/ Mark DeOrio*
Mark DeOrio, Chief Financial Officer

DULUTH TRADING COMPANY, LLC

By: Duluth Holdings Inc., its sole member

By: */s/ Mark DeOrio*
Mark DeOrio, Chief Financial Officer

BMO HARRIS BANK N.A.

By: */s/ John M. Howard*
John M. Howard, Senior Vice President

[Signature Page to Seventh Amendment to Amended and Restated Loan Agreement]

Exhibit 10.32

EIGHTH AMENDMENT TO AMENDED AND RESTATED LOAN AGREEMENT

This Eighth Amendment to Amended and Restated Loan Agreement (this "Amendment" or the "Eighth Amendment") dated August 31, 2015, is by and among BMO Harris Bank N.A., formerly known as Harris N.A. ("Lender"), Duluth Holdings Inc., a Wisconsin corporation ("Holdings"), and Duluth Trading Company, LLC, a Wisconsin limited liability company ("Trading," and collectively with Holdings, the "Borrowers").

RECITALS

WHEREAS, Lender and Borrowers are parties to that certain Amended and Restated Loan Agreement dated June 13, 2011, as amended by First Amendment to Amended and Restated Loan Agreement dated June 30, 2012, Second Amendment to Amended and Restated Loan Agreement dated December 27, 2013, Third Amendment to Amended and Restated Loan Agreement dated April 15, 2014, Fourth Amendment to Amended and Restated Loan Agreement dated May 21, 2014, Fifth Amendment to Amended and Restated Loan Agreement dated March 24, 2015, Sixth Amendment to Amended and Restated Loan Agreement dated May 31, 2015 and Seventh Amendment to Amended and Restated Loan Agreement dated July 27, 2015 (the "Loan Agreement"); and herein.

WHEREAS, Borrowers and Lender desire to amend the Loan Agreement as provided herein.

AGREEMENT

NOW, THEREFORE, Lender and Borrowers hereby agree as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Loan Agreement. As used in the Loan Agreement as amended hereby, the following terms shall have the following meanings:

"AAA Distributions" means distributions paid to the common shareholders of Holdings on one or more dates after the date hereof and before the earlier of (i) the date of the closing of Holdings' contemplated initial public offering, or (ii) the date as of which Holdings ceases to be an S corporation for United States federal income tax purposes, in an aggregate amount not to exceed Holdings' estimated Accumulated Adjustments Account balance calculated as of August 31, 2015 in accordance with Section 1368 of the Internal Revenue Code of 1986, as amended, using the pro rata method thereunder.

"Termination Date" means the earlier of (a) (i) for the Revolving Note, July 31, 2018, (ii) for Term-Note A, March 5, 2017, (iii) for Term Note B, May 21, 2019, and (iv) for Term Note C, forty-five days after the date of the first advance under Term Loan C, and (b) the date on which the Lender terminates the Borrowers' rights hereunder.

"Term Loan C" shall mean the Advance under Section 3.4(d) of the Loan Agreement as amended hereby.

"Term Note C" means the Term Note C dated the date hereof and executed by Borrowers in favor of Lender in the maximum principal amount of $46,300,000.00. "Term Notes" means Term Note A, Term Note B and Term Note C.

2. Term Loan C. The following is added to the Loan Agreement as Section 3.4(d):

"(d) Term Loan C. Subject to the terms, conditions and limitations hereof, Lender will lend to Borrower the principal amount of Forty Six Million Three Hundred Thousand and 00/100 Dollars ($46,300,000.00). Advances on Term Loan C shall be made on the date requested by Borrower, no later than November 30, 2015, so long as the Lender is reasonably satisfied at the time of such Advance that Holdings' contemplated initial public offering will occur, and Term Note C will be repaid in full, within ten days after such Advance. The loan so made shall be evidenced by Term Note C. Each Borrower promises to pay to Lender the outstanding principal and accrued and unpaid interest under Term Note C as follows: (a) upon receipt by Holdings of the proceeds of any sale or issuance of debt or equity securities, a payment equal to the lesser of the amount of such proceeds or the outstanding balance of Term Note C, and (b) a final payment of all outstanding principal and interest on the Termination Date for Term Note C. At Lender's sole option, payments due under Term Note C shall be debited to Borrowers' loan account ledger for the Revolving Credit Facility or debited against any Borrower's commercial demand account maintained with Lender. Amounts repaid on Term Note C may not be reborrowed."

3. Use of Proceeds. The following is added to the Loan Agreement as Section 3.4(e):

"(e) Use of Proceeds of Term Loan C. Borrowers shall use proceeds of Term Loan C solely to pay AAA Distributions."

4. Interest. Section 3.5(a) of the Loan Agreement is amended to read as follows:

"(a) Interest Rate. The unpaid principal balances of the Revolving Note, Term Note A and Term Note C shall bear interest at a rate equal to the applicable Adjusted LIBOR Rate in effect from time to time. The unpaid balances of Term Note B shall bear interest at the rate of four percent (4.0%) per annum. Accrued and unpaid interest on the Revolving Note shall be payable in arrears on the last day of each month and on the date of termination of this Agreement. Notwithstanding any provision to the contrary contained herein, interest accrued pursuant to Section 3.5(b) shall be payable on demand. Interest shall be computed on the basis of the actual number of days elapsed in a year of 360 days. Interest on Advances will be computed on the unpaid principal balance from the date of each borrowing. The LIBOR Rate shall be determined by the Lender, and such determination shall be conclusive absent manifest error."

5. Matters Affecting LIBOR Rate. Section 3.5(c)(ii) of the Loan Agreement is amended to read as follows:

"(ii) If the Lender determines that quotations of interest rates for the relevant deposits referred to in the definition of LIBOR Rate are not being provided for purposes of determining the interest rate as provided in this Agreement, then the Lender shall, at the Lender's option, give notice of such circumstances to the Borrowers, whereupon for so long as such circumstances exist, the Revolving Note, Term Note A and Term Note C shall bear interest at a comparable index rate selected by the Lender with notice to the Borrowers."

6. Distribution Management Fees. Section 9.5 of the Loan Agreement is amended to read as follows:

"9.5 Distributions; Management Fees. Except for the AAA Distributions, declare or pay any distributions; purchase, redeem, retire or otherwise acquire for value any of the stock or membership interests (or any warrant or option to purchase any such stock or membership interests) of a Borrower now or hereafter outstanding; return any capital to its shareholders or members as such, or pay any management fees; except that each Borrower may distribute (i) capital to shareholders and members in the amount equal to such shareholders' or members' federal and state income tax liability arising from their respective allocable shares of such Borrower's taxable income for the taxable year commencing February 2, 2015 which is taxed to such shareholders or members, and (ii) if the AAA Distributions paid based on the estimate of Holdings' Accumulated Adjustments Account were less than the Accumulated Adjustments Account balance as finally calculated, an amount equal to such balance as finally calculated minus the AAA Distributions paid based on such estimate (such distributions described in the foregoing clauses (i) and (ii) being the "Tax Distributions"); provided, however, that: (a) such shareholders' or members' federal and state income tax liability shall be computed on the basis of the highest marginal combined tax rate for individuals under the Internal Revenue Code of 1986, as amended (the "Code") and Wisconsin law; (b) at the time such Tax Distributions are made, no Event of Default is continuing under either Section 10.1 or 10.4 of this Agreement; (c) such Tax Distribution will not create an Event of Default under either Section 10.1 or 10.4 of this Agreement."

7. Ownership; Control. Section 10.7 of the Loan Agreement is amended to read as follows:

"10.7 Ownership; Control. Any change in equity ownership of any Borrower that results in Holdings not retaining a 100% equity ownership interest in Trading or results in Stephen L. Schlecht, Marianne M. Schlecht and The Stephen L. and Marianne M. Schlecht Living Trust u/a/d September 6th, 2000, collectively, owning less than 51% of the total voting power of the outstanding capital stock of Holdings."

8. Conditions Precedent. This Amendment shall not be effective until Borrowers have delivered the following documents, executed as appropriate:

(a) this Amendment;

(b) Term Note C;

(c) a legal opinion of Borrowers' counsel in such form as may be requested by Lender addressing the current status, corporate power and authority of the Borrowers;

(d) an Officer's Certificate and Borrowing Resolutions of Holdings; and

(e) an Officer's Certificate and Borrowing Resolutions of Trading.

9. Effect of Amendment. Except as amended hereby or otherwise in writing signed by the party against whom it is to be enforced, the Notes and the Loan Agreement shall remain in full force and effect.

10. Fees and Expenses. Borrowers shall pay all fees and expenses incurred by Lender (including fees of counsel) in connection with the preparation, issuance, maintenance and enforcement of this Amendment.

11. Law Governing. This Amendment shall be governed by the laws of the State of Wisconsin.

12. Binding Effect. This Amendment shall be binding upon the parties hereto and their respective successors and assigns.

13. Counterparts. This Amendment may be executed in counterparts, all of which shall be taken to be one and the same instrument, for the same effect as if all parties hereto had signed the same signature page. Receipt of an executed signature page to this Amendment by facsimile or other electronic transmission shall constitute effective delivery thereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the day and year first above written.

DULUTH HOLDINGS INC.

By: /s/ Mark DeOrio
Mark DeOrio, Chief Financial Officer

DULUTH TRADING COMPANY, LLC

By: Duluth Holdings Inc., its sole member

By: /s/ Mark DeOrio
Mark DeOrio, Chief Financial Officer

BMO HARRIS BANK N.A.

By: /s/ John M. Howard
John M. Howard, Senior Vice President

[Signature Page to Eighth Amendment to Amended and Restated Loan Agreement]

TERM NOTE C

U.S. $46,300,000.00 August 31, 2015

FOR VALUE RECEIVED, on the Termination Date (as defined in the Loan Agreement referred to hereinafter) applicable to this Note, the undersigned, Duluth Holdings Inc., a Wisconsin corporation ("Holdings"), and Duluth Trading Company, LLC, a Wisconsin limited liability company ("Trading," and collectively with Holdings, the "Borrowers"), jointly and severally, promise to pay to the order of BMO Harris Bank N.A. (the "Lender") the principal sum of Forty Six Million Three Hundred Thousand and 00/100 Dollars ($46,300,000.00), together with interest pursuant the Loan Agreement.

The Borrowers promise to pay interest on the unpaid principal amount hereof from the date hereof until such principal amount is paid in full at the rates and at the times provided in the Loan Agreement.

This Note may be prepaid in part or in whole at any time prior to the Termination Date without premium or penalty.

This Note is the Term Note C referred to in the Amended and Restated Loan Agreement between Borrowers and Lender dated June 13, 2011 (as amended, and as it may be further amended, modified, supplemented or restated from time to time, the "Loan Agreement").

Presentment and demand for payment, notice of dishonor, protest and notice of protest are hereby waived. In the event of default, the Borrowers agree to pay costs of collection and reasonable attorneys' fees (whether or not suit is commenced), including, without limitation, attorneys' fees and legal expenses incurred in connection with any appeal of a lower court's judgment or order.

DULUTH HOLDINGS INC.

By: /s/ Mark DeOrio
Mark DeOrio, Chief Financial Officer

DULUTH TRADING COMPANY, LLC

By: Duluth Holdings Inc., its sole member

By: /s/ Mark DeOrio
Mark DeOrio, Chief Financial Officer

Exhibit 21.1

Subsidiaries of Duluth Holdings Inc.

Exact Name of Subsidiaries of Registrant as Specified in their Charter	State or Other Jurisdiction of Incorporation or Organization
Duluth Trading Company, LLC	Wisconsin

Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our report dated August 6, 2015, with respect to the consolidated financial statements of Duluth Holdings Inc. contained in the Registration Statement and Prospectus. We consent to the use of the aforementioned report in the Registration Statement and Prospectus, and to the use of our name as it appears under the caption “Experts.”

/s/ GRANT THORNTON LLP
Chicago, Illinois
October 6, 2015

Exhibit 23.3

CONSENT OF INFORMATION RESOURCES, INC.

Information Resources, Inc. ("IRI") hereby consents to (a) the inclusion of the market information described in Attachment 1 hereto, which is from its Market and Brand Assessment and provided by IRI to Duluth Holdings Inc. (the "Company") in the Registration Statement on Form S-1, and any related prospectuses, of the Company filed with the Securities and Exchange Commission (the "Registration Statement") in connection with the registration by the Company of shares of its Class B common stock, no par value per share and (b) the filing of this consent as an exhibit to the Registration Statement.

INFORMATION RESOURCES, INC.

By: */s/ Susan E. Bennet*
Name: Susan E. Bennet
Title: Executive Vice President & General Counsel

Dated: October 6, 2015

Exhibit 1

Heading(s)	Disclosure
• Industry and Market Data	This prospectus includes industry and market data that we obtained from industry sources, third-party studies, including market analyses and reports prepared for us by Information Resources, Inc., or IRI, and internal company surveys. Industry sources generally state that the information contained therein has been obtained from sources believed to be reliable.
• Prospectus Summary—What Makes Us Different—Attractive, Loyal Customer Base • Business—What Makes Us Different—Attractive, Loyal Customer Base	We enjoy a high level of brand satisfaction as evidenced by our Net Promoter Score of approximately 70% and the fact that 76% of our customers would recommend Duluth Trading to a friend or colleague, according to IRI.
• Prospectus Summary—Growth Strategies—Building Brand Awareness to Continue Customer Acquisition • Business—Growth Strategies—Building Brand Awareness to Continue Customer Acquisition	According to IRI, once we bring customers to our brand, they are more satisfied with Duluth Trading than any other brand in our competitive set.
• Prospectus Summary—Growth Strategies—Accelerating Retail Expansion • Business—Growth Strategies—Accelerating Retail Expansion	IRI has validated that our customers' purchasing decisions are heavily influenced by the availability of our retail stores.
• Prospectus Summary—Growth Strategies—Growing Our Women's Business • Business—Growth Strategies—Growing Our Women's Business	According to IRI, women have lower awareness of our brand but report high levels of satisfaction with Duluth Trading once they have tried our products.
• Prospectus Summary—Market Opportunity	According to IRI, the total market, including men's, women's and children's apparel, footwear and accessories (such as jewelry, bags and small leather goods), is estimated to be $334 billion in 2015. Within this industry, apparel is expected to account for approximately 65% of sales, footwear is expected to account for approximately 19% of sales and accessories is expected to account for approximately 16% of sales.

	IRI expects total U.S. apparel dollar sales to continue to grow at 2% to 4% annually. We believe that we are well positioned to capture an increasing share of this attractive market by continuing to execute on our growth strategies of building customer awareness, accelerating our retail store expansion, selectively broadening our assortment in certain men's product categories and growing our women's business.
• Business—What Makes Us Different—Differentiated, Everyday Lifestyle Brand	Our customers are highly satisfied with our performance relative to our competitors in the categories of comfort, useful features, product fit, quality, durability and materials used, according to IRI.
• Business—Market Opportunity	According to IRI, the total market, including men's, women's and children's apparel, footwear and accessories (such as jewelry, bags and small leather goods), is estimated to be $334 billion in 2015, and: • apparel is expected to account for approximately 65% of sales, footwear is expected to account for approximately 19% of sales and accessories is expected to account for approximately 16% of sales; • IRI expects total U.S. apparel dollar sales to continue to grow approximately 2% to 4% annually; and • everyday casual wear, including underwear, is the largest category, accounting for approximately 38% of the total market. According to IRI, the U.S. apparel, footwear and accessories market is approximately 58% womenswear, 31% menswear and 11% children's wear. Within this industry, consumers report allocating approximately 68% of apparel spend to workwear, hobby/outdoor wear, underwear and everyday casual wear. The hobby/outdoor wear market and everyday casual wear markets are forecasted to grow at CAGRs of approximately 5 to 7% and 3 to 5%, respectively, over the next three years.
• Business—Competition	According to IRI, our brand compares favorably to our competitors in the following categories: comfort, useful features, product fit, quality, durability and materials used.

Exhibit 24.1

POWER OF ATTORNEY
(Registration Statement on Form S-1)

Each of the undersigned directors of Duluth Holdings Inc., a Wisconsin corporation (the "Company") designates each of Stephen L. Schlecht, Stephanie L. Pugliese and Mark M. DeOrio, with the power of substitution and resubstitution, as the undersigned's true and lawful attorney-in-fact and for the undersigned and in the undersigned's name, place and stead for the purpose of: (i) executing for the undersigned and in the undersigned's name in the capacity as director of the Company the Registration Statement on Form S-1 and any related amendments (including post-effective amendments) and/or supplements to said Registration Statement (or any other registration statement for the same offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act of 1933, as amended); (ii) generally doing all things for the undersigned and in the undersigned's name in the capacity as director of the Company to comply with the provisions of the Securities Act of 1933, as amended, and all requirements of the Securities and Exchange Commission; and (iii) ratifying and confirming the undersigned's signature as it may be signed by the attorney-in-fact to the Registration Statement and any related amendments (including post-effective amendments) and/or supplements to said Registration Statement (or any other registration statement for the same offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act of 1933, as amended).

IN WITNESS WHEREOF, the undersigned have each executed this Power of Attorney, in one or more counterparts, as of this 30th day of September, 2015.

/s/ Stephen L. Schlecht
Stephen L. Schlecht

/s/ Stephanie L. Pugliese
Stephanie L. Pugliese

/s/ E. David Coolidge III
E. David Coolidge III

/s/ Thomas G. Folliard
Thomas G. Folliard

/s/ Francesca M. Edwardson
Francesca M. Edwardson

/s/ C. Roger Lewis
C. Roger Lewis

/s/ William E. Ferry
William E. Ferry

/s/ Brenda I. Morris
Brenda I. Morris

/s/ David C. Finch
David C. Finch