

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM S-8**

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

**DIGITAL BRANDS GROUP, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**46-1942864**  
(I.R.S. Employer  
Identification No.)

**1400 Lavaca Street  
Austin, TX 78701**

(Address of principal executive offices)

**(209) 651-0172**

(Registrant's telephone number, including area code)

**Denim.LA, Inc. 2013 Stock Plan  
Digital Brands Group, Inc. 2020 Omnibus Incentive Plan**

(Full title of the plan)

**John Hilburn Davis IV**  
**Chief Executive Officer**  
**1400 Lavaca Street**  
**Austin, TX 78701**  
**(209) 651-0172**  
(Name, address and telephone number of agent  
for service)

**Copy to:**  
**Thomas J. Poletti, Esq.**  
**Manatt, Phelps & Phillips, LLP**  
**695 Town Center Drive, 14<sup>th</sup> Floor**  
**Costa Mesa, CA 92626**  
Email: tpoletti@manatt.com  
Telephone: (714) 371-2501

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

Large accelerated filer   
Non-accelerated filer

Accelerated filer   
Smaller reporting company   
Emerging growth company

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

**CALCULATION OF REGISTRATION FEE**

Title of Securities to be Registered	Amount to be Registered (1)	Proposed Maximum Offering Price per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
<b>Denim.LA, Inc. 2013 Stock Plan</b>				
Common Stock, par value \$0.0001 per share	1,163,103 (2)	\$ 2.39 (6)	\$ 2,779,816.17	\$ 303.28
<b>Digital Brands Group, Inc. 2020 Omnibus Plan</b>				
Common Stock, par value \$0.0001 per share	2,712,000(3)	\$ 4.15(6)	\$ 11,254,800	\$ 1,227.90
Common Stock, par value \$0.0001 per share	588,000(4)	\$ 4.15 (7)	\$ 2,940,000.00	\$ 266.23
<b>Total</b>	<u>4,463,103</u>		<u>\$ 16,474,816.17</u>	<u>\$ 1,797.40</u>

- (1) This Registration Statement covers, in addition to the number of shares of the Registrant's common stock ("Common Stock") stated above, such indeterminate number of any additional shares of Common Stock that may become issuable under the Denim.LA, Inc. 2013 Stock Plan (the "2013 Plan") and Digital Brands Group, Inc. 2020 Omnibus Plan (the "2020 Plan"), by reason of any stock split, stock dividend or similar transaction pursuant to Rule 416(a) of the Securities Act of 1933, as amended (the "Securities Act").
- (2) Represents shares of Common Stock underlying outstanding stock options that were granted pursuant to the 2013 Plan.
- (3) Represents shares of Common Stock underlying outstanding stock options that were granted pursuant to the 2020 Plan.
- (4) Represents shares of Common Stock reserved for future issuance pursuant to the 2020 Plan.

- (6) Determined pursuant to Rule 457(h)(1) of the Securities Act upon the weighted average exercise price of the stock options.
- (7) Determined pursuant to Rule 457(h)(1) and Rule 457(c) of the Securities Act, solely for the purpose of calculating the registration fee, which is based upon the initial public offering price of the Registrant's Common Stock set forth on the cover page of the Registrant's prospectus dated May 17, 2021 relating to its initial public offering.
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## PART I

### INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

The documents containing the information specified in "Item 1. Plan Information" and in "Item 2. Registrant Information and Employee Plan Annual information" of Form S-8 will be sent or given to participants in the Denim.LA, Inc. 2013 Stock Plan (the "2013 Plan") and Digital Brands Group, Inc. 2020 Omnibus Plan (the "2020 Plan" and together with the 2013 Plan, the "Stock Plans") as specified by Rule 428(b)(1) under the Securities Act of 1933, as amended (the "Securities Act").

Such documents are not required to be, and are not, filed with the Securities and Exchange Commission (the "SEC") either as part of this Registration Statement or as a prospectus or prospectus supplement pursuant to Rule 424 under the Securities Act. These documents and the documents incorporated by reference in this Registration Statement pursuant to Item 3 of Part II of Form S-8, taken together, constitute a prospectus that meets the requirements of Section 10(a) of the Securities Act.

## PART II

### INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

#### Item 3. Incorporation of Documents by Reference.

The Registrant hereby incorporates by reference into this Registration Statement the following documents filed by it with the SEC:

- (a) The prospectus filed by the Registrant pursuant to Rule 424(b)(4) of the Securities Act with the SEC on May 17, 2021 relating to the registration statement on [Form S-1, as amended \(File No. 333-255193\)](#), which contains the Registrant's audited financial statements for the latest fiscal year for which such statements have been filed;
- (b) All other reports filed by the Registrant pursuant to Section 13(a) or 15(d) of the Exchange Act of 1934, as amended (the "Exchange Act") since the end of the year covered by the latest prospectus filed by the Company referred in (a) above; and
- (c) [The description of the Registrant's Common Stock contained in the Registration Statement on Form 8-A \(File No. 001-40400\) filed with the SEC under Section 12\(b\) of the Exchange Act on May 10, 2021, including any amendments or reports filed for the purpose of updating such description.](#)

All documents subsequently filed by the Registrant with the SEC pursuant to Sections 13(a), 13(c), 14, or 15(d) of the Exchange Act after the date hereof, and prior to the filing of a post-effective amendment which indicates that all securities offered hereby have been sold or which deregisters all securities then remaining unsold, shall be deemed incorporated by reference into this Registration Statement and to be a part thereof from the date of the filing of such documents. Any statement contained in the documents incorporated, or deemed to be incorporated, by reference herein or therein shall be deemed to be modified or superseded for purposes of this Registration Statement and the prospectus to the extent that a statement contained herein or therein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein or therein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement and the prospectus.

Under no circumstances shall any information furnished under Item 2.02 or 7.01 of Form 8-K be deemed incorporated herein by reference unless such Form 8-K expressly provides to the contrary.

#### Item 4. Description of Securities

Not applicable.

#### Item 5. Interests of Named Experts and Counsel.

Not applicable.

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#### Item 6. Indemnification of Directors and Officers.

The Registrant is incorporated under the laws of the State of Delaware.

The Registrant is governed by the Delaware General Corporation Law, as the same exists or may hereafter be amended (the "General Corporation Law"). Section 145 of the General Corporation Law ("Section 145") provides that a Delaware corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of such corporation) by reason of the fact that such person is or was a director, officer, employee or agent of such corporation, or is or was serving at the request of such corporation as a director, officer, employee or agent of another corporation or enterprise. The indemnification may include expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, provided such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the corporation's best interests and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his conduct was unlawful. Section 145 also provides that a Delaware corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of such corporation, under the same conditions, except that such indemnification is limited to expenses (including attorneys' fees) actually and reasonably incurred by such person, and except that no indemnification is permitted without judicial approval if such person is adjudged to be liable to such corporation. Where an officer or director of a corporation is successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to above, or any claim, issue or matter therein, the corporation must indemnify that person against the expenses (including attorneys' fees) which such officer or director actually and reasonably incurred in connection therewith.

Section 145 further authorizes a corporation to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the corporation would otherwise have the power to indemnify such person against such liability under Section 145.

The Registrant's Six Amended and Restated Certificate of Incorporation provides that the Registrant may indemnify to the fullest extent permitted by law any person made or threatened to be made a party to an action or proceeding, whether criminal, civil, administrative or investigative, by reason of the fact that he, his testator or intestate is or was a director, officer, employee or agent of the Registrant or any predecessor of the Registrant, or serves or served at any other corporation, partnership, joint venture, trust or other enterprise as a director, officer, employee or agent at the request of the Registrant or any predecessor of the Registrant.

The Registrant's Amended and Restated Bylaws provide for mandatory indemnification of directors and officers (and permit the Registrant to indemnify non-officer employees and agents at its option) to the fullest extent permitted by General Corporation Law against all expense, liability and loss including attorney's fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlements, provided that the Registrant shall not be required to indemnify in connection with a proceeding initiated by such indemnitee unless the proceeding in which indemnification is sought was authorized in advance by the Registrant's board of directors.

The Registrant's Six Amended and Restated Certificate of Incorporation eliminates the liability of a director of the registrant to the fullest extent under applicable law. Pursuant to Section 102(b)(7) of the General Corporation Law, a corporation may eliminate the personal liability of a director to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liabilities arising (i) from any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) from acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law, or (iv) from any transaction from which the director derived an improper personal benefit.

#### ***Indemnification Agreements***

The Registrant has entered into agreements with its directors and executive officers providing indemnification of such directors and executive officers by the Registrant to the fullest extent permitted by law, subject to certain limited exceptions. These agreements provide that the Registrant will indemnify each of our directors, certain of our executive officers and, at time, their affiliates to the fullest extent permitted by Delaware law. The Registrant will advance expenses, including attorney's fees (but excluding judgments, fines, ERISA excise taxes and penalties and settlement amounts), to each indemnified director, executive officer or affiliate in connection with any proceeding in which indemnification is available and will indemnify our directors and officers for any action or proceeding arising out of that person's services as a director or officer on behalf of the Registrant or in furtherance of the Registrant's rights. Additionally, certain of our directors or officers may have certain rights to indemnification, advancement of expenses or insurance provided by their affiliates or other third parties, which indemnification relates to and might apply to the same proceedings arising out of such director's or officer's services as a director referenced herein. Nonetheless, the Registrant has agreed in the indemnification agreements that our obligations to those same directors or officers are primary and any obligation of such affiliates or other third parties to advance expenses or to provide indemnification for the expenses or liabilities incurred by those directors are secondary.

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#### ***Directors' and Officers' Liability Insurance***

The Registrant's directors and executive officers are covered by insurance maintained by the Registrant against specified liabilities for actions taken in their capacities as such, including liabilities under the Securities Act.

#### **Item 7. Exemption From Registration Claimed.**

Not applicable.

#### **Item 8. Exhibits.**

<b>Exhibit Number</b>	<b>Description</b>
<a href="#">4.1</a>	<a href="#">Form of Common Stock Certificate (incorporated by reference to Exhibit 4.1 of the Registrant's registration statement on Form S-1 filed April 13, 2021)</a>
<a href="#">5.1</a>	<a href="#">Opinion of Manatt, Phelps &amp; Phillips LLP</a>
<a href="#">23.1</a>	<a href="#">Consent of Manatt, Phelps &amp; Phillips, LLP (contained in Exhibit 5.1)</a>
<a href="#">23.2</a>	<a href="#">Consent of dbbmckennon for Digital Brands Group, Inc.</a>
<a href="#">23.3</a>	<a href="#">Consent of dbbmckennon for Harper &amp; Jones LLC</a>
<a href="#">23.4</a>	<a href="#">Consent of dbbmckennon for Bailey 44, LLC</a>
<a href="#">23.5</a>	<a href="#">Consent of Moss Adams LLP</a>
<a href="#">24.1</a>	<a href="#">Power of Attorney (contained on signature page hereto)</a>
<a href="#">99.1</a>	<a href="#">Digital Brands Group, Inc. 2020 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.6 of the Registrant's registration statement on Form S-1 originally filed with the Commission on April 13, 2021, and all amendments filed thereto)</a>
<a href="#">99.2</a>	<a href="#">Denim.LA, Inc. 2013 Stock Plan (incorporated by reference to Exhibit 10.7 of the Registrant's registration statement on Form S-1 originally filed with the Commission on April 13, 2021, and all amendments filed thereto)</a>
<a href="#">99.3</a>	<a href="#">Form of Notice of Stock Option Grant</a>
<a href="#">99.4</a>	<a href="#">Form of Restricted Stock Award Agreement</a>
<a href="#">99.5</a>	<a href="#">Form of Restricted Stock Unit Award Agreement</a>

#### **Item 9. Undertakings**

A. The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act;

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(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

*Provided, however,* that paragraphs A(1)(i) and A(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the registrant pursuant to section 13 or section 15(d) of the Exchange Act that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

B. The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

C. Insofar as indemnification for liabilities arising under the Securities Act 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 Commission such indemnification is against public policy as expressed in the Securities 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 Securities Act and will be governed by the final adjudication of such issue.

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## SIGNATURES

Pursuant to the requirements of the Securities Act, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Austin, State of Texas, on May 18, 2021.

### DIGITAL BRANDS GROUP, INC.

By: /s/ John Hilburn Davis IV

Name: John Hilburn Davis IV

Title: President and Chief Executive Officer

## POWER OF ATTORNEY

We, the undersigned officers and directors of Digital Brands Group, Inc., do hereby constitute and appoint John Hilburn Davis IV and Reid Yeoman, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution for him in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<u>Name and Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ John Hilburn Davis IV</u> John Hilburn Davis IV	President, Chief Executive Officer and Chairman	May 18, 2021
<u>/s/ Reid Yeoman</u> Reid Yeoman	Chief Financial Officer	May 18, 2021
<u>/s/ Laura Dowling</u> Laura Dowling	Chief Marketing Officer	May 18, 2021
<u>/s/ Mark T. Lynn</u>		

Mark T. Lynn	Director	May 18, 2021
<u>/s/ Trevor Pettennude</u> Trevor Pettennude	Director	May 18, 2021
<u>/s/ Jameeka Green Aaron</u> Jameeka Green Aaron	Director	May 18, 2021
<u>/s/ Moise Emquies</u> Moise Emquies	Director	May 18, 2021

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May 18, 2021

Digital Brands Group, Inc.  
1400 Lavaca Street  
Austin, TX 78701

**Re: Registration Statement on Form S-8**

Ladies and Gentlemen:

We have acted as counsel to Digital Brands Group, Inc., a Delaware corporation (the “Company”), in connection with the preparation and filing of a Registration Statement on Form S-8 (the “Registration Statement”) under the Securities Act of 1933, as amended (the “Securities Act”), for the registration by the Company of 1,163,103 shares of Common Stock of the Company issuable under the Denim.LA, Inc. 2013 Stock Plan (the “2013 Plan”) and 3,300,000 shares of Common Stock issuable under the Digital Brands Group, Inc. 2020 Omnibus Plan (the “2020 Plan”) and together, the shares of Common Stock issuable under the 2013 Plan and the 2020 Plan, the “Common Stock”). This opinion is being furnished in connection with the requirements of Item 601(b)(5) of Regulation S-K under the Securities Act.

As such counsel and for purposes of our opinions set forth below, we have examined originals or copies, certified or otherwise identified to our satisfaction, of such documents, resolutions, certificates and instruments of the Company and corporate records furnished to us by the Company, certificates of public officials, statutes, records and such other instruments and documents as we have deemed necessary or appropriate as a basis for the opinion set forth below.

In such examination and in rendering the opinions expressed below, we have assumed, without independent investigation or verification: (i) the genuineness of all signatures on all agreements, instruments, corporate records, certificates and other documents submitted to us, (ii) the legal capacity and authority of all persons or entities (other than the Company) executing all agreements, instruments, corporate records, certificates and other documents submitted to us, (iii) the authenticity and completeness of all agreements, instruments, corporate records, certificates and other documents submitted to us as originals, (iv) that all agreements, instruments, corporate records, certificates and other documents submitted to us as certified, electronic, facsimile, conformed, photostatic or other copies conform to authentic originals thereof, and that such originals are authentic and complete, (v) the due authorization, execution and delivery of all agreements, instruments, certificates and other documents by all parties thereto (other than the Company), (vi) that the statements contained in the certificates and comparable documents of public officials, officers and representatives of the Company and other persons on which we have relied for the purposes of this opinion set forth below are true and correct and (vii) that the officers and directors of the Company have properly exercised their fiduciary duties. We also have obtained from the officers of the Company certificates as to certain factual matters necessary for the purpose of this opinion and, insofar as this opinion is based on such matters of fact, we have relied solely on such certificates without independent investigation. We have also assumed that the Common Stock will be issued and sold as described in the Registration Statement and the applicable provisions of the 2013 Plan and 2020 Plan.

2049 Century Park East, Suite 1700, Los Angeles, California 90067 Telephone: 310.312.4000 Fax: 310.312.4224  
Albany | Boston | Chicago | Los Angeles | New York | Orange County | Palo Alto | Sacramento | San Francisco | Washington



Digital Brands Group, Inc.  
May 18, 2021  
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Based upon and subject to the foregoing qualifications, assumptions and limitations, we are of the opinion that:

1. As of the date hereof, the Common Stock has been duly authorized and, when issued and delivered against payment therefor in conformity with the terms of the 2013 Plan and 2020 Plan, assuming in each case that the individual issuance, grants or awards under either plan are duly authorized by all necessary corporate action and duly issued, granted or awarded and exercised in all accordance with the requirements of the law and the plans, will be validly issued, fully paid and non-assessable.

We express no opinion as to the applicability or effect of any laws, orders or judgments of any state or other jurisdiction other than the General Corporation Law of the State of Delaware (including the statutory provisions and all applicable provisions of the Delaware Constitution and reported judicial decisions interpreting those laws). This opinion is expressly limited to the matters set forth above and we render no opinion, whether by implication or otherwise, as to any other matters relating to the Company or the Common Stock.

We hereby consent to the filing of this opinion with the Commission as an exhibit to the Registration Statement and the use of our name therein under the caption “Legal Matters.” In giving this consent, we do not admit that we come within the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission adopted under the Securities Act.

The opinions included herein are expressed as of the date hereof unless otherwise expressly stated, and we disclaim any undertaking to advise you of any subsequent changes in the facts stated or assumed herein or of any subsequent changes in applicable laws.

Very truly yours,

/s/ MANATT, PHELPS & PHILLIPS, LLP

Manatt, Phelps & Phillips, LLP

2049 Century Park East, Suite 1700, Los Angeles, California 90067 Telephone: 310.312.4000 Fax: 310.312.4224  
Albany | Boston | Chicago | Los Angeles | New York | Orange County | Palo Alto | Sacramento | San Francisco | Washington



**Consent of Independent Registered Public Accounting Firm**

We consent to the incorporation by reference in this Registration Statement on Form S-8 of our report dated April 12, 2021, except for the effects of the reverse stock split discussed in Note 14, as to which the date is May 12, 2021, which includes an explanatory paragraph as to the substantial doubt about the Company's ability to continue as a going concern, relating to the financial statements of Digital Brands Group, Inc. as of and for the years ended December 31, 2020 and 2019, appearing in its Registration Statement on Form S-1 as amended and filed (File No. 333-255193) with the Securities and Exchange Commission.

*/s/ dbbmckennon*  
Newport Beach, California  
May 18, 2021

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**Consent of Independent Auditor**

We consent to the incorporation by reference in this Registration Statement of Digital Brands Group, Inc. on Form S-8 of our report dated April 9, 2021 related to the financial statements of Harper & Jones, LLC (the "Company") as of December 31, 2020 and 2019, and for the years then ended, which includes an explanatory paragraph regarding the substantial doubt about the Company's ability to continue as a going concern, appearing in the Registration Statement on Form S-1 as amended and filed (File No. 333-255193) with the Securities and Exchange Commission.

*/s/ dbbmckennon*  
Newport Beach, California  
May 18, 2021

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**Consent of Independent Auditor**

We consent to the incorporation by reference in this Registration Statement of Digital Brands Group, Inc. on Form S-8 of our report dated December 29, 2020, except as described in Note 2 under Restatement, for which the date is February 16, 2021, related to the financial statements of Bailey 44, LLC (the "Company") as of December 31, 2019, and for the year then ended, which includes an explanatory paragraph regarding the substantial doubt about the Company's ability to continue as a going concern, appearing in the Registration Statement on Form S-1 as amended and filed (File No. 333-255193) with the Securities and Exchange Commission

*/s/ dbbmckennon*  
Newport Beach, California  
May 18, 2021

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**Consent of Independent Auditors**

We consent to the incorporation by reference in this Registration Statement of Digital Brands Group, Inc. on Form S-8 of our audit report dated October 7, 2019, except for note 1, as to which the date is December 29, 2020 relating to the financial statements of Bailey 44, LLC as of December 31, 2018, and for the year then ended appearing in the Registration Statement on Form S-1 as amended and filed (File No. 333-255193) with the Securities and Exchange Commission.

/s/ Moss Adams LLP

May 18, 2021

**NOTICE OF GRANT OF [INCENTIVE/NON-QUALIFIED] STOCK OPTION AWARD**

**DIGITAL BRANDS GROUP, INC.  
2020 OMNIBUS INCENTIVE PLAN**

FOR GOOD AND VALUABLE CONSIDERATION, Digital Brands Group, Inc. (the "Company") hereby grants, pursuant to the provisions of the Company's 2020 Omnibus Incentive Plan (the "Plan"), to the Participant designated in this Notice of Grant of [Incentive/Non-Qualified] Stock Option Award (the "Notice") an option to purchase the number of shares of the common stock of the Company set forth in the Notice (the "Shares"), subject to certain restrictions as outlined below in this Notice and the additional provisions set forth in the attached Terms and Conditions of Stock Option Award (collectively, the "Agreement"). Also enclosed is a copy of the information statement describing important provisions of the Plan.

Optionee: [ \_\_\_\_\_ ]

<b>Date of Grant:</b> _____	<b>Type of Option:</b> [Incentive/Non-Qualified] Stock Option
<b>Exercise Price per Share:</b> \$ _____	<b>Expiration Date:</b> _____
<b>Total Number of Shares Granted:</b> _____	<b>Total Exercise Price:</b> \$ _____
<b>Vesting Schedule:</b> [1/4 vesting on each of the first, second, third and fourth anniversaries of the date of the grant]	
<b>Exercise After Termination of Service:</b>	
<i>Termination of Service for any reason</i> any non-vested portion of the Option expires immediately;	
<i>Termination of Service due to death or Disability:</i> vested portion of the Option is exercisable by the Optionee (or, in the event of the Optionee's death, the Optionee's Beneficiary) for one year after the Optionee's Termination;	
<i>Termination of Service for any reason other than death or Disability:</i> vested portion of the Option is exercisable for a period of ninety days following the Optionee's Termination.	
<b>In no event may this Option be exercised after the Expiration Date as provided above.</b>	

By signing below, the Optionee agrees that this [Incentive/Non-Qualified] Stock Option Award is granted under and governed by the terms and conditions of the Company's 2020 Omnibus Incentive Plan and the attached Terms and Conditions.

Participant \_\_\_\_\_ Digital Brands Group, Inc.  
 By: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

**TERMS AND CONDITIONS OF STOCK OPTION AWARD**

1. **Grant of Option.** The Option granted to the Optionee and described in the Notice of Grant is subject to the terms and conditions of the Plan, which is incorporated by reference in its entirety into these Terms and Conditions of Stock Option Award.

The Board of Directors of the Company has authorized and approved the 2020 Omnibus Incentive Plan (the "Plan"), which has been approved by the stockholders of the Company. The Committee has approved an award to the Optionee of a number of shares of the Company's common stock, conditioned upon the Participant's acceptance of the provisions set forth in the Notice and these Terms and Conditions within 60 days after the Notice and these Terms and Conditions are presented to the Optionee for review. For purposes of the Notice and these Terms and Conditions, any reference to the Company shall include a reference to any Affiliate.

If designated in the Notice of Grant as an Incentive Stock Option ("ISO"), this Option is intended to qualify as an Incentive Stock Option as defined in Section 422 of the Code. Nevertheless, to the extent that the Option fails to meet the requirements of an ISO under Section 422 of the Code, this Option shall be treated as a Non-Qualified Stock Option ("NSO").

The Company intends that this Option not be considered to provide for the deferral of compensation under Section 409A of the Code and that this Agreement shall be so administered and construed. Further, the Company may modify the Plan and this Award to the extent necessary to fulfill this intent.

2. **Exercise of Option.**

(a) **Right to Exercise.** This Option shall be exercisable, in whole or in part, during its term in accordance with the Vesting Schedule set out in the Notice of Grant and with the applicable provisions of the Plan and this Option Agreement. No Shares shall be issued pursuant to the exercise of an Option unless the issuance and exercise comply with applicable laws. Assuming such compliance, for income tax purposes the Shares shall be considered transferred to the Optionee on the date on which the Option is exercised with respect to such Shares. The Committee may, in its discretion, (i) accelerate vesting of the Option, or (ii) extend the applicable exercise period to the extent permitted under Section 6.03 of the Plan.

(b) **Method of Exercise.** The Optionee may exercise the Option by delivering an exercise notice in a form approved by the Company (the "Exercise Notice") which shall state the election to exercise the Option, the number of Shares with respect to which the Option is being exercised, and such other representations and agreements as may be required by the Company. The Exercise Notice shall be accompanied by payment of the aggregate Exercise Price as to all Shares exercised. This Option shall be deemed to be exercised upon receipt by the Company of such fully executed Exercise Notice accompanied by the aggregate Exercise Price.

(c) **Acceleration of Vesting on Change in Control.** Unless otherwise specified in the Notice of Grant, in the event of a Change in Control, no accelerated vesting of any Options outstanding on the date of such Change in Control shall occur.

3. Method of Payment. If the Optionee elects to exercise the Option by submitting an Exercise Notice under Section 2(b) of this Agreement, the aggregate Exercise Price (as well as any applicable withholding or other taxes) shall be paid by cash or check; *provided, however*, that the Committee may consent, in its discretion, to payment in any of the following forms, or a combination of them:

(a) cash or check;

(b) a "net exercise" (as described in the Plan or such other consideration received by the Company under a cashless exercise program approved by the Company in connection with the Plan;

(c) surrender of other Shares owned by the Optionee which have a Fair Market Value on the date of surrender equal to the aggregate Exercise Price of the Exercised Shares and any applicable withholding; or

(d) any other consideration that the Committee deems appropriate and in compliance with applicable law.

4. Restrictions on Exercise. This Option may not be exercised until such time as the Plan has been approved by the stockholders of the Company, or if the issuance of the Shares upon exercise or the method of payment of consideration for those shares would constitute a violation of any applicable law or regulation.

5. Non-Transferability of Option. This Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during the lifetime of the Optionee only by the Optionee **[IF THE OPTION IS A NSO, THE FOLLOWING LANGUAGE MAY BE INCLUDED PERMITTING LIMITED TRANSFER OF THE OPTION]** [; *provided, however, that the Optionee may transfer the Options (i) pursuant to a qualified domestic relations order (as defined by the Code or the rules thereunder) or (ii) to any member of the Optionee's Immediate Family or to a trust, limited liability company, family limited partnership or other equivalent vehicle, established for the exclusive benefit of one or more members of his Immediate Family by delivering to the Company a Notice of Assignment in a form acceptable to the Company. No transfer or assignment of the Option to or on behalf of an Immediate Family member under this Section 5 shall be effective until the Company has acknowledged such transfer or assignment in writing. "Immediate Family" means the Optionee's parents, spouse, children, siblings, and grandchildren. Following transfer, the Options shall continue to be subject to the same terms and conditions as were applicable immediately prior to transfer. In the event an Option is transferred as contemplated in this Section 5, such Option may not be subsequently transferred by the transferee except by will or the laws of descent and distribution.] The terms of the Plan and this Option Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of the Optionee.*

6. Term of Option. This Option may be exercised only within the term set out in the Notice of Grant, and may be exercised during such term only in accordance with the Plan and the terms of this Option Agreement.

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7. Withholding.

(a) The Committee shall determine the amount of any withholding or other tax required by law to be withheld or paid by the Company with respect to any income recognized by the Optionee with respect to the Option Award.

(b) The Optionee shall be required to meet any applicable tax withholding obligation in accordance with the provisions of Section 11.05 of the Plan.

(c) Subject to any rules prescribed by the Committee, the Optionee shall have the right to elect to meet any withholding requirement (i) by having withheld from this Award at the appropriate time that number of whole shares of common stock whose fair market value is equal to the amount of any taxes required to be withheld with respect to such Award, (ii) by direct payment to the Company in cash of the amount of any taxes required to be withheld with respect to such Award or (iii) by a combination of shares and cash.

8. Defined Terms. Capitalized terms used but not defined in the Notice and these Terms and Conditions shall have the meanings set forth in the Plan, unless such term is defined in any Employment Agreement between the Optionee and the Company or an Affiliate. Any terms used in the Notice and these Terms and Conditions, but defined in the Optionee's Employment Agreement are incorporated herein by reference and shall be effective for purposes of the Notice and these Terms and Conditions without regard to the continued effectiveness of the Employment Agreement.

9. Optionee Representations. The Optionee hereby represents to the Company that the Optionee has read and fully understands the provisions of the Notice, these Terms and Conditions and the Plan and the Optionee's decision to participate in the Plan is completely voluntary. Further, the Optionee acknowledges that the Optionee is relying solely on his or her own advisors with respect to the tax consequences of this stock option award.

10. Regulatory Limitations on Exercises. Notwithstanding the other provisions of this Option Agreement, no option exercise or issuance of shares of Common Stock pursuant to this Option Agreement shall be effective if (i) the shares reserved under the Plan are not subject to an effective registration statement at the time of such exercise or issuance, or otherwise eligible for an exemption from registration, or (ii) the Company determines in good faith that such exercise or issuance would violate any applicable securities or other law or regulation.

11. Miscellaneous.

(a) Notices. All notices, requests, deliveries, payments, demands and other communications which are required or permitted to be given under these Terms and Conditions shall be in writing and shall be either delivered personally or sent by registered or certified mail, or by private courier, return receipt requested, postage prepaid to the parties at their respective addresses set forth herein, or to such other address as either shall have specified by notice in writing to the other. Notice shall be deemed duly given hereunder when delivered or mailed as provided herein.

(b) Waiver. The waiver by any party hereto of a breach of any provision of the Notice or these Terms and Conditions shall not operate or be construed as a waiver of any other or subsequent breach.

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(c) Entire Agreement. These Terms and Conditions, the Notice and the Plan constitute the entire agreement between the parties with respect to the subject matter hereof.

- (d) Binding Effect: Successors. These Terms and Conditions shall inure to the benefit of and be binding upon the parties hereto and to the extent not prohibited herein, their respective heirs, successors, assigns and representatives. Nothing in these Terms and Conditions, express or implied, is intended to confer on any person other than the parties hereto and as provided above, their respective heirs, successors, assigns and representatives any rights, remedies, obligations or liabilities.
- (e) Governing Law. The Notice and these Terms and Conditions shall be governed by and construed in accordance with the laws of the State of Delaware.
- (f) Headings. The headings contained herein are for the sole purpose of convenience of reference, and shall not in any way limit or affect the meaning or interpretation of any of the terms or provisions of these Terms and Conditions.
- (g) Conflicts: Amendment. The provisions of the Plan are incorporated in these Terms and Conditions in their entirety. In the event of any conflict between the provisions of these Terms and Conditions and the Plan, the provisions of the Plan shall control. The Agreement may be amended at any time by written agreement of the parties hereto.
- (h) No Right to Continued Employment. Nothing in the Notice or these Terms and Conditions shall confer upon the Optionee any right to continue in the employ or service of the Company or affect the right of the Company to terminate the Optionee's employment or service at any time.
- (i) Further Assurances. The Optionee agrees, upon demand of the Company or the Committee, to do all acts and execute, deliver and perform all additional documents, instruments and agreements which may be reasonably required by the Company or the Committee, as the case may be, to implement the provisions and purposes of the Notice and these Terms and Conditions and the Plan.

**NOTICE OF GRANT OF RESTRICTED STOCK AWARD**

**DIGITAL BRANDS GROUP, INC.  
2020 OMNIBUS INCENTIVE PLAN**

FOR GOOD AND VALUABLE CONSIDERATION, Digital Brands Group, Inc. (the "Company") hereby grants, pursuant to the provisions of the Company's 2020 Omnibus Incentive Plan (the "Plan"), to the Participant designated in this Notice of Grant of Restricted Stock Award (the "Notice") the number of shares of the common stock of the Company set forth in the Notice, subject to certain restrictions as outlined below in this Notice and the additional provisions set forth in the attached Terms and Conditions of Restricted Stock Award (the "Agreement"). Also enclosed is a copy of the information statement describing important provisions of the Plan.

**Participant:** [ \_\_\_\_\_ ]

**Grant Date:** [ \_\_\_\_\_ ]

**# of Shares of Restricted Stock:** [ \_\_\_\_\_ ]

**Purchase Price:** Subject to the withholding provisions of Paragraph 5 of the Terms and Conditions, this Restricted Stock Award does not require the Participant to pay any purchase price or other cash consideration in connection with the issuance or delivery of the Restricted Stock.

**Vesting Schedule:** Subject to the provisions contained in Paragraphs 4, 5 and 6 of the Terms and Conditions, this Restricted Stock Award shall vest, and the applicable Restrictions set forth in the Terms and Conditions shall lapse in accordance with the following schedule, in the event the Participant does not have a Termination of Service prior to the applicable vesting date:

<u>Date of Vesting</u>	<u>Cumulative Amount Vested</u>
<i>[Sample Vesting Schedule]</i>	
First Anniversary of Grant Date	25%
Second Anniversary of Grant Date	50%
Third Anniversary of Grant Date	75%
Fourth Anniversary of Grant Date	100%]

**Change in Control:** Unless otherwise specified in this Notice of Grant, no accelerated vesting of any Restricted Shares shall occur in the event of a Change in Control.

**Forfeiture:** The Participant's rights in the Restricted Stock Award on which the Restrictions have not lapsed pursuant to the vesting schedule provisions above shall be forfeited in full in the event of the Participant's Termination of Service for any reason.

By signing below, the Participant agrees that this Restricted Stock Award is granted under and governed by the terms and conditions of the Company's 2020 Omnibus Incentive Plan and the attached Terms and Conditions.

Participant  _____  Date: _____	Digital Brands Group, Inc.  By: _____ Title: _____ Date: _____
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**TERMS AND CONDITIONS OF RESTRICTED STOCK AWARD**

These Terms and Conditions of Restricted Stock Award relates to the Notice of Grant of Restricted Stock Award (the "Notice") attached hereto, by and between Digital Brands Group, Inc. (the "Company"), and the person identified in the Notice (the "Participant").

The Board of Directors of the Company has authorized and approved the 2020 Omnibus Incentive Plan (the "Plan"), which has been approved by the stockholders of the Company. The Committee has approved an award to the Participant of a number of shares of the Company's common stock, conditioned upon the Participant's acceptance of the provisions set forth in the Notice and these Terms and Conditions within 60 days after the Notice and these Terms and Conditions are presented to the Participant for review. For purposes of the Notice and these Terms and Conditions, any reference to the Company shall include a reference to any Affiliate.

1. Grant of Restricted Stock.

(a) Subject to the terms and conditions of the Plan, as of the Grant Date, the Company grants to the Participant the number of shares of Common Stock set forth in the Notice (the "Restricted Shares"), subject to the restrictions set forth in Paragraph 2 of these Terms and Conditions, the provisions of the Plan and the other provisions contained in these Terms and Conditions. If and when the restrictions set forth in Paragraph 2 expire in accordance with these Terms and Conditions without forfeiture of the Restricted Shares, and upon the satisfaction of all other applicable conditions as to the Restricted Shares, such shares shall no longer be considered Restricted Shares for purposes of these Terms and Conditions.

(b) As soon as practicable after the Grant Date, the Company shall direct that a stock certificate or certificates representing the applicable Restricted Shares be registered in the name of and issued to the Participant. Such certificate or certificates shall be held in the custody of the Company or its designee until the expiration of the applicable Restricted Period (as defined in Paragraph 3). On or before the date of execution of the Notice, the Participant has delivered to the Company one or more stock powers endorsed in blank relating to the Restricted Shares.

(c) Except as provided in Paragraph 1(d), in the event that a certificate for the Restricted Shares is delivered to the Participant, such certificate shall bear the following legend (the "Legend"):

The ownership and transferability of this certificate and the shares of stock represented hereby are subject to the terms and conditions (including forfeiture) of the Digital Brands Group, Inc. 2020 Omnibus Incentive Plan and a Restricted Stock Award Notice entered into between the registered owner and Digital Brands Group, Inc. Copies of such Plan and Notice are on file in the executive offices of Digital Brands Group, Inc.

In addition, the stock certificate or certificates for the Restricted Shares shall be subject to such stop-transfer orders and other restrictions as the Company may deem advisable under the rules, regulations, and other requirements of the Securities and Exchange Commission, any stock exchange upon which the Common Stock is then listed, and any applicable federal or state securities law, and the Company may cause a legend or legends to be placed on such certificate or certificates to make appropriate reference to such restrictions.

(d) As soon as administratively practicable following the expiration of the Restricted Period without a forfeiture of the Restricted Shares, and upon the satisfaction of all other applicable conditions as to the Restricted Shares, including, but not limited to, the payment by the Participant of all applicable withholding taxes, the Company shall deliver or cause to be delivered to the Participant a certificate or certificates for the applicable Restricted Shares which shall not bear the Legend.

2. Restrictions.

(a) The Participant shall have all rights and privileges of a stockholder as to the Restricted Shares, including the right to vote and receive dividends or other distributions with respect to the Restricted Shares, except that the following restrictions shall apply:

(i) the Participant shall not be entitled to delivery of the certificate or certificates for the Restricted Shares until the expiration of the Restricted Period without a forfeiture of the Restricted Shares and upon the satisfaction of all other applicable conditions;

(ii) none of the Restricted Shares may be sold, transferred, assigned, pledged or otherwise encumbered or disposed of during the Restricted Period applicable to such shares, except as provided in Section 7.02(c) of the Plan or as otherwise permitted by the Committee in its sole discretion or pursuant to rules adopted by the Committee in accordance with the Plan; and

(iii) all of the Restricted Shares shall be forfeited and returned to the Company and all rights of the Participant with respect to the Restricted Shares shall terminate in their entirety on the terms and conditions set forth in Paragraph 4.

(b) Any attempt to dispose of Restricted Shares or any interest in the Restricted Shares in a manner contrary to the restrictions set forth in these Terms and Conditions shall be void and of no effect.

3. Restricted Period and Vesting. The "Restricted Period" is the period beginning on the Grant Date and ending on the date the Restricted Shares, or such applicable portion of the Restricted Shares, are deemed vested under the schedule set forth in the Notice. The Restricted Shares shall be deemed vested and no longer subject to forfeiture under Paragraph 4 in accordance with the vesting schedule set forth in the Notice or earlier, if specified in the Notice, in the event of a Change in Control.

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4. Forfeiture.

(a) Subject to Paragraph 6 below, if during the Restricted Period (i) the Participant incurs a Termination of Service, (ii) there occurs a material breach of the Notice or these Terms and Conditions by the Participant or (iii) the Participant fails to meet the tax withholding obligations described in Paragraph 5(b), all rights of the Participant to the Restricted Shares that have not vested in accordance with Paragraph 3 as of the date of such termination shall terminate immediately and be forfeited in their entirety.

(b) In the event of any forfeiture under this Paragraph 4, the certificate or certificates representing the forfeited Restricted Shares shall be canceled to the extent of any Restricted Shares that were forfeited.

5. Withholding.

(a) The Committee shall determine the amount of any withholding or other tax required by law to be withheld or paid by the Company with respect to any income recognized by the Participant with respect to the Restricted Shares.

(b) The Participant shall be required to meet any applicable tax withholding obligation in accordance with the provisions of Section 11.05 of the Plan.

(c) Subject to any rules prescribed by the Committee, the Participant shall have the right to elect to meet any withholding requirement (i) by having withheld from this Award at the appropriate time that number of whole shares of common stock whose fair market value is equal to the amount of any taxes required to be withheld with respect to such Award, (ii) by direct payment to the Company in cash of the amount of any taxes required to be withheld with respect to such Award or (iii) by a combination of shares and cash.

6. Committee Discretion. Notwithstanding any provision of the Notice or these Terms and Conditions to the contrary, the Committee shall have discretion under the Plan to waive any forfeiture of the Restricted Shares as set forth in Paragraph 4, the Restricted Period and any other conditions set forth in the Notice or these Terms and Conditions.

7. Defined Terms. Capitalized terms used but not defined in the Notice and Agreement shall have the meanings set forth in the Plan, unless such term is defined in any Employment Agreement between the Participant and the Company or an Affiliate. Any terms used in the Notice and Agreement, but defined in the Participant's Employment Agreement are incorporated herein by reference and shall be effective for purposes of the Notice and these Terms and Conditions without regard to the continued effectiveness of the Employment Agreement.

8. Nonassignability. The Restricted Shares may not be sold, assigned, transferred (other than by will or the laws of descent and distribution, or to an inter vivos trust with respect to which the Participant is treated as the owner under Sections 671 through 677 of the Code), pledged, hypothecated, or otherwise encumbered or disposed of until the restrictions on such Shares, as set forth in the Notice and Agreement, have lapsed or been removed.

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9. Participant Representations. The Participant hereby represents to the Company that the Participant has read and fully understands the provisions of the Notice, these Terms and Conditions and the Plan and the Participant's decision to participate in the Plan is completely voluntary. Further, the Participant acknowledges that the Participant is relying solely on his or her own advisors with respect to the tax consequences of this restricted stock award.

10. Regulatory Restrictions on the Restricted Shares. Notwithstanding any other provision of the Plan, the obligation of the Company to issue Restricted Shares under the Plan shall be subject to all applicable laws, rules and regulations and such approval by any regulatory body as may be required. The Company reserves the right to restrict, in whole or in part, the delivery of the Restricted Shares pursuant to these Terms and Conditions prior to the satisfaction of all legal requirements relating to the issuance of such shares, to their registration, qualification or listing or to an exemption from registration, qualification or listing.

11. Miscellaneous.

11.1 Notices. All notices, requests, deliveries, payments, demands and other communications which are required or permitted to be given under these Terms and Conditions shall be in writing and shall be either delivered personally or sent by registered or certified mail, or by private courier, return receipt requested, postage prepaid to the parties at their respective addresses set forth herein, or to such other address as either shall have specified by notice in writing to the other. Notice shall be deemed duly given hereunder when delivered or mailed as provided herein.

11.2 Waiver. The waiver by any party hereto of a breach of any provision of the Notice or these Terms and Conditions shall not operate or be construed as a waiver of any other or subsequent breach.

11.3 Entire Agreement. These Terms and Conditions, the Notice and the Plan constitute the entire agreement between the parties with respect to the subject matter hereof.

11.4 Binding Effect; Successors. These Terms and Conditions shall inure to the benefit of and be binding upon the parties hereto and to the extent not prohibited herein, their respective heirs, successors, assigns and representatives. Nothing in these Terms and Conditions, express or implied, is intended to confer on any person other than the parties hereto and as provided above, their respective heirs, successors, assigns and representatives any rights, remedies, obligations or liabilities.

11.5 Governing Law. The Notice and these Terms and Conditions shall be governed by and construed in accordance with the laws of the State of Delaware.

11.6 Headings. The headings contained herein are for the sole purpose of convenience of reference, and shall not in any way limit or affect the meaning or interpretation of any of the terms or provisions of these Terms and Conditions.

11.7 Conflicts; Amendment. The provisions of the Plan are incorporated in these Terms and Conditions in their entirety. In the event of any conflict between the provisions of these Terms and Conditions and the Plan, the provisions of the Plan shall control. The Agreement may be amended at any time by written agreement of the parties hereto.

11.8 No Right to Continued Employment. Nothing in the Notice or these Terms and Conditions shall confer upon the Participant any right to continue in the employ or service of the Company or affect the right of the Company to terminate the Participant's employment or service at any time.

11.9 Further Assurances. The Participant agrees, upon demand of the Company or the Committee, to do all acts and execute, deliver and perform all additional documents, instruments and agreements which may be reasonably required by the Company or the Committee, as the case may be, to implement the provisions and purposes of the Notice and these Terms and Conditions and the Plan.

**NOTICE OF GRANT OF RESTRICTED STOCK UNIT AWARD**

**DIGITAL BRANDS GROUP, INC.  
2020 OMNIBUS INCENTIVE PLAN**

FOR GOOD AND VALUABLE CONSIDERATION, Digital Brands Group, Inc. (the “Company”) hereby grants, pursuant to the provisions of the Company’s 2020 Omnibus Incentive Plan (the “Plan”), to the Participant designated in this Notice of Grant of Restricted Stock Unit Award (the “Notice”) the number of shares of the common stock of the Company set forth in the Notice, subject to certain restrictions as outlined below in this Notice and the additional provisions set forth in the attached Terms and Conditions of Restricted Stock Unit Award (the “Agreement”). Also enclosed is a copy of the information statement describing important provisions of the Plan.

**Participant:** [ \_\_\_\_\_ ]

**Grant Date:** [ \_\_\_\_\_ ]

**# of Restricted Stock Units:** [ \_\_\_\_\_ ]

**Purchase Price:** Subject to the withholding provisions of Section 5 of the Terms and Conditions, this Restricted Stock Unit Award does not require the Participant to pay any purchase price or other cash consideration in connection with this Award, including the issuance or delivery of Common Stock upon vesting of the Award.

**Vesting Schedule:** Subject to the provisions contained in Sections 4, 5 and 6 of the Terms and Conditions, this Restricted Stock Unit Award shall vest, and the applicable Restrictions set forth in the Terms and Conditions shall lapse in accordance with the following schedule, in the event the Participant does not have a Termination of Service prior to the applicable vesting date:

<u>Date of Vesting</u>	<u>Cumulative Amount Vested</u>
<i>[Sample Vesting Schedule]</i>	
First Anniversary of Grant Date	25%
Second Anniversary of Grant Date	50%
Third Anniversary of Grant Date	75%
Fourth Anniversary of Grant Date	100%

**Change in Control:** Unless otherwise specified in this Notice, no accelerated vesting of any Restricted Stock Units shall occur in the event of a Change in Control of the Company (as defined in and subject to the provisions of the Plan).

**Forfeiture:** The Participant’s rights in the Restricted Stock Unit Award on which the Restrictions have not lapsed pursuant to the vesting schedule provisions above shall be forfeited in full in the event of the Participant’s Termination of Service for any reason.

By signing below, the Participant agrees that this Restricted Stock Unit Award is granted under and governed by the terms and conditions of the Company’s 2020 Omnibus Incentive Plan and the attached Terms and Conditions.

Participant  
\_\_\_\_\_  
Date: \_\_\_\_\_

Digital Brands Group, Inc.  
By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**TERMS AND CONDITIONS OF RESTRICTED STOCK UNIT AWARD**

These Terms and Conditions of Restricted Stock Unit Award relates to the Notice of Grant of Restricted Stock Unit Award (the “Notice”) attached hereto, by and between Digital Brands Group, Inc. (the “Company”), and the person identified in the Notice (the “Participant”).

The Board of Directors of the Company has authorized and approved the 2020 Omnibus Incentive Plan (the “Plan”), which has been approved by the Company’s stockholders. The Committee has approved an award to the Participant of a number of shares of the Company’s common stock, conditioned upon the Participant’s acceptance of the provisions set forth in the Notice and these Terms and Conditions within 60 days after the Notice and these Terms and Conditions are presented to the Participant for review. For purposes of the Notice and these Terms and Conditions, any reference to the Company shall include a reference to any Affiliate.

**1. Grant of Restricted Stock Units.**

(a) As of the Grant Date set forth in the Notice of Grant, the Company grants to the Participant the number of Restricted Stock Units set forth in the Notice of Grant (the “Units”), which represent shares of the Company’s Common Stock. The Units are subject to the restrictions set forth in Section 2 of this Agreement, these Terms and Conditions, the provisions of the Plan and the other provisions contained in these Terms and Conditions.

(b) The Units granted under this Agreement shall be reflected in a bookkeeping account maintained by the Company during the Restricted Period. If and when the restrictions set forth in Section 2 expire in accordance with the terms of this Agreement, and upon the satisfaction of all other applicable conditions as to the Units, such Units (and any related Dividend Units described in Section 1(c) below) not forfeited pursuant to Section 4 hereof shall be settled in cash or shares of Common Stock as provided in Section 1(e) of this Agreement and otherwise in accordance with the Plan.

(c) With respect to each Unit, whether or not vested, that has not been forfeited (but only to the extent such award of Units has not been settled for cash or Common Stock), the Company shall, with respect to any cash dividends paid on the Common Stock, accrue and credit to the Participant’s bookkeeping account a number of Units having a Fair Market Value as of the date such dividend is paid equal to the cash dividends that would have been paid with respect to such Unit if it were an outstanding share of Common Stock (the “Dividend Units”). These Dividend Units thereafter shall (i) be treated as Units for purposes of future dividend accruals pursuant to this Section 1(c); and (ii) vest in such amounts (rounded to the nearest whole Unit) at the same time as the Units with respect to which such Dividend Units were received. Any dividends or distributions on Common Stock paid other than in cash shall accrue in the Participant’s bookkeeping account and shall vest at the same time as the Units in respect of which they are made (in each case in the same form, based on the same record date and at the same time, as such dividend or other distribution is paid on such Common Stock).

(d) The Company’s obligations under this Agreement (with respect to both the Units and the Dividend Units, if any) shall be unfunded and unsecured,

and no special or separate fund shall be established and no other segregation of assets shall be made. The rights of Participant under this Agreement shall be no greater than those of a general unsecured creditor of the Company. In addition, the Units shall be subject to such restrictions as the Company may deem advisable under the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange upon which Common Stock is then listed, any Company policy and any applicable federal or state securities law.

(e) Except as otherwise provided in this Agreement, settlement of the Units in accordance with the provisions of this Section 1(e) shall be delivered as soon as practicable after the end of the Restricted Period, and upon the satisfaction of all other applicable conditions as to the Units (including the payment by the Participant of all applicable withholding taxes). The Units so payable to the Participant shall be paid solely in shares of Common Stock, solely in cash based on the Fair Market Value of the Common Stock (determined as of the first business day next following the last day of the Restricted Period), or in a combination of the two, as determined by the Committee in its sole discretion.

**2. Restrictions.**

(a) The Participant shall have no rights as a stockholder of the Company by virtue of any Unit unless and until such Unit vests and resulting shares of Common Stock are issued to the Participant:

(b) None of the Units may be sold, transferred, assigned, pledged or otherwise encumbered or disposed of during the Restricted Period, except as may be permitted by the Plan or as otherwise permitted by the Committee in its sole discretion or pursuant to rules adopted by the Committee in accordance with the Plan.

(c) Any attempt to dispose of the Units or any interest in the Units in a manner contrary to the restrictions set forth in this Agreement shall be void and of no effect.

**3. Restricted Period and Vesting.** The "Restricted Period" is the period beginning on the Grant Date and ending on the date the Units, or such applicable portion of the Units, are deemed vested under the schedule set forth in the Notice Subject to the provisions contained in Section 4, 5 and 6, the Units shall be deemed vested and no longer subject to forfeiture under Section 4 upon expiration of the Restricted Period, and the satisfaction of all other applicable conditions as to the Units (including the payment by the Participant of all applicable withholding taxes).

**4. Forfeiture.**

Subject to Section 6 hereof, if during the Restricted Period (i) the Participant incurs a Termination of Service, (ii) there occurs a material breach of the Notice or these Terms and Conditions by the Participant, or (iii) the Participant fails to meet the tax withholding obligations described in Section 5(b) hereof, all rights of the Participant to the Units that have not vested in accordance with Section 3 as of the date of such termination shall terminate immediately and be forfeited in their entirety.

**5. Withholding.**

(a) The Committee shall determine the amount of any withholding or other tax required by law to be withheld or paid by the Company with respect to any income recognized by the Participant with respect to the Units.

(b) The Participant shall be required to meet any applicable tax withholding obligation in accordance with the provisions of the Plan.

(c) Subject to any rules prescribed by the Committee, the Participant shall have the right to elect to meet any withholding requirement (i) by having withheld from this Award at the appropriate time that number of whole shares of Common Stock whose Fair Market Value is equal to the amount of any taxes required to be withheld with respect to such Award, (ii) by direct payment to the Company in cash of the amount of any taxes required to be withheld with respect to such Award or (iii) by a combination of shares and cash.

**6. Committee's Discretion.** Notwithstanding any provision of this Agreement to the contrary, the Committee shall have discretion under Section 7.02(b) of the Plan to waive any forfeiture of the Units as set forth in Section 4 hereof, the Restricted Period and any other conditions set forth in this Agreement.

**7. Defined Terms.** Capitalized terms used but not defined in the Notice and Agreement shall have the meanings set forth in the Plan, unless such term is defined in any Employment Agreement between the Participant and the Company or an Affiliate. Any terms used in the Notice and Agreement, but defined in the Participant's Employment Agreement are incorporated herein by reference and shall be effective for purposes of the Notice and these Terms and Conditions without regard to the continued effectiveness of the Employment Agreement.

**8. Nonassignability.** The Units may not be sold, assigned, transferred (other than by will or the laws of descent and distribution, or to an inter vivos trust with respect to which the Participant is treated as the owner under Sections 671 through 677 of the Code), pledged, hypothecated, or otherwise encumbered or disposed of until the restrictions on such Units, as set forth in the Notice and Agreement, have lapsed or been removed.

**9. Participant Representations.** The Participant hereby represents to the Company that the Participant has read and fully understands the provisions of the Notice, these Terms and Conditions and the Plan and the Participant's decision to participate in the Plan is completely voluntary. Further, the Participant acknowledges that the Participant is relying solely on his or her own advisors with respect to the tax consequences of this restricted stock award.

**10. Regulatory Restrictions on the Units.** Notwithstanding any other provision of the Plan, the obligation of the Company to issue Common Stock in connection with this Award under the Plan shall be subject to all applicable laws, rules and regulations and such approval by any regulatory body as may be required. The Company reserves the right to restrict, in whole or in part, the delivery of Common Stock pursuant to these Terms and Conditions prior to the satisfaction of all legal requirements relating to the issuance of such shares, to their registration, qualification or listing or to an exemption from registration, qualification or listing.

**11. Miscellaneous.**

11.1 Notices. All notices, requests, deliveries, payments, demands and other communications which are required or permitted to be given under these Terms and Conditions shall be in writing and shall be either delivered personally or sent by registered or certified mail, or by private courier, return receipt requested, postage prepaid to the parties at their respective addresses set forth herein, or to such other address as either shall have specified by notice in writing to the other. Notice shall be deemed duly given hereunder when delivered or mailed as provided herein.

- 11.2 Waiver. The waiver by any party hereto of a breach of any provision of the Notice or these Terms and Conditions shall not operate or be construed as a waiver of any other or subsequent breach.
- 11.3 Entire Agreement. These Terms and Conditions, the Notice and the Plan constitute the entire agreement between the parties with respect to the subject matter hereof.
- 11.4 Binding Effect; Successors. These Terms and Conditions shall inure to the benefit of and be binding upon the parties hereto and to the extent not prohibited herein, their respective heirs, successors, assigns and representatives. Nothing in these Terms and Conditions, express or implied, is intended to confer on any person other than the parties hereto and as provided above, their respective heirs, successors, assigns and representatives any rights, remedies, obligations or liabilities.
- 11.5 Governing Law. The Notice and these Terms and Conditions shall be governed by and construed in accordance with the laws of the State of Delaware.
- 11.6 Headings. The headings contained herein are for the sole purpose of convenience of reference, and shall not in any way limit or affect the meaning or interpretation of any of the terms or provisions of these Terms and Conditions.
- 11.7 Conflicts; Amendment. The provisions of the Plan are incorporated in these Terms and Conditions in their entirety. In the event of any conflict between the provisions of these Terms and Conditions and the Plan, the provisions of the Plan shall control. The Agreement may be amended at any time by written agreement of the parties hereto.
- 11.8 No Right to Continued Employment. Nothing in the Notice or these Terms and Conditions shall confer upon the Participant any right to continue in the employ or service of the Company or affect the right of the Company to terminate the Participant's employment or service at any time.
- 11.9 Further Assurances. The Participant agrees, upon demand of the Company or the Committee, to do all acts and execute, deliver and perform all additional documents, instruments and agreements which may be reasonably required by the Company or the Committee, as the case may be, to implement the provisions and purposes of the Notice and these Terms and Conditions and the Plan.