

CHRISTOPHER & BANKS CORP
Form DEF 14A
May 15, 2012
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

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

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
 Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
 Definitive Proxy Statement
 Definitive Additional Materials
 Soliciting Material under §240.14a-12

Christopher & Banks Corporation
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

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| (3) | Filing Party: |
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Christopher & Banks Corporation

2400 Xenium Lane North
Plymouth, Minnesota 55441

To Our Stockholders:

We are pleased to invite you to attend the Annual Meeting of Stockholders of Christopher & Banks Corporation to be held on Thursday, June 28, 2012 at 3:00 p.m. local time.

The following pages include a formal notice of the Annual Meeting and the proxy statement. The proxy statement describes various matters on the agenda for the Annual Meeting. Please read these materials so that you will know what we plan to do at the Annual Meeting. It is important that your shares be represented at the Annual Meeting, regardless of whether you plan to attend the meeting in person. Please vote your shares as soon as possible through the voting options available to you as described in the proxy statement.

On behalf of management and our Board of Directors, we thank you for your continued support of Christopher & Banks Corporation. We look forward to you joining us at the 2012 Annual Meeting of Stockholders.

Sincerely,

Joel N. Waller
President and Chief Executive Officer

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Christopher & Banks Corporation

2400 Xenium Lane North
Plymouth, Minnesota 55441

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

- TIME:** 3:00 p.m. local time on Thursday, June 28, 2012
- PLACE:** Dorsey & Whitney LLP
50 South Sixth Street, Suite 1500, Minneapolis, Minnesota
- ITEMS OF BUSINESS:**
1. To elect eight directors as nominated by our Board of Directors to each serve a one-year term.
 2. To ratify the selection of KPMG LLP as our independent registered public accounting firm for the fiscal year ending February 2, 2013.
 3. To approve the compensation of our named executive officers.
 4. To conduct other business that properly comes before the Annual Meeting or any adjournment of the Annual Meeting.
- TRANSITION REPORT AND PROXY STATEMENT:** A copy of our proxy statement and transition report is available at <https://materials.proxyvote.com/171046>.
- DATE OF MAILING OR AVAILABILITY:** This Notice of Annual Meeting of Stockholders and the proxy statement are first being mailed or made available, as the case may be, to stockholders on or about May 15, 2012.
- RECORD DATE:** You may vote at the Annual Meeting if you were a stockholder of record of Christopher & Banks Corporation as of the close of business on May 2, 2012.
- PROXY VOTING:** Your vote is important to us. You may vote via proxy:
1. By visiting www.proxyvote.com on the Internet;
 2. By calling (within the U.S. or Canada) toll-free at 1-800-690-6903; or
 3. By signing and returning the enclosed proxy card if you received paper copies of the proxy materials.
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We are again taking advantage at this year's annual meeting of a Securities and Exchange Commission rule allowing companies to furnish proxy materials to stockholders over the Internet. This electronic process expedites stockholders' receipt of proxy materials, and also lowers the costs and reduces the environmental impact of our Annual Meeting. On May 15, 2012, we began mailing to our stockholders a Notice of Internet Availability of Proxy Materials (Notice) containing instructions on how to access our 2012 proxy statement and transition report and vote online. If you received the Notice and would like to receive a copy of the printed proxy materials, the Notice contains instructions on how you can request copies of these documents.

We hope you will be able to attend the Annual Meeting. However, even if you plan to attend in person, please vote your shares promptly to ensure that they are represented at the meeting.

By Order of the Board of Directors

Luke R. Komarek
Secretary

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**PROXY STATEMENT
FOR THE
2012 ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD JUNE 28, 2012**

The Board of Directors (the Board) of Christopher & Banks Corporation (the Company we and Christopher & Banks) is soliciting proxies for use at the Christopher & Banks Corporation 2012 Annual Meeting of Stockholders to be held at 3:00 p.m. local time on Thursday, June 28, 2012, and at any adjournment of the meeting. The meeting will be held at the offices of our outside counsel, Dorsey & Whitney LLP, at 50 South Sixth Street, Suite 1500, Minneapolis, Minnesota. The proxies are being solicited for the following purposes:

1. To elect eight directors as nominated by the Board to each serve a one-year term;
2. To ratify the selection of KPMG LLP as our independent registered public accounting firm for the fiscal year ending February 2, 2013;
3. To approve the compensation of our named executive officers (the Say-on-Pay Proposal); and
4. To conduct other business that properly comes before the meeting or any adjournment of the meeting.

Under rules adopted by the Securities and Exchange Commission (SEC), we are providing our stockholders with the 2012 Annual Meeting proxy materials over the Internet, rather than sending printed copies of those materials through the mail. A Notice of Internet Availability of Proxy Materials (Notice) is being mailed to all of our stockholders, except those who have previously provided instructions to receive paper copies of our proxy materials. The Notice contains instructions on how stockholders may access our 2012 proxy statement and transition report and vote their shares. The Notice also contains instructions on how to request our proxy materials in printed form or by email, at no charge, if a stockholder so desires.

We will begin mailing the Notice and previously requested copies of the proxy materials to our stockholders on or about May 15, 2012.

**Important Notice Regarding the Availability of Proxy Materials for the
Stockholder Meeting to be Held on June 28, 2012:**

Our proxy statement and 2012 Transition Report to Stockholders are available at <https://materials.proxyvote.com/171046>.

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QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND VOTING

Who is entitled to vote at the Annual Meeting?

Holders of Christopher & Banks Common Stock, par value \$0.01 per share (the Common Stock), at the close of business on May 2, 2012, the record date for the Annual Meeting, are entitled to vote at our Annual Meeting. As of May 2, 2012, 36,693,682 shares of Common Stock were outstanding and entitled to vote.

What are my voting rights?

Holders of our Common Stock are entitled to one vote per share. Therefore, a total of 36,693,682 votes are entitled to be cast at the Annual Meeting with respect to each proposal. There is no cumulative voting for the election of directors.

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

In accordance with our by-laws, shares equal to a majority of the voting power of the outstanding shares of Common Stock entitled to vote as of the record date must be present at the Annual Meeting in order to hold the meeting and conduct business. This is called a quorum. Your shares are counted as present at the Annual Meeting if:

- you are present and vote in person at the Annual Meeting;
- you have properly and timely submitted your vote as described below under *How do I vote my shares?*; or
- you hold your shares in street name (as described below) and you do not provide voting instructions and your broker, bank, trust or other nominee uses its discretion to vote your shares on the ratification of the selection of our independent registered public accounting firm.

If a quorum is not present or represented at the Annual Meeting, the stockholders and proxies entitled to vote will have the power to adjourn the Annual Meeting, without notice other than an announcement at that time, until a quorum is present or represented.

What is a proxy?

It is your designation of another person to vote stock you own. That other person is called a proxy. If you designate someone as your proxy in a written document, that document also is called a proxy or a proxy card. When you designate a proxy, you also may direct the proxy how to vote your shares. We refer to this as your proxy vote . Three of our executive officers have been designated as proxies for the Annual Meeting. These executive officers are Joel N. Waller, Peter G. Michielutti and Luke R. Komarek.

What is a proxy statement?

It is a document that we are required to give you, in accordance with regulations of the SEC, when we ask you to designate proxies to vote your shares of our Common Stock at an annual meeting of our stockholders. The proxy statement includes information regarding the matters to be acted upon at the Annual Meeting and certain other information required by the regulations of the SEC and the rules of the New York Stock Exchange (NYSE).

What is the difference between a stockholder of record and a street name holder?

If your shares are registered directly in your name, you are considered the stockholder of record with respect to those shares. If your shares are held in a stock brokerage account or by a bank, trust or other nominee, then the broker, bank, trust or other nominee is considered to be the stockholder of record with respect to those shares, while you are considered the beneficial owner of those shares. In that case, your shares are said to be held in street name . Street name holders generally cannot vote their shares directly and must instead instruct the broker, bank, trust or other nominee how to vote their shares using the method described below under *How do I vote my shares?* .

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How do I vote my shares?

If you submit your vote before the Annual Meeting using any of the following methods, your shares of stock will be voted as you have instructed:

- *By Internet:* You can vote your shares by Internet. The Notice and proxy card indicate the website you may access for Internet voting, using the 12-digit control number included in the Notice and proxy card. You may vote by Internet 24 hours a day. The Internet voting website has easy to follow instructions and allows you to confirm that the system has properly recorded your votes. If you hold shares in street name, please follow the Internet voting instructions you received from your broker, bank, trust or other nominee.
- *By Telephone:* You have the option to vote your shares by telephone. In order to vote your shares by telephone, please go to www.proxyvote.com and log in using the 12-digit control number provided on your Notice. At that site, you will be provided with a telephone number for voting. If you received paper copies of the proxy materials, the telephone number for voting is provided on the proxy card. When you vote by telephone, you will be required to enter your 12-digit control number, so please have it available when you call. As with Internet voting, you will be able to confirm that the system has properly recorded your votes. If you hold shares in street name, please follow the telephone voting instructions, if any, you received from your broker, bank, trust or other nominee.
- *By Mail:* If you choose to receive paper copies of the proxy materials by mail and you are a holder of record, you can vote by marking, dating and signing your proxy card and returning it by mail in the postage-paid envelope provided to you. If you choose to receive paper copies of the proxy materials by mail, and you hold your shares in street name, you can vote by completing and mailing the voting instruction form provided by your broker, bank, trust or other nominee.

Your vote is important, and we encourage you to vote promptly. Internet and telephone voting are available through 11:59 p.m. Eastern Daylight Time on Wednesday, June 27, 2012, for all shares that are entitled to vote.

Whether or not you have submitted your proxy will not affect your right to vote in person if you decide to attend the Annual Meeting. See *Can I vote my shares in person at the Annual Meeting?* below.

What does it mean if I receive more than one Notice or proxy card?

If you receive more than one Notice, proxy card or voting instruction form it means that you hold shares registered in more than one account. To ensure that all of your shares are voted, you will need to be sure to vote once for each account.

Can I vote my shares in person at the Annual Meeting?

Yes, if you are a stockholder of record, you may vote your shares in person at the Annual Meeting by completing a ballot at the Annual Meeting. However, if you currently plan to attend the Annual Meeting, we recommend that you also submit your proxy as described above in advance of the Annual Meeting so your vote will be counted if you later decide not to attend the Annual Meeting. If you submit your vote by proxy and later decide to vote in person at the Annual Meeting, the vote you submit at the Annual Meeting will override your proxy vote.

If you hold your shares in street name, you may vote your shares in person at the Annual Meeting only if you obtain and bring to the Annual Meeting a signed letter or other form of proxy from your broker, bank, trust or other nominee giving you the right to vote the shares at the Annual Meeting.

How does the Board recommend that I vote?

The Board recommends a vote:

- **FOR** the election of each of the eight nominees to the Board;
- **FOR** the ratification of the selection of KPMG LLP as our independent registered public accounting firm for the fiscal year ending February 2, 2013; and

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- **FOR** the approval of the Say-on-Pay Proposal.

What if I do not specify how I want my shares voted?

If you submit a signed proxy card or submit your proxy by Internet and do not specify how you want to vote your shares, we will vote your shares:

- **FOR** the election of each of the eight nominees to the Board;
- **FOR** the ratification of the selection of KPMG LLP as our independent registered public accounting firm for the fiscal year ending February 2, 2013; and
- **FOR** the approval of the Say-on-Pay Proposal.

When voting by telephone stockholders can choose to submit their vote on each proposal or to vote per the Board's recommendation.

Note: If you are a street name holder and fail to instruct your broker, bank, trust or other nominee how you want to vote your shares on a particular matter, those shares are considered to be "uninstructed". NYSE rules determine the circumstances under which member brokers of the NYSE may exercise discretion to vote "uninstructed" shares held by them on behalf of their clients who are street name holders. The applicable NYSE rules permit brokers to exercise discretion to vote uninstructed shares with respect to the proposal to ratify the selection of KPMG LLP as our independent registered public accounting firm. The rules do not permit member brokers to exercise discretion with respect to (i) the proposal to elect directors, or (ii) the Say-on-Pay Proposal. If the broker, bank, trust or other nominee is not permitted to exercise discretion, the uninstructed shares will be referred to as "broker non-votes". For more information regarding the effect of broker non-votes on the outcome of the vote, see below under *How are votes counted?*

Your vote is very important. We urge you to vote, or to instruct your broker, bank, trust or other nominee how to vote, on all matters to be considered at the Annual Meeting.

Can I revoke my proxy and change my vote?

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Yes, you may revoke your proxy and change your vote at any time before your proxy is voted at the Annual Meeting. You may revoke your proxy and change your vote by:

- submitting a later-dated and properly executed proxy card to our Corporate Secretary at the Company's address listed above, which must be received by us before the time of the Annual Meeting;
- by delivering a written notice of revocation to our Corporate Secretary at the Company's address listed above, which must be received by us before the time of the Annual Meeting; or
- by voting in person at the Annual Meeting.

If you voted through the Internet or by telephone, you may vote again over the Internet or by telephone up until 11:59 p.m. Eastern Daylight Time on Wednesday, June 27, 2012.

What vote is required to approve each item of business included in the Notice of Annual Meeting?

The election of the directors shall be determined by the affirmative vote of a plurality of the votes cast at the Annual Meeting. This means that since stockholders will be electing eight directors, the eight director nominees receiving the highest number of votes will be elected. The affirmative vote of the holders of a majority of the votes cast at the Annual Meeting by the stockholders present in person or represented by proxy and entitled to vote at the Annual Meeting is required to ratify the selection of our independent registered public accounting firm and to approve the Say-on-Pay Proposal.

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How are votes counted?

You may either vote **FOR** or **WITHHOLD** authority to vote for each director nominee. You may vote **FOR**, **AGAINST** or **ABSTAIN** on the proposal to ratify the selection of KPMG LLP as our independent registered public accounting firm and the Say-on-Pay Proposal.

If you properly submit your proxy, but withhold authority to vote for one or more director nominees or abstain from voting on one or more of the other proposals, your shares will be counted as present at the Annual Meeting for the purpose of determining a quorum and for the purpose of calculating the vote on the particular matter(s) with respect to which you withheld authority to vote or abstained from voting. If you withhold authority to vote for one or more of the director nominees, this will have no effect on the outcome of the vote for the election of directors. With respect to the Say-on-Pay Proposal and the proposal to ratify the selection of KPMG LLP as our independent registered public accounting firm, if you abstain from voting this will have the same effect as a vote against the proposal. Broker non-votes on any matter will not be considered as present and entitled to vote for purposes of calculating the vote on such matter.

Where can I find the voting results of the meeting?

We will announce preliminary voting results at the Annual Meeting. We plan to publish the final voting results in a Current Report on Form 8-K (Form 8-K) filed within four business days of the Annual Meeting. If final voting results are not available within the four business day timeframe, we plan to file a Form 8-K disclosing preliminary voting results within the required four business days, to be followed as soon as practicable by an amendment to the Form 8-K containing the final voting results.

Who will count the votes?

Broadridge Financial Solutions will count the votes and act as the inspector of election.

Is my vote confidential?

Proxy cards and voting tabulations that identify individual stockholders are mailed or returned directly to Broadridge Financial Solutions and handled in a manner that protects your voting privacy. Your vote will not be disclosed to us EXCEPT:

- as needed to permit Broadridge Financial Solutions to tabulate and certify the vote;
- as required by law; or

- in limited circumstances (which are not applicable to this Annual Meeting) such as a proxy contest in opposition to the Board of Directors.

In addition, all comments written on the proxy card or elsewhere will be forwarded to management, but your identity will be kept confidential unless you consent to your name being disclosed.

How can I attend the Annual Meeting?

All of our stockholders are invited to attend the Annual Meeting. We will not require tickets for admission to the Annual Meeting. However, you may be asked to present valid photo identification, such as a driver's license or passport, before being admitted to the Annual Meeting. If you hold your shares in street name, you also may be asked to present proof of ownership to be admitted to the Annual Meeting. A brokerage statement or letter from your broker, bank, trust or other nominee are examples of proof of ownership. No cameras, cellular telephones, pagers or personal computing devices will be allowed to be used during the meeting, and all attendees are expected to comply with the rules of conduct for the Annual Meeting, which will be made available to those attending the meeting.

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Who pays for the cost of proxy preparation and solicitation?

We pay for the cost of proxy preparation and solicitation, including the charges and expenses of brokerage firms or other nominees for forwarding proxy materials to beneficial owners of shares held in street name. We have retained The Proxy Advisory Group, LLC to assist in the solicitation of proxies for a fee of approximately \$13,000 plus associated costs and expenses.

We are soliciting proxies primarily by mail. In addition, proxies may be solicited by telephone or facsimile, or personally by our directors, officers and regular employees. These individuals will receive no compensation (other than their regular salaries or director fees) for these services.

Will any other business be considered at the meeting?

Our by-laws provide that a stockholder may present a proposal at the Annual Meeting that is not included in this proxy statement only if proper written notice was received by us. No stockholder has given the timely notice required by our by-laws in order to present a proposal at the Annual Meeting. Our Board does not intend to present any other matters for a vote at the Annual Meeting.

ITEM 1 ELECTION OF DIRECTORS

Our Board of Directors currently has ten members. Until 2010, our Board was divided into three classes and the members of each class were elected to serve a three-year term with the term of office for each class ending in consecutive years. At the 2010 Annual Meeting of Stockholders, our stockholders approved an amendment to our Restated Certificate of Incorporation that provided for the phased-in elimination of the classification of our Board and the annual election of our directors. This amendment resulted in the directors at our 2010 Annual Meeting and thereafter being elected to one-year terms, but did not shorten the term of any director elected prior to our 2010 Annual Meeting. All of the current directors' terms expire as of the Annual Meeting.

Mark A. Cohn, Morris Goldfarb, Anne L. Jones, David A. Levin, Lisa W. Pickrum, William F. Sharpe, III, Paul L. Snyder and Patricia A. Stensrud have been nominated by the Board upon the recommendation of the Governance and Nominating Committee for election to the Board to serve until the 2013 Annual Meeting of Stockholders or until their successors are elected and qualified. David A. Levin, William F. Sharpe, III and Patricia A. Stensrud, who were elected to the Board on May 3, 2012, were each initially recommended as a possible director candidate by a non-management director. Martin Bassett and James J. Fuld, Jr. have each decided not to stand for re-election to the Board. The Board of Directors has determined to decrease the size of the Board to eight directors upon the expiration of Mr. Bassett's and Mr. Fuld's terms of office as of the Annual Meeting.

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

Board Recommendation

The Board recommends a vote FOR the election of Mark A. Cohn, Morris Goldfarb, Anne L. Jones, David A. Levin, Lisa W. Pickrum, William F. Sharpe, III, Paul L. Snyder and Patricia A. Stensrud. Proxies will be voted FOR the election of the eight nominees, unless otherwise specified.

Below is biographical information for each of the director nominees.

Director Nominees for Terms Ending in 2013

Mark A. Cohn, 55, has served as one of our directors since October 2006. Mr. Cohn is currently the Chairman and Chief Executive Officer of Third Season, LLC, a company founded as an incubator of micro-consumer marketing companies, a position he has held since founding the company in 2003. During 2010, he was also the Managing Director and Chief Executive Officer of Dorado Ocean Resources Limited, a deep ocean mining company. From 2003 to 2009, he served as Chief Executive Officer of Second Act, an e-commerce company

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focused on the resale of consumer electronics. Mr. Cohn served as Chairman, President and Chief Executive Officer of Intelefilm Corporation from October 2001 to August 2002. Intelefilm Corporation filed a voluntary petition of relief under Chapter 11 of the U.S. Bankruptcy Code in August 2002. Mr. Cohn was founder and Chief Executive Officer of Damark International, Inc., a consumer catalog company, from its inception in 1986 until February 2001.

Mr. Cohn has significant business expertise, having successfully founded and taken public Damark International, Inc. and having served as its Chief Executive Officer for over 15 years. Over the last quarter century he has gained experience in, among other areas, consumer direct merchandising and marketing including e-commerce, catalog, direct response television and print segments. His experience as a chief executive officer of two publicly held companies and as a board member at a number of public, private and non-profit companies provides him a valuable perspective on many of the issues the Company faces and positions him well to serve as a member of our Board and the Compensation Committee, which he chairs.

Morris Goldfarb, 61, has served as one of our directors since January 2011. He is Chairman of the Board and Chief Executive Officer of G-III Apparel Group, Ltd. (G-III), and has served as executive officer and director of G-III and its predecessors since the formation of the company in 1974. G-III is a leading designer, manufacturer and distributor of men's and women's apparel, handbags and luggage, with annual sales of approximately \$1.2 billion. G-III holds licenses for fashion brands such as Calvin Klein, Andrew Marc, Kenneth Cole, Cole Haan, Guess?, Jones New York, Jessica Simpson and Nine West, and sports licenses with the NFL, NBA, MLB and NHL and more than 100 colleges and universities. G-III also operates retail outlet stores under its Wilsons Leather name and under the Vince Camuto name. Mr. Goldfarb currently serves on the boards of RLJ Acquisition, Inc. and Ante5, Inc., in addition to his role as Chairman of G-III.

Mr. Goldfarb brings to the Board considerable experience and in-depth knowledge of the retail industry and the issues, opportunities and challenges facing the Company, given his more than 25 years as an executive officer of G-III. His extensive operating and business experience managing G-III, combined with his leadership skills and service as a director at a number of public, private and non-profit companies make him particularly well-suited to serve as a member of our Board and the Governance and Nominating Committee.

Anne L. Jones, 66, has served as one of our directors since January 2000. Since 1979, Ms. Jones has served as Chief Executive Officer of Jones Consulting Group, Inc., an organizational and strategic planning consulting firm serving public and private companies. In 2000, Ms. Jones partnered to form BancPlan LLC and developed an internet-based strategic assessment tool assisting the banking industry in the strategic planning process. Ms. Jones served as President and Chief Executive Officer of BancPlan LLC from 2000 to 2005. Prior to that, Ms. Jones served in various sales and product development capacities with IBM Corporation (IBM) from 1968 to 1979. Ms. Jones serves as Vice Chair on the Board of the Jones Family Foundation, Red Wing, Minnesota, a position she has held since January 2000.

Ms. Jones has significant business, sales, product development and management experience, which she attained through her various roles and responsibilities at IBM and as Chief Executive Officer of BancPlan, LLC. She is a successful entrepreneur who has founded two private companies and she currently leads her own organizational and strategic planning consulting firm, working with both public and privately held companies ranging in size from \$10 million to over \$1.0 billion. Ms. Jones's service as a director at the Company for over ten years, as well as at a variety of non-profit and civic organizations, together with her business background, provides business, governance, organizational and strategic planning expertise to our Board and makes her a valued member of the Compensation Committee and Governance and Nominating Committee, which she chairs.

David A. Levin, 61, has served as one of our directors since May 3, 2012. Mr. Levin is currently the President and Chief Executive Officer of Casual Male Retail Group, Inc. (CMRG), the largest specialty retailer of big and tall men's apparel, a position he has held since April 2000. From

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1999 to 2000, he served as the Executive Vice President of eOutlet.com. Mr. Levin was President of Camp Coleman, a division of The Coleman Company, from 1998 to 1999. Prior to that, Mr. Levin was President of Parade of Shoes, a division of J. Baker, Inc., from 1995 to 1997. Mr. Levin was also President of Prestige Fragrance & Cosmetics, a division of Revlon, Inc., from 1991 to 1995. Mr. Levin currently serves on the Board of CMRG.

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Mr. Levin has over 30 years of experience in the retail industry, including more than ten years of operational experience as Chief Executive Officer of CMRG, which provides the Board with valuable insight into the marketing, merchandising and operational issues the Company faces. He also provides critical insight into the specialty retail business. Mr. Levin also has public company experience, having been in both an executive and director role at CMRG for more than ten years, which experience positions him well to serve as a member of our Board and the Compensation Committee.

Lisa W. Pickrum, 42, has served as one of our directors since June 2011. Ms. Pickrum has been the Executive Vice President and Chief Operating Officer of The RLJ Companies (RLJ), a diversified holding company with portfolio companies in the financial services, asset management, real estate, hospitality, professional sports, film production, and gaming industries, since 2004. In her role at RLJ, Ms. Pickrum has closed \$40 million in automotive dealership acquisitions, served as the primary RLJ fundraiser for a \$610 million money management fund and managed a hotel development project in West Africa. Prior to joining The RLJ Companies, Ms. Pickrum was a Principal at Katalyst Venture Partners, a private equity firm that invested in start-up technology companies in the media and communications industries, from 1999 to 2003. From 1998 to 1999, Ms. Pickrum worked as a senior consultant for Accenture, a global management consulting, technology services and outsourcing company, in the company's communications and technology strategic services practice. From 1994 to 1996, Ms. Pickrum was an attorney with the Federal Communications Commission, where she worked in the commercial wireless division, spectrum auction and allocations, and PCS and cellular. Ms. Pickrum currently serves on the Board of DeVry, Inc.

Ms. Pickrum brings extensive experience to the Board as a senior business executive in private equity, operations and strategy and financial analysis, including mergers and acquisitions. Her previous experience in a legal capacity with a federal regulatory agency gives her valuable perspective on the issues that come before the Board, including business, legal, strategic, financial and regulatory matters. In addition, her business background and experience as a board and committee member at both public and private companies provides her with valuable insight on a number of issues facing the Company and positions her well to serve as a member of our Board and the Audit Committee, which she chairs. Ms. Pickrum meets the definition of an audit committee financial expert as established by the SEC.

William F. Sharpe, III, 49, has served as one of our directors since May 3, 2012. Since September 2009, Mr. Sharpe has served as a Partner and Managing Director of Quetico Partners, LLC, a boutique investment banking firm. From July 2007 to August 2009, he was Chief Operating Officer and a Managing Director of Lazard Middle Market, a subsidiary of Lazard, Ltd. which provides advice on mergers and acquisitions, restructuring, and public and private capital raising to the middle market, following the acquisition by Lazard, Freres & Company of Goldsmith Agio Helms & Lynner, LLC (Goldsmith-Agio). He was with Goldsmith-Agio, a private investment banking firm, from February 1998 to July 2007, most recently serving as Chief Operating Officer and Managing Director from 2002 to July 2007.

Mr. Sharpe brings considerable business, investment banking and corporate experience to our Board, having served as an investment banker to both public and private companies in multiple industries for almost 15 years. In addition to his work experience, Mr. Sharpe also has a strong financial and educational background. He currently is a Board member of Adolfson & Peterson, Inc. (A&P), a privately held general contractor offering construction management services. In his capacity as an A&P Board member, he currently serves as the Chair of its Audit Committee and as a member of its Compensation Committee. His broad investment banking, corporate and financial background positions him well to serve as a member of our Board and the Audit and Compensation Committees. Mr. Sharpe meets the definition of an audit committee financial expert as established by the SEC.

Paul L. Snyder, 63, has served as one of our directors since May 2010 and was elected as the Non-Executive Chair of our Board effective January 6, 2012. Mr. Snyder retired in 2009 after 39 years with KPMG, a global accounting firm, most recently serving as KPMG's Midwest Area Managing Partner in Chicago, Illinois from 2002 to 2009. He is also a past member of KPMG's United States Board of Directors, as well as KPMG's Americas Board of Directors.

Mr. Snyder brings to the Board extensive experience dealing with and overseeing the implementation of accounting principles and financial reporting rules and regulations. With his extensive business and management experience for 28 years as an audit partner at KPMG serving numerous public companies in various business

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sectors, Mr. Snyder provides relevant expertise on accounting, investment and financial matters. Mr. Snyder meets the definition of an audit committee financial expert as established by the SEC. His accounting and management experience make him a valued addition to our Board and Audit Committee and an effective Non-Executive Chair.

Patricia A. Stensrud, 64, has served as one of our directors since May 3, 2012. Since May 2011, Ms. Stensrud has served as President of A&H Manufacturing, a worldwide package design and manufacturing company with operations in the United States, China and the United Kingdom. From January 2006 to April 2011, she served as the founder and managing partner of Hudson Rivers Partners, LLC, a company focused on private real estate investment and advisory due diligence for various merger and acquisition initiatives. In November 2010, Ms. Stensrud co-founded The SilkRoute Partnership (SilkRoute), a consulting and advisory firm providing strategic branding development expertise in the People's Republic of China. Ms. Stensrud served as President of the Women's Sportswear Division of Tommy Hilfiger USA in 2005 and as the Chief Executive Officer of the Victoria + Co Division of the Jones Apparel Group from 1991 to 2002. Ms. Stensrud currently serves on the Board of Crown Crafts, Inc.

Ms. Stensrud brings considerable women's apparel and fashion accessories experience to our Board, having served as President of the Women's Sportswear Division of Tommy Hilfiger USA and Chief Executive Officer of the Victoria + Co division of Jones Apparel Group. In addition, she has considerable business and management experience, having also held marketing and sales leadership positions at Avon, IBM and Hambrecht Terrell International, a retail architectural firm. She has gained extensive strategic advisory experience in her roles at SilkRoute and Hudson River Partners and as a senior advisor to the Avalon Group, Ltd., an investment banking firm. Her extensive and broad experience, including her service on the boards of public, private and non-profit companies, provide her with valuable insight on a number of issues facing the Company and position her well to serve as a member of our Board and the Audit Committee.

INFORMATION REGARDING THE BOARD AND CORPORATE GOVERNANCE

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

Code of Conduct

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

Director Independence

Our Corporate Governance Guidelines provide that a majority of our directors shall meet the independence requirements of the NYSE. Under the NYSE rules, no director qualifies as independent unless the Board affirmatively determines that the director has no material relationship with

us (directly, or as a partner, stockholder or officer of an organization that has a relationship with us).

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

In January 2012, the Board changed our fiscal year to end on that Saturday in January or February which falls closest to the last day of January instead of that Saturday in February or March which falls closest to the last day of February. As a result of this change, the information disclosed in this proxy statement for the most recently completed reporting period covers the eleven-month (48-week) transition period ended on January 28, 2012 (the

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Transition Period). For the Transition Period, the Board reviewed the transactions between the Company and G-III, where Morris Goldfarb is Chairman of the Board and Chief Executive Officer, and its related entities. These transactions consisted of a series of transactions related to purchases of goods by or through G-III and its related entities and the provision of inspection services by a G-III subsidiary. The Board determined that such transactions were made or established in the ordinary course of business and that Mr. Goldfarb had no direct or indirect material interest in the transactions. In addition, the dollar amounts involved in the transactions with G-III were below the thresholds set by the NYSE for director independence.

After consideration of the directors' relationships with the Company, the Board has affirmatively determined, in accordance with the standards set forth in the Corporate Governance Guidelines, that none of the individuals serving as non-employee directors during the Transition Period or the non-employee directors being nominated for election at the Annual Meeting has a material relationship with us and that each such non-employee director (including Martin L. Bassett, Mark A. Cohn, Robert Ezrilov, James J. Fuld, Jr., Morris Goldfarb, Anne L. Jones, David A. Levin, Lisa W. Pickrum, William F. Sharpe, III, Paul L. Snyder and Patricia A. Stensrud) is independent.

Mr. Larry C. Barenbaum was not considered an independent director during his service on the Board during the Transition Period because of his employment as our President and Chief Executive Officer.

Board Leadership Structure

The Board believes it is important to maintain flexibility in its board leadership structure and, therefore, has not mandated either the combination or separation of the positions of Chair of the Board and CEO. In 2005, we separated the two positions after the departure of our then CEO and Chairman. Since that time, we have had a non-employee, independent director serve as Chair of the Board, other than from October 19, 2010 to January 10, 2011 when Mr. Barenbaum was both Chair and Interim CEO. During this same period, Anne Jones served as our Lead Director. Given the demanding nature of both of the Chair and CEO positions, the Board believed, and continues to believe, that it is appropriate to have two different persons occupying each role. Our independent director Chair has the typical responsibilities of a Board chair, including responsibility for setting Board agendas, chairing Board and stockholder meetings, liaising between the other members of the Board and members of senior management (including our CEO), and presiding over the sessions of Board meetings at which only the independent directors are present. Paul L. Snyder, one of our independent directors, has served as Chair of our Board since January 2012. Mr. Barenbaum had been the Board Chair prior to his being named President and Chief Executive Officer in January 2011 and Mr. Fuld served as Board Chair from January 2011 to January 2012.

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

Meetings of the Independent Directors

At both the Board and committee levels, our non-employee directors meet regularly in executive sessions in which our Chief Executive Officer and other members of management do not participate. Mr. Snyder, our Chair, serves as the presiding director of executive sessions of the Board, and the Chair of each committee serves as the presiding director at executive sessions of that committee. During the Transition Period, our non-employee directors met in executive sessions of the Board without management on six occasions.

Stock Ownership Guidelines

The Board has established stock ownership guidelines for non-employee directors. Each director is expected to achieve and maintain stock ownership of 10,000 shares by the fourth anniversary of the date he or she joined our Board. As of May 2, 2012, all of the directors who have served four or more years on the Board met this stock ownership guideline.

Term/Age Limits

The Board does not believe it is advisable to establish arbitrary term limits on directors' services. The Board has a mandatory retirement age under which the director must complete his or her term before age 73. As part of its responsibilities, the Governance and Nominating Committee evaluates each incumbent director's qualifications,

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performance and ability to continue to contribute productively before recommending the nomination of that director for an additional term.

Limitation on Board Service

Our Corporate Governance Guidelines provide that no member of the Board shall simultaneously serve on the boards of directors of more than three public companies in addition to ours. A Company director is to notify the Chair of the Board prior to becoming a director of another public company, in order to avoid potential conflicts of interest and to address whether the aggregate number of directorships held by such director would interfere with his or her ability to carry out his or her responsibilities as one of our directors. In the event that the Board determines that the additional directorship constitutes a conflict of interest or interferes with such director's ability to carry out his or her responsibilities as one of our directors, such director, upon the request of the Board, shall either offer his or her resignation or not accept the other directorship.

Board Involvement in Risk Oversight

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

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

Similarly, the Compensation Committee of the Board oversees risks associated with its areas of responsibility, including the risks associated with our compensation programs, policies and practices with respect to both executive compensation and compensation generally. The Governance and Nominating Committee of the Board oversees risks associated with its areas of responsibility, including the risks associated with non-employee director compensation. In addition, the Governance and Nominating Committee periodically analyzes corporate governance practices in order to assist the Board in its risk oversight activities.

To keep the Board informed regarding the Company's risk management efforts, management periodically reports to the Audit Committee, as well as to the Board, on risk management and mitigation activities. In addition, at each regular Board meeting, the Chair of each Board committee reports to the full Board regarding the matters discussed at committee meetings held since the prior committee report to the Board.

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

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Table of Contents**MEETINGS AND COMMITTEES OF THE BOARD OF DIRECTORS**

All of our directors, and in particular the director nominees, are encouraged to attend the annual meetings of our stockholders. Seven of our eight then current directors attended the 2011 Annual Meeting of Stockholders.

The Board of Directors held eight meetings during the Transition Period. Each director holding office during the Transition Period attended 90% of the aggregate number of the meetings of the Board (held during the period for which he or she had been a director) and meetings of the committees on which he or she served (held during the period for which he or she served).

Our Board has three committees: Audit, Compensation, and Governance and Nominating. As of May 11, 2012, the members and Chairs of those committees were:

Independent Directors	Audit	Compensation	Governance and Nominating
Martin L. Bassett	X	X	
Mark A. Cohn		Chair	X
James J. Fuld, Jr.			X
Morris Goldfarb			X
Anne L. Jones		X	Chair
David A. Levin		X	
Lisa W. Pickrum	Chair		
William F. Sharpe, III	X	X	
Paul L. Snyder	X		X
Patricia A. Stensrud	X		

The Audit Committee

All Audit Committee members are independent under applicable NYSE listing standards and SEC rules and regulations. Our Board of Directors has determined that four members of the Audit Committee, Mr. Bassett, Ms. Pickrum, Mr. Sharpe and Mr. Snyder, meet the definition of an audit committee financial expert as established by the SEC. The Audit Committee provides assistance to the Board in fulfilling its oversight responsibilities relating to the quality and integrity of the financial reports of the Company. The Audit Committee has the sole authority to appoint, review and discharge our independent accountants, and has established procedures for the receipt, retention, response to and treatment of complaints regarding accounting, internal controls and audit matters. In addition, the Audit Committee is responsible for:

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

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- assessing the independence of the outside accountants on an annual basis, including receipt and review of a written report from the independent accountants regarding their independence consistent with the Independence Standards Board Standards;
- reviewing and approving the services provided by the independent accountants;
- overseeing the internal audit function; and
- reviewing our significant accounting policies, financial results and earnings releases, and the adequacy of our internal controls and procedures.

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

The Audit Committee held 12 meetings during the Transition Period. The Audit Committee has engaged KPMG LLP as our independent accountants for the fiscal year ending February 2, 2013 and is recommending that

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

The Compensation Committee

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

- reviewing the performance of our Chief Executive Officer;
- determining the compensation and benefits for our Chief Executive Officer and other executive officers;
- establishing our compensation policies and practices;
- administering our incentive compensation and stock plans, other than the Second Amended and Restated 2006 Equity Incentive Plan for Non-Employee Directors (which is administered by the Governance and Nominating Committee); and
- evaluating our benefit plans.

The Compensation Committee has delegated authority to the Vice President, Human Resources to make awards to newly hired or promoted employees with respect to participation in the current fiscal year's incentive program pursuant to guidelines (based on the level of position) approved by the Compensation Committee with respect to both the amount and type of awards such newly hired or promoted employees may be eligible to receive. This delegation expressly excludes the ability to make awards to the Chief Executive Officer and any of his direct management reports. It is also subject to an overall aggregate limit of 200,000 shares.

The Compensation Committee has delegated authority to our Vice President, Human Resources in conjunction with our President and Chief Executive Officer, to allocate equity awards to employees other than our executive officers in connection with recruiting, retention and significant promotions that occur from time-to-time. This delegation permits these executive officers to determine the recipient of the award, as well as the type and amount of the award, subject to a limitation of 20,000 stock options and 10,000 shares of restricted stock during any consecutive 12 month period to any one individual and an overall aggregate limit of 200,000 shares.

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

The Compensation Committee held seven meetings during the Transition Period. The *Compensation Committee Report* is found on page 32 of this proxy statement.

The Governance and Nominating Committee

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

- identifying and recommending candidates for service on the Board;
- reviewing and revising our Corporate Governance Guidelines;
- leading the Board in its annual review of the performance of the Board and the Board's committees;

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- recommending members and the Chair for each Board committee;
- periodically reviewing and making recommendations to the Board as to the size and composition of the Board and the criteria for selecting director nominees;
- periodically reviewing and making recommendations to the Board as to the cash and equity compensation of non-employee directors; and
- periodically reviewing our Code of Conduct with our General Counsel to recommend any appropriate changes to the Board.

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

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

The Governance and Nominating Committee held four meetings during the Transition Period.

Procedures for Contacting the Board

The Board has established a process for stockholders and other interested parties to send written communications to the Board, the non-management directors, a particular committee or to individual directors, as applicable. Such communications should be sent by U.S. mail addressed to:

Christopher & Banks Board of Directors
c/o Christopher & Banks Corporation
Attention: Corporate Secretary
2400 Xenium Lane North
Plymouth, MN 55441

The Board has instructed the Corporate Secretary to promptly forward all communications so received to the full Board, the non-management directors, or the individual Board members specifically addressed in the communication. Comments or questions regarding our accounting,

internal controls or auditing matters will be referred to the Audit Committee. Comments or questions regarding our compensation and benefit programs will be referred to the Compensation Committee. Comments or questions regarding the nomination of directors and other corporate governance matters will be referred to the Governance and Nominating Committee.

Depending on the subject matter, the Company's Corporate Secretary will:

- forward the communication to the director or directors to whom it is addressed;
- attempt to handle the inquiry directly, for example, where it is a request for information about our Company or if it is a stock-related matter; or
- not forward the communication if it is primarily commercial in nature or if it relates to a topic that is not relevant to the Board or a particular committee or is otherwise improper.

Procedures for Recommending, Nominating and Evaluating Director Candidates

Recommending Director Candidates for Nomination by the Board

The Governance and Nominating Committee will consider director candidates recommended by stockholders. A stockholder who wishes to recommend a director candidate for nomination by the Board at an annual meeting of stockholders or for vacancies of the Board that arise between annual meetings must provide the Governance and Nominating Committee with sufficient written documentation to permit a determination by the Board whether such candidate meets the required and desired director selection criteria set forth in our by-laws and our Corporate

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Governance Guidelines described below. Such documentation and the name of the director candidate should be sent by U.S. mail to: