

---

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT PURSUANT  
TO SECTION 13 OR 15(D) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported) **September 23, 2008**

**MOVADO GROUP, INC.**

(Exact name of registrant as specified in its charter)

**NEW YORK**

(State or other jurisdiction of incorporation)

**1-16497**

(Commission File Number)

**13-2595932**

(I.R.S. Employer Identification No.)

**650 From Road, Suite 375  
Paramus, New Jersey**

(Address of principal executive offices)

**07652-3556**

(Zip Code)

**(201) 267-8000**

(Registrant's Telephone Number, Including Area Code)

**NOT APPLICABLE**

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
- 
-

**Item 1.01.****Entry into a Material Definitive Agreement.**

## US CREDIT FACILITY

On September 23, 2008, Movado Group, Inc. (the “Company”) entered into a letter agreement (the “Credit Agreement Amendment”) amending the Credit Agreement, dated as of December 15, 2005 (as amended and in effect from time to time, the “US Credit Agreement”), between the Company, Movado Watch Company SA and MGI Luxury Group S.A., as borrowers (the “US Credit Facility Borrowers”), the lenders signatory thereto and JPMorgan Chase Bank, N.A., as Administrative Agent, Swingline Bank and Issuing Bank thereunder. The Credit Agreement Amendment, which was executed by the US Credit Facility Borrowers and certain lenders under the US Credit Agreement (each, an “Increasing Lender”), increased the Total Revolving Credit Commitment (as defined in the US Credit Agreement) by \$40,000,000 (the “Revolving Credit Commitment Increase”). The Revolving Credit Commitment (as defined in the US Credit Agreement) of each Increasing Lender was increased by an amount equal to the amount set forth opposite its name below under the caption “Revolving Credit Commitment Increase Amount,” resulting in such Increasing Lender having a total Revolving Credit Commitment equal to the amount set forth opposite its name under the caption “Revolving Credit Commitment (as increased).”

<u>Name of Increasing Lender</u>	<u>Revolving Credit Commitment Increase Amount</u>	<u>Revolving Credit Commitment (as increased)</u>
JPMorgan Chase Bank, N.A.	\$11,200,000	\$25,200,000
Bank of America, N.A.	\$9,600,000	\$21,600,000
PNC Bank, National Association	\$9,600,000	\$21,600,000
Citibank, N.A.	\$9,600,000	\$21,600,000
TOTAL	\$40,000,000	\$90,000,000

The Revolving Credit Commitment Increase and the obligation of each Increasing Lender to provide its respective portion of the Revolving Credit Commitment Increase became effective upon, among other things, payment to each Increasing Lender of a fee equal to 0.10% of such Increasing Lender’s respective portion of the Revolving Credit Commitment Increase, payment to J.P. Morgan Securities Inc. (“JPMorgan”) of an arrangement fee in an amount agreed upon between the Company and JPMorgan, and delivery by the Swiss Credit Facility Borrowers (as defined below) of a written notice with respect to the Partial Reduction (as defined below) under the Company’s Swiss credit facility as described below.

## SWISS CREDIT FACILITY

On September 23, 2008, MGI Luxury Group S.A. and Movado Watch Company SA (together, the “Swiss Credit Facility Borrowers”) delivered a written notice, in the form of the Credit Agreement Amendment, with respect to a partial reduction (the “Partial Reduction”) in an aggregate amount of CFH 57,000,000 of the revolving credit commitments under the Credit Agreement, dated as of December 15, 2005 (as amended and in effect from time to time, the “Swiss Credit Agreement”), among the Swiss Credit Facility Borrowers, the Company as Parent, each of the lenders signatory thereto and JPMorgan Chase Bank, N.A., as administrative agent. Receipt of the written notice and effectiveness of the Partial Reduction were acknowledged by the Swiss Credit Facility Borrowers and the lenders under the Swiss Credit Agreement by their execution and delivery of the Credit Agreement Amendment. The total revolving credit commitments under the Swiss Credit Agreement, after giving effect to the Partial Reduction, is CFH 33,000,000.

The foregoing summaries of the Credit Agreement Amendment do not purport to be complete and are qualified in their entirety by reference to the Credit Agreement Amendment attached as Exhibit 99.1 hereto.

**Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

See the discussion under Item 1.01 above, which discussion is incorporated by reference herein.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

**EXHIBIT NO. DESCRIPTION**

99.1 Letter Agreement, dated as of September 23, 2008, by and among Movado Group, Inc., as Borrower and Guarantor, Movado Watch Company SA and MGI Luxury Group S.A., as Borrowers, Movado Retail Group, Inc. and Movado LLC, as Guarantors, certain Lenders under the US Credit Agreement and the Swiss Credit Agreement party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent, Swingline Bank and Issuing Bank

---

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report on Form 8-K to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: September 29, 2008

**MOVADO GROUP, INC.**

By: /s/ Timothy F. Michno  
Name: Timothy F. Michno  
Title: General Counsel

September 23, 2008

JPMorgan Chase Bank, N.A.,  
as Administrative Agent  
1111 Fannin Street, 10<sup>th</sup> Floor  
Houston, Texas 77002-6925  
Attention: Loan and Agency Services

cc: JPMorgan Chase Bank, N.A.  
277 Park Avenue  
New York, NY 10172  
Attention: Brendan Walsh

Ladies and Gentlemen:

Reference is made to the Credit Agreement dated as of December 15, 2005 (as amended and in effect from time to time, the "Credit Agreement"), among Movado Group, Inc., Movado Watch Company SA, MGI Luxury Group S.A., the Lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent, as Swingline Bank and as Issuing Bank thereunder. Terms defined in the Credit Agreement are used herein with the same meanings.

The Parent hereby notifies the Administrative Agent pursuant to Section 2.16 of the Credit Agreement that it is proposing to increase the Total Revolving Credit Commitment by \$40,000,000 (the "Revolving Credit Commitment Increase"), which shall be effective on the Commitment Increase Effective Date (as defined below) subject to the conditions set forth below.

Each Lender whose name appears under the caption "Increasing Lenders" on the signature pages hereof agrees, by its execution and delivery of this letter, with the Borrowers and the Administrative Agent that, effective as of the Commitment Increase Effective Date (and subject to the conditions set forth below), (a) the Revolving Credit Commitment of such Lender shall be increased by an amount equal to the amount set forth opposite its name on Schedule I hereto under the caption "Revolving Credit Commitment Increase Amount" and, after giving effect to such increase, such Lender shall have a total Revolving Credit Commitment equal to the amount set forth opposite its name on Schedule I hereto under the caption "Revolving Credit Commitment (as increased)" and (b) such Lender shall be an Increasing Lender for purposes of the Credit Agreement and shall have all of the rights and obligations of a Lender under the Credit Agreement in respect of its Revolving Credit Commitment as so increased.

---

In order to induce the Increasing Lenders to provide the Revolving Credit Commitment Increase contemplated hereby, the Borrowers hereby represent and warrant that: (a) the representations and warranties contained in Article 6 of the Credit Agreement are true and correct in all material respects on and as of the Commitment Increase Effective Date as though made on and as of such date (after giving effect to the Revolving Credit Commitment Increase contemplated hereby); provided that (i) any representation and warranty contained in Section 6.5 of the Credit Agreement that specifically relates to January 31, 2005 (other than the last sentence of Section 6.5 thereof) shall be true and correct as of January 31, 2005; and (ii) any such representation or warranty which by its terms contains a materiality qualification is true and correct in all respects on and as of such date; (b) no Default or Event of Default has occurred and is continuing; and (c) (i) the Revolving Credit Commitment Increase has been duly authorized by each Borrower; (ii) this letter has been duly executed and delivered by the Borrowers; and (iii) each of this letter and the Credit Agreement as modified hereby constitutes a legal, valid and binding obligation of each Borrower party hereto or thereto, enforceable against such Borrower in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

Each Guarantor, by its execution and delivery of this letter, hereby consents to this letter and the Revolving Credit Commitment Increase contemplated hereby and confirms and ratifies that all of its obligations as a Guarantor under the Parent Guarantee or Subsidiary Guarantee, as applicable, to which it is a party shall continue in full force and effect for the benefit of the Administrative Agent and the Lenders with respect to the Credit Agreement as modified hereby (including the Revolving Credit Commitment Increase contemplated hereby).

The Revolving Credit Commitment Increase and the obligation of each Increasing Lender to provide its respective portion of the Revolving Credit Commitment Increase shall become effective on the date on which each of the following conditions shall be satisfied (the "Commitment Increase Effective Date"): (a) receipt by the Administrative Agent of one or more counterparts of this letter duly executed and delivered by the Borrowers and each Increasing Lender, and consented to (on the signature lines provided below) by the Administrative Agent, the Swingline Bank, the Issuing Bank and each Guarantor; (b) payment to each Increasing Lender of a fee equal to 0.10% of such Increasing Lender's respective portion of the Revolving Credit Commitment Increase; (c) payment to J.P. Morgan Securities Inc. ("JPMorgan") of an arrangement fee in connection herewith in an amount agreed upon between the Parent and JPMorgan; (d) receipt by the Administrative Agent of (i) evidence of the corporate power and authority of the Borrowers and Guarantors to enter into this letter and undertake the Revolving Credit Commitment Increase (or the guarantee thereof, as applicable) contemplated hereby and (ii) such other documents (if any) as the Administrative Agent shall have requested pursuant to clause (bb) of the fourth sentence of Section 2.16 of the Credit Agreement; and (e) delivery by the borrowers under the Other Credit Agreement of a written notice pursuant to Section 2.8 of the Other Credit

---

Agreement with respect to a partial reduction of the Revolving Credit Commitments (as defined therein) thereunder in the aggregate amount of CFH 57,000,000 (and such borrowers and the lenders party to such Other Credit Agreement, by their execution and delivery of this letter, hereby agree that such partial reduction shall become effective concurrently with the satisfaction of all of the conditions under clauses (a) through (d) of this paragraph and the occurrence of the Commitment Increase Effective Date, notwithstanding the requirement for prior notice of such reduction under such Section 2.8 (which prior notice such lenders hereby waive)).

Except as herein provided, the Credit Agreement shall remain unchanged and in full force and effect. This letter may be executed in any number of counterparts, all of which taken together shall constitute one and the same agreement and any of the parties hereto may execute this letter by signing any such counterpart. Delivery of an executed counterpart of this letter by facsimile shall be effective as delivery of a manually executed counterpart of this letter. This letter shall be governed by, and construed in accordance with, the law of the State of New York.

*[remainder of page intentionally left blank]*

---

Very truly yours,  
**MOVADO GROUP, INC.,**  
*as Borrower and a Guarantor*

By: /s/ Sallie A. DeMarsilis  
\_\_\_\_\_  
Name: Sallie A. DeMarsilis  
Title: SVP CFO

**MOVADO WATCH COMPANY SA**  
*as Borrower*

By: /s/ Benedict Schlegel  
\_\_\_\_\_  
Name: Benedict Schlegel  
Title: Director

By: /s/ Rick Cote  
\_\_\_\_\_  
Name: Rick Cote  
Title: Director

**MGI LUXURY GROUP S.A.,**  
*as Borrower*

By: /s/ Benedict Schlegel  
\_\_\_\_\_  
Name: Benedict Schlegel  
Title: Director

By: /s/ Rick Cote  
\_\_\_\_\_  
Name: Rick Cote  
Title: Director

---

INCREASING LENDERS

**JP MORGAN CHASE BANK, N.A.,**  
*as Lender*

By: /s/ Kenneth D. Coons \_\_\_\_\_  
Name: Kenneth D. Coons  
Title: AVP / Underwriter

**BANK OF AMERICA, N.A.**

By: /s/ Naomi Hasegawa \_\_\_\_\_  
Name: Naomi Hasegawa  
Title: Sr. Underwriter, Product Delivery

**PNC BANK, NATIONAL ASSOCIATION**

By: /s/ Wendy Blacher \_\_\_\_\_  
Name: Wendy Blacher  
Title: Vice President

**CITIBANK, N.A.**

By: /s/ Humberto M. Saloman \_\_\_\_\_  
Name: Humberto M. Saloman  
Title: Vice President

---

Accepted and Agreed  
as of the date first written above:

**JPMORGAN CHASE BANK, N.A.,**  
*as Administrative Agent*

By: /s/ Kenneth D. Coons  
Name: Kenneth D. Coons  
Title: AVP / Underwriter

**JPMORGAN CHASE BANK, N.A.,**  
*as Swingline Bank and Issuing Bank*

By: /s/ Kenneth D. Coons  
Name: Kenneth D. Coons  
Title: AVP / Underwriter

---

ACKNOWLEDGED AND AGREED  
as of the date first written above:

**MOVADO RETAIL GROUP, INC.,**  
*as a Guarantor*

By: /s/ Timothy F. Michno  
Name: Timothy F. Michno  
Title: General Counsel

**MOVADO LLC,**  
*as a Guarantor*

By: /s/ Timothy F. Michno  
Name: Timothy F. Michno  
Title: General Counsel

---

**Increasing Lenders:**

<u>Name of Lender</u>	<u>Revolving Credit Commitment Increase Amount</u>	<u>Revolving Credit Commitment (as so increased)</u>
JPMorgan Chase Bank, N.A.	\$11,200,000	\$25,200,000
Bank of America, N.A.	\$9,600,000	\$21,600,000
PNC Bank, National Association	\$9,600,000	\$21,600,000
Citibank, N.A.	\$9,600,000	\$21,600,000
TOTAL	\$40,000,000	\$90,000,000