

OMB APPROVAL	
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>McLallen Walter Field</u> (Last) (First) (Middle) <u>C/O DIFFERENTIAL BRANDS GROUP INC.</u> <u>1231 S. GERHART AVE.</u> (Street) <u>COMMERCE CA 90022</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>Differential Brands Group Inc. [DFBG]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>03/31/2018</u>	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock, par value \$0.10 per share	03/31/2018		M		12,887 ⁽¹⁾	A	\$0 ⁽¹⁾	50,431	D	

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)						Date Exercisable
Restricted Stock Units	(1)	03/31/2018		M				Common Stock, par value \$0.10 per share	12,887	\$0	38,659 ⁽²⁾	D	

Explanation of Responses:

- The reporting person previously received a grant of shares of Restricted Stock Units ("RSUs") that represented a contingent right to receive one share of the Company's common stock pursuant to the Differential Brands Group Inc. 2016 Stock Incentive Plan (the "Plan") and previously reported on Table II of a Form 4. These RSUs vested in accordance with the terms of the applicable RSU agreement and the Plan.
- The remaining restricted stock units will vest as follows: (i) 12,887 shares shall vest on June 30, 2018; (ii) 12,886 shares shall vest on September 30, 2018; and (iii) 12,886 shares shall vest on December 31, 2018, subject to continued service as a member of our Board of Directors through the applicable vesting dates.

/s/ Walter McLallen 04/03/2018
 ** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.