SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

_____

SCHEDULE 13D
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO RULE 13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO RULE 13d-2(a)

Under the Securities Exchange Act of 1934

(Amendment No.)

bebe stores, inc.
(Name of Issuer)

Common Stock, $0.001 par value
(Title of Class of Securities)

075571208
(CUSIP Number)

BRYANT R. RILEY
B. RILEY FINANCIAL, INC.
21255 Burbank Boulevard, Suite 400
Woodland Hills, California 91367
(818) 884-3737

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

January 12, 2018
(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box ☐.

Note. Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. *See* Rule 13d-7 for other parties to whom copies are to be sent.

1	NAME OF REPORTING PERSONS B. Riley Financial, Inc.	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [_] (b) [_]	
3	SEC USE ONLY	
4	SOURCE OF FUNDS* WC	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) [_]	
6	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 3,319,528
	8	SHARED VOTING POWER - 0 -
	9	SOLE DISPOSITIVE POWER 3,319,528
	10	SHARED DISPOSITIVE POWER - 0 -
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 3,319,528	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES* [_]	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 29.45%	
14	TYPE OF REPORTING PERSON* HC	

The following constitutes the Schedule 13D filed by the undersigned (this "Schedule 13D").

Item 1. Security and Issuer.

This statement relates to the common stock, par value $0.001 per share (the "Common Stock"), of bebe stores, inc., a California corporation (the "Issuer"). The address of the principal executive offices of the Issuer is 400 Valley Drive, Brisbane, California 94005.

Item 2. Identity and Background.

(a) This statement is filed by B. Riley Financial, Inc., a Delaware corporation (the "Reporting Person").

Set forth on Schedule A annexed hereto ("Schedule A") is the name and present principal business, occupation or employment and the name, principal business and address of any corporation or other organization in which such employment is conducted of the executive officers and directors of the Reporting Person. To the best of the Reporting Person's knowledge, except as otherwise set forth herein, none of the persons listed on Schedule A beneficially owns any securities of the Issuer or is a party to any contract, agreement or understanding required to be disclosed herein.

(b) The address of the principal offices of the Reporting Person is 21255 Burbank Boulevard, Suite 400, Woodland Hills, California 91367.

(c) The principal business of the Reporting Person is serving as a holding company.

(d) None of the Reporting Person or any person listed on Schedule A has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) None of the Reporting Person or any person listed on Schedule A has, during the last five years, been party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) The Reporting Person is organized under the laws of the State of Delaware.

Item 3. Source and Amount of Funds or Other Consideration.

The Reporting Person acquired an aggregate of 3,319,528 shares of Common Stock pursuant to the terms of a Debt Conversion and Purchase and Sale Agreement, dated as of January 12, 2018 (the "DCA"), by and among the Reporting Person, the Issuer and The Manny Mashouf Living Trust (the "Mashouf Trust"). The DCA is filed as Exhibit 99.1 hereto and is incorporated herein by reference.

Under the terms of the DCA, the Issuer issued 2,819,528 shares of Common Stock to the Reporting Person in exchange for the Reporting Person's cancelling $16,917,168.40 of indebtedness of the Issuer held by the Reporting Person.

The Reporting Person also purchased 250,000 shares of Common Stock from each of the Issuer and the Mashouf Trust for cash consideration in the aggregate amount of $3,000,000. Such shares of Common Stock were acquired with the working capital of the Reporting Person.

Item 4. Purpose of Transaction.

Item 3 of this Schedule 13D is hereby incorporated by reference. The Reporting Person acquired the Common Stock with the intention of creating a tax efficient platform to leverage for investments in profitable businesses. The Reporting Person expects the Issuer to generate dividends through the acquisition of cash-generating companies and the utilization of its net operating losses.

(a) Under the DCA, subject to the mutual agreement of the parties, the Reporting Person may purchase up to an additional 500,000 shares from the Mashouf Trust within 45 business days of the date of the DCA for a cash amount per share equal to $6.00.

(d) In connection with the execution of the DCA, the Issuer fixed the size of the board of directors of the Issuer (the "Board") at five directors and two employees of the Reporting Person, Kenneth Young, the chief executive officer of B. Riley Principal Investments, LLC, a wholly owned subsidiary of the Reporting Person ("BRPI"), and Nick Capuano, the chief investment officer of BRPI, were appointed to the Board following the resignations of two former directors. Additionally, two existing directors on the Board have tendered irrevocable written resignations, effective on the earlier of a notice from the Issuer accepting the resignation of such director or October 1, 2018.

(e) The DCA provides that, unless prohibited by any law or contract, and except as otherwise determined by the unanimous vote of the Board, the Issuer must distribute at least annually to its shareholders, in the form of cash dividends, available cash proceeds received by the Issuer from Brand Holdings LLC, the operating subsidiary of the Issuer of which the Issuer shares equal ownership with Bluestar Alliance, LLC (the "Joint Venture"), as a result of the Issuer's membership in the Joint Venture, after payment of or reasonable provision for any and all expenses and liabilities of the Issuer, in each case as determined by the Board in its reasonable discretion.

In connection with the NOL Plan (as defined below), the Board declared a dividend of one preferred share purchase right for each outstanding share of Common Stock, payable to stockholders of record as of January 26, 2018, as well as to holders of any Common Stock issued after that date.

(g) As a condition to the closing under the DCA, the Issuer established a tax benefit preservation plan, dated as of January 12, 2018 (the "NOL Plan"), designed to preserve the value and availability of certain net operating losses of the Issuer by reducing the likelihood that the Issuer will experience an "ownership change" as defined under Section 382 of the Internal Revenue Code and related Internal Revenue Services pronouncements. In connection with the DCA, on January 12, 2018, the Issuer submitted to the office of the Secretary of State of the State of California a Certificate of Determination, which established a series of preferred stock, par value $0.001, designated the Series A Junior Participating Preferred Stock of the Issuer (the "Series A Stock"). The NOL Plan is filed as Exhibit 99.2 hereto and is incorporated herein by reference.

(i) The DCA provides that the Issuer will use its reasonable best efforts to deregister the Common Stock under the Exchange Act of 1934 as promptly as practicable.

The Reporting Person does not have any present plan or proposal which would relate to or result in any of the matters set forth in subparagraphs (a) - (j) of Item 4 of Schedule 13D except as set forth herein or such as would occur upon completion of any of the actions discussed herein. The Reporting Person intends to review its investment in the Issuer on a periodic basis and may from time to time engage in discussions with members of the Board or management of the Issuer, stockholders of the Issuer, and others concerning, among other things, the business, operations and future plans of the Issuer, and the Reporting Person's investment in the Issuer. Depending on various factors including, without limitation, the Issuer's financial position and investment strategy, the price levels of the securities of the Issuer, any trigger or waiver of the NOL Plan, conditions in the securities markets and general economic and industry conditions, the Reporting Person may in the future take such actions with respect to its investment in the Issuer as it deems appropriate including, without limitation, making proposals concerning strategic alternatives, changes to the capital allocation, capitalization, ownership structure, Board structure (including Board composition) or operations of the Issuer, purchasing additional securities of the Issuer, selling some or all of their securities of the Issuer, engaging in short selling of or any hedging or similar transaction with respect to the securities of the Issuer, or changing their intention with respect to any and all matters referred to in this Item 4.

Item 5. Interest in Securities of the Issuer.

(a) The aggregate percentage of Shares reported owned by the Reporting Person is based upon 11,270,293 shares of Common Stock issued and outstanding as of January 12, 2018 following the transactions effected pursuant to the DCA.

As of the close of business on January 12, 2018, the Reporting Person beneficially owned directly 3,319,528 shares of Common Stock, constituting approximately 29.45% of the shares of Common Stock outstanding.

(b) The Reporting Person has sole power to vote or direct the vote of, and to dispose or direct the disposition of, the shares of Common Stock beneficially owned directly the Reporting Person.

(c) Except as set forth in this Schedule 13D, the Reporting Person has not engaged in any transaction in Common Stock during the past 60 days.

(d) No person other than the Reporting Person is known to have the right to receive, or the power to direct the receipt of dividends from, or proceeds from the sale of, the shares of Common Stock beneficially owned directly the Reporting Person.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

Item 3 and Item 4 of this Schedule 13D are hereby incorporated by reference.

The Reporting Person is subject to the terms of that certain letter agreement, dated as of August 27, 2015, by and between B. Riley & Co. LLC, a subsidiary of the Reporting Person that has since merged with FBR Capital Markets & Co., also a subsidiary of the Reporting Person, to form B. Riley FBR, Inc. as a subsidiary of the Reporting Person (such new entity, "BRFBR"), and the Issuer, as amended by an extension letter, dated as of March 15, 2017 (as amended, the "NDA"). The NDA, among other things, requires the specific invitation by the Board (or an independent committee thereof) or the chief executive officer of the Issuer before any affiliate of BRFBR may, at any time prior to the close of business on March 15, 2018, effect, cause or participate in, or in any way assist, facilitate or encourage any other person to effect or seek, offer or propose to effect or participate in, specified activities involving the securities of the Issuer, including any acquisition, tender or exchange offer, merger, recapitalization, liquidation, dissolution or solicitation of proxies. The NDA is filed as Exhibit 99.3 hereto and is incorporated herein by reference.

In connection with the DCA, the Issuer and certain stockholders of the issuer (the Reporting Person, the Mashouf Trust, Manny Mashouf Foundation, The Manny Mashouf Charitable Remainder UniTrust, The Manny Mashouf Charitable Remainder Trust and Manny Mashouf, collectively, the "Investors") entered into an Investment Agreement, dated as of January 12, 2018 (the "Investment Agreement"), pursuant to which the Investors agreed not to acquire or dispose of Common Stock without the prior written approval of the Board, subject to limited exceptions for estate planning purposes. This agreement was entered into by the Investors in the interest of avoiding an "ownership change" as defined under Section 382 of the Internal Revenue Code in order to preserve the value and availability of the Issuer's net operating loss carryovers. The Investment Agreement is filed as Exhibit 99.4 hereto and is incorporated herein by reference.

Other than as described herein, there are no contracts, arrangements, understandings or relationships between the Reporting Person and any other person with respect to the securities of the Issuer.

Item 7. Material to be Filed as Exhibits.

Exhibit No.	Description
99.1	Debt Conversion and Purchase and Sale Agreement, dated as of January 12, 2018, by and among B. Riley Financial, Inc., bebe stores, inc. and The Manny Mashouf Living Trust (incorporated by reference to Exhibit 10.1 of the Current Report on Form 8-K filed by bebe stores, inc. with the Securities and Exchange Commission on January 16, 2018).
99.2	Tax Benefit Preservation Plan, dated as of January 12, 2018, between bebe stores, inc. and Computershare Trust Company, N.A. (incorporated by reference to Exhibit 4.1 of the Current Report on Form 8-K filed by bebe stores, inc. with the Securities and Exchange Commission on January 16, 2018).
99.3	Letter Agreement, dated as of August 27, 2015, by and between B. Riley & Co. LLC and bebe stores, inc., as amended by the Extension Letter, dated as of March 15, 2017.
99.4	Investor Agreement, dated as of January 12, 2018, by and among B. Riley Financial, Inc., bebe stores, inc., The Manny Mashouf Living Trust, Manny Mashouf Foundation, The Manny Mashouf Charitable Remainder UniTrust, The Manny Mashouf Charitable Remainder Trust and Manny Mashouf (incorporated by reference to Exhibit 10.2 of the Current Report on Form 8-K filed by bebe stores, inc. with the Securities and Exchange Commission on January 16, 2018).

SIGNATURE

After reasonable inquiry and to the best of his knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: January 22, 2018

B. RILEY FINANCIAL, INC.

By: /s/ Bryant R. Riley
Name: Bryant R. Riley
Title: Chief Executive Officer

SCHEDULE A

Executive Officers and Directors of B. Riley Financial, Inc.

Name and Position	Present Principal Occupation	Business Address
Bryant R. Riley, Chairman and Chief Executive Officer	Portfolio Manager of BRC Partners Opportunity Fund, LP, Chief Executive Officer of B. Riley Capital Management, LLC, Chairman & Co-Chief Executive Officer of B. Riley FBR, Inc and Chief Executive Officer of B. Riley Financial, Inc.	11100 Santa Monica Blvd. Suite 800 Los Angeles, CA 90025
Andrew Gumaer, Chief Executive Officer of Great American Group, LLC and Director	Chief Executive Officer of Great American Group, LLC, a subsidiary of B. Riley Financial, Inc.	21255 Burbank Blvd., Suite 400 Woodland Hills, CA 91367
Thomas J. Kelleher, President and Director	Co-Chief Executive Officer of B. Riley FBR, Inc.	11100 Santa Monica Blvd. Suite 800 Los Angeles, CA 90025
Robert D'Agostino, Director	President of Q-mation, Inc., a supplier of software solutions	21255 Burbank Blvd., Suite 400 Woodland Hills, CA 91367
Mikel Williams, Director	CEO & Director of privately held Targus International, LLC, supplier of carrying cases and accessories	21255 Burbank Blvd., Suite 400 Woodland Hills, CA 91367
Richard L. Todaro, Director	President of Todaro Capital, an investment management company	21255 Burbank Blvd., Suite 400 Woodland Hills, CA 91367
Todd D. Sims, Director	SVP of Digital Strategy, Anschutz Entertainment Group, Inc., a sports and entertainment company	21255 Burbank Blvd., Suite 400 Woodland Hills, CA 91367
Robert L Antin, Director	Co-Founder, VCA, Inc., an owner and operator of Veterinary care centers & hospitals	21255 Burbank Blvd., Suite 400 Woodland Hills, CA 91367
Michael J. Sheldon, Director	Chairman & CEO of Deutsch North America, a creative agency	21255 Burbank Blvd., Suite 400 Woodland Hills, CA 91367
Gary K. Wunderlich, Jr., Director	CEO of Wunderlich Securities, Inc., a subsidiary of B. Riley Financial, Inc.	6000 Poplar Avenue, Suite 150, Memphis, TN 38119

Phillip J. Ahn, Chief Financial Officer and Chief Operating Officer	Chief Financial Officer and Chief Operating Officer of B. Riley Financial, Inc.	21255 Burbank Blvd., Suite 400 Woodland Hills, CA 91367
Alan N. Forman, Executive Vice President, General Counsel and Secretary	Executive Vice President, General Counsel and Secretary of B. Riley Financial, Inc.	299 Park Avenue, 7th Floor, New York, NY 10171
Howard E. Weitzman, Senior Vice President & Chief Accounting Officer	Senior Vice President & Chief Accounting Officer of B. Riley Financial, Inc.	21255 Burbank Blvd., Suite 400 Woodland Hills, CA 91367

Exhibit 99.3

bebe stores, inc.
400 Valley Drive
Brisbane, CA 94005

August 27, 2015

B. Riley & Co., LLC
11100 Santa Monica Blvd., Suite 800 Los
Angeles, CA 90025

Dear Ladies/Gentlemen:

1. In connection with the consideration of a possible negotiated transaction between bebe stores, inc. (the "Company") and B. Riley & Co. (the "Counterparty"), the Company is prepared to make available to the Counterparty certain information, including information concerning the Company. As a condition to, and in consideration of, such information being furnished to the Counterparty and its Representatives (as defined below), the Counterparty agrees to treat such information (whether prepared by the Company, its Representatives or otherwise and irrespective of the form of communication) which is furnished to the Counterparty or its Representatives before or after the date hereof by or on behalf of the Company (herein collectively referred to as the "Evaluation Material") in accordance with the provisions of this letter agreement (the "Agreement") and to take or abstain from taking certain other actions as hereinafter set forth. For purposes of this Agreement, references to "Representatives" in respect of the Counterparty shall only include the Counterparty's affiliates, directors, senior officers, accountants, investment bankers, financial advisors and counsel provided that only such persons who receive Evaluation Material from or on behalf of the Counterparty will receive it for the sole purpose of evaluating a transaction. "Representatives" in respect of the Company shall mean its officers, directors, employees, counsel, investment bankers, consultants and other representatives.

2. The term "Evaluation Material" also shall be deemed to include all notes, analyses, compilations, studies, interpretations or other documents prepared by the Counterparty or its Representatives which contain, reflect or are based upon, in whole or in part, the information furnished to the Counterparty or its Representatives pursuant hereto. The Counterparty acknowledges and agrees that the Company shall remain the exclusive owner of the Evaluation Material and all patent, copyright, trade secret, trademark, domain name, and all other intellectual property rights therein. No license or conveyance of such rights is granted to the Counterparty or its Representatives or is implied under this Agreement. The term "Evaluation Material" does not include information which (i) is or becomes generally available to the public other than as a result of a disclosure by the Counterparty or its Representatives, (ii) was within the Counterparty's possession prior to it being furnished to the Counterparty by or on behalf of the Company pursuant hereto, provided that the source of such information was not known by the Counterparty to be bound by a confidentiality agreement with or other contractual, legal or fiduciary obligation of confidentiality to the Company or any other party with respect to such information, (iii) becomes available to the Counterparty on a non-confidential basis from a source other than the Company or any of its Representatives, provided that to the knowledge of the Counterparty such source is not bound by a confidentiality agreement with or other contractual, legal or fiduciary obligation of confidentiality to the Company or any other party with respect to such information or (iv) is independently developed by the Counterparty without use or benefit of or reference to the Evaluation Material.

3. The Counterparty hereby agrees that it and its Representatives shall (i) use the Evaluation Material of the Company solely for the purpose of evaluating, negotiating or documenting a possible negotiated transaction between the parties (a "Transaction"), (ii) keep the Evaluation Material confidential and (iii) not disclose any of the Evaluation Material in any manner whatsoever, except as may be required by law or court order or disclosures that may be required under stock exchange rules or required or requested by governmental entities subject to the provisions set forth below; provided, however, that (x) the Counterparty may make any disclosure of such information to which the Company gives its prior written consent and (y) the Counterparty may disclose any of such information to its Representatives who need to know such information for the sole purpose of evaluating, negotiating or documenting a Transaction, provided such Representatives agree to comply with, and be bound by, the terms of this Agreement. For the avoidance of doubt, without the prior written consent of the Company, no person who is (i) a potential source of equity capital or equity financing, or (ii) a potential source of debt financing, shall be considered the Counterparty's Representative for any purpose hereunder. The Counterparty further agrees that neither the Counterparty, its affiliates, nor any Representatives of the Counterparty or its affiliates will, without the prior written consent of the Company, directly or indirectly, enter into any agreement, arrangement or understanding with any other person that requires such person to provide the Counterparty or its affiliates with financing or other potential sources of capital on an exclusive basis in connection with a possible transaction involving the Company or any of its affiliates. The term "person" as used in this Agreement shall be broadly interpreted to include, without limitation, the media and any corporation, company, limited liability company, trust, group, partnership, other entity or individual. The term "affiliate" as used in this Agreement (1) with respect to the Counterparty, shall mean a person that is directly or indirectly controlled (as such term is defined under the 1934 Act) by the Counterparty and (2) with respect to any other person, shall have the meaning ascribed to such term in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended (the "1934 Act"). The Counterparty shall be responsible for the breach of this Agreement by its Representatives (including those who subsequent to the first date of disclosure of Evaluation Material cease to be a Representative), and the Counterparty agrees, at its sole expense, to take commercially reasonable measures to restrain its Representatives from prohibited or unauthorized disclosure or use of the Evaluation Material.

4. The Counterparty hereby acknowledges that it (i) is aware, and that it will advise such Representatives who are informed as to the matters which are the subject of this Agreement, that the United States securities laws prohibit any person who has received from an issuer material, non-public information concerning the matters which are the subject of this Agreement from purchasing or selling securities of such issuer or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities and (ii) is familiar with, and will comply with, its obligations under the 1934 Act and the rules and regulations promulgated thereunder.

5. In addition, each party agrees that, except as required by law, stock exchange rules or governmental entity, without the prior written consent of the other party, it and its Representatives will not disclose to any other person the fact that the Evaluation Material has been made available to the Counterparty or its Representatives, that discussions or negotiations are taking place concerning a possible negotiated Transaction between the parties or any of the terms, conditions or other facts with respect thereto (including the timing or status thereof). Without limiting the generality of the foregoing, the Counterparty agrees that, without the prior written consent of the Company, or as otherwise specifically provided in this Agreement, it will not, directly or indirectly, enter into any agreement, arrangement or understanding concerning a possible negotiated Transaction, or any discussions which might lead to such an agreement, arrangement or understanding concerning a possible negotiated Transaction, with any person other than its Representatives including, without limitation, any other person that might participate with the Counterparty in a possible negotiated Transaction.

6. In the event that the Counterparty or any of its Representatives are requested or required (by oral questions, interrogatories, requests for information or documents in legal proceedings, subpoena, civil investigative demand or other similar process or by applicable statute, rule or regulation or by governmental regulatory authorities) to disclose any of the Evaluation Material, the Counterparty shall, to the extent legally permissible, provide the Company with prompt written notice of any such request or requirement and a copy of such request so that the Company may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. If, in the absence of a protective order or other remedy, the Counterparty or any of its Representatives are nonetheless, based on advice of counsel, legally compelled to disclose Evaluation Material, the Counterparty or its Representatives may, without liability hereunder, disclose only that portion of the Evaluation Material which the Counterparty certifies in writing to the Company that such counsel advises the Counterparty is legally required to be disclosed, provided that, upon request by the Company, the Counterparty, at the Company's expense, exercises the Counterparty's commercially reasonable efforts to preserve the confidentiality of the Evaluation Material, including, without limitation, by cooperating with the Company to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the Evaluation Material.

7. At any time upon the request of the Company for any reason or upon the Counterparty's decision not to proceed with a Transaction, the Counterparty will promptly deliver to the Company or destroy all Evaluation Material (and all copies thereof, except that the Counterparty will not be required to delete Evaluation Materials from back up drives or archival electronic storage) furnished to it or its Representatives by or on behalf of the Company pursuant hereto. In the event of such a decision or request, all other Evaluation Material prepared by the Counterparty or its Representatives shall be destroyed and no copy thereof shall be retained, unless the Counterparty certifies in writing to the Company that the Counterparty's counsel has advised that such destruction is prohibited by law. Any destruction of Evaluation Material pursuant to this paragraph shall be certified in writing to the Company by an authorized officer supervising such destruction. Notwithstanding the foregoing, Counterparty (x) shall not be obligated to delete copies of emails or instant messages located on back-up tapes and similar storage mediums containing Evaluation Material, (y) may retain copies of Evaluation Material (i) to the extent required by the laws, rules and regulations of any governmental agency or self-regulatory organization to which the Counterparty (or its affiliates) are subject, including without limitation, FINRA and the Securities and Exchange Commission, and/or (ii) in accordance with Counterparty's established internal compliance or document retention policies, and (z) may keep notes of what Evaluation Material was provided for the sole purpose of any dispute that may arise under this Agreement; provided, however, that any Evaluation Material retained and/or disclosed shall be subject to the terms and conditions of this Agreement.

8. The Counterparty understands and acknowledges that neither the Company nor any of its Representatives (including without limitation any of its directors, officers, employees, agents, members, shareholders or affiliates or "controlling persons" within the meaning of Section 20 of the 1934 Act) makes any representation or warranty, express or implied, as to the accuracy or completeness of the Evaluation Material. The Counterparty agrees that neither the Company nor any of its Representatives (including without limitation any of its directors, officers, employees, agents, members, shareholders or affiliates or "controlling persons" within the meaning of Section 20 of the 1934 Act) shall have any liability to the Counterparty or to any of its Representatives relating to or resulting from the use of the Evaluation Material or any errors therein or omissions therefrom. The Counterparty also agrees that neither it nor any of its Representatives (including without limitation any of its directors, officers, employees, agents or shareholders) is entitled to rely on the accuracy or completeness of the Evaluation Material or any other information which the Company or any of its Representatives furnishes to the Counterparty or any of its Representatives. Only those representations or warranties which are made in a final definitive agreement regarding any Transaction, when, as and if executed, and subject to such limitations and restrictions as may be specified therein, will have any legal effect.

9. The Counterparty agrees that, for the period beginning on the date of this Agreement and ending at the close of business on the date that is one year from the date hereof, unless the Counterparty shall have been specifically invited by the board of directors (or an independent committee thereof) or the chief executive officer of the Company, neither the Counterparty nor any of its affiliates or Representatives acting on behalf of the Counterparty will in any manner, directly or indirectly: (a) effect or seek, offer or propose (whether publicly or otherwise) to effect, or cause or participate in or in any way assist, facilitate or encourage any other person to effect or seek, offer or propose (whether publicly or otherwise) to effect or participate in (i) any acquisition of any securities (or beneficial ownership thereof) or assets (other than non-material assets) of the Company; (ii) any tender or exchange offer, merger, consolidation or other business combination involving the Company or any of the assets of the Company constituting a significant portion of the consolidated assets of the Company; (iii) any recapitalization, restructuring, liquidation, dissolution or other extraordinary transaction with respect to the Company or any material portion of the Company's business; or (iv) any "solicitation" of "proxies" (as such terms are used in the proxy rules of the Securities and Exchange Commission) or consents to vote any voting securities of the Company; (b) form, join or in any way participate in a "group" (as defined under the 1934 Act) with respect to the securities of the Company or otherwise act in concert with any person in respect of any of the Company's securities; (c) otherwise act, alone or in concert with others, to seek representation on the board of directors of the Company or to control or influence the management, board of directors (or any committee thereof) or policies of the Company or propose any matter for submission to a vote of shareholders of the Company; (d) take any action which would or would reasonably be expected to force the Company to make a public announcement regarding any of the types of matters set forth in (a) above; or (e) enter into any discussions or arrangements with any third party with respect to any of the foregoing or advise, assist, encourage, finance or seek to persuade others to take any action with respect to the foregoing. The Counterparty also agrees during such period not to request the Company (or its directors, officers, employees or agents), directly or indirectly, to amend or waive any provision of this paragraph (including this sentence).

10. In consideration of the Evaluation Material being furnished hereunder, the Counterparty agrees that, for a period that is the earlier of (a) one year from the date hereof and (b) the completion of a Transaction by the Company, neither the Counterparty nor any of its affiliates or any of its Representatives acting on behalf of the Counterparty will, directly or indirectly, solicit (i) the Chief Executive Officer or any employee who directly reports to the Chief Executive Officer or (ii) any of the executives of the Company or any of its subsidiaries with whom the Counterparty or its Representatives first came into contact with in connection with the Counterparty's consideration of a Transaction so long as they are employed by the Company or any of its subsidiaries, without obtaining the prior written consent of the Company (it being understood that any newspaper or other public solicitation not directed specifically to such person shall not be deemed to be a solicitation for purposes of this provision).

11. Each party understands and agrees that no contract or agreement providing for any Transaction shall be deemed to exist between the parties unless and until a final definitive agreement has been executed and delivered. Each party also agrees that unless and until a final definitive agreement regarding a Transaction has been executed and delivered, neither party will be under any legal obligation of any kind whatsoever to enter into or consummate a Transaction by virtue of this Agreement except for the matters specifically agreed to herein. The parties further acknowledge and agree that until such definitive documents are entered into the Company reserves the right, in its sole discretion, to reject any and all proposals made by the Counterparty or any of the Counterparty's Representatives with regard to a Transaction, and to terminate discussions and negotiations with the Counterparty at any time. The Counterparty further understands that the Company and its Representatives shall be free to conduct any process for any transaction involving the Company, if and as they in their sole discretion shall determine (including, without limitation, negotiating with any other interested parties and entering into a definitive agreement without prior notice to the Counterparty or any other person) and that any procedures relating to such process or transaction may be changed at any time without notice to the Counterparty or any other person.

12. The provisions of this Agreement cannot be amended or waived except with the written consent of each of the parties hereto. It is understood and agreed that no failure or delay by a party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right, power or privilege hereunder.

13. It is further understood and agreed that money damages may not be a sufficient remedy for any breach or threatened breach of this Agreement by a party or any of its Representatives and that a party shall be entitled to seek equitable relief, including injunctive relief, to prevent breaches and threatened breaches of the provisions of this Agreement by the other party or any of its Representatives, without the necessity of proving actual damages for any such breach or threatened breach. Such remedies shall not be deemed to be the exclusive remedies for a breach or threatened breach of this Agreement but shall be in addition to all other remedies available by law or equity. In the event of litigation relating to this Agreement, if a court of competent jurisdiction determines that a party or any of its Representatives have breached this Agreement, then such party shall be liable and pay to the other party the reasonable legal fees and costs incurred by the other party in connection with such litigation, including any appeal therefrom.

14. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this letter shall remain in full force and effect and shall in no way be affected, impaired or invalidated. Additionally, any such term, provision, covenant or restriction that is so held to be invalid, void or unenforceable shall be deemed deleted from this Agreement to the minimum extent necessary and replaced by a term, provision, covenant or restriction that is valid and enforceable and that as closely as practicable expresses the intention of such invalid, void or unenforceable term, provision, covenant or restriction.

15. Except as specified elsewhere herein, the terms of this Agreement will remain in force until the date that is two years from the date hereof.

16. This Agreement shall not be assigned by any party, by operation of law or otherwise, without the prior written consent of the other party hereto.

17. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute the same agreement and shall become a binding agreement when a counterpart has been signed by each party and delivered to the other party, thereby constituting the entire agreement among the parties pertaining to the subject matter hereof. This Agreement supersedes all prior and contemporaneous agreements, understandings and representations, whether oral or written, of the parties in connection herewith. No covenant or condition or representation not expressed in this Agreement shall affect or be effective to interpret, change or restrict this Agreement. No prior drafts of this Agreement and no words or phrases from any such prior drafts shall be admissible into evidence in any action, suit or other proceeding involving this Agreement. This Agreement may not be changed or terminated orally, nor shall any change, termination or attempted waiver of any of the provisions of this Agreement be binding on any party unless in writing signed by the Counterparty and the Company. No modification, waiver, termination, rescission, discharge or cancellation of this Agreement and no waiver of any provision of or default under this Agreement shall affect the right of any party thereafter to enforce any other provision or to exercise any right or remedy in the event of any other default, whether or not similar.

18. This Agreement shall be binding upon, enforceable by and inure to the benefit of the parties hereto and their respective successors and assigns.

19. This Agreement shall be governed by, and construed in accordance with, the laws of the State of California applicable to contracts entered into and to be performed wholly within the State of California by residents (without giving effect to any choice or conflict of law provision). The parties agree that any suit for the enforcement of, or based on any right, obligation, liability or other matter arising out of or in connection with, this Agreement may be brought in the courts of the state of California or any federal court sitting therein, and each party consents to the exclusive jurisdiction of such courts and service of process in any such suit being made upon bebe stores, inc., 400 Valley Drive, Brisbane, California 94005, attention: General Counsel, with a copy to Latham & Watkins LLP, 140 Scott Drive, Menlo Park, California 94025, attention: Tad J. Freese, in the case of the Company, or upon B. Riley & Co., LLC, 11100 Santa Monica Blvd., Suite 800, Los Angeles, CA 90025 in the case of the Counterparty. Each party hereby agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or request for leave from any such court and waives any objection that it may now or hereafter have to the venue of any such suit or any such court or that such suit is brought in an inconvenient venue, court or jurisdiction. Each party further (i) agrees that it will not bring any action, suit, proceeding or claim relating to this Agreement in any court other than the courts of the state of California or any federal court sitting therein and (ii) to the maximum extent permitted by applicable law, waives any right to trial by jury with respect to any suit related to or arising out of this Agreement.

Please confirm the Counterparty's agreement with the foregoing by signing and returning one copy of this letter to the undersigned, whereupon this Agreement shall become a binding agreement between the Counterparty and the Company.

Very truly yours,

bebe stores, inc.

By: /s/ Jim Wiggett
Name: Jim Wiggett
Title: CEO

Accepted and agreed as of
the date first written above:

B. Riley & Co., LLC

By: /s/ Steven Reiner
Name: Steven Reiner
Title: Managing Director

March 15, 2017

Via Electronic Delivery

bebe stores, inc.
400 Valley Drive
Brisbane, CA 94005

Re: Extension of B. Riley & bebe NDA

Ladies and Gentlemen:

Reference is made to that certain confidentiality agreement, dated on or about August 27 2015 (the "Agreement"), by and between bebe stores, inc. (the "Company") and B Riley & Co., LLC ("B Riley" or "we") (attached as Exhibit A hereto, the (Confidentiality Agreement"). Capitalized terms used but not otherwise defined herein have the respective meanings ascribed to them in the Agreement.

The parties wish to enter into a second confidentiality agreement. For that purpose, we hereby agree for the benefit of the Company that the date of the B. Riley Confidentiality Agreement shall be deemed amended such that "August 27, 2015" shall be deemed replaced with "March 15, 2017" and that, as so amended, the parties shall be deemed to have entered into a second B Riley Confidential Agreement as of March 15, 2017.

Very truly yours,

B Riley & Co. LLC

By: /s/ Bryant Riley
Name: Bryant Riley
Title: Chairman

By: /s/ Gary Bosch
Name: Gary Bosch
Title: General Counsel