

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 24, 2007

THE CHILDREN'S PLACE RETAIL STORES, INC.

(Exact Name of Registrants as Specified in Their Charters)

Delaware

(State or Other Jurisdiction of Incorporation)

0-23071

(Commission File Number)

31-1241495

(IRS Employer Identification No.)

915 Secaucus Road, Secaucus, New Jersey

(Address of Principal Executive Offices))

07094

(Zip Code)

(201) 558-2400

(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))
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Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

(b)

At the request of the Board of Directors (the "Board") of The Children's Place Retail Stores, Inc. (the "Company"), Mr. Ezra Dabah resigned on September 24, 2007 during a meeting of the Board from his position as Chief Executive Officer of the Company and from all other officer positions of the Company and all positions as an officer or director of any of the Company's subsidiaries. Mr. Dabah will continue to serve as a member of the Board. Mr. Dabah will receive the severance he is entitled to pursuant to section 5.01 of his employment agreement, dated May 12, 2006; the Company has not entered into any additional agreement with Mr. Dabah concerning additional severance benefits.

(c)

The Board on September 26, 2007 elected Mr. Charles Crovitz, a current Board member, as Interim Chief Executive Officer ("Interim CEO") at a continuation, after a recess, of the same meeting of the Board at which Mr. Dabah resigned. It is anticipated that Mr. Crovitz will serve in such position until the election by the Board of a permanent chief executive officer. Ms. Sally Frame Kasaks, the Lead Director, will continue as Acting Chair of the Board of Directors. The Company continues to search for two new independent Board members and will designate a permanent Chair of the Board as soon as practicable.

Mr. Crovitz, age 54, has served as a Director of the Company since 2004 and has served as the Chairman of the Compensation Committee and a member of the Corporate Governance Committee of the Board. His service on these committees ended with his election as Interim CEO. Mr. Crovitz is a 28-year retail veteran who began his career at McKinsey & Co. consulting retail clients in the areas of strategy, organization and operations. Since 2003, Mr. Crovitz has operated Crovitz Consulting Company. Mr. Crovitz worked at Gap Inc. from 1993 to 2003, most recently serving for five years as its Executive Vice President & Chief Supply Chain Officer. Prior to the Gap, Inc., Mr. Crovitz was Senior Vice President, Management Information Systems for Safeway, one of the largest grocery retailers in North America. Mr. Crovitz currently serves on the Board of Directors of United Stationers Inc. and previously served on the Board of Directors of Quick Response Systems. Mr. Crovitz received his undergraduate degree from University of California, Berkeley, and his Masters of Business Administration and Juris Doctorate from Stanford University.

At the Board meeting referred to above, the Compensation Committee was authorized to determine Mr. Crovitz's compensation for his service as Interim CEO. Compensation arrangements for Mr. Crovitz have not yet been determined.

A copy of a press release relating to the foregoing is attached hereto as Exhibit 99.1 and is incorporated in this Item 5.02 by reference.

Item 8.01 Other Events

In connection with Mr. Dabah's resignation referred to in Item 5.02, the Board will engage a search firm to conduct a search for a permanent chief executive officer.

On September 24, 2007, the Company learned that a stockholder class action was filed on September 21, 2007 against the Company and certain of its current and former senior executives in the United States District Court, Southern District of New York. It alleges, among other things, that certain of the Company's current and former officers made statements to the investing public which misrepresented material facts about the business and operations of the Company, or omitted to state material facts required in order for the statements made by them not to be misleading, causing the price of the Company's stock to be artificially inflated in violation of provisions of the Securities Exchange Act of 1934, as amended. It alleges that more recent disclosures establish the misleading nature of these earlier disclosures. The complaint seeks money damages plus interest as well as costs and disbursements of the lawsuit. The complaint has not yet been served on the Company. The Company intends to vigorously contest these allegations and the claims made.

As previously reported in a press release made on January 31, 2007 and a Form 8-K filed with the Securities and Exchange Commission on February 1, 2007, the recommendations of the special committee of the Board of Directors appointed to investigate the company's stock option grant practices included a comprehensive review, with the assistance of independent counsel, by the Board of Directors of the Company's governance system and processes and its internal controls. As previously reported in a press release made, and Form 8-K filed with the Securities and Exchange Commission, on August 23, 2007, in connection with the application of enhanced internal controls that the Company had instituted as part of the changes in its governance and internal controls resulting from this review, the Company had identified certain violations of the Company's policies and procedures by two members of the Company's senior management, which were under consideration by the Board of Directors. On September 26, 2007, the Company issued a press release announcing that the Board had completed its consideration of these violations and had determined, among other things, that none of the violations have a material affect on the Company's operating results. The Company also stated that the Board had imposed significant sanctions on the individuals involved, including the Company's Chief Executive Officer, who, as reported above, had resigned from that position. A copy of the September 26, 2007 press release is included as Exhibit 99.2 hereto. The Company has completed its investigation of the violations of the Company's policies and procedures referred to in its August 23, 2007 release and no other internal investigations are underway.

Item 9.01 Financial Statement and Exhibits.

(d) Exhibits.

Exhibit 99.1 Press Release of The Children's Place Retail Stores, Inc. dated September 26, 2007

Exhibit 99.2 Second Press Release of The Children's Place Retail Stores, Inc. dated September 26, 2007

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

Date: September 28, 2007

THE CHILDREN'S PLACE RETAIL STORES, INC.

By: /s/ Susan J. Riley

Name: Susan J. Riley
Title: Executive Vice President and Interim Chief Financial
Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release of The Children's Place Retail Stores, Inc. dated September 26, 2007
99.2	Second Press Release of The Children's Place Retail Stores, Inc. dated September 26, 2007

FOR IMMEDIATE RELEASE

**THE CHILDREN'S PLACE RETAIL STORES, INC.
ANNOUNCES CEO CHANGE**

*- Ezra Dabah Resigns as Chief Executive Officer -
- Director Chuck Crovitz Named Interim Chief Executive Officer -*

Secaucus, New Jersey - September 26, 2007 - The Children's Place Retail Stores, Inc. (Nasdaq: PLCE) today announced that Mr. Ezra Dabah has resigned from his position as the Company's Chief Executive Officer, at the request of the Board of Directors, effective immediately. Mr. Dabah will remain a member of the Board of Directors. The Company's Board of Directors has named Chuck Crovitz, a current Board member, as Interim Chief Executive Officer.

The Board of Directors will soon engage a search firm to conduct an executive search for a permanent successor to Mr. Dabah. Ms. Kasaks, the Lead Director, will continue as Acting Chair of the Board of Directors. The Company continues to search for two new independent board members and will designate a permanent Chair of the Board as soon as possible.

Chuck Crovitz, 54, has served as a Director of the Company since 2004 and Chairman of the Compensation Committee. Mr. Crovitz is a 28-year retail veteran who began his career at McKinsey & Co. consulting retail clients in the areas of strategy, organization and operations. Since 2003, Mr. Crovitz has operated Crovitz Consulting Company. Mr. Crovitz worked at Gap Inc. (NYSE: GPS) from 1993 to 2003, most recently serving for five years as its Executive Vice President & Chief Supply Chain Officer. Mr. Crovitz currently serves on the Board of United Stationers Inc. (Nasdaq: USTR) and previously served on the Board of Quick Response Systems (Nasdaq: QRSI). He received his undergraduate degree from University of California, Berkeley, and his MBA and JD from Stanford University.

In light of Mr. Dabah's resignation and the change in executive roles, the Company expects that additional time will be required before the Company can complete its overdue Annual Report on Form 10-K for the fiscal year ended February 3, 2007, including its audited financial statements for such year, and its other overdue SEC periodic reports. This delay is necessary in order for Mr. Crovitz to become familiar enough with the Company in order to make the necessary management representations for the Company's independent auditors and certification of SEC reports. The Company intends to complete and file such reports as soon as practicable.

As previously announced, the Company has received an extension until November 14, 2007 from the Board of Directors of the Nasdaq Stock Market to satisfy Nasdaq's requirement that the Company be current in its SEC periodic reporting obligations. If the Company is unable to satisfy the current or any extended deadline, it continues to anticipate that its shares will be delisted from the Nasdaq Stock Market.

As noted in a separate release issued today by the Company, the Board of Directors announced that it has resolved previously identified code of conduct violations involving two executives, including Mr. Dabah.

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The Children's Place Retail Stores, Inc. is a leading specialty retailer of children's merchandise. The Company designs, contracts to manufacture and sells high-quality, value-priced merchandise under the proprietary "The Children's Place" and licensed "Disney Store" brand names. As of September 1, 2007, the Company owned and operated 889 The Children's Place stores and 328 Disney Stores in North America and its online stores at www.childrensplace.com and www.disneystore.com.

This press release may contain certain forward-looking statements regarding future circumstances. These forward-looking statements are based upon the Company's current expectations and assumptions and are subject to various risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements including, in particular, the risks and uncertainties described in the Company's filings with the Securities and Exchange Commission, as well as the risks and uncertainties relating to the Company's stock option granting practices and the completed investigation by the special committee of the Company's Board of Directors, the previously announced pending restatement of the Company's historical financial statements, the delays in filing the Company's periodic reports with the Securities and Exchange Commission, the pending NASDAQ proceedings regarding the Company's continued listing, the outcome of the informal investigation of the Company being conducted by the Securities and Exchange Commission, potential other governmental proceedings, the shareholder litigation commenced against the Company and certain of its officers and directors, and the potential impact of each of these matters on the Company. Actual results, events, and performance may differ. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Company undertakes no obligation to release publicly any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. The inclusion of any statement in this release does not constitute an admission by the Company or any other person that the events or circumstances described in such statement are material.

Contact: The Children's Place Retail Stores, Inc.
Investors: Susan Riley, EVP, Finance & Administration, 201-558-2400
Heather Anthony, Senior Director, Investor Relations, 201-558-2865
Media: Melissa Merrill/Cara O'Brien/Leigh Parrish, FD, 212-850-5600

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FOR IMMEDIATE RELEASE

THE CHILDREN'S PLACE RETAIL STORES, INC. ANNOUNCES COMPLETION OF INTERNAL INVESTIGATIONS

Secaucus, New Jersey - September 26, 2007 - The Children's Place Retail Stores, Inc. (Nasdaq: PLCE) today announced that its Board of Directors had completed its previously reported consideration of investigations by its Audit Committee into violations by two members of the Company's senior management of the Company's policies and procedures.

In one case, irregularities in expense reimbursement practices were involved on the part of the Chief Creative Officer at The Children's Place brand. The Board concluded that the irregularities violated the Company's Code of Business Conduct, involving gross inattention to the pertinent requirements of the Company's policies, but did not involve an intentional effort to obtain an improper personal benefit. The Board imposed significant sanctions on the individual involved, including refund of amounts erroneously charged to the Company, a change in position so that the individual will no longer be an officer of the Company and reimbursement of the Company's out-of-pocket costs incurred in connection with its investigation of the matter, but concluded that dismissal from employment was not warranted.

The other case involved two instances where the Company's former Chief Executive Officer did not comply with the Company's internal policies related to securities trades. In one instance, he did not properly report to the Company an immaterial increase in his wife's ownership of Company shares as a result of a trust distribution. In the second, on two occasions he pledged shares of the Company pursuant to a customary margin account during a "black-out period" when prior approval of the Company's Board was required for such pledges. The Board concluded that these actions violated the Company's Code of Business Conduct, but that no improper personal benefit was obtained nor did the violations have a material adverse affect on the Company. The Board imposed significant sanctions for committing the violations, including new requirements pertaining to securities transactions by the individual and a requirement that he reimburse the Company for its out-of-pocket costs in investigating the violations.

None of the violations have a material affect on the Company's operating results. The Company is instituting additional expense reimbursement procedures and additional training in the requirements of the Company's Code of Conduct and related policies and procedures to help ensure against future similar violations.

As noted in a separate release issued today, the Company announced a CEO change.

The Children's Place Retail Stores, Inc. is a leading specialty retailer of children's merchandise. The Company designs, contracts to manufacture and sells high-quality, value-priced merchandise under the proprietary "The Children's Place" and licensed "Disney Store" brand names. As of September 1, 2007, the Company owned and operated 889 The Children's Place stores and 328 Disney Stores in North America and its online stores at www.childrensplace.com and www.disneystore.com.

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This press release may contain certain forward-looking statements regarding future circumstances. These forward-looking statements are based upon the Company's current expectations and assumptions and are subject to various risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements including, in particular, the risks and uncertainties described in the Company's filings with the Securities and Exchange Commission, as well as the risks and uncertainties relating to the Company's stock option granting practices and the completed investigation by the special committee of the Company's Board of Directors, the previously announced pending restatement of the Company's historical financial statements, the delays in filing the Company's periodic reports with the Securities and Exchange Commission, the pending NASDAQ proceedings regarding the Company's continued listing, the outcome of the informal investigation of the Company being conducted by the Securities and Exchange Commission, potential other governmental proceedings, the shareholder litigation commenced against the Company and certain of its officers and directors, and the potential impact of each of these matters on the Company. Actual results, events, and performance may differ. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Company undertakes no obligation to release publicly any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. The inclusion of any statement in this release does not constitute an admission by the Company or any other person that the events or circumstances described in such statement are material.

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