

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

Support.com, Inc.

Form: 8-K

Date Filed: 2017-05-11

Corporate Issuer CIK: 1104855

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

May 8, 2017

Date of report (Date of earliest event reported)

SUPPORT.COM, INC.

(Exact Name of Registrant as Specified in Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

000-30901

(Commission File No.)

94-3282005

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

1200 Crossman, Ave., Suite 210, Sunnyvale, CA 94089

(Address of Principal Executive Offices) (Zip Code)

(650) 556-9440

(Registrant's telephone number, including area code)

900 Chesapeake Drive, Second Floor, Redwood City, CA 94063

(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:

- ☐ 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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

2008 Executive Incentive Compensation Plan

On May 8, 2017, the Compensation Committee of the Board of Directors (the “Committee”) amended the 2008 Executive Incentive Compensation Plan, as amended (the “Plan”). The amended Plan is called the Second Amended and Restated Executive Incentive Compensation Plan (“Revised Plan”). The Revised Plan motivates and rewards select employees whose performance is critical to the success of the Company. The amendments to the Revised Plan added additional clarification surrounding the procedural aspects of the plan operation including clarification on the nomination and approval process for an eligible employee, the determination of whether both Company and individual goals are utilized for a specific bonus, and clarification that bonus metrics may include thresholds and caps. No changes were made to the definition of an eligible employee, designated performance objectives or payment provisions.

The foregoing description of the material terms of the Revised Plan is qualified in its entirety by the full terms of the Revised Plan (which is attached hereto as Exhibits 10.1).

Chris Koverman Bonus Arrangement

On May 8, 2017, the Committee approved a lump sum bonus of fifty thousand dollars (\$50,000), less applicable withholdings (the “Bonus”) to be provided to Chris Koverman, Vice President, Product and Engineering, pursuant to certain conditions set out in the attached letter (“Bonus Letter”). The material terms of the Bonus Letter are summarized below.

Mr. Koverman will earn the Bonus if he continues to perform his duties in a fully satisfactory manner (as determined by the Company in its good faith discretion) through October 31, 2017, and he remains an employee of the Company in good standing through that date.

Mr. Koverman will not earn the Bonus (or any prorated portion of the Bonus) if his employment is terminated by the Company prior to the Payment Date for “Cause” (as defined in the Bonus Letter), or if he resigns from his employment with the Company for any reason prior to the Payment Date. If he is terminated by the Company without Cause prior to the Payment Date, he will receive the Bonus, less applicable withholdings.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

- 10.1 Second Amended and Restated Executive Incentive Compensation Plan
 - 10.2 Chris Koverman Bonus Letter
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SIGNATURES

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

Date: May 11, 2017

SUPPORT.COM, INC.

By: /s/ Michelle Johnson

Name: Michelle Johnson

Title: VP, General Counsel & Secretary

EXHIBIT INDEX

Exhibit Number	Description
10.1	Second Amended and Restated Executive Incentive Compensation Plan
10.2	Chris Koverman Bonus Letter

SUPPORT.COM, INC.SECOND AMENDED AND RESTATED EXECUTIVE INCENTIVE COMPENSATION PLAN

Support.com, Inc. (the "Company") adopted its Executive Incentive Compensation Plan effective beginning January 1, 2008, as amended and restated effective July 1, 2008, January 1, 2009 and July 27, 2009. The Company adopted this Second Amended and Restated Executive Incentive Compensation Plan (the "Plan") effective beginning April 1, 2017. This Second Amended and Restated Executive Incentive Compensation Plan supersedes any prior amended and amended and restated Executive Incentive Compensation Plans. The Plan is designed to allow employees to share in Company achievements based on attainment of pre-established, corporate financial performance and/or individual performance goals. The Plan is designed to motivate and reward select employees whose performance is critical to the overall success of the Company.

Eligibility and Plan Year

Plan eligibility is limited to Managers and above, subject to the annual review and approval of Company management. Employees who participate in a Company sales compensation program are not eligible for the Plan. Eligibility is not automatic. A participant must be nominated by their supervisor with concurrence of the next level of management and approval by the CEO. Eligible employees must be employed at the end of the payment period (quarter or year) to be eligible to receive a payment under the Plan.

The Plan is annual, January 1 through December 31, with achievement measured and incentive awards paid on a quarterly basis.

Elements of the Plan

Each eligible employee has a target incentive award, calculated as a specified percentage of that employee's annual salary. The incentive award amount will be based upon one or both of two components as determined by the Company: (1) achievement by the Company of its financial goals, and (2) achievement by the individual employee of his or her management by objective ("MBO") goals.

- Employees will be eligible for an incentive award tied wholly or partially to overall Company performance (the "Company Portion").
- The remainder of each eligible employee's target incentive award, if applicable, will be based upon his or her individual MBO goals (the "MBO Portion").
- The Company Portion generally will be a larger percentage of the overall target incentive award for more senior employees, who have a greater influence on Company results. The Company will establish and may, in its discretion, adjust the percentages of a participant's overall target incentive award attributable to the Company Portion and the MBO Portion.
- A partial incentive award shall be paid for partial achievement of financial goals or individual MBO goals on a pro-rata basis, or other metrics determined by the Company, with thresholds and caps set in the discretion of the Company. An employee may also receive either the Company Portion or the MBO Portion if one portion is earned but not the other.

The Company will approve financial performance goals for the periods to which the Plan will tie. Financial goals may be defined by quarter, semi-annually or annually. The Company may revise those financial performance goals at any time in its discretion. The Company Portion of the incentive award is earned only at the close of the period to which it relates and only if the performance goals are achieved as determined by the Company in its discretion. In order to be eligible for an incentive award, a participant must be an active, full-time employee of the Company on the last day of the period for which the incentive award is earned.

For awards under the Plan, the Company currently expects to select Company financial goals, if applicable, that consist of one or more measurable performance objectives based on specified levels of or growth in one or more of the following criteria:

- (1) Revenue and Sales Growth metrics;
- (2) Profit, including Earnings Per Share;
- (3) Margin, including Gross Margin and Operating Margin;
- (4) Cash and balance sheet metrics;
- (5) Cost of Goods Sold (COGS) and related efficiency metrics;
- (6) Operating Expenses and efficiency metrics;
- (7) Returns;
- (8) Working Capital;
- (9) Non-GAAP financial measures; and
- (10) Liquidity Measures.

Company financial goals may be described in terms of Company-wide objectives or objectives that are related to the performance of the individual participant or of a subsidiary, division, department, region or function within the Company or subsidiary in which the participant is employed. The Company financial goals may be made relative to the performance of other companies.

If the Company exceeds its pre-established annual financial objectives according to guidelines set by the Company, then an employee may be eligible to receive an incentive award that is greater than 100% of his or her target amount in the Company's discretion, according to a pre-defined formula for business over-achievement determined by the Company. Over-achievement may be capped in an amount determined by the Company in its discretion. The Company may also set thresholds for achievement. Eligible employees must be employed at the end of the period to be eligible to receive any incentive award payment for over-achievement.

In the event the Company determines that individual goals will be a component of the target incentive award for the applicable period, within the first two weeks of each quarter of the Company's fiscal year, the employee and their supervisor will jointly prepare and agree upon written MBO performance goals for that quarter. In appropriate cases, MBOs may extend over more than one quarter. These goals would in turn be approved by the supervisor's manager and then submitted to Human Resources. MBOs should be specific, measurable, attainable, realistic, and timely. MBO goals that are chosen for Plan participants consist of both quantifiable and non-quantifiable performance objectives based on criteria that can be both measured and defined by the Company in advance of the performance period. They should define what the employee is going to do and how it will be achieved and measured, with quantifiable outcomes and expected completion dates. MBOs should stretch employees outside their normal job responsibilities. MBOs may consist of both team and individual objectives. MBO goals are generally derived from the following categories: business performance; operational efficiencies; strategic initiatives; account development and organizational effectiveness. To the extent possible and consistent with the employee's job description, the performance goals shall be based on objective criteria. However, certain subjective criteria (such as "working well with co-workers") will necessarily be included in the goals.

Each individual MBO will be weighted as a percentage of the total MBO Portion for the quarter and will be assigned a proportionate dollar award value. MBOs are evaluated quarterly and any incentive award payments for achievement will be calculated quarterly. If there is a threshold of achievement for a given MBO, the employee must meet that threshold in order for any incentive award to be paid. Each MBO may be treated differently in terms of threshold for payments. For example, some MBOs may require an achievement of 80% or better, while others may not have a minimum threshold of achievement.

The MBO Portion will be earned only upon completion of the employee's quarterly performance review demonstrating that the employee has achieved his or her performance goals during the course of the quarter.

Eligibility and Payments to Participants

In order to be eligible for an incentive award, a participant must be an active, full-time employee of the Company on the last day of the quarter or year for which the incentive award is earned. If a participant's employment terminates prior to the end of the quarter, the employee will not have earned any portion of the incentive award and therefore will not be entitled to any portion of the incentive award. The Company may make exceptions to this requirement, as determined by the Company in its sole discretion, including in the event of an employee's death or disability. Eligible employees who terminate employment for any reason after the end of the applicable quarter will be entitled to full payment of any earned incentive award on the date fixed for payment.

New hires who are approved for inclusion into the Plan, but become full time regular employees after the beginning of the quarter will not receive an award for their initial quarter of service. Exceptions will be made only with approval of the CEO or his designee.

Employees approved for inclusion in the Plan arising from promotion and/or transfer after the start of the quarter will not receive an award for their initial quarter in their new role. Exceptions will be made only with approval of the CEO or his designee. However, if already in the Plan, they will be eligible for full participation in their previous position's rate based upon that position's metrics.

Awards shall be paid by check or direct deposit at the Company's discretion less applicable taxes pursuant to the Company's normal payroll policies and procedures, after the quarterly corporate performance results are available and certified by the Board of Directors and employee performance against MBO goals is determined. All appropriate taxes will be deducted and withheld from the award payment, as required by federal, state and/or local laws.

The existence of, or an employee's eligibility for, this Plan shall not be deemed to give the participant the right to be retained in the employ of the Company nor will the Plan, or rights thereunder, interfere with the rights of the Company to discharge any participant at any time. The Plan will not be deemed to constitute a contract of employment with any participating employee, nor be deemed to be consideration for the employment of any participant.

The Plan, as set forth in this document, represents the general guidelines the Company presently intends to utilize to determine what incentive awards, if any, will be paid. If, however, at the sole discretion of the Company, the Company's best interest is served by applying different guidelines in special or for unusual circumstances, it reserves the right to do so by notice to such individuals at any time. The Company reserves the right to amend or discontinue this Plan at any time in the best interests of the Company. Without in any way limiting the foregoing rights of the Company, should a material acquisition, disposition or change in corporate control occur during the Plan period, the Company reserves the right to amend or discontinue the Plan following such event in such manner as the Company, in its sole discretion, deems appropriate.

The Company shall have full power and authority to interpret and administer the Plan and shall be the sole arbiter of all manners of interpretation and application of the Plan and the Company's determination shall be final. Any inconsistencies that may occur between the Plan provisions and the calculation of the incentive results will be interpreted and resolved on an individual basis by the Company.



May 8, 2017

Chris Koverman
San Jose, CA

Dear Chris,

Chris, you are a valued member of the Support.com (the "Company") team. This is all the more true as we face important transitions at our company. Consequently, we at the Company want to recognize and reward the continued support and additional contributions that will be asked of you during this period of change, and thank you in advance for helping make this a smooth and successful transition.

This letter confirms that you are eligible to earn a one-time, lump sum bonus in the amount of \$50,000.00 (fifty thousand dollars) (the "Bonus"), less applicable withholdings. You will earn the Bonus if you continue to perform your duties in a fully satisfactory manner (as determined by the Company in its good faith discretion) through October 31, 2017, and you remain an employee of the Company (or another entity elected by the Company) in good standing through that date. If earned, the Bonus will be paid to you on the first regularly scheduled pay date following October 31, 2017 (the "Payment Date").

You will not earn the Bonus (or any prorated portion of the Bonus) if your employment is terminated by the Company prior to the Payment Date for "Cause" (as defined below), or if you resign from your employment with the Company (or another entity elected by the Company) for any reason prior to the Payment Date. If you are terminated by the Company without Cause prior to the Payment Date, you will receive the Bonus, less applicable withholdings.

"Cause" means a termination of your employment for any of the following reasons: (i) theft, dishonesty, misconduct, or falsification of any employment or Company records; (ii) improper disclosure of the Company's confidential or proprietary information; (iii) any action by you that has a material detrimental effect on the Company's reputation or business; (iv) your failure or inability to perform any assigned duties after written notice from the Company of, and a reasonable opportunity to cure, such failure or inability; (v) your conviction (including any plea of guilty or no contest) for any criminal act that impairs your ability to perform your duties for the Company; (vi) a material breach of any agreement between you and the Company; or (vii) your material violation of any Company policy.

The Bonus offer contained in this letter cannot be revoked or modified except with your prior written consent.

Again, thank you for the outstanding work you do and your continued engagement and support during this important time.

Sincerely,

Rick Bloom
Interim President and Chief Executive Officer
Support.com, Inc.
