

KIRKLAND'S, INC
Form 8-K
April 27, 2015

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 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): April 21, 2015

KIRKLAND S, INC.

(Exact Name of Issuer as Specified in Charter)

Tennessee
(State or Other Jurisdiction of
Incorporation or Organization)

000-49885
(Commission
File Number)
5310 Maryland Way

62-1287151
(I.R.S. Employer
Identification Number)

Brentwood, Tennessee 37027

Edgar Filing: KIRKLAND'S, INC - Form 8-K

(Address of Principal Executive Offices)

(615) 872-4800

(Registrant's Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K 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
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act

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

On April 21, 2015, the Compensation Committee of the Board of Directors (the Compensation Committee) of Kirkland's, Inc. (the Company) approved annual management cash bonus opportunities for the Company's fiscal year ending January 30, 2016 (Fiscal 2015). Under this arrangement, participating managers are eligible to earn cash bonuses based on corporate performance during Fiscal 2015. The relevant corporate performance goal for this purpose is the achievement of a specified level of earnings before interest and taxes, determined without regard to (i) amounts accrued in respect of Fiscal 2015 cash bonuses, (ii) extraordinary gains, losses or expenses, (iii) changes in accounting principles, and (iv) non-recurring gains or charges as determined by the Board of Directors.

Upon achievement of the corporate performance goal, the Company's executive officers will be eligible to receive the following target bonus amounts:

| Named Executive Officer | Target Bonus Amount |
|---|---------------------|
| W. Michael Madden President and Chief Executive Officer | \$ 450,000 |
| Michelle R. Graul Executive Vice President of Stores and Merchandising | \$ 262,500 |
| Adam Holland Vice President and Chief Financial Officer | \$ 150,000 |

The actual bonus payable to any executive officer may be more or less than his or her target bonus amount if actual corporate performance is above or below the specified goal, based on a scale approved by the Compensation Committee. In addition, unless otherwise determined by the Compensation Committee, as a condition of receiving any cash bonus otherwise earned for Fiscal 2015, each executive officer must remain continuously employed by the Company in good standing, in a position of equal or greater seniority, through the date such bonuses are actually paid (expected to be no later than April 15, 2016). Finally, the Compensation Committee has reserved the right, in its discretion, to reduce or eliminate any cash bonus otherwise earned for Fiscal 2015 based on individual performance or such other factors as it deems relevant.

The Company announced the fiscal 2015 base salary for our executive officers, that had been determined by the Compensation Committee. The following table sets forth the fiscal 2015 base salaries for our Named Executive Officers:

| Named Executive Officer | Base Salary |
|---|-------------|
| W. Michael Madden President and Chief Executive Officer | \$ 450,000 |
| Michelle R. Graul Executive Vice President of Stores and Merchandising | \$ 350,000 |
| Adam Holland Vice President and Chief Financial Officer | \$ 250,000 |

The Company also announced that the Compensation Committee of our Board of Directors had reviewed the achievement of Company performance goals for the Company's fiscal year ended

January 31, 2015 (Fiscal 2014) with respect to the Company's named executive officers. Based on the Committee's review, the Compensation Committee approved the following bonuses for Fiscal 2014 for the named executive officers as follows:

| Named Executive Officer | Fiscal 2014 Bonus |
|---|-------------------|
| Robert E. Alderson Chief Executive Officer (Until February 8, 2015) | \$ 545,000 |
| W. Michael Madden President and Chief Operating Officer (Until February 8, 2015) | \$ 277,500 |
| Michelle R. Graul Executive Vice President of Stores and Merchandising | \$ 192,000 |
| Adam C. Holland Vice President of Finance and Chief Accounting Officer (Until February 8, 2015) | \$ 80,000 |

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.

KIRKLAND S, INC.

By: /s/ Adam Holland

Name: Adam Holland

Title: Vice President and Chief Financial Officer

Date: April 27, 2015