

TRACTOR SUPPLY CO /DE/
Form 8-K
March 18, 2015

UNITED STATES
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): March 18, 2015 (March 17, 2015)

Tractor Supply Company

(Exact name of registrant as specified in its charter)

| | | |
|--|---------------------------------------|--|
| Delaware (State or other jurisdiction of incorporation) | 000-23314 (Commission File Number) | 13-3139732 (I.R.S. Employer Identification No.) |
| 5401 Virginia Way, Brentwood, Tennessee (Address of principal executive offices) | | 37027 (Zip Code) |

Registrant's telephone number, including area code: (615) 440-4000

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:

- 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))

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

Change in Control Agreements

On March 17, 2015, Tractor Supply Company (the “Company”) and each of Steve K. Barbarick, Anthony F. Crudele, Lee J. Downing, Chad M. Frazell, Robert D. Mills and Benjamin F. Parrish, Jr. entered into a Change in Control Agreement (the “Change in Control Agreement”). Pursuant to the Change in Control Agreement, if an executive officer’s employment is terminated during the term of the agreement following a change of control of the Company other than (a) by the Company for cause, (b) by reason of death, disability or retirement or (c) by the executive officer without good reason (as such terms are defined in the agreement), the executive will receive: (i) an amount equal to 1.5 times the annual base salary and the average of the executive’s annual bonus(es) or award(s) for the three fiscal years pursuant to any bonus plan (other than the Company’s Long-Term Cash Plan) for the years preceding the date of termination or, if higher, the years preceding the change in control payable in a lump sum, in cash; (ii) an amount equal to the estimated cost of procuring for the executive and his dependents: life, disability, accident and health insurance benefits for a period of two years following the date of termination payable in a lump sum, in cash; (iii) outplacement services capped at \$40,000; and (iv) a pro-rata portion equal to the average of the executive’s actual annual bonus(es) or award(s) received by the executive under any cash bonus plan (but excluding the Company’s Long-Term Cash Plan) in the three most recent fiscal years which occurred immediately prior to the date of termination payable in a lump sum, in cash. The Change in Control Agreement also provides that (i) the stock options outstanding at the date of termination will become fully vested and continue to be exercisable until the earlier of (a) the second anniversary of the date of termination or (b) the otherwise applicable expiration date of the term of such option, or, at the Company’s election, may be canceled upon lump sum payment of the cash equivalent of the excess of the fair market value of the related options; and (ii) the restricted stock units outstanding at the date of termination will become fully vested or, at the Company’s election may be canceled upon lump sum payment of the cash equivalent of the fair market value of the related stock. Each executive must commit to be employed with the Company for six months following a change in control. In addition, the executives have agreed, for a period of 18 months following termination of employment by the Company after a change in control, not to compete with the Company’s business, solicit or hire any of the Company’s employees, disparage the Company or disclose any confidential information or trade secrets of the Company.

The foregoing description of the Change in Control Agreement is a summary and is qualified in its entirety by reference to the change in control agreement, which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated into this Item 5.02 by reference.

Employment Agreement

On March 17, 2015, the Company and Gregory A. Sandfort entered into an Amended and Restated Employment Agreement (the “Restated Agreement”). The Restated Agreement replaces the previous employment agreement previously entered into by the Company and Mr. Sandfort. The Restated Agreement includes the following changes from the prior agreement:

- extends the term of the agreement to December 31, 2019;
- increases his base salary rate to \$1,000,000 per year;
- amends the bonus amount Mr. Sandfort would be entitled to receive in the event of termination due to death, disability or change of control so that Mr. Sandfort would be entitled to an amount equal to the pro-rata portion of the average of Mr. Sandfort’s annual bonus(es) or award(s) earned for the three fiscal years prior to the date of termination or, with respect to a change of control and if higher, for the fiscal years preceding the change in control;
- provides that vesting of options, restricted stock and restricted stock units accelerate upon Mr. Sandfort’s retirement if the Company’s Board of Directors reasonably determines that Mr. Sandfort and the Board have worked together in good faith to agree upon a transition plan for Mr. Sandfort’s position and the identification of at least one successor candidate; and
- amends the benefits received (i) in the event that Mr. Sandfort retires, (ii) upon the termination by the Company without cause or (iii) upon a change in control so that in lieu of any benefits continuation following

termination, the Company shall pay a lump sum payment, in cash, equal to the estimated cost of procuring for Mr. Sandfort and his dependents: life, disability, accident and health insurance benefits for a period of two years following the date of termination.

The foregoing description of the Restated Agreement is a summary and is qualified in its entirety by reference to the amended and restated employment agreement, which is filed as Exhibit 10.2 to this Current Report on Form 8-K and is incorporated into this Item 5.02 by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Form of Change in Control Agreement, dated March 17, 2015, by and between Tractor Supply Company and
10.1 each of Steve K. Barbarick, Anthony F. Crudele, Lee J. Downing, Chad M. Frazell, Robert D. Mills and
Benjamin F. Parrish, Jr.

10.2 Amended and Restated Employment Agreement, dated March 17, 2015, by and between Tractor Supply
Company and Gregory A. Sandfort.

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.

Tractor Supply Company

March 18, 2015

By: /s/ Anthony F. Crudele

Name: Anthony F. Crudele

Title: Executive Vice President - Chief Financial Officer and
Treasurer

EXHIBIT INDEX

| Exhibit No. | Description |
|-------------|--|
| 10.1 | Form of Change in Control Agreement, dated March 17, 2015, by and between Tractor Supply Company and each of Steve K. Barbarick, Anthony F. Crudele, Lee J. Downing, Chad M. Frazell, Robert D. Mills and Benjamin F. Parrish, Jr. |
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