
Section 1: 8-K (8-K)

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): October 5, 2017 (October 5, 2017)



Vista Outdoor Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

1-36597

(Commission
File Number)

47-1016855

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

**262 N University Avenue
Farmington, UT**

(Address of principal executive offices)

84025

(Zip Code)

Registrant's telephone number, including area code: **(801) 447-3000**

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.

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

On October 5, the Board of Directors (the "Board") of Vista Outdoor Inc. ("Vista Outdoor" or the "Company") announced that it has elected Christopher T. Metz to the position of Chief Executive Officer, effective October 9, 2017 (the "Employment Date"). Mr. Metz will succeed Michael Callahan, who will resign from his role as Interim Chief Executive Officer but will remain Interim Chairman of the Board pending appointment of a permanent Chairman by the Board at its next regularly scheduled meeting.

The Board also announced that it has increased the number of members of the Board from six (6) to seven (7) and elected Mr. Metz to serve as a Class III director who will hold office until the 2020 annual meeting of stockholders and until his successor has been elected and has qualified or his service ends earlier through death, resignation, retirement or removal from office. Mr. Metz is not expected to serve on any Board committees and there are no family relationships or transactions in which Mr. Metz has an interest requiring disclosure under Items 401(d) or 404(a) of Regulation S-K.

Mr. Metz, age 52, most recently served as the President and Chief Executive Officer of Arctic Cat Inc., a manufacturer of all-terrain vehicles, recreational off-road vehicles and snowmobiles, from December 2014 to March 2017. He served as a Managing Director of Sun Capital Partners, Inc., a global private equity firm, from 2005 to July 2014. Prior to joining Sun Capital, Mr. Metz worked for Black & Decker for over 13 years, serving in a variety of capacities, including President of its Hardware and Home Improvement Group from 1999 to 2005. Mr. Metz also serves on the board of directors of Acushnet Holdings Corporation.

In connection with the appointment of Mr. Metz to the position of Chief Executive Officer and member of the Board, the Company entered into an offer letter agreement with Mr. Metz (the "Offer Letter") on September 19, 2017. The Offer Letter provides that Mr. Metz will be an employee "at will" and includes his expected compensation package. Pursuant to the Offer Letter, Mr. Metz will receive an annual base salary of \$1,000,000 and a guaranteed cash bonus for his first full year of employment, payable in two installments across the current ("Fiscal Year 2018") and next fiscal years ("Fiscal Year 2019"). For Fiscal Year 2018, Mr. Metz will receive a guaranteed bonus payout of \$500,000. For Fiscal Year 2019, Mr. Metz will participate in the Company's annual incentive program under its Executive Officer Incentive Plan with a target bonus equal to 100% his annual salary and will receive a bonus payout equal to the greater of \$500,000 or the bonus payout actually earned for that fiscal year. For Fiscal Year 2020, Mr. Metz will participate in the Company's annual incentive program under its Executive Officer Incentive Plan with a target bonus, maximum bonus potential and performance criteria to be established by the Management Development and Compensation Committee of the Board as part of the Company's annual planning process.

The Offer Letter also provides that Mr. Metz's annual long-term equity incentive award for Fiscal Year 2019 will total \$3,300,000. Fifty percent of this equity incentive award will be made in the form of performance share units that can be earned based on the achievement of performance criteria over a three-year period (with a maximum payout of 125,000 shares regardless of performance). The remainder of the award will be made 30% in the form of restricted stock units and 20% in the form of stock options, each of which will vest on the first, second, and third anniversaries of the grant date, subject to his continued employment with the company through the applicable vesting date.

In addition, the Offer Letter provides that Mr. Metz will receive a one-time, sign-on equity award with a \$1,750,000 aggregate grant date value. The sign-on equity award will be made in the form of restricted stock units under the Company's 2014 Stock Incentive Plan and will vest on the first, second, and third anniversaries of the grant date, subject to his continued employment with the company through the applicable vesting date.

The Offer Letter does not provide for any payments or benefits in the event of a termination of Mr. Metz's employment. Mr. Metz will participate in the Company's Income Security Plan and Executive Severance Plan to the same extent as the Company's other executives. The Income Security Plan provides for severance payments under certain circumstances following a change-in-control of the Company and the Executive Severance Plan provides benefits and payments to the Company's executives upon termination of their employment with the Company other

than for cause. The foregoing description of the Income Security Plan and Executive Severance Plan does not purport to be complete and is qualified in its entirety by reference to the Income Security Plan and Executive Severance Plan (Exhibits 10.2 and 10.3, respectively, to Vista Outdoor Inc.'s Current Report on Form 8-K, filed with the Securities and Exchange Commission on February 10, 2015).

The foregoing description of the Offer Letter does not purport to be complete and is qualified in its entirety by reference to the Offer Letter (Exhibit 10.1 to this Current Report on Form 8-K) and incorporated herein by reference. The Company's press release announcing the appointment of Mr. Metz is filed as Exhibit 99.1 hereto and incorporated by reference herein.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

Exhibit No.	Description
<u>10.1</u>	<u>Offer Letter between Vista Outdoor Inc. and Christopher Metz.</u>
<u>99.1</u>	<u>Press release of Vista Outdoor Inc. dated October 5, 2017.</u>

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.

VISTA OUTDOOR INC.

By: /s/ Scott D. Chaplin

Name: Scott D. Chaplin

Title: Senior Vice President, General Counsel
and Secretary

Date: October 5, 2017

EXHIBIT INDEX

Exhibit No.	Description
10.1	Offer Letter between Vista Outdoor Inc. and Christopher Metz.
99.1	Press release of Vista Outdoor Inc. dated October 5, 2017.

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Section 2: EX-10.1 (EXHIBIT 10.1)



September 19, 2017

Mr. Christopher Metz
21 Country Road South
Boynton Beach, FL 33436

Dear Chris:

Congratulations! Vista Outdoor Inc. (“Vista Outdoor” or “the Company”) is pleased to offer you the full-time position of Chief Executive Officer and a non-independent Board member, subject to formal approval by the Vista Outdoor Board of Directors. As CEO, you will be responsible for day-to-day operations of the Company and the entire brand portfolio, reporting directly to the Board of Directors.

Your compensation package includes a base salary annualized at \$1,000,000 per year, less applicable deductions and withholdings. Your cash bonus will total a guaranteed 100% of your base salary for your first full year of service, payable in two installments across the current fiscal year (Fiscal Year 2018) and next fiscal year (Fiscal Year 2019). For the Company’s Fiscal Year 2018 bonus payout, you will receive half of the guaranteed bonus, totaling \$500,000. For Fiscal Year 2019 (commencing April 1, 2018), you will participate in the Company’s Annual Incentive Plan (AIP) with a target of 100% of your base salary. The payment in Fiscal 2019 will equal the guaranteed minimum of \$500,000 (the second half of your Year One bonus), plus the differential between the minimum payment and the total of the earned AIP, if the AIP is greater than \$500,000. However, you are not entitled to the minimum payment *and* the total AIP amount earned. For Fiscal Year 2020, you will participate only in the Company’s AIP, at which time the Board of Directors will set a target bonus and maximum bonus potential. The percentage of your base salary used to calculate your target and maximum bonus potential will be determined by the Board as part of the Company’s annual planning process. This bonus is not guaranteed and will be provided based on fiscal year end results of the Company’s financial performance and your individual performance. The annual bonus opportunity will be subject to the satisfaction of performance criteria to be determined by the Compensation Committee of the Vista Outdoor Board of Directors in its sole discretion. Bonuses are paid within 2 ½ months after the end of the Vista Outdoor fiscal year (by June 15th).

Beginning in Fiscal Year 2019, you will be eligible to participate in the Vista Outdoor executive long-term incentive (LTI) compensation program, which is intended to deliver compensation tied to long-term performance of Vista Outdoor. The design of this program is approved annually by the Compensation Committee of the Vista Outdoor Board of Directors in its sole discretion and may include a mix of both Vista Outdoor common stock and cash. Your initial LTI grant includes the following:

A total value of \$3,300,000 of equity in the following components:

- 50% PSUs that can be earned over a three-year period;
- 30% RSUs that vest ratably over three years; and
- 20% Stock Options that vest ratably over three years

The following table outlines how the LTI is achieved by Performance Shares, RSU's and Stock Options, but please note that per the LTI plan, any performance share payout is capped at 125,000 shares:

Performance Shares (if earned, to be paid out in shares of Vista Outdoor common stock)	50% of long-term incentive opportunity	Objective: Balance sales growth with effective capital management, as well as market returns	Measured over a three-year period: (1) sales performance averaged over three consecutive annual periods (35% weighting); (2) return on invested capital averaged over the three-year period (30% weighting); (3) total stockholder return: relative three-year return compared to the S&P Midcap 400 Index (excluding companies in the Financial sector) (35% weighting)
RSUs	30% of long-term incentive opportunity	Objective: Retention, with underlying value driven by stock-price performance	Equal annual installment vesting over a three-year period
Stock Options	20% of long-term incentive opportunity	Objective: Long-term stock price appreciation	Exercise price equal to fair market value of Vista Outdoor stock on the date of grant; equal annual installment vesting over a three-year period; 10-year term

Going forward, an LTI award is typically granted during the first quarter of each fiscal year; however, the timing, form, amount and mix of the LTI award may be adjusted. You will receive additional information about how to accept your sign-on award online through E-Trade, our stock plan administrator, within 30 days of your joining Vista Outdoor.

This offer also includes an additional, one-time sign-on grant, with a value of \$1,750,000 worth of RSU's upon commencement of employment, with a three-year vesting schedule.

You will also participate in the executive Income Security Plan (ISP), attached hereto, which provides additional benefits in the event of a change in control or other “qualifying event.” Separate from any “qualifying event” per the ISP, you will also be eligible to receive one year of severance and bonus (actual bonus, if earned, based on company performance, paid on the date bonuses are paid to all qualifying employees) if you are terminated involuntarily for any reason other than cause (“cause” defined by the ISP) or for “Good Reason” as defined in the ISP.

This offer includes Personal Time Off (PTO), which will accrue in even increments each pay period up to a total of 160 hours per full calendar year.

As a regular status, full time employee, you will be immediately eligible to participate in the Vista Outdoor benefit programs; attached is a summary of the Vista Outdoor benefits. Your benefit options will be explained in more detail during your new hire orientation and you will be eligible to enroll in the benefit programs at that time.

Your principal work location will be at the Vista Outdoor headquarters in Farmington, Utah. To help you transition to your new home, we offer our Home Owner Relocation Program. The attached document describes the details of the relocation program and the Relocation Repayment form is enclosed for your signature.

To comply with the U.S. Immigration Act of 1986, on your first day at work, you will be filling out the U.S. Citizenship and Immigration Service’s Form I-9, “Employment Eligibility Verification.” Please review the attached list of acceptable documents and bring appropriate documentation of your choosing with you when you report to work at our facility.

Vista Outdoor must also comply with U.S. import/export laws. The position we are offering may expose you to controlled technical data as defined by U.S. export laws, so you must be either a U.S. Citizen or a U.S. Person, as that term is defined by statute. For your convenience, we have identified the following documents from the Form

I-9, which will also establish your status as a U.S. Citizen or U.S. Person: unexpired U.S. passport; Certificate of U.S. Citizenship (INS Form N-560 or N-561); Certificate of Naturalization (INS Form N-550 or N-570); unexpired foreign passport with I-551 stamp; Alien Registration Receipt Card with Photograph (INS Form I-551); or an original or certified copy of your U.S. Birth Certificate plus one of the photo-containing documents listed in List B of the Form I-9.

Vista Outdoor does not want you to bring any proprietary information, customer lists, records, trade secrets, or any other property that belongs to any former employer. All such information should be returned to your former employer(s) prior to joining Vista Outdoor. Vista Outdoor will not ask you to use or disclose any other entity's confidential or proprietary information or property in performing your job. Please carefully review the attached Confidentiality and Invention Assignment Agreement; it contains important information regarding your obligations toward Vista Outdoor and Vista Outdoor customer proprietary and confidential information. All employees are required to sign the Confidentiality and Invention Assignment Agreement as a term and condition of employment at Vista Outdoor.

The terms of this employment offer do not constitute an employment agreement; your pay and benefits will follow the Vista Outdoor compensation and benefits programs which are subject to change.

All employment at Vista Outdoor is at the mutual will of Vista Outdoor and the employee and either party may terminate the employment relationship at any time and for any reason, with or without cause or notice. The at-will employment relationship cannot be altered, unless it is done so in writing and signed by the Vista Outdoor General Counsel & Corporate Secretary of the Board of Directors. Failure to accurately and completely provide information requested during the hiring process may lead to this employment offer being revoked or the termination of your employment.

This employment offer is made contingent upon a successful background check and reference check.

Chris, we are truly excited to extend this offer to you and look forward to the contributions you will make at Vista Outdoor. It is anticipated that your start date will be on or about October 9, 2017. To confirm acceptance of this employment offer, please sign, date and return this letter to me.

Sincerely,

/s/ Michael Callahan

Michael Callahan

Interim Chairman and CEO

Accepted:

/s/ Christopher Metz

9/20/2017

Christopher Metz

Date

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Section 3: EX-99.1 (EXHIBIT 99.1)



Corporate Communications
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Farmington, Utah 84025

Phone: 801-447-3000

NEWS RELEASE

For Immediate Release

Media Contact:

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Vista Outdoor Names Christopher T. Metz as Chief Executive Officer

Michael Callahan to Continue Serving as Interim Chairman of the Board of Directors

Farmington, Utah, October 5, 2017 - Vista Outdoor Inc.'s (NYSE: VSTO) Board of Directors announced that Christopher T. Metz will serve as the Company's Chief Executive Officer, effective October 9, 2017. Metz will have responsibility for day-to-day operations of the Company, and its entire brand portfolio. He will also serve as a member of the Board of Directors. During the Company's second quarter Board of Directors meeting, the Board will appoint a permanent Chairman of the Board and until that date, Michael Callahan will continue to serve as Interim Chairman, and Ambassador April Foley will continue to serve as Lead Independent Director.

"The Board couldn't be more pleased that Chris is joining Vista Outdoor," said Callahan. "He has over 25 years of experience leading consumer and industrial-based global businesses. Chris is highly strategic, operationally savvy, and has experience improving the performance of leading organizations. He is a motivational leader with broad experience in sales, marketing and operations. His capabilities will benefit Vista Outdoor as we continue our focus on building our brands, expanding our e-commerce presence, reducing inventory, and driving continuous improvement."

Metz was most recently the president and CEO of Arctic Cat from 2014 to 2017. From 2005 to 2014, he served as a managing director of Sun Capital Partners, Inc., a leading private equity firm. Prior to Sun Capital, Metz worked for Black & Decker from 1992 to 2005. During his tenure with the company, he was president of the Hardware and Home Improvement Group from 1999 to 2005, and held various leadership positions including president of Kwikset Corporation,

president of Price Pfister, president of Baldwin Hardware, and general manager of European Professional Power Tools and Accessories, during which time he lived in Frankfurt, Germany.

Metz serves on the board of Acushnet Holdings Corporation (NYSE: GOLF). He holds a bachelor's degree in finance and marketing from the University of Delaware and earned a master of business administration degree from the Kenan Flagler School of Business, University of North Carolina at Chapel Hill. He is an avid hunter, angler and cyclist.

"I am thrilled to join the Vista Outdoor team," said Metz. "The company is a leader in outdoor sports and recreation products, with a unique and well-positioned portfolio of brands. I look forward to working with the talented employees as we leverage Vista Outdoor's capabilities to deliver innovative products, build upon strategic partnerships, improve performance, and drive shareholder value."

"The Board of Directors extends its appreciation to Mike for stepping into the interim CEO role and for working closely with the Company's strong team," said Ambassador Foley. "Mike has provided continuity throughout this transition and we, along with the employees at Vista Outdoor, are grateful for his service."

Vista Outdoor will hold its Fiscal Year 2018 Second Quarter Earnings Call on November 9, 2017.

About Vista Outdoor Inc.

Vista Outdoor is a leading global designer, manufacturer and marketer of consumer products in the growing outdoor sports and recreation markets. The company operates in two segments, Outdoor Products and Shooting Sports, and has a portfolio of well-recognized brands that provides consumers with a wide range of performance-driven, high-quality and innovative products for individual outdoor recreational pursuits. Vista Outdoor products are sold at leading retailers and distributors across North America and worldwide. Vista Outdoor is headquartered in Farmington, Utah and has manufacturing operations and facilities in 13 U.S. States, Canada, Mexico and Puerto Rico along with international sales and sourcing operations in Asia, Australia, Canada and Europe. For news and information visit www.vistaoutdoor.com or follow us on Twitter @VistaOutdoorInc and Facebook at www.facebook.com/vistaoutdoor.

Forward-Looking Statements

Certain statements in this press release and other oral and written statements made by Vista Outdoor from time to time are forward-looking statements, including those that discuss, among other things: Vista Outdoor's plans, objectives, expectations, intentions, strategies, goals, outlook or other non-historical matters; projections with respect to future revenues, income, earnings per share or other financial measures for Vista Outdoor; and the assumptions that underlie these matters. The words 'believe', 'expect', 'anticipate', 'intend', 'aim', 'should' and similar expressions are intended to identify such forward-looking statements. To the extent that any such information is forward-looking, it is intended to fit within the safe harbor for forward-looking information provided by the Private Securities Litigation Reform Act of 1995. Numerous risks, uncertainties and other factors could cause Vista Outdoor's actual results to differ materially from

expectations described in such forward-looking statements, including the following: general economic and business conditions in the U.S. and Vista Outdoor's other markets, including conditions affecting employment levels, consumer confidence and spending; Vista Outdoor's ability to attract and retain key personnel and maintain and grow its relationships with customers, suppliers and other business partners, including Vista Outdoor's ability to obtain acceptable third party licenses; Vista Outdoor's ability to adapt its products to changes in technology, the marketplace and customer preferences; Vista Outdoor's ability to maintain and enhance brand recognition and reputation; reductions, unexpected changes in or our inability to accurately forecast demand for ammunition, firearms or accessories or other outdoor sports and recreation products; risks associated with Vista Outdoor's sales to significant retail customers, including unexpected cancellations, delays and other changes to purchase orders; supplier capacity constraints, production disruptions or quality or price issues affecting Vista Outdoor's operating costs; Vista Outdoor's competitive environment; risks associated with compliance and diversification into international and commercial markets; the supply, availability and costs of raw materials and components; increases in commodity, energy and production costs; changes in laws, rules and regulations relating to Vista Outdoor's business, such as federal and state firearms and ammunition regulations; Vista Outdoor's ability to execute its long-term growth strategy, including our ability to complete and realize expected benefits from acquisitions and integrate acquired businesses; Vista Outdoor's ability to take advantage of growth opportunities in international and commercial markets; foreign currency exchange rates and fluctuations in those rates; the outcome of contingencies, including with respect to litigation and other proceedings relating to intellectual property, product liability, warranty liability, personal injury and environmental remediation; risks associated with cybersecurity and other industrial and physical security threats; capital market volatility and the availability of financing; changes to accounting standards or policies; and changes in tax rules or pronouncements. Vista Outdoor undertakes no obligation to update any forward-looking statements. For further information on factors that could impact Vista Outdoor, and statements contained herein, please refer to Vista Outdoor's filings with the Securities and Exchange Commission.

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