
**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) December 15, 2021

Carrols Restaurant Group, Inc.

(Exact name of registrant as specified in its charter)



Delaware (State or other jurisdiction of incorporation or organization)	001-33174 (Commission File Number)	83-3804854 (I.R.S. Employer Identification No.)
968 James Street Syracuse, New York (Address of principal executive office)		13203 (Zip Code)

Registrant's telephone number, including area code: (315) 424-0513

N/A
(Former name or former address, if changed since last report.)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$.01 per share	TAST	The NASDAQ Global Market

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

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.

ITEM 5.02. DEPARTURE OF DIRECTORS OR CERTAIN OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF CERTAIN OFFICERS; COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS.

On December 15, 2021, the Compensation Committee (the "Compensation Committee") of the Board of Directors of Carrols Restaurant Group, Inc. (the "Company") approved the payment of cash retention bonuses to Anthony E. Hull, Vice President, Chief Financial Officer and Treasurer; Richard G. Cross, Vice President, Chief Development Officer; Nathan Mucher, Vice President, Chief Information Officer; and Gerald J. DiGenova, Vice President, Human Resources (each a "Recipient"), in the amounts of \$100,000, \$50,000, \$35,000 and \$30,000, respectively (the "Retention Bonuses"). The Retention Bonuses are payable on March 15, 2022, subject to each Recipient being actively employed by the Company or its subsidiaries on such date, and provided further that in the event a Recipient voluntarily terminates his employment with the Company or its subsidiaries other than for Good Reason (as defined in the Change of Control and Severance Agreement between such Recipient and the Company (the "Change of Control Agreement")) or is terminated by the Company or its subsidiaries for Cause (as defined in the Change of Control Agreement), in each case on or prior to December 31, 2022, such Recipient will be required to reimburse the Company the full amount of the Retention Bonus received by such Recipient.

The Compensation Committee awarded the Retention Bonuses in light of the fact that the Company is currently facing several significant unforeseen challenges, including labor shortages and rising labor and commodity costs, and is undergoing a search for a new Chief Executive Officer, and believes that the continued service and dedication of the Recipients is essential as the Company works to overcome these challenges and ensure a successful transition to new leadership.

The foregoing is a summary of certain material terms of the Retention Bonus Agreement (the "Agreement") entered into between the Company and each Recipient, does not purport to be complete, and is qualified in its entirety by reference to the full text of the form of the Agreement attached hereto as Exhibit 10.1 and incorporated herein by reference.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1	Form of Retention Bonus Agreement+
104	Cover Page Interactive Data File (formatted as Inline XBRL)

+compensatory plan or arrangement

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: December 20, 2021

CARROLS RESTAURANT GROUP, INC.

By: /s/ Jared L. Landaw

Name: Jared L. Landaw

Title: Vice President, General Counsel and Secretary



December 17, 2021

[NAME]
[ADDRESS]
[ADDRESS]

Re: Retention Bonus Agreement (“Agreement”)

Dear [EMPLOYEE NAME]:

As you know, Carrols Restaurant Group, Inc. (together with its subsidiaries, “**Carrols**” or the “**Company**”) is currently facing several significant and unforeseen challenges, including, among other things, labor shortages and rising labor and commodity costs. These challenges have materially impacted the profitability of our Company and our stock price. In addition, we have publicly announced that Daniel T. Accordino, our President and Chief Executive Officer, will be retiring by June 30, 2022 and that the Board of Directors of the Company is conducting a search to identify a new CEO.

We consider your continued service and dedication to the Company essential as we work to overcome these challenges and ensure a successful transition to new leadership. To incentivize you to remain employed with the Company, we are pleased to offer you a retention bonus, as described in this Agreement.

In consideration of your continued employment with Carrols from the date hereof through December 31, 2022 (the “**Retention Period**”), we are offering you a cash retention bonus in the amount of \$[AMOUNT], less applicable taxes and withholdings (the “**Retention Bonus**”).

The Retention Bonus will be paid to you on March 15, 2022 if you are actively employed by the Company on such date; provided, however, in the event that prior to the end of the Retention Period you voluntarily terminate your employment with the Company other than for Good Reason or are terminated by the Company for Cause, you will be required to reimburse the Company the full amount of your Retention Bonus. Capitalized terms used in this paragraph without definition shall have the meanings ascribed to them in the Change of Control and Severance Agreement between you and the Company dated [DATE].

Please note that this Agreement is not intended to constitute an employment contract of any kind and does not guarantee your continued employment with the Company. Your employment with the Company remains “at will,” meaning that you or the Company may terminate the employment relationship at any time, with or without cause.

This Agreement is intended to comply with, or be exempt from, Section 409A of the Internal Revenue Code of 1986, as amended ("**Section 409A**"), and shall be construed and administered in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A. Notwithstanding the foregoing, the Company shall have no liability with regard to any failure to comply with Section 409A.

This Agreement constitutes and contains the entire agreement and understanding between Carrols and you relating to the Retention Bonus and supersedes any and all prior negotiations, discussions, correspondence, understandings, and agreements, both written and oral, with respect to the subject matter hereof. This Agreement may not be amended or modified unless in writing signed by both you and the Company.

This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York without giving effect to any conflict of laws principles that would cause the laws of any other jurisdiction to apply. Any disputes arising out of or relating to this Agreement or the Retention Bonus shall be resolved by the parties in accordance with the Company's Mandatory Arbitration Program.

If you are agreeable to the terms set forth herein, please sign this Agreement and return it to me by December 31, 2021.

Thank you. We look forward to your continued employment with us.

Sincerely yours,

Jerry DiGenova
Vice President, Human Resources
Carrols Restaurant Group, Inc.

Agreed to and accepted by:

[EMPLOYEE NAME]