

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: August 3, 2021  
(Date of earliest event)

**Turtle Beach Corporation**

(Exact name of registrant as specified in its charter)

**Nevada**

(State or other jurisdiction  
of incorporation)

**001-35465**

(Commission  
File Number)

**27-2767540**

(IRS Employer  
Identification No.)

**44 South Broadway, 4th Floor  
White Plains, New York**

(Address of principal executive offices)

**10601**

(Zip code)

**(888) 496-8001**

Registrant's telephone number, including area code

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 (see General Instruction A.2. below):

- 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))

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$0.001	HEAR	The Nasdaq Stock Market LLC

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 August 3, 2021, Turtle Beach Corporation (the "Company") entered into an amendment (the "Amendment") to the letter agreement, dated August 13, 2012 (as amended, the "Offer Letter"), with Juergen Stark, the Company's Chief Executive Officer, to reflect certain modifications to the severance provisions in the Offer Letter following review and discussion by the Compensation Committee of the Board of Directors of the Company in consultation with Compensia, Inc. ("Compensia"), an executive compensation consulting firm over the past few months. The modifications are intended to align those severance benefits to those offered to other chief executive officers by peer companies and best practice based on a peer review and assessment report prepared by Compensia for the Compensation Committee. Accordingly, the Amendment provides that if Mr. Stark's employment is terminated without "cause" or for "good reason" (as such terms are defined in the Offer Letter) in connection with a change in control, then Mr. Stark would be entitled to salary and benefit continuation for two years, a payment equal to two times his target bonus and accelerated vesting of all of his outstanding equity awards. The Amendment also specifies that if any payment to Mr. Stark in connection with a change in control would constitute an "excess parachute payment" within the meaning of section 280G of the Internal Revenue Code, then payments pursuant the Offer Letter would be reduced to the extent necessary to provide the best net after-tax benefit to Mr. Stark. Additionally, the Amendment updates the Offer Letter to reflect Mr. Stark's current base salary of \$600,000 and current target bonus for 2021 of 100% of his base salary and extends the salary and benefit continuation severance payable in a non-change in control context from six months to twelve months.

The foregoing description of the Amendment does not purport to be complete and is subject to, and qualified in its entirety by reference to, the full text of the Amendment, a copy of which is attached hereto as Exhibit 10.1 and incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits**

d) Exhibits.

The exhibit listed in the following Exhibit Index is filed as part of this Current Report on Form 8-K.

<b>Exhibit No.</b>	<b>Description</b>
<a href="#">10.1+</a>	<a href="#">Amendment to the Offer Letter between Turtle Beach Corporation and Juergen Stark dated August 3, 2021</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

+ Indicates a management contract or any compensatory plan, contract 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, thereto duly authorized.

Dated: August 4, 2021

TURTLE BEACH CORPORATION

By: /S/ JOHN T. HANSON

**John T. Hanson**

**Chief Financial Officer, Treasurer and Secretary**

---

August 3, 2021  
Juergen Stark  
8324 Santaluz Pointe  
San Diego, California 92127

Dear Juergen,

The purpose of this letter agreement is to amend the terms of the offer letter originally entered into between you and Voyetra Turtle Beach, Inc. ("**VTB**"), dated August 13, 2012, including the Proprietary Information and Employment Agreement attached thereto (the "**Offer Letter**"), to reflect your current position and modifications to the compensation terms. Accordingly, the Offer Letter is hereby amended, effective as of August 3, 2021, as follows:

1. Paragraph 1 shall be amended to add a new second sentence as follows:

"You shall continue to serve as the Chief Executive Officer of Turtle Beach Corporation (the "Company") and shall continue to be a member of the Board of Directors of the Company."

2. All references in the Offer Letter to "VTB" shall be replaced with "the Company".

3. The first sentence of Paragraph 2 shall be amended and to read as follows:

"Your current annual base salary is \$600,000, which may be increased from time to time by the Board, and you will be eligible to participate in the Company's bonus plan, with a target bonus for 2021 of 100% of your base salary."

4. Paragraph 4, subsection (i) shall be amended by removing "and/or following an Approved Sale".

5. Paragraph 4, subsection (ii) shall be amended to replace "and not following an Approved Sale" with "and not during a Protection Period" and subsection (ii)(A) shall be amended to replace "six months" with "twelve (12) months".

6. Paragraph 4 shall be amended by adding a new subsection (iii) immediately following subsection (ii) to provide the following:

"and (iii) during the Protection Period, you will be entitled to (A) continue to receive your then-current base salary and to receive Continuation Benefits, in each case, for a period of twenty-four (24) months following the effective date of such termination, (B) payment on the First Payroll Date of a an amount equal to two times your then-current target bonus, and (C) vest in 100% of your outstanding equity awards with the Company as of the date of termination."

7. The last sentence of Paragraph 4 shall be amended to read as follows:

"For the purposes of this letter, "Approved Sale" shall mean Change in Control, as defined in the Company's Change in Control Retention Plan ("**Retention Plan**"), and "Protection Period" shall



mean the period that is three (3) months immediately prior to and twelve (12) months immediately following an Approved Sale.”

8. A new sentence shall be inserted at the end of Paragraph 4 to read as follows:

“As a result of your entitlement to the severance benefits hereunder, you shall not be eligible to participate in the Retention Plan.”

9. A new Paragraph 6 shall be inserted into the Offer Letter to provide as follows:

“Section 280G. In the event of a change in ownership or control under section 280G of the Internal Revenue Code (“Code”), if it shall be determined that any payment or distribution in the nature of compensation (within the meaning of section 280G(b)(2) of the Code) to you or for your benefit, whether paid or payable or distributed or distributable pursuant to the terms of this Offer Letter or otherwise (a “Payment”), would constitute an “excess parachute payment” within the meaning of section 280G of the Code, the aggregate present value of the Payments under the Offer Letter shall be reduced (but not below zero) to the Reduced Amount (defined below) if and only if the Accounting Firm (described below) determines that the reduction will provide you with a greater net after-tax benefit than would no reduction. No reduction shall be made unless the reduction would provide you with a greater net after-tax benefit. The determinations under this Paragraph shall be made as follows:

(i) The “Reduced Amount” shall be an amount expressed in present value which maximizes the aggregate present value of Payments under this Offer Letter without causing any Payment under this Offer Letter to be subject to the Excise Tax (defined below), determined in accordance with section 280G(d)(4) of the Code. The term “Excise Tax” means the excise tax imposed under section 4999 of the Code, together with any interest or penalties imposed with respect to such excise tax.

(ii) Payments under this Offer Letter shall be reduced on a nondiscretionary basis in such a way as to minimize the reduction in the economic value deliverable to you. Where more than one payment has the same value for this purpose and they are payable at different times, they will be reduced on a pro rata basis. Only amounts payable under this Offer Letter shall be reduced pursuant to this Paragraph.

(iii) All determinations to be made under this Paragraph shall be made by an independent certified public accounting firm selected by the Company and agreed to by the Executive immediately prior to the change-in-ownership or -control transaction under section 280G (the “Accounting Firm”). The Accounting Firm shall provide its determinations and any supporting calculations both to the Company and you within 10 days of the transaction. Any such determination by the Accounting Firm shall be binding upon the Company and you. All of the fees and expenses of the Accounting Firm in performing the determinations referred to in this Paragraph shall be borne solely by the Company.”





**TURTLE BEACH CORPORATION**

11011 Via Frontera, Suite A  
San Diego, CA 92127  
Tel: 858.800.3718  
Fax: 858.257.2767

The amended terms of your Offer Letter set forth above will become effective as of August 3<sup>rd</sup>, 2021, when these terms have been agreed to and accepted by you. Except as explicitly amended by this letter agreement, the Offer Letter will continue in full force and effect in accordance with its terms.

Please confirm your agreement with the foregoing by signing and returning to us a copy of this letter agreement.  
Sincerely,

/s/ John T. Hanson  
Name: John T. Hanson  
Title: Chief Financial Officer

August 3, 2021  
Date

AGREED TO AND ACCEPTED BY:

/s/ Juergen Stark  
Juergen Stark

August 3, 2021  
Date

