

OLYMPIC STEEL INC
Form 8-K
November 23, 2016
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) – November 23, 2016

Commission File Number 0-23320

OLYMPIC STEEL, INC.

(Exact name of registrant as specified in its charter)

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| <u>Ohio</u> | <u>34-1245650</u> |
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification Number) |

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| <u>5096 Richmond Road, Bedford Heights, Ohio</u> | <u>44146</u> |
| (Address of principal executive offices) | (Zip Code) |

Registrant's telephone number, including area code (216) 292-3800

Check the appropriate box if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under and of the following provisions:

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- 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 under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02. DEPARTURE OF DIRECTORS OR CERTAIN OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF CERTAIN OFFICERS; COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS.

On November 23, 2016, Olympic Steel, Inc. (the “Company”) and Mr. Richard T. Marabito entered into an employment agreement (the “Employment Agreement”) that, effective January 1, 2017, superseded and replaced the original employment agreement between the Company and Mr. Marabito, entered into as of November 23, 2011. Under the Employment Agreement, Mr. Marabito will continue to serve as Chief Financial Officer of the Company for a term ending January 1, 2021. The term will be automatically renewed on January 1, 2021 for an additional three years unless either the Company or Mr. Marabito provides six months advance notice of a desire to not renew the term. Under the Employment Agreement, Mr. Marabito will receive a base salary of \$500,000 per year, beginning on January 1, 2017. Effective January 1, 2018, Mr. Marabito will receive a base salary of \$550,000 per year, subject to possible increases due to promotion or as otherwise determined by the Company’s Board of Directors (the “Board”) or an authorized committee of the Board. During the period of employment, Mr. Marabito will be eligible to participate in certain welfare, perquisite and retirement plans and programs of the Company. In addition, Mr. Marabito will be eligible for an annual performance bonus under the Company’s Senior Management Cash Incentive Plan in place as of 2016, as amended, or such other bonus plan that may replace such plan, with the actual payout determined based on the Company’s performance against specific target levels as determined by the Board or an authorized committee of the Board. Mr. Marabito will be eligible to participate in any long-term incentive plan, which may be created or amended by the Board from time to time. If the Company terminates Mr. Marabito’s employment other than due to “good cause” or “disability” (as each term is defined in the Employment Agreement) during the term of the Employment Agreement and the termination does not otherwise entitle Mr. Marabito to payments under his Management Retention Agreement with the Company, subject to execution by Mr. Marabito of a customary release of claims against the Company, Mr. Marabito will generally continue to receive his compensation (base salary and, at the discretion of the Compensation Committee of the Board, a pro-rata portion of the performance bonus that would have been earned for the year of termination) and continued benefits under the Employment Agreement during the period ending on the earlier of (i) January 1, 2021 (or January 1, 2024 if the Employment Agreement is renewed) or (ii) the second anniversary of the termination of his employment. If Mr. Marabito’s employment terminates during the term of the Employment Agreement due to death or disability, and he or his beneficiaries are not entitled to any payments under his Management Retention Agreement with the Company, Mr. Marabito or his beneficiaries will continue to receive his base salary for twelve months and his spouse and minor children will be entitled to twelve months of continued health insurance. The Employment Agreement includes non-competition and non-solicitation covenants that will be in effect while Mr. Marabito is employed by the Company and for the two-year period following the termination of his employment. Compensation under the Employment Agreement is subject to potential clawback in certain circumstances as further described in the Employment Agreement.

The foregoing is only a brief description of the material terms of the Employment Agreement, does not purport to be a complete description of the Employment Agreement, and is qualified in its entirety by reference to the Employment Agreement, which is filed as Exhibit 10.13 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(d) *Exhibits*

Exhibit

Number Description of Exhibit

10.13 Employment Agreement, effective as of November 23, 2016, by and between the Company and Richard T. Marabito.

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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.

OLYMPIC STEEL, INC.

Date: November 23, 2016

By: /s/ Michael D. Siegal
Michael D. Siegal
Chief Executive Officer

EXHIBIT INDEX

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