

CRACKER BARREL OLD COUNTRY STORE, INC  
Form 8-K  
October 07, 2014

**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 7, 2014 (October 1, 2014)**

**CRACKER BARREL OLD COUNTRY STORE, INC.**

**(Exact Name of Registrant as Specified in its Charter)**

**Tennessee**  
**(State or Other Jurisdiction**

**of Incorporation)**

**001-25225**  
**(Commission**

**File Number)**

**305 Hartmann Drive, Lebanon, Tennessee 37087**

**62-0812904**  
**(IRS Employer**

**Identification No.)**

**(Address of Principal Executive Offices) (Zip code)**

**(615) 444-5533**

**(Registrant's Telephone Number, Including Area Code)**

**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.**
Cracker Barrel Old Country Store, Inc. and Subsidiaries FY 2015 Annual Bonus Plan (the 2015 Annual Bonus Plan )

On October 1, 2014, the Compensation Committee (the Committee ) of the Board of Directors (the Board ) of Cracker Barrel Old Country Store, Inc. (the Company ) adopted the 2015 Annual Bonus Plan in order to reward executive officers of the Company and of its subsidiaries if the Company successfully meets established performance targets. The payment of a bonus is dependent upon the Company achieving a threshold level of operating income from continuing operations during fiscal year 2015 (the Performance Goal ), in which case executive officers will be eligible to receive a bonus of up to a maximum of 200% of target. The Company intends for payments under the 2015 Annual Bonus Plan to qualify as performance based compensation under Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code ), to the maximum amount allowed under the Company's 2010 Omnibus Stock and Incentive Plan (the Omnibus Plan ). If the Performance Goal is not met, no bonus will be paid to any executive officer.

The Committee also approved target and maximum potential bonuses for each of the Company's executive officers under the 2015 Annual Bonus Plan, with the exception of the target and maximum potential bonuses for the Company's President and Chief Executive Officer, Sandra B. Cochran, which were approved by the Board. The following table indicates the target and maximum potential bonuses established for 2015, expressed as a percentage of base salary, for which each of the named executive officers would be eligible depending on the Company's performance in 2015:

Name	2015 Target	2015 Maximum
	Bonus Percentage	Bonus Percentage
Sandra B. Cochran	100%	200%
Lawrence E. Hyatt	70%	140%
Nicholas V. Flanagan	70%	140%
Edward A. Greene	50%	100%
Christopher A. Ciavarra	60%	120%

In no case can an executive's actual award under the 2015 Annual Bonus Plan exceed the maximum potential award, regardless of the Company's 2015 performance.

A copy of the 2015 Annual Bonus Plan is filed as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference. The foregoing description is qualified in its entirety by reference to such exhibit.

Cracker Barrel Old Country Store, Inc. and Subsidiaries FY 2015 Long-Term Incentive Program (the 2015 Long-Term Incentive Program )

On October 1, 2014, the Committee established the 2015 Long-Term Incentive Program for 2015. The 2015 Long-Term Incentive Program consists of two components of substantially equal value for a participant at the time of grant: (i) the 2015 Long-Term Performance Plan (the 2015 LTTP ) that provides for awards of performance shares tied to successful achievement of

pre-determined return on invested capital goals over fiscal years 2015 and 2016 (the LTPP Performance Goal ), and (ii) the 2015 Market Stock Unit Grant (the 2015 MSU Grant ) that provides for awards of market-based stock units tied to total shareholder return over fiscal years 2015, 2016 and 2017 (the MSU Performance Goal ).

The Committee also approved equity award percentages which represent the target opportunities for awards under the 2015 LTPP (the LTPP Percentage ) and 2015 MSU Grant (the MSU Percentage ), expressed as a percentage of the executive officer's base salary. The LTPP Percentage and MSU Percentage, respectively, for the named executive officers were established by the Committee simultaneously with the establishment of the 2015 LTPP and 2015 MSU Grant, with the exception of Ms. Cochran's LTPP Percentage and MSU Percentage, respectively, which were approved by the Board. Set forth below is each named executive officer's LTPP Percentage and MSU Percentage, respectively:

<b>Name</b>	<b>LTPP Percentage</b>	<b>MSU Percentage</b>
Sandra B. Cochran	185%	185%
Lawrence E. Hyatt	100%	100%
Nicholas V. Flanagan	50.0%	50.0%
Edward A. Greene	37.5%	37.5%
Christopher A. Ciavarra	37.5%	37.5%

Under the 2015 MSU Grant, each named executive officer is eligible to receive equity awards calculated as a function of the named executive officer's MSU Percentage in direct proportion to any percentage increase in the Company's total shareholder return over fiscal years 2015, 2016 and 2017.

Under the 2015 LTPP, if the LTPP Performance Goal is met, then each named executive officer becomes eligible to receive equity awards calculated as a function of the named executive officer's LTPP Percentage.

The Company intends for awards under both the 2015 LTPP and the 2015 MSU Grant to qualify as performance based compensation under Section 162(m) of the Code to the maximum amount allowed under the Omnibus Plan. Accordingly, as with the 2015 Annual Bonus Plan, eligibility to receive awards under the 2015 Long-Term Incentive Program is dependent upon the Company's achievement of pre-determined operating income performance goals during the applicable performance period. If these operating income performance goals are not met, then no award will be made under 2015 Long-Term Incentive Program to any named executive officer. If, however, the applicable operating income performance goal is met, then each named executive officer participating in the applicable plan will become eligible to receive an equity award determined according to the Company's performance relative to the LTPP Performance Goal and the MSU Performance Goal, as applicable.

A copy of the 2015 Long-Term Incentive Program is filed as Exhibit 10.2 to this Current Report on Form 8-K and incorporated herein by reference. The foregoing description is qualified in its entirety by reference to such exhibit.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

10.1 Cracker Barrel Old Country Store, Inc. and Subsidiaries FY 2015 Annual Bonus Plan

10.2 Cracker Barrel Old Country Store, Inc. and Subsidiaries FY 2015 Long-Term Incentive Program

**SIGNATURE**

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: October 7, 2014

CRACKER BARREL OLD COUNTRY

STORE, INC.

By: /s/ Lawrence E. Hyatt

Name: Lawrence E. Hyatt

Title: Senior Vice President and Chief Financial Officer

**EXHIBIT INDEX**

<b>Exhibit No.</b>	<b>Description</b>
10.1	Cracker Barrel Old Country Store, Inc. and Subsidiaries FY 2015 Annual Bonus Plan
10.2	Cracker Barrel Old Country Store, Inc. and Subsidiaries FY 2015 Long-Term Incentive Program