

SIGNET JEWELERS LTD
Form 8-K
October 14, 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 13, 2014

SIGNET JEWELERS LIMITED

(Exact name of registrant as specified in its charter)

Commission File Number: 1-32349

Bermuda
(State or other jurisdiction

of incorporation)

Not Applicable
(IRS Employer

Identification No.)

Clarendon House

2 Church Street

Hamilton

HM11

Bermuda

(Address of principal executive offices, including zip code)

441 296 5872

(Registrant's telephone number, including area code)

(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.

On October 14, 2014, Signet Jewelers Limited (Signet) issued a press release announcing that Signet has appointed Mark Light as Chief Executive Officer of Signet (CEO) with effect from November 1, 2014, and the resignation on October 13, 2014 of Michael W. Barnes as CEO with effect from October 31, 2014. Mr. Light, who is currently Signet's President and Chief Operating Officer, will become Signet's Chief Executive Officer effective November 1, 2014 and will also join Signet's board of directors. A copy of the press release is attached to this Current Report on Form 8-K as Exhibit 99.1 and is incorporated herein by reference.

Mr. Light, age 52, has been employed by a wholly-owned subsidiary of Signet, Sterling Jewelers Inc. (the Company), and has served as President and Chief Operating Officer for Signet. Previously, Mr. Light was Chief Executive Officer of the Company from 2006 to 2014, having been President and Chief Operating Officer since 2002.

There is no arrangement or understanding between Mr. Light and any other persons pursuant to which he was appointed as an officer of Signet, and there is no family relationship between Mr. Light and any directors or executive officers of Signet. Mr. Light is not currently engaged, and has not during the last fiscal year been engaged, in any transactions with Signet or its subsidiaries that are required to be disclosed under Item 404(a) of Regulation S-K, nor have any such transactions been proposed.

Mr. Light's employment as CEO will be governed by an employment agreement (the Employment Agreement) between Mr. Light and the Company. During the term of employment, Mr. Light will (i) receive a starting base salary equal to \$1,050,000, (ii) be eligible for an annual bonus with a target of 125% of base salary (with a maximum of 250% of base salary), (iii) be eligible for a long term incentive bonus, and (iv) receive deferred compensation and welfare benefits made available generally from time to time to executive officers of the Company.

During the term of employment and for specified periods thereafter Mr. Light will be subject to confidentiality, non-solicitation, and non-competition restrictions. In addition, Mr. Light will be subject to all written policies of the Board of Directors of Signet in effect from time to time, including any policies relating to the clawback of compensation.

The Employment Agreement may be terminated for any reason and at any time by the Company, and upon 360 days prior written notice by Mr. Light. In the event that Mr. Light's employment is terminated by the Company without cause (as defined in the Employment Agreement), in addition to any accrued but unpaid benefits or obligations as of the date of termination, Mr. Light will be entitled to (i) continued payment of base salary then in effect for 12 months, (ii) a pro-rata portion of the annual bonus (if any) for which he was then eligible as of the date of termination for the fiscal year in which such termination occurs, based on actual performance, and (iii) a lump sum payment equal to the cost of the COBRA premium for 12 months of coverage at the same level as in effect immediately prior to the date of termination. The Employment Agreement also includes other customary terms, including with respect to disability and death. If Mr. Light is terminated by the Company for cause, he will be entitled to accrued and unpaid salary. If Mr. Light resigns, he will be entitled to accrued and unpaid benefits. All severance payments and benefits (that were not accrued prior to termination) will be conditioned on the execution of a general release of claims against the Company, its affiliates, subsidiaries and related parties, and on continued compliance with the restrictive covenants discussed above.

On October 13, 2014, Signet entered into a separation agreement with Mr. Barnes (the Separation Agreement) in connection with his resignation as CEO effective October 31, 2014 (the Termination Date). Subject to Mr. Barnes's continued employment with Signet through the Termination Date, he will be entitled to receive, in addition to any accrued but unpaid benefits or obligations, (i) continued payment of base salary then in effect for 12 months following the Termination Date, and paid in accordance with Signet's standard payroll practices, (ii) an annual bonus for the

fiscal year ended

January 31, 2015 (the 2015 Fiscal Year), based on actual performance for the full 2015 Fiscal Year, (iii) pro-rata vesting in a number of shares of restricted stock that were granted pursuant to Time-Based Restricted Stock Award Agreements dated as of April 23, 2012, April 26, 2013 and May 8, 2014, and (iv) pro-rata vesting of the portion of restricted stock units (RSUs) that were granted pursuant to RSU Agreements as of April 23, 2012, April 26, 2013 and May 8, 2014, based on actual performance during the applicable performance period for such RSUs.

The termination payments and benefits set forth in the Separation Agreement shall be the sole and exclusive payments and benefits to which Mr. Barnes shall be entitled in respect of his termination of employment with Signet.

For a period of two years after the Termination Date, Mr. Barnes will be subject to non-solicitation restrictions. In addition, for a period of one year after the Termination Date, Mr. Barnes will be subject to non-competition restrictions. Mr. Barnes will also be subject to ongoing confidentiality restrictions. The Separation Agreement also contains other customary provisions.

All severance payments and benefits (that were not accrued prior to termination) will be conditioned on Mr. Barnes's (a) execution of a general release of claims against Signet, its affiliates and related parties, (b) full and continued cooperation in good faith with Signet, its subsidiaries and affiliates in connection with certain matters relating to Signet, its subsidiaries and affiliates, and (c) continued compliance with the restrictive covenants discussed above.

The foregoing description is not complete and is qualified in its entirety by the Separation Agreement dated October 13, 2014 between Signet and Mr. Barnes, attached as Exhibit 10.1 to this Current Report on Form 8-K, and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

Exhibit

| No. | Description |
|------|--|
| 10.1 | Separation Agreement dated October 13, 2014 between Signet Jewelers Limited and Michael W. Barnes. |
| 99.1 | Press Release of Signet Jewelers Limited, dated October 14, 2014. |

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.

SIGNET JEWELERS LIMITED

Date: October 14, 2014

By: /s/ Mark A. Jenkins
Name: Mark A. Jenkins
Title: Chief Legal Officer & Corporate Secretary

EXHIBIT INDEX

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