
Section 1: 8-K (8-K)

**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): June 15, 2018

DECKERS OUTDOOR CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

001-36436

95-3015862

(Commission File Number)

(IRS Employer Identification No.)

250 Coromar Drive, Goleta, California

93117

(Address of principal executive offices)

(Zip code)

Registrant's telephone number, including area code (805) 967-7611

(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))

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.

Departure of Thomas A. George as Chief Financial Officer

As previously announced, Thomas A. George is stepping down as Chief Financial Officer of Deckers Outdoor Corporation (the “Company”). The effective date of his departure is expected to be July 16, 2018 (the “Separation Date”).

Following the Separation Date, the Company anticipates that Mr. George will provide consulting services to the Company for the principal purpose of assisting in the orderly transition of his roles and responsibilities. In connection with his departure, the Company entered into a Consulting Agreement and General Release (the “Consulting Agreement”) with Mr. George on June 15, 2018. Under the terms of the Consulting Agreement, Mr. George will provide consulting services from July 16, 2018 until the earliest to occur of (i) March 31, 2019, (ii) fifteen (15) days following the delivery of written notice by Mr. George to the Company, and (iii) immediately upon the Company delivering written notice to Mr. George regarding an uncured material breach of any of his obligations under the Consulting Agreement, or under his confidentiality agreement with the Company (such period the “Consulting Period”). The Consulting Agreement will supersede and replace in full the Change of Control and Severance Agreement, dated as of January 1, 2010, by and between the Company and Mr. George.

The Consulting Agreement provides that the Company will, among other things, pay Mr. George (i) any base salary that has accrued but was not paid as of the Separation Date, (ii) for any accrued by unused vacation days as of the Separation Date, (iii) reimbursement for expenses reasonably incurred in connection with his employment with the Company during the period prior to the Separation Date, (iv) any accrued and vested benefits required to be provided by the terms of any Company-sponsored benefit plans or any benefits required to be paid or provided under applicable law, (v) a pro-rated portion of the target amount of the cash incentive bonus payable with respect to the fiscal year ending March 31, 2019, in accordance with the executive compensation policies and programs in effect on the Separation Date, based on his actual length of service to the Company during the fiscal year, (vi) severance equal to 12 months of his base salary (in effect on the Separation Date), which will be mitigated on a dollar-for-dollar basis for income received by him during the 12 months following the Separation Date (subject to certain exceptions as set forth in the Consulting Agreement), which payments will cease if Mr. George accepts employment or another professional relationship with a competitor of the Company or breaches a material term of the Consulting Agreement, and (vii) COBRA group health insurance premiums for Mr. George and his eligible dependents until the first anniversary of the Separation Date, unless sooner terminated in accordance with the terms of the Consulting Agreement.

In addition, any equity awards previously granted to Mr. George by the Company, including any restricted stock unit awards or performance stock options, to the extent such awards were outstanding on the Separation Date (such awards, collectively, the “Equity Awards”), will remain outstanding subject to and consistent with the terms of the Company’s 2015 Stock Incentive Plan (the “2015 Plan”) and the award agreements pursuant to which the Equity Awards were granted. During the Consulting Period, Mr. George will continue to perform “Continuous Service” to the Company for purposes of the Equity Awards.

Mr. George’s receipt of the aforementioned payments and other benefits is conditioned upon the effectiveness of a general release of claims in favor of the Company that is included within the Consulting Agreement, as well as his compliance with the confidentiality, non-competition, non-solicitation, non-disparagement and other standard covenants set forth in the Consulting Agreement. In particular, Mr. George has agreed not to accept employment from, or engage in any professional relationship with, any competitor of the Company or any of its subsidiaries, or to otherwise engage in any business activity that is competitive with the Company or any of its subsidiaries, until the termination of the Consulting Agreement. Mr. George has also agreed to indemnify the Company for losses arising out of the Consulting Agreement and the provision of consulting services to the Company thereunder.

The foregoing description of the Consulting Agreement does not purport to be complete and is qualified in its entirety by reference to the complete text of the Consulting Agreement, a copy of which is attached as Exhibit 10.1 to this Current Report on Form 8-K.

Appointment of Steven J. Fasching as Chief Financial Officer

On June 15, 2018, the Company announced that Steven J. Fasching has been appointed as Chief Financial Officer effective July 16, 2018.

Mr. Fasching, age 50, has served as the Company's Senior Vice President, Corporate Strategy, Planning & Investor Relations since February 2018. Mr. Fasching previously served as the Company's Vice President, Strategy & Investor Relations from January 2016 to February 2018, and as Vice President, Strategic Financial Planning from August 2011 to January 2016. Mr. Fasching has over 27 years of experience in long-term financial and strategic planning and creating and leading the analytical engine of multi-billion dollar organizations. Immediately prior to joining the Company, Mr. Fasching served for five years as the Director, Finance & Assistant Controller of Princess Cruises, a cruise line owned by Carnival Corporation, where he had been promoted through a number of finance-related positions since September 1990, including Director of Financial Planning, among others. Mr. Fasching holds a B.S. degree in Business Administration from Pepperdine University and an M.B.A. from The Anderson School of Management at UCLA. He also completed The Executive Program for Prospective CFOs through the University of Chicago Booth School of Business.

In connection with his appointment, Mr. Fasching and the Company have entered into a customary offer letter. Pursuant to the offer letter, Mr. Fasching's employment with the Company is expressly "at will." Effective as of July 16, 2018, Mr. Fasching will be entitled to an annual base salary of \$400,000. In addition, for fiscal 2019, Mr. Fasching will be eligible to receive a pro-rated cash incentive bonus which is targeted at 75% of his annual base salary, subject to achieving performance objectives to be determined by the Compensation Committee of the Board (the "Compensation Committee"). In addition, the Compensation Committee will consider equity grants pursuant to the Company's 2015 Stock Incentive Plan for Mr. Fasching relating to his appointment as Chief Financial Officer at a later date in accordance with the Compensation Committee's annual compensation review for executive officers. The Company advises that once those terms are finalized by the Compensation Committee, the Company will file an additional Current Report on Form 8-K to disclose the material terms.

Mr. Fasching and the Company have entered into the Company's standard form of Change of Control and Severance Agreement providing for severance pay in the circumstances described in the agreement. The form of Change of Control and Severance Agreement was previously filed in substantially similar form with the Securities and Exchange Commission on May 30, 2017 as Exhibit 10.19 to the Company's Annual Report on Form 10-K.

No Arrangements / No Family Relationships / No Related Party Transactions

There are no arrangements or understandings between Mr. Fasching and any other person pursuant to which he was selected to serve as Chief Financial Officer. There are no family relationships between Mr. Fasching and any director, executive officer or person nominated or chosen by the Company to become a director or executive officer. Except for his existing employment relationship with the Company and the compensation arrangements arising in connection therewith, there are no relationships involving Mr. Fasching that are required to be reported pursuant to Item 404(a) of Regulation S-K.

Item 7.01 Regulation FD Disclosure.

A copy of the press release announcing the appointment of Mr. Fasching as Chief Financial Officer of the Company is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

As provided in General Instruction B.2 of Form 8-K, the information in this Item 7.01 and Exhibit 99.1 furnished hereunder shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), nor shall they be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Exhibits.

(d) Exhibits. The following exhibits are attached to this Current Report on Form 8-K:

<u>Exhibit No.</u>	<u>Description</u>
10.1	Consulting Agreement and General Release, dated June 15, 2018 and effective July 16, 2018, entered into by and between Deckers Outdoor Corporation and Thomas A. George.
99.1	Press release, dated June 15, 2018, issued by the Company.

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: June 15, 2018

Deckers Outdoor Corporation

/s/ Thomas Garcia

Thomas Garcia, General Counsel

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
10.1	Consulting Agreement and General Release, dated June 15, 2018 and effective July 16, 2018, entered into by and between Deckers Outdoor Corporation and Thomas A. George.
99.1	Press release, dated June 15, 2018, issued by the Company.

[\(Back To Top\)](#)

Section 2: EX-10.1 (EXHIBIT 10.1)

CONSULTING AGREEMENT AND GENERAL RELEASE

THIS CONSULTING AGREEMENT AND GENERAL RELEASE (this “Agreement”) is made and entered into as of June 15, 2018, by and between DECKERS OUTDOOR CORPORATION, a Delaware corporation (the “Company”), and THOMAS A. GEORGE, an individual (“Executive”), and is effective as of July 16, 2018 (the “Separation Date”). The Company and Executive are sometimes referred to herein individually as a “Party” and collectively as the “Parties.”

RECITALS

- A. Executive and the Company are parties to that certain Change of Control and Severance Agreement, dated as of January 1, 2010 (the “Severance Agreement”).
- B. Executive and the Company desire to terminate the Severance Agreement, and further desire to terminate their employment relationship, in each case on the terms and subject to the conditions set forth in this Agreement.
- C. Following the termination of Executive’s employment, the Company desires to retain Executive as an independent contractor to perform consulting services for the Company, and Executive is willing to perform such services, on the terms and subject to the conditions set forth in this Agreement.

AGREEMENT

In consideration of their mutual covenants, and for other good and valuable consideration, the receipt, adequacy, and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. **Separation from Employment.** Executive’s employment with the Company is terminated effective at the close of business on the Separation Date. Except as otherwise expressly set forth in this Agreement, all of Executive’s employment-related compensation and benefits, as well as roles and responsibilities, shall terminate on the close of business on the Separation Date. Executive acknowledges that neither the Company nor any of its subsidiaries has any obligation to employ him at any point in the future.
2. **Benefits Paid Upon Termination of Employment.** In connection with the termination of Executive’s employment, and in reliance on Executive’s representations, warranties, agreements, acknowledgements and releases set forth in this Agreement, the Company shall:
 - (a) **Accrued Base Salary.** Pay Executive any base salary that has accrued but was not paid as of the Separation Date, less legally required withholding and payroll deductions;
 - (b) **Accrued Vacation Payment.** Pay Executive for unused vacation days accrued as of the Separation Date in an amount equal to Executive’s base salary multiplied by a fraction the numerator of which is the number of accrued unused vacation days and the denominator of which is 260, less legally required withholding and payroll deductions;

(c) **Reimbursable Expenses.** Reimburse Executive for expenses reasonably incurred by him in connection with his employment with the Company during the period prior to the Separation Date;

(d) **Benefit Plans and Programs.** Provide to Executive any accrued and vested benefits required to be provided by the terms of any Company-sponsored benefit plans or programs, together with any benefits required to be paid or provided under applicable law (to the extent not duplicative with the other payments and benefits addressed in this Section 2);

(e) **FY 2018 Cash Incentive Bonus.** It is expected that the cash incentive bonus earned with respect to the fiscal year beginning April 1, 2017 and ending March 31, 2018 ("fiscal 2018") will have already been paid in full by the Separation Date, less legally required withholding and payroll deductions;

(f) **Pro-Rated FY 2019 Cash Incentive Bonus.** Pay Executive a pro-rated portion of the "target" amount of the cash incentive bonus payable with respect to the fiscal year beginning April 1, 2018 and ending March 31, 2019 ("fiscal 2019") in accordance with the executive compensation policies and programs in effect on the Separation Date, based on Executive's actual length of service to the Company during fiscal 2019 through the Separation Date, which amount shall be payable in a lump sum within thirty (30) days following the Separation Date, less legally required withholding and payroll deductions;

(g) **Severance Payments.** Commencing within thirty (30) days following the Separation Date, pay Executive severance equal to twelve (12) months of Executive's base salary (in effect on the Separation Date), less legally required withholding and payroll deductions, which amounts shall be paid on the regular biweekly payroll dates of the Company in accordance with the Company's payroll practices in effect on the Separation Date. Each installment payment made pursuant to this Section 2(g) shall be considered a separate payment for purposes of Section 409A of the Internal Revenue Code (the "Code"), including, without limitation, for purposes of Treasury Regulation Section 1.409A-2(b)(2)(iii). The obligation of the Company to make severance payments pursuant to this Section 2(g) shall cease, and the Consulting Period (as defined in Section 3(a)) shall terminate (if not previously terminated), upon Executive's acceptance of employment or other professional relationship with a competitor of the Company (defined as a company or other enterprise engaged in the business of designing, manufacturing, distributing and/or selling footwear) or upon a material breach of the terms of this Agreement. Executive agrees to notify the Company in writing promptly upon accepting any such relationship during the Severance Period (as defined in this Section 2(g)). For services provided to any non-competitor third party as an employee or pursuant to another professional relationship during the twelve (12) month period following the Separation Date (the "Severance Period"), the severance payments paid pursuant to this Section 2(g) shall be mitigated on a dollar-for-dollar basis for any income received by Executive, *provided, however*, that any value attributable to the continued vesting of the Equity Awards (as defined in Section 4) shall not constitute "income" for this purpose and shall not serve to mitigate the severance payments, *provided, further*, that the severance payments paid pursuant to

this Section 2(g) shall not be mitigated for income received by Executive for service on the board of directors (or similar governing body) of any non-competitor third party;

(h) **COBRA Benefits.** To the extent Executive timely elects continued coverage under COBRA, the Company will pay COBRA group health insurance premiums for Executive and his eligible dependents, if applicable, until the earliest of (i) the first anniversary of the Separation Date, (ii) the expiration of Executive's eligibility for the continuation coverage under COBRA, (iii) the date on which Executive becomes eligible for substantially equivalent health insurance coverage in connection with his employment by a third party (the period from the Separation Date until the earliest of the dates set forth in (i) through (iii), the "COBRA Payment Period"). If Executive becomes eligible for health insurance coverage under a new employer's group health plan, or if he otherwise ceases to be eligible for COBRA coverage, he must immediately notify the Company, and the Company's obligation to pay COBRA premiums shall immediately cease. Notwithstanding the foregoing, if the Company determines, in its sole discretion, that it cannot pay the COBRA payments without a substantial risk of violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), the Company instead shall provide Executive with taxable monthly payments in an amount equal to the premium amount for the first month of Executive's COBRA coverage paid pursuant to this Section 2(h) (which amount shall be grossed up to the extent necessary to cover the applicable taxes), and such monthly payments shall be made through the remainder of the COBRA Payment Period. In the event of Executive's death occurring during the COBRA Payment Period, the Company shall continue to make monthly payments to Executive's spouse for the benefit of his eligible dependents in accordance with the foregoing sentence; and

(i) **Deferred Compensation.** The Company acknowledges that prior to the termination of his employment, Executive was eligible to participate in certain of the Company's deferred compensation programs, and Executive's right to receive payments pursuant to such deferred compensation programs shall not be affected by the execution of this Agreement or the termination of his employment. In addition, the payment by the Company to Executive of amounts deferred pursuant to the deferred compensation programs shall not constitute income received by Executive "for duties performed for the Company" for purposes of Section 2(g) of this Agreement and shall not serve to mitigate the amount of any severance payments paid pursuant to that section.

3. **Consulting Agreement.** Upon Executive's execution of this Agreement, the Company agrees to retain Executive as an independent contractor, and in consideration of the various benefits provided to Executive as set forth in this Agreement, Executive agrees to provide consulting services to the Company on the terms and subject to the conditions set forth in this Agreement.

(a) **Retention of Consultant.** The Company agrees to retain Executive as a consultant from the day immediately following the Separation Date until March 31, 2019, unless earlier terminated in accordance with Section 3(c) (such period, the "Consulting Period").

(b) **Scope of Consulting Services.** Executive shall provide consulting services to the Company within his areas of expertise upon request by the Company. The Company anticipates that Executive will provide consulting services at the request of, and subject to the direction of, any one or more of the following persons: the Company's Chief Executive Officer (the "Chief Executive Officer"),

the Company's incoming Chief Financial Officer (the "Chief Financial Officer"), the Chairman of the Board and the Chairman of the Audit Committee. The Company anticipates that the consulting services to be provided by Executive shall include, but not be limited to supporting and mentoring the Chief Financial Officer, providing general consulting services to the Company, responding to questions relating to Executive's areas of expertise, and generally assisting with the transition of his duties and responsibilities. Executive shall provide monthly updates, either in-person or by telephone, as to the status of his services to the Chief Executive Officer. Executive agrees to exercise the highest degree of professionalism and to fully utilize his expertise and talents in performing these consulting services. Executive agrees to generally make himself available to perform the consulting services during regular business hours throughout the Consulting Period.

(c) **Term and Termination.** The Consulting Period shall end on the earliest to occur of the following: (i) March 31, 2019, (ii) fifteen (15) days following the delivery of written notice by Executive, and (iii) immediately upon the Company delivering written notice to Executive of an uncured material breach of any of his obligations hereunder, or an uncured material breach of any of his obligations under the Confidentiality Agreement (as defined in Section 15). Prior to delivering written notice of termination to Executive for an uncured material breach of any of his obligations under this Agreement or the Confidentiality Agreement, the Company shall provide Executive written notice of the material breach and allow a fifteen (15) day period during which Executive may cure the material breach, *provided, however*, that to the extent such breach is not curable (as determined by the Company in its reasonable discretion), the Company shall be permitted to deliver written notice of termination immediately upon discovery of the material breach. Upon termination of the Consulting Period, Executive's "Continuous Service" (as defined in Section 4) shall immediately terminate for purposes of each of the Equity Awards (as defined in Section 4) that are then outstanding.

(d) **No Consulting Fees.** Executive will not charge the Company any separate consulting fees, other than the benefits provided to Executive as set forth in this Agreement, for the services he will render to the Company during the Consulting Period.

(e) **Reimbursement of Expenses.** Executive agrees to seek advance written approval from the Chief Executive Officer prior to incurring any expenses for which he will seek reimbursement in connection with consulting services rendered pursuant to this Agreement.

(f) **Independent Contractor.** Executive understands and agrees that, except as specifically provided in this Agreement: (i) his relationship with the Company during the Consulting Period is that of an independent contractor, and nothing in this Agreement is intended to, or should be construed to, create a partnership, agency, joint venture or employment relationship, (ii) he will not be entitled to any of the compensation or benefits that the Company or any of its subsidiaries may make available to its officers or employees, including, but not limited to, paid vacation, sick leave, group health or life insurance, profit-sharing or retirement benefits, (iii) neither the Company nor any of its subsidiaries will be responsible for withholding or paying any income, payroll, Social Security or other federal, state or local taxes, making any insurance contributions, or obtaining worker's compensation insurance for Executive, (iv) he will have no responsibilities to or on behalf of the Company other than as specifically provided in this Section 3, and (v), he is not permitted to represent the Company in any manner whatsoever to any third party unless expressly authorized to do so by the Chief Executive Officer (or any executive officer operating at the direction of the Chief Executive Officer).

4. **Treatment of Outstanding Equity Awards.** The termination of Executive's employment with the Company, and the execution of this Agreement, shall not have the effect of amending, modifying or otherwise impacting the terms of any equity awards previously granted to Executive by the Company, including any restricted stock unit awards or performance stock options, to

the extent such awards are outstanding on the Separation Date (such awards, collectively, the “Equity Awards”). The Equity Awards shall remain outstanding subject to and consistent with the terms of the Company’s 2015 Stock Incentive Plan (the “2015 Plan”), and the award agreements pursuant to which they were granted. During the Consulting Period, Executive shall continue to perform “Continuous Service” (as defined in the 2015 Plan or the award agreements pursuant to which the Equity Awards were granted) to the Company for purposes of the Equity Awards. Upon termination of the Consulting Period, Executive’s “Continuous Service” shall immediately terminate for purposes of the Equity Awards. The Compensation Committee shall have the sole authority to administer and interpret the Equity Awards, including, without limitation, determining whether any applicable performance-based or service-based conditions have been satisfied. Nothing in this Section 4 shall limit the ability of Executive to exercise any vested and unexercised equity awards granted to Executive by the Company to the extent such awards remain outstanding on the Separation Date, provided, that such awards are exercised in accordance with the terms of the 2015 Plan and the award agreements pursuant to which they were granted.

5. **Termination of Severance Agreement.** The Severance Agreement is terminated effective immediately upon the effectiveness of this Agreement. This Agreement supersedes and replaces in full the Severance Agreement, which shall no longer be of any force and effect. Executive acknowledges that, immediately upon execution of this Agreement, he shall have no rights with respect to or arising in connection with the Severance Agreement, including, without limitation, the right to receive any payments or benefits from the Company in connection with the termination of his employment.

6. **Release of Claims.**

(a) **General Release.** In exchange for the payments and other benefits provided to Executive as set forth in Sections 2 and 3, and for other good and valuable consideration provided by the Company to Executive, Executive hereby waives and releases all claims, liabilities and obligations, whether known or unknown, which he has or might otherwise have had against the Company, including itself and its current and former parent, subsidiaries, and related entities, and any of their respective current or former officers, directors, stockholders, members, employees, agents, attorneys, representatives, successors and assigns (hereinafter, collectively referred to as the “Released Parties”), arising prior to the date on which this Agreement is made and entered into, including, but not limited to, all claims regarding any aspect of his employment by the Company or any of its subsidiaries; compensation or benefits paid by or received from, or equity awards granted by, the Company or any of its subsidiaries; the termination of his employment with the Company or any of its subsidiaries; any violation of the Company’s policies, codes, guidelines or regulations; any any written or oral contract or agreement between the Company and Executive; tort and common law claims including, but not limited to, claims for wrongful or retaliatory discharge, emotional distress, defamation, slander, libel or false imprisonment; claims for attorneys’ fees, back pay, front pay or reinstatement; claims for penalties of any kind or nature; claims based upon employment discrimination or harassment of any kind or nature; and claims based upon alleged violation of: the California Fair Employment and Housing Act (California Government Code section 12900, et seq.); the Unruh Civil Rights Act (California Civil Code section 51); the California Family Rights Act (California Government Code sections 12945.2 and

19702.3); the California Labor Code; the Equal Pay Act of 1963, as amended (29 U.S.C. section 206(d) et. seq.); Title VII of the Civil Rights Act of 1964, as amended (42 U.S.C. section 2000e et seq.); the Employee Retirement Income Security Act of 1974, as amended (29 U.S.C. section 1001 et seq.); the Family Medical Leave Act (29 U.S.C. section 2601 et seq.); the Fair Labor Standards Act of 1938, as amended (29 U.S.C. section 201, et seq.); the United States and California Constitutions; the Americans With Disabilities Act, as amended (42 U.S.C. section 12101, et seq.); 42 U.S. C. sections 1981 and 1983; State and federal WARN Acts; State or Federal wage and hour laws; or any other State, Federal or local statutes or laws. Executive further acknowledges that such released claims also include claims based on the Age Discrimination in Employment Act, as amended (29 U.S.C. section 621, et seq.) and the Older Workers Benefit Protection Act (29 U.S.C. §626(f)), as amended. The provisions of this Section 6 do not release claims that cannot be released as a matter of law.

(b) **Section 1542 Waiver.** It is further understood and agreed that, as a condition of this Agreement, all rights under Section 1542 of the Civil Code of the State of California are expressly waived by Executive. Such section reads as follows:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.”

Notwithstanding Section 1542, for the purpose of implementing a full and complete release and discharge of the Released Parties, Executive expressly acknowledges that this Agreement is intended to include, and does include in its effect, without limitation, all claims which Executive does not know or suspect to exist in his favor against the Released Parties at the time of execution hereof, and that this Agreement expressly contemplates the extinguishment of all such claims.

(c) **Effectiveness of Release.** In accordance with the Older Workers Benefit Protection Act, Executive hereby knowingly and voluntarily waives and releases all rights and claims, known and unknown, arising under the Age Discrimination in Employment Act of 1967, as amended, which he might otherwise have had against the Released Parties. Executive acknowledges that the consideration given for this waiver is in addition to anything of value to which Executive is already entitled. Executive is hereby advised that he has twenty-one (21) days in which to consider and accept this Agreement by signing and returning this Agreement to the Chief Executive Officer (although Executive may voluntarily choose to sign and return the Agreement sooner). In addition, Executive has a period of seven (7) days following his execution of this Agreement in which he may revoke the Agreement. If Executive does not advise the Chief Executive Officer by a writing received within such seven (7) day period of Executive’s revocation of his acceptance of the Agreement, the Agreement will become effective and enforceable upon the expiration of the seven (7) day period.

(d) **No Admissions.** This Agreement shall not be construed as an admission by the Company of any improper, wrongful or unlawful actions, or any other wrongdoing against Executive, and the Company specifically disclaims any liability to or wrongful acts against Executive on the part of itself, its officers, directors, employees, agents, attorneys or representatives.

7. **Executive’s Representations.** Executive represents and warrants to the Company that: (a) he has received all compensation and benefits owed to him by the Company through the Separation Date, including any and all wages, bonuses, cash incentive awards, restricted stock awards, stock option awards, restricted stock unit awards, stock appreciation rights awards, long-term incentive plan awards, deferred compensation, earned but unused vacation, reimbursable business expenses, and any other payments, benefits, or other compensation of any kind or nature to which he was or may have been entitled from the Company or any of its subsidiaries, (b) he has the full legal right and authority to execute this Agreement, and to perform the obligations required of him under this Agreement and the

Confidentiality Agreement, (c) neither the execution and delivery of this Agreement nor the performance of Executive's duties hereunder or under the Confidentiality Agreement violates or conflicts with the provisions of any other agreement or understanding to which he is a party or by which he is bound, and (d) he is signing this Agreement voluntarily and with a full understanding of and agreement with its terms.

8. **Section 409A.** Notwithstanding anything herein to the contrary, to the extent (a) any amount or benefit payable to Executive pursuant to Sections 2 or 3 is treated as non-qualified deferred compensation subject to Section 409A of the Code, (b) Executive is determined by the Company to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, and (c) the Company determines that delayed commencement of any portion of the amounts payable to Executive pursuant to Sections 2 and 3 is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code (any such delayed commencement, a "**Payment Delay**"), then such portion of Executive's payments and/or benefits described in Sections 2 and 3 shall not be provided to Executive prior to the earlier of (i) the expiration of the six-month period measured from the Separation Date, (ii) the date of Executive's death, or (iii) such earlier date as is permitted under Section 409A. Upon the expiration of the applicable Section 409A(a)(2)(B)(i) deferral period, all payments deferred pursuant to a Payment Delay shall be paid in a lump sum to Executive on the first day following such expiration, and any remaining payments due under Sections 2 and 3 shall be paid as otherwise provided herein. Notwithstanding anything in this Section 8 to the contrary, to the maximum extent permitted by applicable law, amounts payable to Executive pursuant to Sections 2 and 3 shall be made in reliance upon the Section 409A Safe Harbor Limit and/or the exception for short-term deferrals (as set forth in Treasury Regulation Section 1.409A-1(b)(4)). For purposes of this Agreement, "Section 409A Safe Harbor Limit" will mean an amount equal to two (2) times the lesser of (x) Executive's annual rate of compensation for the taxable year immediately preceding the taxable year in which the Separation Date occurs, and (y) the dollar amount in effect under Section 401(a)(17) of the Code for the taxable year in which the Separation Date occurs, in each case as determined in accordance with Treasury Regulation §1.409A-1(b)(9)(iii).

9. **Return of Company Property.** By no later than the close of business on the Separation Date, Executive shall return to the Company all Company equipment, documents, information and other property (including any copies thereof) in his possession or control. Executive agrees to make a diligent search to locate any such equipment, documents, information and property within the timeframe referenced above.

10. **Confidentiality.** The provisions of this Agreement will be held in confidence by Executive and the Company and will not be publicized or disclosed in any manner whatsoever, *provided, however*, that: (a) the Parties may disclose this Agreement in confidence to their respective attorneys, accountants, auditors, and financial advisors, (b) the Company may disclose this Agreement as necessary to fulfill legally required corporate reporting or disclosure requirements (as

determined by the Company in its sole discretion), and (c) the Parties may disclose this Agreement insofar as such disclosure may be necessary to enforce its terms or as otherwise required by law.

11. **Indemnification**. Executive agrees to indemnify and hold harmless the Company and each of its subsidiaries and related entities, and each of their respective officers, directors, stockholders, members, employees, agents, attorneys, representatives, successors and assigns, from and against any and all losses, damages, liabilities, costs and expenses, including attorneys' fees and other legal expenses, arising, directly or indirectly, in connection with or as a result of (a) any negligent, reckless or intentionally wrongful act of Executive or Executive's agents, attorneys or representatives, (b) a determination by a court or agency that Executive is not an independent contractor, (c) any material breach by Executive or Executive's agents, attorneys or representatives of any of the covenants or agreements contained in this Agreement or the Confidentiality Agreement, and (d) any failure of Executive to perform the consulting services in accordance with this Agreement, and any applicable laws, rules and regulations. The Company agrees that the Indemnification Agreement, entered into by and between Executive and the Company (the "**Indemnification Agreement**"), shall expressly survive the termination of Executive's employment, and that the Company shall indemnify Executive on the terms and subject to the conditions set forth in the Indemnification Agreement.

12. **Noncompetition**. To the fullest extent permitted under applicable law, from the Separation Date until the date on which the Severance Period is terminated, Executive shall not accept employment or engage in any professional relationship with a competitor of the Company or any of its subsidiaries (defined as a company or other enterprise engaged in the business of designing, manufacturing, distributing and/or selling footwear), or otherwise engage, directly or indirectly, in any business activity that is competitive with the Company or any of its subsidiaries (whether as an officer, employee, director, stockholder, member, partner, consultant, or otherwise).

13. **Nonsolicitation**. To the fullest extent permitted under applicable law, from the Separation Date until twelve (12) months after the date on which the Severance Period is terminated, Executive shall not, without the Company's prior written consent, directly or indirectly, solicit or encourage any of the employees of the Company or any of its subsidiaries to leave their employment.

14. **Nondisparagement**. From the Separation Date and thereafter, Executive agrees not to disparage the Company, any of its current or former subsidiaries, or any of their respective current or former officers, directors or employees, in any manner that is or is reasonably likely to be harmful to them or their business, business reputation or personal reputation, *provided, however*, that this provision shall not apply (a) if Executive is compelled and legally required to testify in a legal proceeding or (b) in connection with Executive's participation in an Equal Employment Opportunity Commission proceeding, provided that, in either case, the information provided by Executive is truthful and accurate.

15. **Confidentiality Agreement**. Executive acknowledges and agrees that he is bound by the Company's standard form of Confidentiality Agreement, a copy of which is attached hereto as **Exhibit A** (the "**Confidentiality Agreement**"), which restricts the use and disclosure of confidential information

of the Company and any of its subsidiaries received by Executive while performing consulting services to the Company during the Consulting Period and the Severance Period. Executive agrees to comply with each of the provisions of the Confidentiality Agreement during the Consulting Period, the Severance Period and thereafter. Executive acknowledges that a material breach of the Confidentiality Agreement may result in the termination of this Agreement in accordance with Section 3(c).

16. **Limitation of Liability.** IN NO EVENT SHALL COMPANY BE LIABLE TO EXECUTIVE OR TO ANY OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, OR DAMAGES FOR LOST PROFITS OR LOSS OF BUSINESS, HOWEVER CAUSED AND UNDER ANY THEORY OF LIABILITY, WHETHER BASED IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHER THEORY OF LIABILITY, REGARDLESS OF WHETHER COMPANY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. IN NO EVENT SHALL COMPANY'S LIABILITY ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT EXCEED THE AMOUNTS PAID BY COMPANY TO EXECUTIVE UNDER THIS AGREEMENT FOR THE SERVICES GIVING RISE TO SUCH LIABILITY.

17. **Cooperation.** In consideration for the payments and benefits provided in this Agreement, Executive agrees to provide assistance and cooperate with the Company in connection with its actual or contemplated defense, prosecution, or investigation of any claims or demands by or against third parties, or other matters arising from events, acts, or failures to act that occurred during the period of Executive's employment by the Company. The Company agrees to reimburse Executive for reasonable out-of-pocket expenses actually incurred in connection with any such assistance or cooperation.

18. **Miscellaneous.**

(a) **Successors; Binding Agreement.** This Agreement will be binding upon any successor to the Company and will inure to the benefit of and be enforceable by Executive's personal or legal representatives, beneficiaries, designees, executors, administrators, heirs, distributees, devisees and legatees.

(b) **Modification; No Waiver.** This Agreement may not be modified or amended except by an instrument in writing signed by the Parties hereto. No term or condition of this Agreement will be deemed to have been waived, nor will there be any estoppel against the enforcement of any provision of this Agreement, except by written instrument by the Party charged with such waiver or estoppel. No such written waiver will be deemed a continuing waiver unless specifically stated therein, and each such waiver will operate only as to the specific term or condition waived and will not constitute a waiver of such term or condition for the future or as to any other term or condition.

(c) **Severability.** The covenants and agreements contained herein are separate and severable and the invalidity or unenforceability of any one or more of such covenants or agreements will not affect the validity or enforceability of any other covenant or agreement contained herein.

(d) **Notice.** All notices, requests, demands, waivers and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (i) delivered personally, (ii) mailed by first-class, registered or certified mail, return receipt requested, postage prepaid, (iii) sent by next-day or overnight mail or delivery, or (iv) sent by facsimile, using the following contact information:

<u>If to Executive:</u>	Thomas A. George
<u>If to the Company:</u>	Deckers Outdoor Corporation 250 Coromar Drive Goleta, CA 93117 Attn: Chief Executive Officer Facsimile: 805-456-0683

or, in each case, using such other contact information as may be specified in writing to the other Parties hereto. All such notices, requests, demands, waivers and other communications shall be deemed to have been received (i) if by personal delivery, on the day delivered, (ii) if by certified or registered mail, on the seventh (7th) business day after the mailing thereof, (iii) if by next-day or overnight mail, on the day delivered, or (iv) if by facsimile, on the next day following the day on which such facsimile was sent, provided that a copy is also sent by certified or registered mail.

(e) **Assignment.** This Agreement and any rights hereunder will not be assignable by either Party without the prior written consent of the other Party except as otherwise specifically provided herein.

(f) **Entire Understanding.** This Agreement constitutes the entire understanding between the Parties with respect to the subject matter hereof, and no agreement, representation, warranty or covenant has been made by either Party except as specifically provided herein.

(g) **Governing Law.** This Agreement will be construed in accordance with the laws of the State of California, without regard to the conflict of law provisions thereof, with venue proper only in the County of Santa Barbara, California.

(h) **Payment of Legal Fees.** The Parties agree to bear their own fees and costs (including attorney's fees) incurred in connection with the negotiation, preparation and execution of this Agreement. If any action or proceeding is brought by either Party to enforce or interpret the provisions of this Agreement, the prevailing Party will be entitled to reasonable attorney's fees and costs, in addition to any other relief to which such Party may be entitled.

(i) **Independent Legal Counsel**. Executive acknowledges that the Company has advised Executive to consult with independent legal counsel of Executive's choosing prior to executing this Agreement. Executive acknowledges that he has had the time and opportunity to be represented by independent legal counsel during the negotiation and execution of this Agreement, and that he has either been represented to his satisfaction or has chosen not to be so represented.

(j) **Arbitration**.

(i) **Agreement to Arbitrate**. The Parties hereto agree that any dispute or controversy arising out of, relating to, or arising in connection with this Agreement, or the interpretation, validity, construction, performance, breach, or termination thereof, shall be finally settled by binding arbitration, unless otherwise required by law, to be held in Santa Barbara, California.

(ii) **Covered Claims**. The claims covered by this provision include all claims regarding any aspect of Executive's employment and consulting with the Company or any of its subsidiaries or affiliates. Covered claims also include, but are not limited to, claims for: wrongful termination; breach of any contract or covenant, express or implied; breach of any duty owed to Executive by the Company or to the Company by Executive, including, but not limited to, this Agreement; personal, physical or emotional injury; fraud, misrepresentation, defamation, and any other tort claims; wages or other compensation due; benefits paid by or received from, or equity awards granted by, the Company or any of its subsidiaries; penalties; reimbursement of expenses; discrimination or harassment, including but not limited to discrimination or harassment based on race, sex, color, pregnancy, religion, national origin, ancestry, age, marital status, physical disability, mental disability, medical condition, or sexual orientation; retaliation; violation of any local, state, or federal constitution, statute, ordinance or regulation (as originally enacted and as amended), including but not limited to Title VII of the Civil Rights Act of 1964 ("**Title VII**"), Age Discrimination in Employment Act of 1967 ("**ADEA**"), Americans With Disabilities Act ("**ADA**"), Fair Labor Standards Act ("**FLSA**"), Executive Retirement Income Security Act ("**ERISA**"), Immigration Reform and Control Act, Consolidated Omnibus Budget Reconciliation Act ("**COBRA**"), Family and Medical Leave Act ("**FMLA**"), California Fair Employment and Housing Act ("**FEHA**"), California Family Rights Act ("**CFRA**"), California Labor Code, California Civil Code, the California Unruh Civil Rights Act, State and federal WARN Acts, and the California Wage Orders. This Agreement shall not apply to any dispute if an agreement to arbitrate such dispute is prohibited by law.

(iii) **Arbitration Process**. The Parties further agree that any arbitration shall be conducted before one neutral arbitrator selected by the parties and shall be conducted under the Employment Arbitration Rules of the American Arbitration Association ("**AAA Rules**") then in effect. Executive may obtain a copy of the AAA Rules by accessing the AAA website at www.adr.org, or by requesting a copy from the Chief Executive Officer. By signing this Agreement, Executive acknowledges that he has had an opportunity to review the AAA Rules before signing this Agreement. The arbitrator shall have the authority to determine arbitrability of claims and order such discovery by way of deposition, interrogatory, document production, or otherwise, as the arbitrator considers necessary to a full and fair exploration of the issues in dispute, consistent with the expedited nature of arbitration. The arbitrator is authorized to award any remedy or relief available under applicable law that the arbitrator deems just and equitable, including any remedy or relief that would have been available to the parties had the matter been heard in a court. Nothing in this Agreement shall prohibit or limit the parties from seeking provisional remedies under California Code of Civil Procedure ("**CCP**") section 1281.8,

including, but not limited to, injunctive relief from a court of competent jurisdiction. The arbitrator shall have the authority to provide for the award of attorney's fees and costs if such award is separately authorized by applicable law. Executive shall not be required to pay any cost or expense of the arbitration that he would not be required to pay if the matter had been heard in a court. The decision of the arbitrator shall be in writing and shall provide the reasons for the award unless the parties agree otherwise. The arbitrator shall not have the power to commit errors of law or legal reasoning and the award may be vacated or corrected on appeal to a court of competent jurisdiction for any such error.

(iv) **Applicable Law**. The arbitrator(s) shall apply California law to the merits of any dispute or claim, without reference to rules of conflicts of law.

(v) **ACKNOWLEDGMENT**. EXECUTIVE HAS READ AND UNDERSTANDS THIS SECTION, WHICH DISCUSSES ARBITRATION. EXECUTIVE UNDERSTANDS THAT BY SIGNING THIS AGREEMENT, EXECUTIVE AGREES TO SUBMIT ANY CLAIMS ARISING OUT OF, RELATING TO, OR IN CONNECTION WITH THIS AGREEMENT, OR THE INTERPRETATION, VALIDITY, CONSTRUCTION, PERFORMANCE, BREACH OR TERMINATION THEREOF, TO BINDING ARBITRATION, UNLESS OTHERWISE REQUIRED BY LAW, AND THAT THIS ARBITRATION CLAUSE CONSTITUTES A WAIVER OF EXECUTIVE'S RIGHT TO A JURY TRIAL AND RELATES TO THE RESOLUTION OF ALL DISPUTES RELATING TO EXECUTIVE'S CURRENT AND FORMER RELATIONSHIP WITH THE COMPANY OR ANY OF ITS SUBSIDIARIES, INCLUDING BUT NOT LIMITED TO, CLAIMS OF HARASSMENT, DISCRIMINATION, WRONGFUL TERMINATION AND ANY STATUTORY CLAIMS.

(k) **Counterparts**. This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one agreement and any Party hereto may execute this Agreement by signing any such counterpart. This Agreement shall be binding upon Executive and the Company at such time as the Agreement, in counterpart or otherwise, is executed by Executive and the Company.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have duly executed this Consulting Agreement and General Release as of the day and year first above written.

COMPANY:

DECKERS OUTDOOR CORPORATION

By: /s/ David Powers

David Powers

Chief Executive Officer and President

EXECUTIVE:

/s/ Thomas A. George

Thomas A. George

[\(Back To Top\)](#)

Section 3: EX-99.1 (EXHIBIT 99.1)



Deckers Brands Appoints Steve Fasching to Chief Financial Officer

Goleta, California (June 15, 2018) -- Deckers Brands (NYSE: DECK), a global leader in designing, marketing and distributing innovative footwear, apparel and accessories, today announced the appointment of Steve Fasching to Chief Financial Officer effective July 16, 2018. Mr. Fasching previously served as the company's Senior Vice President, Corporate Strategy, Planning & Investor Relations. He succeeds Tom George, who will transition concurrent with Mr. Fasching's appointment.

"I am extremely pleased to announce the promotion of Steve Fasching to Chief Financial Officer," stated Dave Powers, CEO and President of Deckers. "After a thorough executive search, we found Steve to be best positioned to take on the role. He possesses a deep understanding of our business, has demonstrated a strong track record of performance, and has displayed tremendous leadership in his service to the company. His

extensive financial and strategic experience will be a huge asset to Deckers as we enter our next phase of growth.”

John Gibbons, Chairman of the Board commented, “Steve has been an invaluable member of the Deckers global finance team. His promotion demonstrates the Board’s ongoing commitment to its comprehensive management succession process and provides our stockholders a CFO with an unparalleled understanding of our business and who is in the best position to continue our strong momentum.”

Mr. Fasching held senior finance-related roles at Princess Cruises prior to joining Deckers in August 2011 as Vice President, Strategic Financial Planning. Mr. Fasching was elevated to Vice President, Strategy & Investor Relations in 2016 and was promoted to Senior Vice President, Corporate Strategy, Planning & Investor Relations in February 2018.

“I am very honored by this opportunity,” said Mr. Fasching. “Having been with Deckers for the past seven years and fortunate to serve in various roles, I am excited to take this next step. I look forward to leading our finance team while driving our business forward with a portfolio of exciting brands that resonate with consumers across the globe.”

About the Company

Deckers Brands is a global leader in designing, marketing and distributing innovative footwear, apparel and accessories developed for both everyday casual lifestyle use and high performance activities. The Company's portfolio of brands includes UGG®, Koolaburra®, HOKA ONE ONE®, Teva® and Sanuk®. Deckers Brands products are sold in more than 50 countries and territories through select department and specialty stores, Company-owned and operated retail stores, and select online stores, including Company-owned websites. Deckers Brands has a 40-year history of building niche footwear brands into lifestyle market leaders attracting millions of loyal consumers globally. For more information, please visit www.deckers.com.

This press release contains “forward-looking statements” within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995, which statements are subject to considerable risks and uncertainties. Forward-looking statements include all statements other than statements of historical fact contained in this press release, including statements regarding our anticipated financial performance, future or assumed condition, growth potential, business plans and management succession strategies. We have attempted to identify forward-looking statements by using words such as “anticipate,” “believe,” “could,” “estimate,” “expected,” “intend,” “may,” “plan,” “predict,” “project,” “should,” “will,” or “would,” and similar expressions or the negative of these expressions.

Forward-looking statements represent our management's current expectations and predictions about trends affecting our business and industry and are based on information available as of the time such statements are made. Although we do not make forward-looking statements unless we believe we have a reasonable basis for doing so, we cannot guarantee their accuracy or completeness. Forward-looking statements involve numerous known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements predicted, assumed or implied by the forward-looking statements. Some of the risks and uncertainties that may cause our actual results to materially differ from those expressed or implied by these forward-looking statements are described in the section entitled "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended March 31, 2018, as well as in our other filings with the Securities and Exchange Commission.

Any forward-looking statement made by us in this press release is based only on information currently available to us and speaks only as of the date on which it is made. Except as required by applicable law or the listing rules of the New York Stock Exchange, we expressly disclaim any intent or obligation to update any forward-looking statements, or to update the reasons actual results could differ materially from those expressed or implied by these forward-looking statements, whether to conform such statements to actual results or changes in our expectations, or as a result of the availability of new information.

###

Contact:

Deckers Brands
Erinn Kohler, Investor Relations
805.967.7611

[\(Back To Top\)](#)