

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, 2023

TURTLE BEACH CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

001-35465

(Commission File Number)

Nevada

(State or Other Jurisdiction of Incorporation)

27-2767540

(I.R.S. Employer Identification No.)

44 South Broadway, 4th Floor
White Plains, New York 10601

(Address of principal executive offices, including 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:

- 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 Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---------------------------------|-------------------|---|
| Common Stock, par value \$0.001 | HEAR | The Nasdaq Global Market |
| Preferred Stock Purchase Rights | N/A | The Nasdaq Global Market |

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 June 15, 2023, the Board of Directors (the “Board”) of Turtle Beach Corporation (the “Company”) appointed Cris Keirn, the Company’s Senior Vice-President, Global Sales, to serve as the Company’s Interim Chief Executive Officer and as its principal executive officer, both effective July 1, 2023.

Mr. Keirn, age 52, has served as the Company’s Senior Vice-President, Global Sales since August 2016. As Senior Vice-President, Global Sales, Mr. Keirn oversees the growth and development of the Company’s headset business, is responsible for all consumer retail and sales account management and leads the Company’s sales operations, customer care and market analytics teams. Prior to serving as Senior Vice President, Global Sales, Mr. Keirn served as Vice-President of Business Planning and Strategy of the Company, from February 2013 to August 2016. Prior to joining the Company, Mr. Keirn held leadership positions over a 17-year span at Motorola across product management, operations, quality and customer relations. Mr. Keirn received a B.S. in Mechanical Engineering from Purdue University and a Masters Certificate in Project Management from George Washington University.

In connection with his appointment, the Company entered into a letter agreement with Mr. Keirn that governs the terms and conditions of his appointment as the Company’s Interim Chief Executive Officer. Pursuant to the letter agreement, Mr. Keirn will continue to receive his annual base salary, will continue to be eligible to earn an annual performance bonus and equity-based compensation, and will participate in other employee welfare benefit plans maintained by the Company in accordance with the terms of such plans, in all cases, at the same levels and on the same terms and conditions as in effect prior to his appointment as the Company’s Interim Chief Executive Officer. In connection with his appointment as Interim Chief Executive Officer, Mr. Keirn will be eligible to earn a deferred stock award under the Turtle Beach Corporation 2013 Stock-Based Incentive Compensation Plan, payable in shares of the Company’s stock in an amount equal to \$10,000 per month for each month that he serves as Interim Chief Executive Officer, prorated for any partial month of service. The deferred stock award will not become vested or payable until the Company’s termination of Mr. Keirn’s appointment as the Company’s Interim Chief Executive Officer because a permanent replacement Chief Executive Officer is appointed. Once vested, shares of the Company’s stock will be delivered to Mr. Keirn within thirty (30) days of such vesting, less the number of shares withheld by the Company in an amount sufficient to satisfy Mr. Keirn’s federal, state and local tax obligations. In addition, in consideration of Mr. Keirn’s service as our Interim Chief Executive Officer, Mr. Keirn’s continued base salary component of his entitlement under the Company’s 2022 Retention Plan upon a qualifying termination of his employment, will be increased from three (3) to twelve (12) months. In connection with any qualifying termination of Mr. Keirn’s employment with the Company following November 17, 2023, Mr. Keirn will be entitled to the following severance benefits, subject to his execution and non-revocation of a general release of claims in favor of the Company: (i) a pro-rated annual performance bonus (ii) continued payment of his base salary for twelve (12) months and (iii) subject to (A) his timely election of continuation coverage under COBRA and (B) his continued copayment of premiums at the same level and cost to him as if he were an employee of the Company, continued participation in the Company’s group health plan for a period of twelve (12) months.

There are no family relationships between Mr. Keirn and any of the Company’s current or former directors or executive officers. Mr. Keirn is not a party to any transaction that would require disclosure under Item 404(a) of Regulation S-K promulgated under the Securities Act of 1933, as amended (the “Act”).

The foregoing summary of the employment offer letter with Mr. Keirn is qualified in its entirety by reference to the full text of the letter agreement, a copy of which is filed as Exhibit 10.1 to this report.

Item 7.01. Regulation FD.

On June 21, 2023, the Company issued a press release announcing Mr. Keirn’s appointment as Interim Chief Executive Officer. A copy of the press release is filed as Exhibit 10.1 to this report and is incorporated herein by reference.

The information in this Item 7.01 is being furnished pursuant to Regulation FD and no part shall be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall such information be deemed incorporated by reference in any filing under the Act, regardless of any general incorporation language in such filing, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

d) Exhibits.

| Exhibit No. | Description |
|----------------------|---|
| 10.1 | Letter Agreement, dated June 20, 2023, by and between the Company and Cris Keirn. |
| 99.1 | Press Release, dated June 21, 2023. |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document). |

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.

Dated: June 21, 2023

TURTLE BEACH CORPORATION

By: /s/ JOHN T. HANSON

John T. Hanson

Chief Financial Officer, Treasurer and Secretary

Turtle Beach Corporation
44 South Broadway, 4th Floor
White Plains, New York 10601

June 20, 2023

Mr. Cris Keirn
Senior VP, Global Sales
Turtle Beach Corporation
44 South Broadway, 4th Floor
White Plains, New York 10601

Re: Interim CEO Appointment

Dear Cris:

On behalf of Turtle Beach Corporation (the "Company"), I am pleased to provide you with this letter agreement setting forth the principal terms of the compensation package to be provided to you by the Company for your services as interim Chief Executive Officer of the Company, which appointment will be effective as of July 1, 2023.

1. Duties; Time Commitment. During your service as interim Chief Executive Officer of the Company, you will continue to be a full-time employee of the Company reporting to the Board of Directors of the Company (the "Board") and having all of the duties and responsibilities that are commensurate with your position. You will continue to be based in the Company's offices in San Diego, California, but you will be expected to travel periodically for business purposes. During your service as interim Chief Executive Officer of the Company, you will also continue to serve as the Senior VP, Global Sales.
 2. Term. It is contemplated that your service to the Company as interim Chief Executive Officer will continue until the earliest to occur of (i) a permanent replacement Chief Executive Officer is appointed, (ii) your employment with the Company is terminated for any reason, (iii) you are appointed as the permanent Chief Executive Officer, or (iv) either you or the Company elects to terminate the appointment for any or no reason. The period of time between your appointment as interim Chief Executive Officer of the Company and the termination of your appointment as interim Chief Executive Officer of the Company shall be referred to herein as the "Interim CEO Term." It is expected that, upon the appointment of a permanent replacement Chief Executive Officer other than yourself, you will continue your service as Senior VP, Global Sales or in such other position to be determined by the Board in generally the same capacities as in effect immediately prior to your appointment as interim Chief Executive Officer.
 3. Compensation & Benefits. During the Interim CEO Term, except as otherwise specifically provided for in herein, you will continue to receive your annual base salary, be eligible to earn a performance bonus and equity-based compensation, and participate in health benefits, insurance programs, paid time off, pension and retirement plans, and other employee welfare benefit plans maintained by the Company for its employees generally in accordance with the terms thereof, in all cases, at the same levels and on the same terms and conditions as in effect on the date hereof, subject to the Company's right to modify or terminate any employee benefit plan at any time.
 4. Severance. During the Interim CEO Term, you shall continue to be a "Participant" under the Company's 2022 Retention Plan (the "Retention Plan") pursuant to the terms and conditions of
-

the Retention Plan and Award Letter, by and between you and the Company, dated as of June 13, 2022 (the "Award Letter"); provided that, subject to the terms and conditions in the Retention Plan and Award Letter, the continued payment of your base salary component of your "Severance Benefits" (as defined in the Retention Plan and described in the Award Letter) shall be increased from three (3) months to twelve (12) months; provided however that by your execution of this letter agreement, you acknowledge and agree that neither the commencement or the termination of the Interim CEO Term, nor the increase or decrease in title, duties or responsibilities shall constitute any grounds for "Good Reason" (as defined in the Retention Plan) or be interpreted as a termination of your employment by the Company without "Cause" (as defined in the Retention Plan) and accordingly, you hereby agree that you will not assert that any term set forth herein is a basis on which you may assert a termination for Good Reason, or claim that your employment has been terminated by the Company without Cause. In addition, and subject to the last proviso in the previous sentence, in the event that your employment with the Company is terminated by the Company without Cause following November 17, 2023, you will be entitled to the following, in addition to any earned and unpaid annual base salary through the date of any such termination, subject to your execution and delivery of a general release of claims in favor of the Company in a form reasonably satisfactory to the Company that is no longer subject to revocation within sixty (60) days following the date of such termination: (i) a pro-rata portion of your annual bonus for the fiscal year in which such termination occurs based on actual results for such year (determined by multiplying the amount of such bonus which would be due for the full fiscal year by a fraction, the numerator of which is the number of days during the fiscal year of termination that you were employed by the Company and the denominator of which is 365), payable at the same time bonuses for such year are paid to other senior executives of the Company, (ii) an amount equal to your monthly base salary rate, paid monthly for a period of twelve (12) months following such termination and (iii) subject to (A) your timely election of continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), (B) your continued copayment of premiums at the same level and cost to you as if you were an employee of the Company, continued participation in the Company's group health plan (to the extent permitted under applicable law and the terms of such plan) which covers you and your eligible dependents for a period of twelve (12) months, provided that you are eligible and remain eligible for COBRA coverage; and provided, further, that in the event that you obtain other employment that offers group health benefits, such continuation of coverage by the Company shall immediately cease.

5. Deferred Stock Award. As soon as practicable following your appointment as interim Chief Executive Officer of the Company, you shall be granted a Deferred Stock award, subject to the terms and conditions of the Turtle Beach Corporation 2013 Stock-Based Incentive Compensation Plan (as may be amended from time to time, the "Equity Plan"), and pursuant to the terms and conditions set forth in the written agreement evidencing the award by and between you and the Company. The terms of the Deferred Stock award shall provide that, among other things, in consideration for your services as interim Chief Executive Officer of the Company, you will receive shares of "Company Stock" (as defined in the Equity Plan) in an amount equal to \$10,000 per month for each month that you serve as interim Chief Executive Officer of the Company during the Interim CEO Term, prorated for any partial month of service and calculated on a monthly basis by using the 30-day average of the closing prices of shares of Company Stock as reported on the Nasdaq Global Market immediately prior to and including the last calendar day of the applicable month of service. Notwithstanding anything to the contrary, such Deferred Stock shall not become vested or payable until the Company's termination of the Interim CEO Term because a permanent replacement Chief Executive Officer is appointed. Shares of Deferred Stock that become vested and payable shall be delivered to you in shares of Common Stock within thirty (30) days following the vesting date, less the number of shares of Common Stock that the
-

Company shall withhold in an amount that is sufficient to satisfy Federal, state, local, foreign or other applicable taxes (including your FICA or other applicable social tax obligation).

6. **Business Expenses.** During the Interim CEO Term, you will be reimbursed by the Company for reasonable business expenses incurred in connection with the performance of your duties hereunder in accordance with Company policies as in effect from time to time. All amounts payable under this paragraph will be paid or reimbursed only during the period of your service with the Company, and will be subject to your presentation of reasonable substantiation and documentation as the Company may specify from time to time and to the procedures set forth in the Company's expense reimbursement programs, as in effect at the time the expenses are incurred.
 7. **Indemnification; Directors' and Officers' Liability Insurance.** Both during and after the Interim CEO Term, regardless of the reason for termination, the Company hereby agrees to indemnify you and hold you harmless to the maximum extent permitted by the Company's organizational documents against and in respect of any and all actions, suits, proceedings, investigations, claims, demands, judgments, costs, expenses (including reasonable attorney's fees), losses, and damages resulting from your performance of your duties and obligations with the Company hereunder. The Company will advance to you as incurred any costs and expenses (including attorney's fees) incurred in the defense of any such action, suit, proceeding or investigation, subject to any limitations pursuant to applicable law or under the Company's organizational documents. The Company will cover you under directors' and officers' liability insurance both during and, while potential liability exists, after the Interim CEO Term in the same amount and to the same extent as the Company covers its other active officers and directors. The foregoing obligations will survive the termination of your service with the Company.
 8. **Section 409A Compliance.** The intent of the parties is that payments and benefits under this letter agreement comply with Internal Revenue Code Section 409A and the regulations and guidance promulgated thereunder (collectively, "**Code Section 409A**") and, accordingly, to the maximum extent permitted, this letter agreement will be interpreted to be in compliance therewith. For purposes of Code Section 409A, (i) a termination of employment will not be deemed to have occurred for purposes of any provision of this letter agreement providing for the payment of any amounts or benefits that constitute "nonqualified deferred compensation" for purposes of Code Section 409A upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A and, for purposes of any such provision of this letter agreement, references to a "termination," "termination of employment" or like terms will mean "separation from service," (ii) your right to receive any installment payments pursuant to this letter agreement will be treated as a right to receive a series of separate and distinct payments and (iii) to the extent that the payment of any amount conditioned on the execution of a release of claims constitutes "nonqualified deferred compensation" for purposes of Code Section 409A, any such payment scheduled to occur during the first sixty (60) days following such termination will not be paid until the sixtieth (60th) day following such termination and will include payment of any amount that was otherwise scheduled to be paid prior thereto. Notwithstanding anything to the contrary in this letter agreement, if you are deemed on the date of termination to be a "specified employee" within the meaning of that term under Code Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered deferred compensation under Code Section 409A payable on account of a "separation from service," such payment or benefit shall not be made or provided until the date which is the earlier of (A) the expiration of the six (6)-month period measured from the date of such "separation from service" and (B) the date of your death, to the extent required under Code Section 409A. Upon the expiration of the foregoing delay period, all payments and benefits
-

delayed (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to you in a lump sum, and any remaining payments and benefits due under this letter agreement shall be paid or provided in accordance with the normal payment dates specified for them herein. In no event whatsoever will the Company be liable for any additional tax, interest or penalty that may be imposed on you by Code Section 409A or damages for failing to comply with Code Section 409A.

9. At-Will Employment. Your employment with the Company will continue to be “at-will” and may be terminated by you or the Company at any time with or without notice for any (or no) reason.
10. Governing Law. This letter agreement will be governed by, and construed under and in accordance with, the internal laws of the State of California, without regard to the choice of law principles thereof.
11. Entire Agreement. This letter agreement constitutes the entire agreement between you and the Company with respect to the subject matter hereof and supersedes any and all prior agreements or understandings between you and the Company with respect to the subject matter hereof, whether written or oral. This letter agreement may be amended or modified only by a written instrument executed by you and the Company.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Cris, we are excited about your agreeing to serve the Company as interim Chief Executive Officer. Please feel free to contact me if you have any questions or concerns regarding your compensation package as outlined above. If this letter accurately reflects your understanding as to your compensation package for serving as interim Chief Executive Officer of the Company, please sign and date one copy of this letter and return the same to me for the Company's records.

Very truly yours,

TURTLE BEACH CORPORATION

By: /s/ John Hanson

Name: John Hanson

Title: Chief Financial Officer

The above terms and conditions accurately reflect our understanding regarding the terms and conditions of my employment as interim Chief Executive Officer of the Company, and I hereby confirm my agreement to the same.

Dated: June 20, 2023

/s/ Cris Keirn
Cris Keirn

Signature Page to Interim CEO Appointment Letter Agreement

TURTLE BEACH APPOINTS CRIS KEIRN AS INTERIM CEO

White Plains, NY – June 21, 2023 – Leading gaming accessory maker [Turtle Beach Corporation](#) (Nasdaq: HEAR) announced today the appointment of Cris Keirn as interim Chief Executive Officer (CEO), effective July 1, 2023. Mr. Keirn will succeed Juergen Stark, who has served as CEO since 2012, and is working with Mr. Stark to ensure a seamless transition. As previously announced, the Turtle Beach Board of Directors is engaged in a comprehensive search for a permanent CEO, and Mr. Keirn will continue to be a strong candidate for that role.

“In his role as Senior Vice-President, Global Sales for Turtle Beach since 2016, Cris and his team have significantly strengthened our global omni-channel execution and delivered nearly \$2 billion in cumulative revenue,” said Terry Jimenez, Chairman of the Board. “His proven track record of success across multiple technology industries along with strong relationships both inside and outside of Turtle Beach will be key to driving the Company forward.”

“At Turtle Beach, our commitment to industry-leading innovation and execution allows us to create excellent products for our gamers,” said Cris Keirn. “I have confidence in our phenomenal team at Turtle Beach and look forward to advancing our strategy to drive further growth and value creation for our stakeholders.”

Mr. Keirn joined Turtle Beach in 2013 and has been a key contributor in the transformation of Turtle Beach’s product portfolios, including in his role as Vice- President of Business Planning and Strategy prior to his executive role in sales. Mr. Keirn has also led sales operations, customer care and market analytics teams for the Company. Prior to joining Turtle Beach, Cris held leadership positions over a 17-year span in multiple divisions at Motorola across engineering, product management, operations, quality and customer relations.

About Turtle Beach Corporation

Turtle Beach Corporation (the “Company”) (www.turtlebeachcorp.com) is one of the world’s leading gaming accessory providers. The Company’s namesake Turtle Beach brand (www.turtlebeach.com) is known for designing best-selling gaming headsets, top- rated game controllers, and groundbreaking gaming simulation accessories. Innovation,

first-to-market features, a broad range of products for all types of gamers, and top-rated customer support have made Turtle Beach a fan-favorite brand and the market leader in console gaming audio for over a decade. Turtle Beach's ROCCAT brand (www.ROCCAT.com) combines detail-loving German innovation with a genuine passion for designing the best PC gaming products, including award-winning keyboards, mice, headsets, mousepads, and other PC Accessories. Turtle Beach's shares are traded on the Nasdaq Exchange under the symbol: HEAR.

Cautionary Note on Forward-Looking Statements

This press release includes forward-looking information and statements within the meaning of the federal securities laws. Except for historical information contained in this release, statements in this release may constitute forward-looking statements regarding assumptions, projections, expectations, targets, intentions, or beliefs about future events. Statements containing the words "may", "could", "would", "should", "believe", "expect", "anticipate", "plan", "estimate", "target", "goal", "project", "intend" and similar expressions, or the negatives thereof, constitute forward-looking statements. Forward-looking statements involve known and unknown risks and uncertainties, which could cause actual results to differ materially from those contained in any forward-looking statement. The inclusion of such information should not be regarded as a representation by the Company, or any person, that the objectives of the Company will be achieved. Forward-looking statements are based on management's current beliefs and expectations, as well as assumptions made by, and information currently available to, management.

While the Company believes that its expectations are based upon reasonable assumptions, there can be no assurances that its goals and strategy will be realized. Numerous factors, including risks and uncertainties, may affect actual results and may cause results to differ materially from those expressed in forward-looking statements made by the Company or on its behalf. Some of these factors include, but are not limited to, risks related to inflationary pressures, logistic and supply chain challenges, the substantial uncertainties inherent in the acceptance of existing and future products, the difficulty of commercializing and protecting new technology, the impact of competitive products and pricing, general business and economic conditions, risks associated with the expansion of our business including the integration of any businesses we acquire and the integration of such businesses within our internal control over financial reporting and operations, our indebtedness, liquidity, and other factors discussed in our public filings, including the risk factors included in the Company's most recent Annual Report on Form 10-K, Quarterly Report on Form 10-Q, and the Company's other periodic reports filed with the Securities and Exchange Commission. Except as required by applicable law, including the securities laws of the United States and the rules and regulations of the Securities and Exchange Commission, the Company is under no obligation to publicly update or revise any forward-looking statement after the date of this release whether as a result of new information, future developments or otherwise.

All trademarks are the property of their respective owners.

###

CONTACTS:

North America

Eric Nielsen
Step 3 Public Relations
202.276.5357
eric@step-3.com

MacLean Marshall
Sr. Director, Public Relations &
Brand Communications Turtle Beach Corporation 858.914.5093
maclean.marshall@turtlebeach.com

Investor Information:

Cody Slach or Alex Thompson
Gateway Investor Relations
949.574.3860
hear@gateway-grp.com

International

Keith Hennessey
Sr. Director, Communications &
Partnerships – International
Turtle Beach
+44 (0) 1256 678350
keith.hennessey@turtlebeach.com