

FLOTEK INDUSTRIES INC/CN/
Form 8-K
March 06, 2015

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): March 2, 2015

Flotek Industries, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction

of incorporation)

001-13270
(Commission

File Number)

90-0023731
(IRS Employer

Identification No.)

10603 W. Sam Houston Pkwy N., Suite 300

Houston, Texas
(Address of principal executive offices)

77064
(Zip Code)

Registrant's telephone number, including area code: (713) 849-9911

NOT APPLICABLE

(Former name or former address, if changed since last report.)

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

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On March 2, 2015, the Compensation Committee (the Compensation Committee) of the Board of Directors (the Board) of Flotek Industries, Inc. (the Company) adopted the 2015 Management Incentive Plan (the MIP). The MIP provides for the payment of cash bonuses to management personnel selected by the Compensation Committee, including all of the named executive officers. The MIP provides for target bonuses that are expressed as a percentage of each participant's 2015 annual base salary. The target bonus percentage for the President, Chief Executive Officer and Chairman is 100% of base salary. The range for other participants is 60% to 75% of base salary. The following table sets forth the 2015 target cash bonus award percentage for purposes of the MIP for the Company's executive officers, including the principal executive officer, the principal financial officer and the other executive officers who are named in the Summary Compensation Table in the Company's definitive Proxy Statement filed in 2014 and who remain executive officers of the Company.

| Executive Officer | 2015 Target Cash Bonus Percentage of Salary For Purpose of the MIP |
|--|---|
| John Chisholm Chairman, President and Chief Executive Officer | 100% |
| Steven A. Reeves Executive Vice President, Operations | 75% |
| H. Richard Walton Executive Vice President and Chief Financial Officer | 70% |
| Joshua A. Snively, Sr. Executive Vice President, Research and Innovation | 60% |

Bonuses are earned under the MIP based on the Company's consolidated 2015 Earnings Before Interest, Taxes, Depreciation and Amortization adjusted for stock compensation, financing transaction costs, and other noncash and/or nonrecurring charges not directly related to the ongoing operations of the Company (Adjusted EBITDA). Participants will receive a portion of the bonus determined on a sliding scale (ranging from 0-200% of the target bonus) depending on the 2015 Adjusted EBITDA achieved.

Under the MIP, each participant was given the option, and each executive officer of the Company has elected, to receive shares of restricted stock of the Company equal to exactly 50% of his target bonus based on the value of the shares of the common stock of the Company as of the date of the establishment of the MIP, with such shares subject to forfeiture if and to the extent target Adjusted EBITDA has not been achieved.

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.

FLOTEK INDUSTRIES, INC.

Date: March 6, 2015

/s/ H. Richard Walton
H. Richard Walton
Executive Vice President and Chief Financial Officer