

KIRKLAND'S, INC  
Form 8-K  
August 08, 2014

**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 11, 2014**

**KIRKLAND S, INC.**

**(Exact Name of Issuer as Specified in Charter)**

**Tennessee**  
**(State or Other Jurisdiction of**  
**Incorporation or Organization)**

**000-49885**  
**(Commission**  
**File Number)**  
**2501 McGavock Pike**  
**Suite 1000**

**62-1287151**  
**(I.R.S. Employer**  
**Identification Number)**

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**Nashville, Tennessee 37214**

**(Address of Principal Executive Offices)**

**(615) 872-4800**

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

Check the appropriate box below if the Form 8-K 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
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act

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

(e) On June 11, 2014, the Compensation Committee of the Board of Directors (the Compensation Committee) of Kirkland's, Inc. (the Company) approved annual management cash bonus opportunities for the Company's fiscal year ending January 31, 2015 (Fiscal 2014) under the Company's Amended and Restated 2002 Stock Incentive Plan. Under this arrangement, participating managers are eligible to earn cash bonuses based on corporate performance during Fiscal 2014. The relevant corporate performance goal for this purpose is the achievement of a specified level of earnings before interest and taxes, determined without regard to (i) amounts accrued in respect of Fiscal 2014 cash bonuses, (ii) extraordinary gains, losses or expenses, and (iii) changes in accounting principles.

Upon achievement of the corporate performance goal, the Company's executive officers will be eligible to receive the following target bonus amounts:

| <b>Name</b>        | <b>Title</b>                                      | <b>Target Bonus Amount</b>      |
|--------------------|---|---------------------------------|
| Robert E. Alderson | President and Chief Executive Officer             | \$545,000 (100% of base salary) |
| W. Michael Madden  | Senior Vice President and Chief Financial Officer | \$277,500 (75% of base salary)  |
| Michelle R. Graul  | Senior Vice President of Store Operations and HR  | \$192,000 (60% of base salary)  |

The actual bonus payable to any executive officer may be more or less than his or her target bonus amount if actual corporate performance is above or below the specified goal, based on a scale approved by the Compensation Committee. In addition, unless otherwise determined by the Compensation Committee, as a condition of receiving any cash bonus otherwise earned for Fiscal 2014, each executive officer must remain continuously employed by the Company in good standing, in a position of equal or greater seniority, through the date such bonuses are actually paid (expected to be no later than April 15, 2015). Finally, the Compensation Committee has reserved the right, in its discretion, to reduce or eliminate any cash bonus otherwise earned for Fiscal 2014 based on individual performance or such other factors as it deems relevant.

**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.

KIRKLAND S, INC.

Date: August 8, 2014

By: /s/ W. Michael Madden

Name: W. Michael Madden

Title: Senior Vice President and Chief Financial Officer