

**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): February 16, 2022

ORION ENERGY SYSTEMS, INC.

(Exact name of registrant as specified in its charter)

Wisconsin
(State or other jurisdiction
of incorporation)

01-33887
(Commission
File Number)

39-1847269
(IRS Employer
Identification No.)

**2210 Woodland Drive,
Manitowoc, Wisconsin**
(Address of principal executive offices)

54220
(Zip Code)

Registrant's telephone number, including area code: (920) 892-9340

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))

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, no par value	OESX	The Nasdaq Stock Market LLC (NASDAQ Capital 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 February 16, 2022, Orion Energy Systems, Inc. (the “Company”) and Michael W. Altschaeffl, the Company’s Chief Executive Officer and Board Chair, entered into an amendment, effective on the third business day after the Company publicly announces its financial results for its fiscal 2022 fourth quarter and year-end (“Effective Date”) (the “Amendment”), to Mr. Altschaeffl’s Amended and Restated Executive Employment and Severance Agreement, effective June 1, 2020 (the “Employment Agreement”).

Prior to the Amendment, Mr. Altschaeffl’s Employment Agreement contained protections that would have provided Mr. Altschaeffl with certain enhanced severance benefits in the event that the Company experienced a change of control prior to the end of Mr. Altschaeffl’s employment. This arrangement is commonly described a “single trigger” change of control severance payment. The Amendment changes this protection to a so-called “double trigger”. As a result, in the event of any subsequent change of control of Orion prior to the end of Mr. Altschaeffl’s employment, he now will only be entitled to receive those certain enhanced severance benefits following both a change in control and the Company terminating Mr. Altschaeffl’s employment without “cause” or Mr. Altschaeffl terminating his employment with the Company for “good reason” (as such terms are defined in the Employment Agreement).

As compensation to Mr. Altschaeffl for agreeing to the Amendment, the Company and Mr. Altschaeffl entered into a Restricted Stock Award Agreement, effective as of the Effective Date, pursuant to which the Company granted 50,000 fully-vested shares of restricted stock of the Company to Mr. Altschaeffl.

The Company also announced that its Compensation Committee has decided to change the structure of its annual grants of restricted stock to its executives. Instead of just granting restricted stock that solely vest pro-rata over a three-year continued employment period, the Compensation Committee now intends to annually grant both time vesting restricted stock and three-year performance vesting restricted stock

The foregoing descriptions of the Amendment, Employment Agreement and Restricted Stock Award Agreement are qualified in their entirety by reference to the full text of the Amendment, Employment Agreement and Restricted Stock Award Agreement, copies of which are filed herewith as Exhibits 10.1, 10.2 and 10.3, respectively, and are incorporated herein by reference.

Item 7.01. Regulation FD Disclosure.

On February 22, 2022, the Company issued a press release announcing the changes to Mr. Altschaeffl’s executive compensation, in particular the amendment of his change in control severance from a single trigger to a double trigger. The Company is furnishing a copy of such press release as Exhibit 99.1 hereto, which is incorporated herein by reference.

Item 9.01(d) Financial Statements and Exhibits.

- Exhibit 10.1* [Amendment to Executive Employment and Severance Agreement, effective as of the third business day after the Company publicly announces its financial results for its fiscal 2022 fourth quarter and year-end, between Orion Energy Systems, Inc. and Michael W. Altschaeffl.](#)
- Exhibit 10.2* [Amended and Restated Executive Employment and Severance Agreement, effective as of June 1, 2020, by and between Orion Energy Systems, Inc. and Michael W. Altschaeffl, filed as Exhibit 10.15 to the Registrant’s Form 10-K filed on June 5, 2020, and incorporated herein by reference.](#)
- Exhibit 10.3* [Restricted Stock Award Agreement, effective as of the third business day after the Company publicly announces its financial results for its fiscal 2022 fourth quarter and year-end, between Orion Energy Systems, Inc. and Michael W. Altschaeffl.](#)
- Exhibit 99.1* [Press Release of Orion Energy Systems, Inc.](#)
- Exhibit 104* Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURE

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.

ORION ENERGY SYSTEMS, INC.

Date: February 22, 2022

By: /s/ Michael W. Altschaefl
Michael W. Altschaefl
Chief Executive Officer

**AMENDMENT TO AMENDED AND RESTATED
EXECUTIVE EMPLOYMENT AND SEVERANCE AGREEMENT**

THIS AMENDMENT (the "Amendment") is made as of February 21, 2022 but is effective as of the third business day after the Company publicly announces its fiscal 2022 fourth quarter and annual earnings results ("Effective Date"), by and between Orion Energy Systems, Inc. ("Orion" or the "Company"), and Michael W. Altschaeffl ("Executive"). Orion and Executive are hereinafter collectively referred to as the "Parties."

RECITALS

WHEREAS, Executive is currently employed by the Company as its Chief Executive Officer pursuant to the terms of an Amended and Restated Executive Employment and Severance Agreement, effective as of June 1, 2020 (the "Agreement"), between the Parties;

WHEREAS, Executive has agreed to amend the Agreement to modify the conditions pursuant to which Executive will receive severance payments if the Company experiences a Change of Control from a so-called single trigger to a so-called double trigger; and

WHEREAS, in consideration of Executive's willingness to enter into this Amendment, the Company has agreed to grant Executive 50,000 shares of restricted stock common stock of the Company (as evidenced by the Restricted Stock Award Agreement, effective as of the Effective Date).

NOW, THEREFORE, for good and valuable consideration, the Parties hereby agree as follows:

1. Section 6(a)(i) of the Agreement is deleted in its entirety and replaced with the following:

(i) If, upon the occurrence of a Change of Control (provided, however, that for all purposes under this Section 6, the definition of Change of Control in Section 2(e)(i) shall be modified so that the twenty (20) percent Beneficial Ownership threshold set forth therein shall be fifty (50) percent), Executive's employment is terminated by the Company without Cause (except in the case of death or Disability) or Executive terminates his employment with the Company for Good Reason; or

2. Section 6(b) of the Agreement is deleted in its entirety and replaced with the following:

(b) If Executive becomes entitled to the Change of Control Payment pursuant to Section 6(a), the Company shall pay Executive the Change of Control Payment and Accrued Benefits in a lump sum within ten (10) days following the Executive's Separation from Service.

3. Except as otherwise specified in this Amendment, Executive's existing employment arrangements are not affected by this Amendment. Executive acknowledges and agrees that the Agreement, as modified hereby, will continue in full force and effect, that no event described in the definition of "Good Reason" in the Agreement has occurred as a result of this Amendment and that all terms and conditions of the Agreement have been fully complied with and Executive has no any outstanding claims thereunder.

4. This Amendment, together with the Agreement, constitutes the entire agreement between the Executive and Orion with respect to the subject matter hereof and supersedes any prior understandings, agreements, or representations by or between the Parties, written or oral, that may have related in any way to the subject matter hereof. This Amendment shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. No amendment or waiver of any provision of this Amendment shall be valid unless the same shall be in writing and signed by each Party bound thereby. This Amendment may be executed by the Parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Amendment by facsimile or pdf email transmission shall be effective as delivery of a manually executed counterpart hereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Amendment on the day and year first above written.

ORION:

ORION ENERGY SYSTEMS, INC.

By: /s/ J. Per Brodin

Name: J. Per Brodin

Title: Chief Financial Officer

EXECUTIVE:

/s/ Michael W. Altschaefl

Name: Michael W. Altschaefl

[Signature Page to Employment Agreement Amendment (Altschaefl)]

Grantee: Michael W. Altschaeffl
Grant Date: Third business day after the Company's
public announcement of fiscal 2022 fourth
quarter/annual financial results
No. of Restricted Shares: 50,000 Shares

**ORION ENERGY SYSTEMS, INC.
2016 OMNIBUS INCENTIVE PLAN**

RESTRICTED STOCK AWARD AGREEMENT

THIS AGREEMENT, dated as of February 21, 2022, but effective as of the Grant Date specified above (the "Grant Date") by and between Orion Energy Systems, Inc., a Wisconsin corporation (the "Company"), and the Grantee specified above ("Grantee").

RECITALS

WHEREAS, the Company maintains the Orion Energy Systems, Inc. 2016 Omnibus Incentive Plan (the "Plan"), and Grantee has been selected by the Administrator to receive a Restricted Stock Award under the Plan; and

WHEREAS, as a condition to the receipt by Grantee of this Restricted Stock Award, Grantee reaffirms and agrees to be bound by the confidentiality, inventions, non-solicitation and non-competition provisions set forth in prior agreements between the Grantee and the Company, which are incorporated by reference herein, in consideration for receipt of the Restricted Stock Award pursuant hereto, continued employment, and other good and valuable consideration.

AGREEMENT

NOW, THEREFORE, IT IS AGREED, by and between the Company and Grantee, as follows:

1. Award of Restricted Stock

1.1 Effective as of the Grant Date, the Company hereby grants to Grantee an award of the number of shares of restricted Stock of the Company specified above ("Restricted Stock"), subject to, and in accordance with, the restrictions, terms and conditions set forth in the Plan and this Agreement.

1.2 This Agreement (including any appendices or exhibits) shall be construed in accordance with, and subject to, the provisions of the Plan (which are incorporated herein by reference) and, except as otherwise expressly set forth herein, the capitalized terms used in this Agreement shall have the same definitions as set forth in the Plan.

1.3 This Restricted Stock Award is conditioned upon Grantee's acceptance of the terms of this Agreement and any other agreement incorporated herein, as evidenced by Grantee's execution of this Agreement or by Grantee's electronic acceptance of the Agreement in a manner and during the time period allowed by the Company. If the terms of this Agreement are not timely accepted by execution or by such electronic means, this Restricted Stock Award may be cancelled by the Administrator.

2. Restrictions

2.1 Subject to the terms of the Plan and this Agreement, the Restricted Stock shall fully vest immediately on the Grant Date.

2.2 Subject to vesting in accordance with Section 2.1, the terms of the Plan and this Agreement, Grantee shall own the vested Restricted Stock free and clear of all restrictions imposed by this Agreement. The Company shall transfer the vested Restricted Stock (less any applicable withholding pursuant to Section 5) to an unrestricted account in the name of the Grantee as soon as practical after the Grant Date.

2.3 In the event, prior to vesting, (i) Grantee dies while actively employed by the Company, or (ii) Grantee has his or her employment terminated by reason of disability (within the meaning of Section 22(e)(3) of the Internal Revenue Code of 1986, as amended (the "Code")) ("Disability"), any Restricted Stock shall become fully vested and nonforfeitable as of the date of Grantee's death or Disability. The Company shall transfer the Restricted Stock, free and clear of any restrictions imposed by this Agreement to Grantee (or, in the event of death, his or her surviving spouse or, if none, to his or her estate) as soon as practical after his or her date of death or termination for Disability.

2.4 In exchange for receipt of consideration in the form of this Restricted Stock Award, continued employment, and other good and valuable consideration, Grantee reaffirms and agrees to be bound by the confidentiality, inventions, non-solicitation and non-competition provisions set forth in prior agreements between the Grantee and the Company.

2.5 Except for death or Disability as provided in Section 2.3, or except as otherwise provided in a severance agreement with Grantee, if Grantee terminates his or her employment or if the Company terminates Grantee's employment prior to vesting, the Restricted Stock shall cease to vest further, all of the unvested Restricted Stock shall be immediately forfeited and cancelled, and Grantee shall only be entitled to the Restricted Stock that has vested as of his or her date of termination.

2.6 Notwithstanding the other provisions of this Agreement, in the event of a Change of Control prior to vesting, all otherwise unvested Restricted Stock shall become fully vested and nonforfeitable as of the date of the Change of Control. The Company shall transfer the Restricted Stock that vests pursuant to this Section 2.6 to Grantee as soon as practical after the date of the Change of Control in accordance with Section 2.2.

2.7 The Restricted Stock may not be sold, assigned, transferred, pledged, or otherwise encumbered prior to the date Grantee becomes vested in the Restricted Stock, and any such attempted sale, assignment, transfer, pledge or other encumbrance shall be null and void. In addition, Grantee shall not sell any shares acquired under this Agreement except as permitted by the terms of the Plan and at a time when applicable laws, Company policies and any agreement between the Company and its underwriters do not prohibit a sale.

3. Stock; Dividends; Voting

3.1 The Restricted Stock shall be registered in the name of Grantee as of the respective Grant Date for such shares of Restricted Stock. The Company may evidence the registration of the Restricted Stock in such manner as the Administrator may deem appropriate, including by issuing stock certificates or using a restricted book entry account with the Company's transfer agent. Physical possession or custody of any stock certificates that are issued shall be retained by the Company until such time as the Restricted Stock is vested in accordance with Section 2. The Company reserves the right to place a legend on such stock certificate(s), or an appropriate stop-transfer order in the case of book-entry registration, restricting the transferability of the Restricted Stock and referring to the terms and conditions (including forfeiture) of this Agreement and the Plan.

3.2 During the period the Restricted Stock is not vested, the Grantee shall not be entitled to receive any dividends or similar distributions declared on such unvested Restricted Stock and Grantee shall not be entitled to vote any such unvested Restricted Stock.

3.3 In the event of a stock split, stock dividend or other change in capitalization or another corporate event described in Section 18 of the Plan, the number and type of shares subject to this Agreement shall be adjusted by the Administrator to the extent provided in Section 18 of the Plan.

4. No Right to Continued Employment or Additional Grants

Nothing in this Agreement or the Plan shall be interpreted or construed to confer upon Grantee any right with respect to continuance of employment by the Company or a Subsidiary, nor shall this Agreement or the Plan interfere in any way with the right of the Company or a Subsidiary to terminate Grantee's employment at any time or for any reason. The Plan may be terminated at any time, and, even if the Plan is not terminated, Grantee shall not be entitled to any additional awards under the Plan.

5. Taxes and Withholding

Grantee shall be responsible for all federal, state, local and foreign taxes payable with respect to this Restricted Stock and dividends or other distributions paid on such Restricted Stock. Grantee shall have the right to make such elections under the Code as are available in connection with this Restricted Stock Award. Grantee shall rely solely on the determinations of Grantee's own tax advisors or his or her own determinations and not on any statements or representations by the Company or any of its agents with regard to all such tax matters. Grantee acknowledges that it is his or her sole responsibility, and not the Company's, to make any filings required to make any such elections under the Code, even if Grantee requests that the Company or its representatives make the filings on his or her behalf. Grantee agrees to report the value of the Restricted Stock in a manner consistent with the Company's reporting for income tax purposes. The Company shall have the right to retain and withhold from any payment of Restricted Stock or cash the amount of taxes required by any government to be withheld or otherwise deducted and paid with respect to such payment. At its discretion, the Company may require Grantee to reimburse the Company for any such taxes required to be withheld and may withhold any distribution in whole or in part until the Company is so reimbursed. In lieu thereof, the Company shall have the right to withhold from any other cash amounts due to Grantee an amount equal to such taxes required to be withheld or withhold and cancel (in whole or in part) a number of shares of Restricted Stock having a market value not less than the amount of such taxes, subject to the provisions on withholding in the Plan.

6. Grantee Bound by the Plan

Grantee hereby acknowledges receipt of a copy of the Plan and the prospectus for the Plan, and agrees to be bound by all the terms and provisions thereof.

7. Modification of Agreement

This Agreement may be modified, amended, suspended, or terminated, and any terms or conditions may be waived, but only by mutual agreement of the parties in writing except as otherwise provided in Section 16 of the Plan.

8. Severability

Should any provision of this Agreement be held by a court of competent jurisdiction to be unenforceable or invalid for any reason, the remaining provisions of this Agreement shall not be affected by such holding and shall continue in full force in accordance with their terms.

9. Governing Law

The validity, interpretation, construction, and performance of this Agreement and agreements incorporated by reference herein shall be governed by the laws of the State of Wisconsin without giving effect to the conflicts of laws principles thereof.

10. Successors in Interest

This Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns, whether by merger, consolidation, reorganization, sale of assets, or otherwise. This Agreement shall inure to the benefit of Grantee's legal representatives. All obligations imposed upon Grantee and all rights granted to the Company under this Agreement shall be final, binding, and conclusive upon Grantee's heirs, executors, administrators, legal representatives, guardians and successors.

11. Resolution of Disputes

Any dispute or disagreement which may arise under, or as a result of, or in any way relate to the interpretation, construction, or application of this Agreement shall be determined by the Administrator in its absolute discretion. Any determination made hereunder shall be final, binding, and conclusive on Grantee and the Company for all purposes.

12. Pronouns; Including

Wherever appropriate in this Agreement, personal pronouns shall be deemed to include the other genders and the singular to include the plural. Wherever used in this Agreement, the term "including" means "including, without limitation."

[Remainder of page intentionally left blank, signature page follows.]

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the Grant Date first above written.

ORION ENERGY SYSTEMS, INC.

By: /s/ J. Per Brodin
J. Per Brodin, Chief Financial Officer

/s/ Michael W. Altschaefl
Grantee: Michael W. Altschaefl



Orion Energy Systems to Make Investor-Friendly Changes to Certain Executive Compensation Plans

Manitowoc, WI – February 22, 2022 – **Orion Energy Systems, Inc.** (NASDAQ: OESX) ([Orion Lighting](#)), a provider of energy-efficient LED lighting, control and IoT systems, including turnkey project implementation, program management and system maintenance, today announced that the Compensation Committee of its Board of Directors, after careful consideration, has determined to make certain investor-friendly changes to some of its executive compensation plans.

Specifically, Orion and its Chief Executive Officer and Board Chair, Mike Altschaeffl, agreed to amend Mr. Altschaeffl's so-called "single-trigger" change in control severance arrangement to a so-called "double-trigger" arrangement. Also, Orion's Compensation Committee has decided to change the structure of its annual grant of restricted stock awards to its executives, which occurs shortly after Orion announces its fiscal year-end financial results. Instead of awarding restricted stock that vests solely based on continued employment over a three-year period, the awards this coming fiscal year will be allocated between those that vest based on time and those that vest based on three-year performance criteria.

Orion's Chief Executive Officer and Board Chair commented, "In keeping with executive compensation best practices, our Compensation Committee decided that it was in the best interests of our Company and its shareholders to make certain of its executive compensation practices more investor-friendly. These changes are in addition to our Board's decision last December to allow our shareholder rights plan to expire on its own terms upon our plan's natural expiration date this past January."

About Orion Energy Systems

Orion provides innovative LED lighting systems and turnkey project implementation including installation and commissioning of fixtures, controls and IoT systems, as well as ongoing system maintenance and program management. We help our customers achieve energy savings with healthy, safe and sustainable solutions, enabling them to reduce their carbon footprint and digitize their business.

Safe Harbor Statement

Certain matters discussed in this press release, are "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements may generally be identified as such because the context of such statements will include words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," "will," "would" or words of similar import. Similarly, statements that describe our future plans, objectives or goals, including business relationships with government customers, are also forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties that could cause results to differ materially from those expected including, but not limited to, the risks described in our filings with the Securities and Exchange Commission.

Shareholders, potential investors and other readers are urged to consider risks and uncertainties carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements made herein are made only as of the date of this press release and we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise. More detailed information about factors that may affect our performance may be found in our filings with the Securities and Exchange Commission, which are available at <http://www.sec.gov> or at <http://investor.orion.com/> in the Investor Relations section of our Website. Except as required by applicable law, we assume no obligation to update any forward-looking statements publicly or to update the reasons why actual results could differ materially from those anticipated in any forward-looking statements, even if new information becomes available in the future.

Twitter: [@OrionLighting](#) and [@OrionLightingIR](#)

StockTwits: [@Orion_LED_IR](#)

###

Contacts

Per Brodin, CFO
Orion Energy Systems, Inc.
pbrodin@oesx.com

William Jones; David Collins
Catalyst IR
(212) 924-9800 or
OESX@catalyst-ir.com