

**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): May 12, 2022

GameStop Corp.

(Exact name of Registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

1-32637
(Commission
File Number)

20-2733559
(IRS Employer
Identification No.)

**625 Westport Parkway, Grapevine, TX 76051
(817) 424-2000**

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

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:

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Class A Common Stock	GME	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 under the Securities Act (17 CFR 230.405) or Rule 12b-2 under the Exchange Act (17 CFR 240.12b-2).

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 May 16, 2022, GameStop Corp. (the “Company”) announced the appointment of Nir Patel, age 40, as the Company’s Chief Operating Officer, effective on or about May 31, 2022. Mr. Patel joins the Company from Belk, Inc., a privately-owned department store, where he has served as the Chief Executive Officer since 2021 and in various other roles at Belk since 2016, including as President from 2020 to 2021, Chief Merchandising Officer from 2018 to 2021 and as Executive Vice President and General Merchandise Manager for Men’s and eCommerce from 2016 to 2018. Prior to Belk, Mr. Patel served as Senior Vice President of Merchandising at Kohl’s Corporation, an omnichannel retailer, for four years and held various roles at Land’s End, a clothing and home décor retailer.

In connection with his appointment as the Company’s Chief Operating Officer, the Company entered into a letter agreement with Mr. Patel on May 12, 2022 describing the basic terms of his employment (the “Letter Agreement”). The Letter Agreement provides that Mr. Patel’s starting annualized base salary will be \$200,000 and that he will also be eligible to earn a total of \$3,400,000 in sign-on bonuses, to be paid in bi-weekly installments over 24 months, subject to his continuous employment with the Company through the payment date of the applicable installment. Mr. Patel is also entitled to reimbursement of substantiated relocation expenses up to \$200,000 in connection with his relocation to the Dallas/Fort Worth area.

The Letter Agreement also provides that, on the first business day of the first calendar quarter that commences after the effective date of his employment (the “Grant Date”), Mr. Patel will be entitled to a grant of a number of restricted stock units (“RSUs”) of the Company’s Class A common stock (the “Common Stock”) determined by dividing \$14,000,000 by the average closing price of the Common Stock for the 30 trading days immediately preceding the Grant Date (the “Initial Equity Award”). The Initial Equity Award will vest as follows: 10% on the first anniversary of the Grant Date, 20% on the second anniversary of the Grant Date, and 23.333% on each of the third, fourth, and fifth anniversaries of the Grant Date, subject in each case to Mr. Patel’s continuous service to the Company through the applicable vesting date. As inducement to accept the offer of employment and to buyout certain equity entitlements and other compensation Mr. Patel is forfeiting from his current employer, Mr. Patel will also be entitled to a grant of a number of RSUs determined by dividing \$21,000,000 by the average closing pricing of the Common Stock for the 30 trading days immediately preceding the Grant Date (the “Buyout Equity Award”). The Buyout Equity Award will vest one-third on each of the first, second and third anniversaries of the Grant Date, subject in each case to Mr. Patel’s continuous service to the Company through the applicable vesting date.

Finally, the Letter Agreement provides that Mr. Patel’s employment is conditioned on his execution of a restrictive covenant agreement that includes covenants regarding non-competition, non-solicitation and confidentiality.

Under the Letter Agreement, if Mr. Patel’s employment is terminated by the Company without Cause (as defined in the Letter Agreement), he will be entitled to receive the following severance benefits: (i) an amount equal to six months of his base salary, (ii) an amount equal to six months of COBRA premiums for Mr. Patel and his eligible dependents, (iii) any sign-on bonus installments which then remain unpaid and (iv) the vesting of that portion of the Initial Equity Award and Make-Whole Equity Award, if any, that was otherwise scheduled to vest in the ordinary course during the six month period immediately following his termination date. Mr. Patel’s eligibility for these severance benefits is subject to his execution of a release of claims against the Company and his compliance with any applicable post-employment covenants.

The foregoing description of the Letter Agreement is not complete and is qualified in its entirety by the full text of the Letter Agreement, a copy of which is filed herewith as Exhibit 10.1 and incorporated herein by reference.

There are no other arrangements or understandings between Mr. Patel and any other persons pursuant to which Mr. Patel was named Chief Operating Officer. Mr. Patel does not have any family relationship with any of the Company’s directors or executive officers or any persons nominated or chosen by the Company to be a director or executive officer. Mr. Patel does not have any direct or indirect interest in any transaction or proposed transaction required to be reported under Item 404(a) of Regulation S-K.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1	Letter Agreement, dated May 12, 2022, between GameStop Corp. and Nir Patel
99.1	Press Release, dated May 16, 2022
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GAMESTOP CORP.

(Registrant)

Date: May 16, 2022

By: /s/ Michael Recupero

Michael Recupero
Chief Financial Officer



625 Westport Parkway
Grapevine, TX 76051
817-424-2000

May 12, 2022

Via Email:

Nir Vinay Patel

Re: Offer Letter – Chief Operating Officer

Dear Nir,

Congratulations! I am pleased to offer you employment with GameStop Texas Ltd., and as the Chief Operating Officer at GameStop Corp. (together with its subsidiaries, the "Company"). You will report to Matthew Furlong, Chief Executive Officer and your start date will be May 31, 2022. Your annualized base salary will be \$200,000.00, paid bi-weekly, less applicable taxes.

You will also be eligible to earn a total of \$3,400,000 in sign-on bonuses. In your first year of your employment with us, you will receive \$1,700,000.00, less applicable taxes. In the second year of your employment with us, you will receive \$1,700,000.00, less applicable taxes. These bonuses will be paid in bi-weekly installments. Your right to receive each installment is conditioned on your continuous employment with us through the payment date of that installment. Except as otherwise provided below, if your employment with us ceases for any reason, no additional installments will be paid.

On the first business day of the first calendar quarter that commences after your Start Date (the "Grant Date"), you will be granted a number of restricted stock units (RSUs) with respect to the Company's Class A common stock ("Common Stock") determined by dividing \$14,000,000.00 by the average closing price of Common Stock for the 30 trading days immediately preceding the Grant Date (the "Initial Equity Award"). The Initial Equity Award will vest ten percent (10%) on the first anniversary of the Grant Date, twenty percent (20%) on the second anniversary of the Grant Date, and twenty-three and one-third percent (23.333%) on each of the third, fourth, and fifth anniversaries of the Grant Date, subject in each case to your continuous service through the applicable vesting date. In addition, as inducement to accept this offer of employment with the Company and to buyout certain equity entitlements and other compensation you are forfeiting from your current employer, on the Grant Date you will also be granted a number of restricted stock units with respect to Common Stock determined by dividing \$21,000,000 by the average closing price of Common Stock for the 30 trading days immediately preceding the Grant Date (the "Buyout Equity Award"). The Buyout Equity Award will vest 1/3rd on each of the first, second and third anniversaries of the Grant Date, subject in each case to your continuous service through the applicable vesting date. The above-described equity awards will be documented in a separate award agreement, which will contain additional terms and conditions (not inconsistent with this letter) and be delivered to you following the applicable grant date.

The Company's agreement to grant equity to you and to pay you signing bonus installments does not guarantee your employment for any period or otherwise limit our ability to terminate your employment at any time, for any reason, even if your opportunity to receive or vest in such equity or receive such signing bonus installments would be forfeited as a result of such termination.

You are eligible for two weeks of vacation, plus eight wellness days to be used for sick or personal time off per year. On the 61st day from your start date, you will be eligible to participate in the Company's health benefits programs including medical/dental/vision, life and voluntary benefits. You will be automatically

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covered in company-paid life insurance and disability programs once eligible. You will be eligible to participate in the 401(k) plan on the first day of the month following or coinciding with 60 days of service. You will be eligible for the company match on the first day of the month following or coinciding with your first year of service. Please feel free to contact our Benefits team at (866) 637-4387 (option 2, then option 4) or by email at Benefits@gamestop.com with any specific benefit questions you may have.

Your position requires you to permanently relocate to Dallas/Ft. Worth, Texas within one year of your start date. You will be reimbursed for substantiated relocation expenses up to a gross amount of \$200,000.

You will be subject to all policies of the Company and its affiliates in effect from time to time, including the Company's Anti-Hedging Policy, Clawback Policy, Insider Trading Policy and Code of Ethics.

Consistent with all roles in the organization, your employment will be on an at-will basis, having no specified term, and may be terminated at the will of either party on notice to the other. However, if we terminate your employment without Cause (as defined on [Exhibit A](#)), you will receive the following severance benefits, subject to the conditions noted below: (i) we will pay you an amount equal to six months of your base salary; (ii) if you are participating in our group health plans immediately prior to your termination, we will pay you an amount equal to the applicable premium for COBRA continuation coverage for you and your eligible dependents for six months; (iii) we will pay you any sign-on bonus installments which have not by then already been paid; and (iv) that portion of the Initial Equity Award and Buyout Equity Award that were otherwise scheduled to vest in the ordinary course during the six month period immediately following your termination date will become vested. To be eligible for these severance benefits you must (x) sign a release of claims on such form as we supply (which form will be substantially consistent with that used for other terminating senior executives) and that release must become irrevocable within 60 days after your termination date, and (y) comply with any applicable post-employment covenants under any other written agreement with us. The amounts described in clauses (i), (ii) and (iii) will be paid in a single cash lump sum (less required tax withholdings) as soon as practicable after the release becomes effective, and in no event later than 70 days after the termination date. The shares described in clause (iv) will be issued (if not already outstanding) and released from transfer restrictions as soon as practicable after the release becomes effective, and in no event later than 70 days after the termination date.

This offer is contingent on the following items:

- Successful completion of your background check;
- Your signed acknowledgment of the GameStop Restrictive Covenant Agreement; and
- Your signed acknowledgement of the GameStop CARES Rules of Dispute Resolution Including Arbitration.

If you wish to accept this offer, please sign this letter in the space provided for your signature below and return it within the next two business days. By signing this letter, you confirm that you are not subject to any agreement or restriction that could conflict with, or be violated by, your work for the Company and its affiliates. Except as otherwise expressly provided herein, this letter represents our entire agreement regarding your employment and compensation and supersedes all prior discussions and agreements regard these topics.

We are excited that you have chosen to become a part of GameStop and look forward to the contributions you will bring to our growing organization. If you have any questions or concerns, please feel free to contact me.

625 Westport Parkway
Grapevine, TX 76051
817-424-2000

Sincerely,

/s/ Matthew Furlong

Matthew Furlong

Chief Executive Officer

May 12, 2022

Date

Accepted by: /s/ Nir Patel

Nir Patel

Date: May 12, 2022

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Exhibit A

Additional Provisions for Offer Letter

1. Definitions. For purposes of the offer letter:

“Cause” means any of the following: (i) your conviction of, or plea of nolo contendere to, a felony or any crime involving fraud or dishonesty; (ii) your willful misconduct, whether or not in the course of service, that results (or that, if publicized, would be reasonably likely to result) in material and demonstrable damage to the business or reputation of the Company or any of its affiliates or subsidiaries; (iii) material breach by you of any agreement with, policy of or duty owed to the Company or any of its affiliates or subsidiaries; (iv) your willful refusal to perform your duties to the Company or the lawful direction of your supervisor that is not the result of a disability or (v) your failure to permanently relocate to Dallas/Ft. Worth, Texas within one year of your start date; provided, however, an act or omission described in clause (iii) or (iv) will only constitute “Cause” if (A) it is not curable, in the good faith sole discretion of the Company’s Board of Directors (the “Board”) or its delegate, or (B) it is curable in the good faith sole discretion of the Board or its delegate, but is not cured to the reasonable satisfaction of the Board or its delegate within 30 days following written notice thereof to you by the Company (such notice to state with specificity the nature of the breach or willful refusal). However, a termination of your employment due to your death or Disability will not constitute a termination without Cause.

“Disability” means a written determination by a physician mutually agreeable to you and the Company (or, in the event of your total physical or mental disability, your legal representative) that you are physically or mentally unable to perform your duties and that such disability can reasonably be expected to continue for a period of six consecutive months or for shorter periods aggregating 180 days in any 12-month period. In addition, and without limiting the foregoing, a Disability shall be deemed to have occurred if you become entitled to receive benefits under any long-term disability plan or policy maintained or funded by the Company.

2. Section 409A. The parties intend for all amounts payable under this offer letter to be exempt from Section 409A of the Internal Revenue Code of 1986, as amended (“Section 409A”) and this offer letter will be interpreted accordingly. Nonetheless, the Company does not guaranty the tax treatment of your compensation arrangements under Section 409A or any other federal, state or local tax law.



GameStop Appoints New Chief Operating Officer

GRAPEVINE, Texas--(BUSINESS WIRE)--GameStop Corp. (NYSE: GME) ("GameStop" or the "Company") today announced it has appointed Nir Patel to the role of Chief Operating Officer, effective May 31, 2022. Most recently, he was Chief Executive Officer at Belk, a privately-owned national retailer with more than 300 stores across 16 states. He previously held senior roles at Kohl's and Lands' End after beginning his career at Target and Gap. He has approximately two decades of experience in operations, merchandising, supply chain, and retail and store operations.

Contacts

GameStop Corp. Investor Relations
(817) 424-2001
ir@gamestop.com