

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 27, 2021

GROWGENERATION CORP
(Exact Name of Registrant as Specified in its Charter)

Colorado
(State or other Jurisdiction
of Incorporation)

333-207889
(Commission File Number)

46-5008129
(I.R.S. Employer
Identification No.)

930 W 7th Ave, Suite A
Denver, Colorado 80204
(Address of Principal Executive Offices)

Registrant's telephone number, including area code: **(800) 935-8420**

N/A
(Former Address of Principal Executive Offices)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation under any of the following provisions *see* General Instruction A.2. below):

- 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))

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.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	GRWG	The NASDAQ Stock Market LLC

Section 1 - Registrant's Business and Operations

Item 1.01 Entry into a Material Definitive Agreement.

The information set forth in Item 5.02 below is incorporated herein by reference.

Section 5 - Corporate Governance and Management

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

On May 26, 2021, GrowGeneration Corp. (the "Company") entered into an employment contract with Paul Rutenis, pursuant to which Mr. Rutenis has been appointed as Chief Merchandise Officer of the Company, effective as of June 21, 2021. Pursuant to the agreement, among other benefits, the Company has agreed to (i) pay Mr. Rutenis a base salary of \$300,000 per annum, which shall increase 10% on January 1 of each calendar year; (ii) issue to Mr. Rutenis a total of 40,000 shares of common stock, vesting in six equal installments within three years starting from December 21, 2021; and (iii) pay a one-time relocation expense of \$100,000.

A copy of the employment contract is filed herewith as Exhibit 10.1.

Mr. Rutenis has two decades of experience in retail spans management positions at several large public companies. Since 2018, Mr. Rutenis provides consulting services to multiple organizations on building added value to their inter working and achieving performance excellence. From 2015 to 2018, Mr. Rutenis served as Executive Vice President at West Marine, where he helped grow the top and bottom line by successfully moving the company to an omni-channel format that enhanced the company's brick-and-mortar format. From 2013 to 2015, he served at Radio Shack as Chief Merchandising Officer. From 2011 to 2012, at JCPenny, he was VP – Divisional Merchandise Manager, Furniture and Home Décor and promoted to SVP – General Merchandise Manager, Home from 2012 to 2013. From 2006 to 2011, at Dicks Sporting Goods, he helped drive sales and gross margin expansion in private label and branded products. Mr. Rutenis received his B.S. degree from Clemson University and holds an MBA from the University of St. Louis.

Section 7 – Regulation FD

Item 7.01. Regulation FD Disclosure

On May 27, 2021, the Company published a press release regarding the appointment of Paul Rutenis as Chief Merchandise Officer of the Company.

A copy of the press release is attached hereto as Exhibit 99.1. The information contained in this Current Report on Form 8-K (including the exhibit) is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as otherwise expressly stated in such filing.

Section 9 – Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits

(c) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
10.1	Employment Contract by and between GrowGeneration Corp. and Paul Rutenis, dated May 26, 2021
99.1	Press Release dated May 27, 2021

SIGNATURES

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 thereunto duly authorized.

Date: May 27, 2021

GrowGeneration Corp.

By: /s/ Darren Lampert
Name: Darren Lampert
Title: Chief Executive Officer



Employment Contract

This contract, dated on the 24 day of May in the year 2021, is made between GrowGeneration [the Company or the Employer] and PAUL RUTENIS [the Employee] of the State of COLORADO. This document constitutes an employment agreement between these two parties and is governed by the laws of the state of COLORADO.

WHEREAS the Employer desires to retain the services of the Employee, and the Employee desires to render such services, these terms and conditions are set forth.

IN CONSIDERATION of this mutual understanding, the parties agree to the following terms and conditions:

1. Employment

Employment will begin **Monday, June 21, 2021** pending a clear background check. The Employee agrees that he or she will faithfully and to the best of their ability carry out the duties and responsibilities communicated to them by the Employer. The Employee shall comply with all company policies, rules, and procedures at all times. The employment term will be for no less than **THREE (3)** years.

2. Position

As **Chief Merchandise Officer/CMO**, for GrowGeneration, it is the duty of the Employee to perform all essential job functions and duties. From time to time, the Employer may also add other duties within the reasonable scope of the Employee's work. The Employee shall report to **MICHAEL SALAMAN, CO-FOUNDER/PRESIDENT**.

3. Compensation

As compensation for the services provided:

- a. Employee shall be paid a base salary of **\$300,000** per annum, which shall increase **10%** effective January 1 of each calendar year.
- b. Employee shall receive a total of **40,000** shares of common stock over the contract term.
 - a. 6,666 shares vesting December 21, 2021; 6,666 shares vesting June 21, 2022
 - b. 6,667 shares vesting December 21, 2022; 6,667 shares vesting June 21, 2023
 - c. 6,667 shares vesting December 21, 2023; 6,667 shares vesting June 21, 2024
- c. Employer will provide Employee with a corporate expense account to be used for work related travel and expenses.
- d. Employee shall receive \$100,000 in a lump sum to dedicate to relocation to Denver, CO.
- e. Employee shall be eligible for a discretionary performance cash bonus as determined by the Employee's Direct Report, Mr. Michael Salaman Co-Founder/President.

All payments shall be subject to mandatory employment deductions (State & Federal Taxes, Social Security, Medicare).

4. Benefits and Paid Time Off

The Employer currently offers medical, dental, vision, voluntary life/AD&D insurance, accident indemnity plan, critical illness plan, short-term disability, and 401K with employer match. Access to these benefits will be available on **July 1, 2021**, the first day of the month following commencement date of this agreement. The employer reserves the right to modify any paid time off policies.

Employee shall receive **three (3) weeks** of PTO (paid time off) in 2021 and **four (4) weeks** each subsequent year, to be used in that year.

The employer reserves the right to modify any paid time off policies.



5. Termination

It is the intention of both parties to form a long and mutually profitable relationship. This Agreement may be terminated by Executive by written Notice to the Company of his voluntary resignation. This Agreement may be terminated by the Company for Cause upon written Notice to the Executive. In the event that the Company terminates this Agreement without Cause, the Executive shall be entitled to receive six months' salary, and his pro rata portion of his bonus, shares options and benefits that would be earned in the preceding six-month period.

- a. For purposes of this Agreement, "for Cause" shall be expressly defined as follows:
 - i. Conviction of a felony or conviction of a crime of moral turpitude, in either case which causes serious economic injury or serious injury to the Employer's reputation; or
 - ii. Material breach of the Employees obligations under this Employment Agreement; or
 - iii. Fraud or embezzlement; gross negligence or conduct which has caused or may cause serious and demonstrable injury to the Employer; or
 - iv. Executive repeated and willful failure to follow three (3) direct lawful written orders from the CEO of the Employer, with the reasonable scope of Employees duties, which failure is not cured within thirty (30) days after receipt of each written notice specifically identifying said failure.

6. Non-Competition and Confidentiality

As an Employee, you will have access to confidential information that is the property of the Employer. You are not permitted to disclose this information outside of the Company.

During your time of Employment with the Employer, you may not engage in any work for another Employer that is related to or in competition with the Company. You will fully disclose to your Employer any other Employment relationships that you have, and you will be permitted to seek other employment provided that (a.) it does not detract from your ability to fulfill your duties, and (b.) you are not assisting another organization in competing with the employer.

It is further acknowledged that upon termination of your employment, you will not solicit business from any of the Employer's clients for a period of at least one (1) year.

7. Entirety

This contract represents the entire agreement between the two parties and supersedes any previous written or oral agreement. This agreement may be modified at any time, provided the written consent of both the Employer and the Employee.

8. Legal Authorization

The Employee agree that he or she is fully authorized to work in the United States and can provide proof of this with legal documentation. This documentation will be obtained by the Employer for legal records.

9. Severability

The parties agree that if any portion of this contract is found to be void or unenforceable, it shall be struck from the record and the remaining provisions will retain their full force and effect.

10. Jurisdiction

This contract shall be governed, interpreted, and construed in accordance with the laws of the state of Colorado.

In witness and agreement whereof, the Employer has executed this contract with due process through the authorization of official company agents and with the consent of the Employee, given here in writing.



Paul Futi
Employee Signature
[Signature]
Company Official Signature

5-26-21
Date
5-26-2021
Date

* Committed: Aug 2-6 VACATION IN FLORIDA.

GrowGeneration Appoints Paul Rutenis as Chief Merchant Officer

DENVER, May 27, 2021 /PRNewswire/ - GrowGeneration Corp. (NASDAQ: GRWG), (“GrowGen” or the “Company”) the nation’s largest chain of specialty hydroponic and organic garden centers, today announced the appointment of Paul Rutenis as Chief Merchant Officer (CMO), effective June 21, 2021.

Mr. Rutenis’ two-decade career in retail spans management positions at several large public companies, including Dicks Sporting Goods, West Marine, JC Penney, and RadioShack. Rutenis received his B.S. from Clemson University and holds an MBA from the University of St. Louis.

“We’re pleased to bring a seasoned merchandising executive of Paul’s caliber to the GrowGeneration team,” said Darren Lampert, GrowGen’s CEO. “Paul has years of experience leading retail and merchandising strategy for some of the nation’s largest retail chains. His insights will be invaluable as GrowGen continues to scale and build a national chain of hydroponic garden centers and best-in-class private-label brands.”

Mr. Rutenis served as Executive Vice President at West Marine from 2015-2018, where he helped grow the top and bottom line by successfully moving the company to an omni-channel format that enhanced the company’s brick-and-mortar format. At Dicks Sporting Goods, from 2006 to 2011, he helped drive sales and gross margin expansion in private label and branded products.

“I’m honored to join GrowGeneration’s leadership team at this time of record growth and expansion,” said Rutenis. “GrowGen is uniquely positioned in one of the most exciting and dynamic emerging industries in the country, and I look forward to helping build GrowGen’s national brand and portfolio of private-label products.”

About GrowGeneration Corp.

GrowGen owns and operates specialty retail hydroponic and organic gardening centers. Currently, GrowGen has 55 stores, which include 20 locations in California, 8 locations in Colorado, 7 locations in Michigan, 5 locations in Maine, 5 locations in Oklahoma, 2 locations in Nevada, 2 locations in Washington, 2 locations in Oregon, 1 location in Arizona, 1 location in Rhode Island, 1 location in Florida, and 1 location in Massachusetts.

GrowGen also operates an online superstore for cultivators at growgeneration.com and B2B ERP platform, agron.io. GrowGen carries and sells thousands of products, including organic nutrients and soils, advanced lighting technology and state of the art hydroponic equipment to be used indoors and outdoors by commercial and home growers.

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