

# ICHOR HOLDINGS, LTD.

## **FORM 8-K** (Current report filing)

Filed 09/09/19 for the Period Ending 09/09/19

Address	3185 LAURELVIEW CT. FREMONT, CA, 94538
Telephone	510-897-5200
CIK	0001652535
Symbol	ICHR
SIC Code	3674 - Semiconductors and Related Devices
Industry	Semiconductors
Sector	Technology
Fiscal Year	12/27

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 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): September 9, 2019**

**ICHOR HOLDINGS, LTD.**

(Exact name of registrant as specified in its charter)

**Cayman Islands**  
(State or other jurisdiction  
of incorporation)

**001-37961**  
(Commission  
File Number)

**Not Applicable**  
(IRS Employer  
Identification No.)

**3185 Laurelview Ct.**  
**Fremont, California 94538**  
(Address of principal executive offices, including Zip Code)

**(510) 897-5200**  
(Registrant's telephone number, including area code)

**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
Ordinary Shares, par value \$0.0001	ICHR	The NASDAQ Stock Market LLC

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**

*Appointment of Chief Financial Officer*

On September 9, 2019, Ichor Holdings, Ltd. (the “Company”) announced the hiring of Larry J. Sparks as Chief Financial Officer (“CFO”). Mr. Sparks is expected to commence employment with the Company on October 7, 2019. Mr. Sparks will take over this role from Jeff Andreson, who was promoted to president of Ichor in April 2019.

Mr. Sparks, 58, brings to Ichor over 25 years of financial leadership experience in the semiconductor capital equipment industry. Mr. Sparks joins Ichor from Applied Materials, Inc. where he has served in various financial management, controller and operational roles since 1994. Most recently Mr. Sparks served as vice president finance, silicon worldwide operations, heading the finance organization responsible for supporting worldwide operations activities for the Semiconductor Solutions Group. Previous roles at Applied Materials included vice president finance and segment CFO of the Inspection Products and Display businesses, as well as earlier corporate and divisional controller positions and as vice president finance of Applied Global Services. From 2006 until 2007, Mr. Sparks left Applied Materials to become vice president finance of FormFactor, Inc., and prior to joining Applied Materials he served in various finance roles at Unisys Corporation from 1985 until 1994. Mr. Sparks earned his B.A. in Business Economics at the University of California, Santa Barbara, and his M.B.A. at the University of Southern California.

The Company’s wholly-owned subsidiary, Ichor Systems, Inc., and Mr. Sparks have entered into an “at will” employment offer letter effective August 26, 2019. Pursuant to the offer letter, Mr. Sparks will be (i) paid an annual base salary of \$405,000, (ii) paid a one-time sign-on bonus of \$200,000, payable in the first quarter of 2020, subject to certain conditions, (iii) eligible to earn an annual cash bonus targeted at 65% of his base salary, (iv) granted restricted stock units and stock options representing fair values of \$980,000 and \$420,000, respectively, and (v) eligible to participate in health and welfare benefit programs offered to other Company employees.

There are no family relationships between Mr. Sparks and any director, executive officer, or nominees thereof of the Company. There are no related party transactions between the Company and Mr. Sparks that would require disclosure under Item 404(a) of Regulation S-K under the Securities Exchange Act of 1934, as amended.

The above summary of Mr. Sparks’ employment offer letter does not purport to be complete and is qualified in its entirety by the employment offer letter, a copy of which is attached hereto as Exhibit 10.1.

A copy of the press release announcing Mr. Sparks’ appointment as Chief Financial Officer is attached hereto as Exhibit 99.1.

**Item 9.01 Financial Statements and Exhibits**

<b><u>Exhibit Number</u></b>	<b><u>Description</u></b>
<a href="#">10.1</a>	<a href="#">Offer Letter, dated August 23, 2019, between Ichor Systems, Inc. and Larry J. Sparks.</a>
<a href="#">99.1</a>	<a href="#">Press Release, dated September 9, 2019, announcing Mr. Sparks’ appointment as Chief Financial Officer of the Company.</a>

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**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 thereunto duly authorized.

ICHOR HOLDINGS, LTD.

Date: September 9, 2019

/s/ Jeffrey Andreson

Name: Jeffrey Andreson

Title: President and Chief Financial Officer

August 23, 2019

Mr. Larry Sparks  
[XXXXXX]  
[XXXXXX]

Dear Larry,

I am pleased to offer you the position of Chief Financial Officer with Ichor Systems, Inc. Should you accept our offer, your home office will be in Fremont, CA reporting directly to the President. The purpose of this letter is to confirm with you the specifics of your offer, consistent with the terms below.

**Start Date**

Your date of hire TBD as agreed upon between you and the President.

**Salary**

Your base salary will be \$15,575.92 biweekly, which when annualized is equivalent to \$405,000.00 per year.

**Work Classification**

Your position will be full-time, and is considered exempt for purposes of federal wage-hour law, which means that you will not be eligible for overtime pay.

**Sign On Bonus**

Your offer of employment includes a one-time bonus in the amount of \$200,000, as per the attached agreement. This bonus is payable in the first quarter of 2020 coincident with the incentive bonus plan payment schedule.

**Incentive Bonus**

You are eligible to participate in the Company's performance incentive program. This program is subject to the terms and conditions of the plan and at the discretion of the Board of Directors. Your target bonus is 65% of your annual base salary. This bonus is based on companywide financial metrics and successful completion of established MBOs. This plan is subject to change at any time at the Company's discretion.

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**Equity Incentive**

You will be eligible to participate in the Ichor Holdings, 2016 Omnibus Incentive Plan, and will be granted of equal to \$1.4M per the terms of the plan. Equity will be comprised of 70% RSUs / 30% NQSOs and will be granted as of the date of the next BOD Meeting following your date of hire. You will receive plan documents under separate cover.

**Benefits**

Your participation in the benefit programs, including health and welfare, life and disability, along with other offerings, will begin the first day of the month following your date of hire as long as you have completed your enrollment as required. You will have thirty (30) days from your date of hire to enroll yourself and eligible dependents in the health and welfare benefit programs. You will also be eligible to participate in the 401(k) Retirement Savings Plan.

**Vacation Time**

You will be eligible for time off under our Executive & Sr. Management Vacation Policy. There is no vacation accrual or limit under this policy. Time off must be approved by your immediate manager in accordance with the terms of the policy.

**Sick Time**

Upon completion of ninety days (90) of employment, you will receive twenty-four hours (24) of sick time.

**Direct Deposit**

As a condition of employment, you will be required to accept payment of salary or wages by direct deposit or Pay Card.

**Severance**

You will be eligible for severance as outlined in the Ichor Holdings, Ltd Select Severance Plan.

**Background Check & Drug Test**

Ichor Systems maintains a pre-employment drug and alcohol testing policy, a practice designed to prevent the hiring of individuals whose use of illegal drugs or alcohol may indicate a potential for impaired or unsafe job performance. Applicants are required to complete the pre-employment drug screening within 48 hours of offer acceptance. This offer of employment is contingent upon successful completion of the drug screen and background checks.

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Per company policy, your employment with Ichor Systems is at will. This means that either you or Ichor Systems may terminate the employment relationship at any time, with or without cause, with or without notice.

With respect to the nature of your employment relationship with Ichor Systems, this constitutes the full, complete, and final agreement between you and Ichor Systems. Additionally, no element or elements of the compensation plan listed above can be assigned or transferred by you to any other person, company, or entity of any type.

As a new employee of Ichor Systems you will be required to complete an employee information sheet and an I-9 form. On your first day of work please bring appropriate documentation of proof that you are presently eligible to work in the United States for I-9 purposes.

This offer of employment, if not previously accepted by you, will expire three (3) days from the date of this letter.

If you wish to accept this offer, please sign, date, and return the enclosed copy of this letter to the Human Resources Department. Please sign, date and retain a copy for your records.

Larry, we are excited to have you join the Ichor team and trust that this letter finds you mutually excited about your new employment with us! Should you have any questions, please contact me at [XXX-XXX-XXXX] or email if that is more convenient. I welcome you to Ichor!

Sincerely,

/s/ Jennifer S. Speer

Jennifer S. Speer

Vice President of Human Resources

**ACKNOWLEDGEMENT**, the undersigned, understand and agree to the terms and conditions of employment set forth in this letter. I understand and agree that the terms of this letter supersede any and all prior or contemporaneous agreements and/or promises concerning the terms of my employment and that there are no other promises, expressed or implied, concerning the terms of my employment with Ichor Systems, Inc., other than those expressly set forth or reference herein.

/s/ Larry Sparks            August 26, 2019

Larry Sparks

### Larry Sparks to Join Ichor as Chief Financial Officer

FREMONT, Calif. – September 9, 2019 – Ichor Holdings, Ltd. (NASDAQ: ICHR), a leader in the design, engineering and manufacturing of critical fluid delivery subsystems for semiconductor capital equipment, today announced that Larry J. Sparks will join Ichor as its chief financial officer (CFO), effective October 7, 2019. Mr. Sparks will take over this role from Jeff Andreson, who was promoted to president of Ichor in April 2019.

Mr. Sparks, 58, brings to Ichor over 25 years of financial leadership experience in the semiconductor capital equipment industry. Mr. Sparks joins Ichor from Applied Materials, Inc. where he has served in various financial management, controller and operational roles since 1994. Most recently Mr. Sparks served as vice president finance, silicon worldwide operations, heading the finance organization responsible for supporting worldwide operations activities for the Semiconductor Solutions Group. Previous roles at Applied Materials included vice president finance and segment CFO of the Inspection Products and Display businesses, as well as earlier corporate and divisional controller positions and as vice president finance of Applied Global Services. From 2006 until 2007, Mr. Sparks left Applied Materials to become vice president finance of FormFactor, Inc., and prior to joining Applied Materials he served in various finance roles at Unisys Corporation from 1985 until 1994. Mr. Sparks earned his B.A. in Business Economics at the University of California, Santa Barbara, and his M.B.A. at the University of Southern California.

“We are very pleased to have Larry joining us as CFO,” said Jeff Andreson, president of Ichor. “He brings tremendous industry experience and a strong record of financial leadership and expertise to the company. I am fortunate to have worked alongside Larry for several years during my days at Applied, and with first-hand experience of his financial and operational capabilities, I am greatly looking forward to having Larry join the leadership team at Ichor.”

#### About Ichor

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We are a leader in the design, engineering and manufacturing of critical fluid delivery subsystems and components for semiconductor capital equipment. Our product offerings include gas and chemical delivery subsystems, collectively known as fluid delivery subsystems, which are key elements of the process tools used in the manufacturing of semiconductor devices. Our gas delivery subsystems deliver, monitor and control precise quantities of the specialized gases used in semiconductor manufacturing processes such as etch and deposition. Our chemical delivery subsystems precisely blend and dispense the reactive liquid chemistries used in semiconductor manufacturing processes such as chemical-mechanical planarization, electroplating, and cleaning. We also manufacture precision machined components, weldments, and proprietary products for use in fluid delivery systems for direct sales to our customers. We also manufacture certain components for internal use in fluid delivery systems and for direct sales to our customers. This vertically integrated portion of our business is primarily focused on metal and plastic parts that are used in gas and chemical systems, respectively. Ichor is headquartered in Fremont, CA. [www.ichorsystems.com](http://www.ichorsystems.com).

Source: Ichor Holdings, Ltd.

#### Contact:

Jeff Andreson, President and CFO 510-897-5200

Claire McAdams, IR 530-265-9899

[IR@ichorsystems.com](mailto:IR@ichorsystems.com)

Source: Ichor Holdings, Ltd.