

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): January 25, 2021

The Joint Corp.

(Exact name of registrant as specified in its charter)

Delaware
(State or other juris-
diction of incorporation)

001-36724
(Commission file
number)

90-0544160
(IRS employer
identification number)

16767 N. Perimeter Drive, Suite 110
Scottsdale, AZ 85260
(Address of principal executive offices)

Registrant's telephone number, including area code:
(480) 245-5960

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligations 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, \$0.001 Par Value Per Share	JYNT	The NASDAQ Capital 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 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (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.

(e) Compensatory Arrangements of Certain Officers

On January 25, 2021, the Board of Directors of The Joint Corp. (the "Company"), upon the recommendation of the Compensation Committee of the Board of Directors (the "Compensation Committee"), approved an amendment to the Executive Short-Term Incentive Plan (the "Executive STIP") under which the Company's President and Chief Executive Officer and its Chief Financial Officer are eligible to receive compensation in the form of cash on an annual basis.

Under the Executive STIP, budgeted EBITDA will be established by the Board of Directors of the Company annually. The Executive STIP bonus pool will be combined with the bonus pool for the Non-Executive Short-Term Incentive Plan (the "Combined Pool"). The Compensation Committee will establish the maximum amount that may be allocated to the Combined Pool (the "Combined Pool Maximum"), and the amount by which actual EBITDA exceeds budgeted EBITDA will be allocated to the Combined Pool up to the established maximum.

The amendment provides that the Combined Pool will not be funded, and participants will not receive payment, if the amount allocated to the Combined Pool for the year in question is less than 85% of the Combined Pool Maximum for that year (the "Award Threshold"), provided that if the amount allocated to the Combined Pool is less than the Award Threshold, the Company's Board of Directors may create a bonus pool under such terms and conditions as it may determine.

If the amount in the Combined Pool meets the Award Threshold, the amount allocated to the Combined Pool will be paid to the participants in both the Executive STIP and the Non-Executive Short-Term Incentive Plan on a pro rata basis based on their respective eligibility, and in each case, up to their maximum targeted STIP award. The President and CEO's targeted STIP award will not exceed 50% of his base salary. The CFO's STIP award will not exceed 40% of his base salary.

Notwithstanding the foregoing, in the event that actual EBITDA for the year in question after the funding of the Combined Pool Maximum ("Revised EBITDA") exceeds budgeted EBITDA for that year, the maximum targeted STIP award for the President and CEO would increase to 62.5% of his base salary, and the maximum targeted STIP award for the CFO would increase to 50% of his base salary. In that event, 25% of each dollar by which Revised EBITDA exceeds budgeted EBITDA will be added to the Combined Pool and allocated to the participants in both the Executive STIP and the Non-Executive Short-Term Incentive Plan on a pro rata basis based on their respective eligibility, and in each case, up to their maximum targeted STIP award, as adjusted.

The foregoing description of the Executive STIP as amended does not purport to be complete and is qualified in its entirety by reference to the full text of the Executive STIP, a

copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) **Exhibits**

<u>Exhibit Number</u>	<u>Description</u>
10.1	The Joint Corp. Executive Short-Term Incentive Plan (Amended January 25, 2021).

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.

Date: January 27, 2021.

The Joint Corp.

By /s/ Peter D. Holt
Peter D. Holt
President and Chief Executive Officer

The Joint Corp.
Executive Short-Term Incentive Plan (STIP)
(Amended January 25, 2021)

Plan Overview

The Joint Corp. (“the Company”) Executive Short-Term Incentive Plan (“Executive STIP”) is an annual bonus plan. The STIP pool earned for each year will be determined based upon the achievement of the Company’s Target EBITDA for that year. Upon achievement of the Target EBITDA for the calendar year, each dollar of EBITDA in excess of Target EBITDA will be credited to a pool, which will be combined with the Non-Executive STIP Pool (the “Combined Pool”) until a maximum Combined Pool is reached in an amount established by the Compensation Committee (the “Combined Pool Maximum”). Except for amounts earned pursuant to the EBITDA Bonus Accelerator described herein, in no event will the amount in the Combined Pool exceed the Combined Pool Maximum.

Eligibility: The CEO and CFO of the Company are eligible to participate in the Executive STIP. Unless otherwise agreed to in writing between the Company and a participant, participants must be actively employed by the Company on the date of payout in order to receive an award under the Executive STIP. The following are the eligible percentages of base salary:

CEO	50%
CFO	40%

Proration: For those participants whose employment with the Company starts during mid-year, their participation in the plan shall be prorated based on the number of days employed during that calendar year divided by 365 days. If the total amount in the STIP Pool is insufficient to award all participants (including the participants in the coinciding Non-Executive STIP) 100% of their STIP award, each participant’s award shall be reduced by his or her pro rata share of the shortfall.

Award: 100% of each individual Executive STIP award is a function of achieving results in excess of the Target EBITDA (defined below). The percentage of achievement of that metric will be the same as the percentage of funding (between 85% and 100%) of the maximum bonus pool. The Company will not fund the Combined Pool and no award will be granted unless the amount to be allocated to the Combined Pool would equal at least 85% of the Combined Pool Maximum (the “Award Threshold”), provided that if the amount allocated to the Combined Pool is less than the Award Threshold, the Board of Directors may in its sole discretion approve and create the Combined Pool under such terms and conditions as the Board of Directors may determine.

STIP awards are expected to be paid following approval by the Compensation Committee of the Board of Directors (the “Compensation Committee”) and completion of the Company’s annual audit. Executive STIP awards will be paid in cash by no later than March 15th of the following year.

EBITDA Bonus Accelerator: If total EBITDA achieved exceeds the Target EBITDA for the year after 100% funding of the STIP Pool discussed above, the Company will fund an additional 25% into the bonus pool (up to a maximum of 125% of the participants’ target STIP) to be allocated to participants on a pro-rata basis based on their respective eligibility. The STIP Pool plus this additional 25% Bonus Accelerator will represent the Adjusted STIP Pool to be awarded.

Plan Description

Target EBITDA: In connection with the annual budgeting process, the Company will establish an annual budget with corresponding EBITDA that must be approved by the Board of Directors of the Company.

EBITDA Definition: The Company shall prepare a budget on a consistent basis from year to year and apply a consistent definition of EBITDA. The company currently defines EBITDA as net income (loss) before interest expense, income taxes, depreciation, and amortization expenses.