

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): September 20, 2019

ALASKA COMMUNICATIONS SYSTEMS GROUP, INC
(Exact name of registrant as specified in its charter)

| | | |
|---|-----------------------------|--------------------------------------|
| Delaware | 001-38341 | 52-2126573 |
| (State or other jurisdiction of incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

| | |
|--|------------|
| 600 Telephone Avenue, Anchorage, Alaska | 99503-6091 |
| (Address of principal executive offices) | (Zip Code) |

| | |
|--|------------------|
| Registrant's telephone number, including area code | 907 - 297 - 3000 |
|--|------------------|

(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> |
|---|-----------------------|--|
| Common Stock, par value \$.01 per share | ALSK | 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.

On September 20, 2019, the Board of Directors of Alaska Communications Systems Group, Inc. (the “Board of Directors” and the “Company”) approved the appointment of Diedre L. Williams (age 46) to the position of Senior Vice President, Operations and People Matters of the Company effective September 22, 2019. In this role, Ms. Williams will be responsible for leadership of the Company’s product and service delivery, customer service, engineering and human resources. Ms. Williams has served as the Company’s Vice President of Human Resources since August 2015 and served as the Director of Human Resources Operations beginning in September 2011.

The Company entered into a new employment agreement with Ms. Williams (the “Agreement”). Any prior agreements or understandings with respect to Ms. Williams’ employment by the Company were cancelled as of the effective date of the Agreement. However, all restricted stock units, performance stock units and long-term incentive awards granted to Ms. Williams prior to the effective date of the Agreement shall continue in effect in accordance with their respective terms and shall not be modified, amended or cancelled by the Agreement.

The following summary of the Agreement is qualified in its entirety by reference to the Agreement, which is attached as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated by reference herein.

Term. The appointment is effective September 22, 2019. The agreement can be terminated by either party at any time for any reason, with or without cause.

Compensation. Ms. Williams’ initial annual base salary will be \$235,000. In addition to her base salary, Ms. Williams will be eligible for an annual cash incentive of 60% of her base salary, or \$141,000. Payment of the annual cash incentive is subject to achievement of Company and individual performance targets and approval by the Company’s Board of Directors. Ms. Williams will also be eligible for an annual long-term incentive compensation award of 80% of her base salary, comprised of retention and performance cash and/or equity compensation. All such awards are contingent upon approval by the Company’s Board of Directors. Annual base salary, annual cash incentive and long-term incentive compensation are all prorated based on actual time in the position.

Termination Benefits. Ms. Williams will continue to be covered by the Company’s officer severance policy.

There are no arrangements or understandings between Ms. Williams and any other persons in connection with her appointment. There are no family relationships between Ms. Williams and any director or executive officer of the Company, and Ms. Williams is not a party to any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|---|
| 10.1 | Employment Agreement between Alaska Communications Systems Group, Inc. and Diedre L. Williams effective September 22, 2019. |

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 hereunto duly authorized.

Date: September 26, 2019

Alaska Communications Systems Group, Inc.

/s/ Leonard A. Steinberg

Leonard A. Steinberg
Corporate Secretary

| <u>Exhibit No.</u> | <u>Description</u> | <u>Exhibit Index</u> |
|--------------------|---|----------------------|
| 10.1 | Employment Agreement between Alaska Communications Systems Group, Inc. and Diedre L. Williams effective September 22, 2019. | |

Hand Delivered

September 20, 2019
Diedre Williams
Vice President, Human Resources

Dear Diedre:

During your 16 years with Alaska Communications you have demonstrated consistent professional growth and accomplishment of business results. I'm pleased with your progression and have confidence you will continue to achieve a high level of success. Therefore, it is with excitement that I'm offering you a promotion to the position of Senior Vice President, Operations and People Matters effective September 22, 2019. In this capacity, you will be part of a highly professional team that is dedicated to advancing the company in its position as Alaska's leading integrated telecommunications company. If you accept this offer, you will continue to report to me.

In this role, your annual base salary rate will be \$235,000, delivered in bi-weekly payrolls, and a \$141,000 (60% of your base salary rate) target annual cash incentive for an annualized target cash compensation total of \$376,000. As always, your annual incentive is reliant upon Board of Directors (BOD) approval and governing plan documents.

Your actual incentive payment (a) will vary based on your and our Company's performance, (b) is earned and paid only after completion of the year-end financial audit, (c) is paid only to employees who continue to be regular, full time employees at the time payment is made in the year following the performance year, and (d) is pro-rated your first year based on your actual time in the position. As always, your annual incentive is reliant upon Board of Directors (BOD) approval and governing plan documents.

Another substantial component of your total compensation in this job is a target annual long-term incentive compensation award. Your total annual target long-term incentive compensation award as SVP, Operations and People Matters will be 80% of your base salary rate, comprised of retention and performance cash and/or equity compensation. We determine actual awards based on your role and performance of that role, and prorate for your actual time in the position. All awards are contingent upon Board of Directors (BOD) approval, governing plan documents, and your execution of required award documents.

Alaska Communications has developed a Corporate Compliance Program (CCP) and Protection of Proprietary Information Policy (PIP) to help employees meet the Company's expectations. Adherence to all Alaska Communications Policies & Procedures is a condition of employment at Alaska Communications and new hires are expected to confirm their willingness to comply in writing. Copies of the current versions of both the CCP and PIP are attached for your advance review. By accepting our offer, you are agreeing to comply with these policies, as they may be amended from time to time in the future, and certify you are not obligated by any previously signed agreements that will preclude you from working at Alaska Communications.

In your position as an officer of our company, you will become privy to confidential and highly-sensitive competitive and proprietary information concerning our business, including but not limited to our customers, the products and services we offer, our finances, our business strategies, and our future plans. You agree that during your employment with us, and for a period of twelve months after termination of your employment, you will not become an officer, director, employee, contractor, consultant, partner, joint-venture, or otherwise enter a business relationship or service with any competitor of Alaska Communications in the markets we are serving at the time your employment terminates; and for a period of twelve months after termination of your employment you also agree that you will not offer, encourage or solicit any other officer or employee of Alaska Communications to leave the company or enter into an employment or business relationship with you or your subsequent employer. If and when you leave Alaska Communications, you agree that you will not make any disparaging statements, whether oral or written, about the company, its officers, directors, or employees or any aspect of its business. In addition, you agree to always protect all Alaska Communications' confidential and proprietary information you learned as a result of your employment with us in accordance with the CCP and PIP.

As SVP, Operations and People Matters, you will also continue to be covered by the Alaska Communications Officer Severance Policy. It may be modified in the future and, as modified, will apply to you.

Business conditions change from time to time and the commitment to provide continuing employment and your total compensation package depends upon the Company's success and continuing business requirements. As a result, I feel a responsibility to advise you that Alaska Communications is an "at will" employer. This means that either you or the Company can terminate the employment relationship at any time for any reason, with or without cause. While I feel the need to share these cautions, please also know that I feel confident that you are continuing with an organization that will prevail as the premier Alaskan communications service provider.

Diedre, I'm looking forward to watching teams grow under your leadership. If you have questions about this offer, please do not hesitate to speak with me.

Respectfully yours,

Bill Bishop
Bill Bishop
Interim Chief Executive Officer

cc: Employee File

Accepted: Diedre Williams
Diedre Williams

Date: September 20, 2019