

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

September 20, 2023  
Date of Report (Date of earliest event reported)

TELOS CORPORATION  
(Exact name of registrant as specified in its charter)

Maryland  
(State or other jurisdiction of incorporation)

001-08443  
(Commission File Number)

52-0880974  
(IRS Employer Identification No.)

19886 Ashburn Road,  
Ashburn, Virginia  
(Address of principal executive offices)

20147-2358  
(Zip Code)

(703) 724-3800  
(Registrant's telephone number, including area code)

NOT APPLICABLE  
(Former name, former address, and former fiscal year, if changed since last report)

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, \$0.001 par value per share	TLS	The Nasdaq Stock Market LLC

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))

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, 2023, the Management Development and Compensation Committee (“Compensation Committee”) of the Board of Directors of Telos Corporation (the “Company”) amended the Company’s Annual Incentive Plan (“AIP”). A copy of the AIP as amended is attached to this Current Report on Form 8-K as Exhibit 99.1 and is incorporated herein by reference.

The AIP was adopted by the Company’s Board of Directors on February 25, 2022. The purpose of the AIP is to provide each participant the opportunity annually to earn a bonus as an incentive to put forth maximum efforts for both the Company’s short-term and long-term success and to drive achievement of the Company’s growth and profitability objectives. Awards under the AIP are earned upon the achievement of one or more financial performance targets as determined by the Compensation Committee on an annual basis. Prior to the instant amendment, awards under the AIP were payable only in shares of the Company’s common stock under the Company’s 2016 Long-Term Incentive Plan. The amendment approved on September 20, 2023 allows the Compensation Committee discretion to pay awards under the AIP in shares of the Company’s common stock, in cash, or in a combination thereof.

**Item 9.01. Financial Statements and Exhibits.**

[99.1](#) [Annual Incentive Plan, as amended](#)

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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 hereunto duly authorized.

### TELOS CORPORATION

By: /s/ E. Hutchinson Robbins, Jr.  
E. Hutchinson Robbins, Jr.  
Executive Vice President, General Counsel

Date: September 20, 2023

# **Telos Corporation Annual Incentive Plan**

## **ARTICLE I OBJECTIVE OF THE PLAN**

The purpose of the Telos Corporation (“Company”) Annual Incentive Plan (the “Plan”) is to recognize and reward management employees (“Participant(s)”) for contributing to the annual success of the Company and achieving annual predetermined performance objectives.

## **ARTICLE II PLAN ADMINISTRATION**

The Compensation Committee of the Board (“Committee”) will have authority to:

- (i) establish and administer the Plan;
- (ii) interpret all Plan terms and conditions;
- (iii) determine eligibility for Plan participation;
- (iv) establish annual performance objectives for Participants;
- (v) review award calculations and approve Participant payments;
- (vi) amend or terminate the Plan with reasonable notice to Participants; and
- (vii) modify Plan awards with reasonable notice to Participants.

The Committee’s Plan-related determinations are final and binding on the Company and all Participants. Members of the Committee are not personally liable for any Plan-related determination made on behalf of the Company or any mistake of judgment made in good faith.

The “Plan Year” begins January 1 of each year and concludes on December 31 of that same year. A new Plan Year will begin each calendar year thereafter until the Committee determines otherwise.

## **ARTICLE III PARTICIPATION**

An employee selected to participate in this Plan must sign an award certificate or agreement in order to become a Participant. As soon as reasonably practical following the selection of a Participant, the Committee will deliver to that Participant the award certificate or an award agreement that will describe:

- the Participant’s award targets
- the Participant’s Plan performance criteria, goals and weights, and
- the award formula or matrix by which Plan awards will be calculated.

If a Participant is not actively employed by the Company on the last day of the Plan Year, except in the case of death or permanent disability, he or she will forfeit the right to receive a Plan Year award. Unless prohibited by law, if a Participant breaches any obligation under any agreement containing restrictive covenants between the Company and the Participant, either existing on the effective date of this Plan or entered into afterwards, he or she will forfeit the right to receive a Plan Year award.

If a Participant dies or is permanently disabled, as defined by the Company, during the Plan Year, his or her earned award, if any, will be pro-rated by taking the number of full months of participation in the Plan during the Plan Year and dividing those months by twelve (12). The prorated award will be distributed to Participant or, in the event of death, the decedent’s surviving spouse. If there is no surviving spouse, the prorated award will be distributed pursuant to the decedent’s will, and, in the event the decedent has no will, then in accordance with the intestacy statute of the decedent’s last known State of residence.

## **ARTICLE IV ADMINISTRATIVE MATTERS**

Awards under the Plan will be calculated based on the audited financial statements of the Company and, as soon as reasonably practical following the Committee’s determination that a Plan award has been earned and in the Committee’s discretion, settled in i) shares of the Company’s common stock under the Company’s 2016 Long-Term Incentive Plan (the “LTIP”) as an award of Unrestricted Shares (as defined in the LTIP), or ii) cash, or iii) a combination of shares and cash in amounts determined by the Committee. The number of Unrestricted Shares awarded to the Participant shall equal (i) the amount of the award earned by the Participant to be paid in shares as determined by the Committee divided by (ii) the Fair Market Value (as defined in the LTIP) as of the date the Committee determines the amount of the award that has been earned.

Any amount due under this Plan is payable from the Company's general assets. This Plan does not create any interests in any specific assets of the Company. The terms of this Plan are confidential. By electing to participate in this Plan, the Participant agrees not to disclose the terms of this Plan to anyone other than the Participant's spouse, legal counsel, and tax advisor, unless required by court order or other legal process.

This Plan is intended to provide "short-term deferrals" as described in Treasury Regulation § 1.409A-1(b)(4) under Section 409A of the Internal Revenue Code of 1986, as amended (or successor guidance thereto) (collectively, "Section 409A"), and not to be a "nonqualified deferred compensation plan" for purposes of Section 409A. The Plan shall be administrated and interpreted consistent with that intent.

The Committee may amend or terminate the Plan in whole or in part at any time. In the event of a Plan termination, for any reason, Participants will receive a pro-rated award, if earned, based on performance results up to the Plan termination date. Plan awards, if any, will be multiplied by a proration percentage, which is calculated by taking the number of full months, including the month in which the Plan termination occurred and dividing those months by twelve (12). Prorated awards will be as soon as practical following Plan termination, but in all events during the short-term deferral period under Section 409A. The performance criteria are subject to equitable adjustment, in the discretion of the Committee, in the event of a material corporate transaction such as an acquisition or disposition.

In the event there is a material restatement of Company financials after the payment of a Plan Year award, the Committee will determine the amount of overpayment, if any, using restated financial information and request repayment of the overpaid portion of Plan awards. Repayment of the excess portion of the award will occur within a reasonable period determined by the Committee, but in no event will the overpayment remain outstanding more than twelve months from the date the overpayment is identified by the Company.

A Participant's rights under this Plan are not transferrable, except by will or the laws of descent and distribution. Any unauthorized transfer or attempted transfer of any right under this Plan is void. If a Participant attempts to transfer a right under this Plan, the Committee may terminate that right.

**ARTICLE V  
GOVERNING LAW**

The laws of the Commonwealth of Virginia, regardless of any choice-of-law rules that might direct the application of the laws of any other jurisdiction, shall govern the validity, construction, performance and effect of the Plan.

The Board of Directors approved the Plan on February 25, 2022, and the Committee is approving an amendment and restatement of the Plan effective as of the date written below.

IN WITNESS WHEREOF, the Committee has executed this amended and restated Plan on the date written below.

/s/ Fredrick D. Shaufeld  
**Chairman, Compensation Committee**

9/20/2023  
**Date**