

**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): **March 25, 2020**

StarTek, Inc.

(Exact name of registrant as specified in charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

1-12793
(Commission File Number)

84-1370538
(IRS Employer
Identification No.)

**Carrara Place
4th Floor Suite 485
6200 South Syracuse Way
Greenwood Village, Colorado 80111**
(Address of Principal Executive Offices) (Zip Code)

(303) 262-4500
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, 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 (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))

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, \$0.01 par value	SRT	New York Stock Exchange, Inc.

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 March 25, 2020, the Board of Directors of StarTek, Inc. (the “Company”) promoted Rajiv Ahuja to serve as the President of the Company. Mr. Ahuja has served as the Global Chief Operating Officer of the Company since July 22, 2019.

In connection with his promotion to President, Mr. Ahuja entered into a letter agreement that provides an annual total fixed compensation of INR 33 million (approximately \$433,000) effective as of April 1, 2020 and a target annual bonus opportunity of 100% of his total fixed compensation.

The foregoing summary of the letter agreement does not purport to be complete and is subject to, and qualified in its entirety by the full text of the letter agreement, which is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

There are no arrangements or understandings between Mr. Ahuja and any other person pursuant to which he was appointed as an officer and there are no family relationships between Mr. Ahuja and any director or executive officer of the Company. Mr. Ahuja has not entered into or proposed to enter into any transactions required to be reported under Item 404(a) of Regulation S-K.

Item 9.01 **Financial Statements and Exhibits.**

<u>Exhibit Number</u>	<u>Exhibit Description</u>
10.1*	Letter Agreement with Rajiv Ahuja dated March 25, 2020
104	Cover Page Interactive Data File (formatted as Inline XBRL)

* Portions of this exhibit have been redacted in compliance with Regulation S-K Item 601(b)(10). The omitted information is not material and would likely cause competitive harm to the Company if publicly disclosed.

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.

STARTEK, INC.

Date: March 31, 2020

By: /s/ Ramesh Kamath
Ramesh Kamath
Chief Financial Officer



Aegis Customer Support Services Pvt. Ltd.
 Equinox Business Park, Tower 2
 Off Bandra Kurla Complex, LBS Marg,
 Kurla (West), Mumbai- 400 070, India
 T +91 22 6733 5200
www.startek.com

March 25, 2020

Mr. Rajiv Ahuja
80441088

Dear Rajiv,

We are pleased to inform you that you have been elevated to the position of **President in Band 1A** with immediate effect, while your compensation has been revised effective April 1, 2020 as under:

A. Fixed Compensation: Your fixed compensation shall be as follows:

Compensation Component	Amount (INR Per Month)	Amount (INR Per Annum)
Basic Salary	11,00,000	1,32,00,000
House Rent Allowance (HRA)	11,00,000	1,32,00,000
Other Allowance	4,18,000	50,16,000
PF (employer contribution)	1,32,000	15,84,000
Total Fixed Compensation	27,50,000	3,30,00,000

B. Bonus/ Variable Compensation: You are eligible to participate in the Executive Incentive Bonus (EIB) Plan at **100%** of your Fixed Compensation. Accordingly, your EIB plan for the year 2020 stands amended as per the Annexure 1.

We look forward to your sustained efforts, continued contributions and renewed commitment to organizational goals & objectives in future.

This letter supersedes all earlier letters, agreements, either oral or in writing between you and the company in the matter of your compensation. No change to any terms explained here above, will be valid unless the same is in writing and is duly signed by the authorized signatory of the company. .

For **Aegis Customer Support Services Private Limited**

S.M. Gupta
Global Chief People Officer

Aegis Customer Support Services Private Limited
 Registered Office: Ground Floor, Tower 3, Equinox Business Park, Kurla,
 Mumbai 400070, India,
 T +91 022-67335200
www.startek.com
 CIN No. U74999MH2017PTC291578

Executive Incentive Bonus (EIB) Plan 2020

1.0 PURPOSE

- 1.1 The 2020 Executive Incentive Bonus Plan (“Plan”) is established to incent and reward eligible Participants (defined in Section 2.3) for performance towards achieving defined Business Targets for the current fiscal year.

2.0 DEFINITIONS

- 2.1 “Company” means StarTek, Inc. and its wholly owned operating subsidiaries.
- 2.2 “Compensation Committee” means the Compensation Committee of the Board of Directors of StarTek, Inc.
- 2.3 “Participant” means the Executive Leadership Team as attached in Appendix A.
- 2.4 “Plan Year” means January 1, 2020 through December 31, 2020, inclusive.
- 2.5 “Business Targets” are the measurements of the Company’s performance established for the Plan Year by the Company’s executive management and Compensation Committee as described in Section 4.1 below.
- 2.6 “Incentive Target Eligibility” is a percentage that is determined by the quantum of entitlement as provided in the Employment Contract or the subsequent communications about changes, if any, to the Participant(s).
- 2.7 “Business Targets Achievement” is the percentage by which Business Targets are achieved as determined by the applicable table in Appendix B.
- 2.8 “Base Salary” is the amount of annual fixed salary, prorated based on plan entry date and/or pay changes during the plan year, for which an incentive award is calculated.

3.0 PARTICIPATION ELIGIBILITY

- 3.1 **Job Level:** See eligibility list for 2020 in Appendix A. The quantum of entitlement is provided in the Employment Contract or the subsequent communications about changes, if any, issued to the Participant.
- 3.2 **Entrance Date:** Participants must be classified in an eligible position before October 1, 2020 to participate in the 2020 Executive Annual Incentive Plan.
- 3.3 **New Hires/Promotions:** Eligibility for new hires or promotions in an eligible position begins the first day of the month following hire or promotion date.

4.0 MEASUREMENT CRITERION/ PAYMENT FROM THE PLAN

- 4.1 Incentive earnings under the Plan are based on Business Targets.
- (a) The Business Targets are established for the Plan Year by the Company's Compensation Committee of the Company's Board of Directors. Payout for achieving Business Targets is scaled depending on the Company's performance during the Plan Year versus the Business Targets per the matrix in Appendix B.
- (b) Business Target Achievement must meet all the following toll gate thresholds and criteria as per Appendix B to earn any payout based on achieving Business Targets; otherwise the payout is zero:
- (i) Minimum EBIDTA for Global Startek should be equal or greater than USD 62mn.
- (ii) Minimum cash flow should be as per the approved budget.
- (iii) The performance rating of the Participant should be 3 (Good) & above.
- 4.2 Incentive awards (if any) are earned after the 4th quarter close of the Company's financial books. Earned incentive awards are subject to approval of 2020 financial performance by the Company's Board of Directors.
- 4.3 Incentives earned for the Plan Year are paid as soon as administratively possible after approval in the following calendar year.
- 4.4 Incentive payout, if any, is made to a Participant as a lump sum, less required payroll taxes and withholdings.
- 4.5 In order to earn an incentive payment from the Plan, a Participant must also be in "active" status on the payroll of the Company or one of its wholly-owned operating subsidiaries at the time the incentive payments are made unless otherwise provided in any written contract with the Participant.

5.0 PARTIAL-YEAR PARTICIPANT ELIGIBILITY

- 5.1 An employee who becomes a Participant during the Plan Year may participate in the Plan on a pro rata basis. The amount of base salary earned by such employee during the Plan year after first becoming a Participant shall be the base salary earnings used to calculate any incentive payments.
- 5.2 If a Participant's employment with the Company or any of its wholly-owned operating subsidiaries terminates during the Plan Year then (s)he ceases to be a Participant on the date employment is terminated. In this event, an incentive will neither be earned nor paid unless otherwise provided in any written contract with the Participant.

- 5.3 If a Participant changes his or her position within the Company or any of its wholly-owned operating subsidiaries during the Plan Year such that (s)he is no longer a Participant, then (s)he ceases to be a Participant on the date of such change, in which case a prorated bonus would be earned through the date of such change.
- 5.4 Participants on approved paid disability leave of absence during the Plan Year are not eligible to earn incentive awards for the period of time to the nearest whole month of the disability leave of absence. Earned awards during the Plan Year will be prorated for the number of whole months of active employment and participation in the Plan.

6.0 PLAN APPROVALS/ CHANGEABILITY

- 6.1 This Plan is subject to approval by the Compensation Committee and is effective only for the Plan Year noted above. There is no assurance that this Plan will be renewed or any similar plan will be adopted in the future.
- 6.2 The Compensation Committee reserves the right to change, suspend or eliminate this Plan, in whole or in part, at any time, with or without notice to Participants. Furthermore, the Compensation Committee retains discretion to adjust payouts and calculation of performance metrics as determined in its sole discretion.

7.0 FORFEITURE OF AWARDS:

Any Participant who may have earned an incentive under the Plan but whose overall performance does not meet or exceed performance expectations at the time of payment of the earned incentive awards is not eligible to receive payment under the Plan.

Any Participant who manipulates or attempts to manipulate the Plan or any components of performance measurements for personal benefit will forfeit any potentially earned awards and is subject to disciplinary action up to and including termination of employment.

Participant Signature: _____

Printed Name: Rajiv Ahuja

Date: _____

By my signature above, I understand and accept the terms of this 2020 Executive Incentive Plan.

Appendix A

2020 EXECUTIVE INCENTIVE PLAN ELIGIBILITY MATRIX

Participant Name	Position	Annual Incentive Entitlement (% of base salary)	Period
Rajiv Ahuja	Global COO	50%	January 1, 2020 to March 31, 2020
	President	100%	April 1, 2020 to December 31, 2020

Appendix B

(***Portions of this exhibit have been redacted in compliance with Regulation S-K Item 601(b)(10). The omitted information is not material and would likely cause competitive harm to the Company if publicly disclosed.)

Business Target Matrix
 Executive Incentive Bonus Plan
 Year Ending December 31, 2020

2020 EBIDTA Matrix	
EBIDTA Achievement (mn USD)	Bonus Eligibility
***	Nil
*** _ ***	100%
*** _ ***	120%
*** _ ***	125%
>= ***	130%

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Toll Gate(s)	
Parameter	Target
EBIDTA	≥USD *** mn*
Minimum Cash Flow	As per approved budget
Individual Performance Rating	Good & above

*including CCC

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