

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): June 27, 2019

DIVERSIFIED RESTAURANT HOLDINGS, INC.

(Name of registrant in its charter)

Nevada

(State or other jurisdiction of
incorporation)

000-53577

(Commission File Number)

03-0606420

(IRS Employer Identification No.)

5750 New King Drive, Suite 320
Troy, MI 48098

(Address of principal executive offices)

Registrant's telephone number: (833) 374-7282

27680 Franklin Rd. Southfield, MI 48034
(Former address)

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 (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.

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, \$.0001 par value	SAUC	The NASDAQ Capital Market

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(b) On July 3, 2019, Diversified Restaurant Holdings, Inc. (the “Company”) announced that David G. Burke has resigned as President and Chief Executive Officer and as a Director of the Company effective as of June 27, 2019, and that Phyllis A. Knight has resigned as Chief Financial Officer and Treasurer effective as of June 27, 2019.

(c) On June 29, 2019, the Board of Directors appointed T. Michael Ansley, the Executive Chairman of the Board of Directors, to serve as acting President and Chief Executive Officer. Information regarding Mr. Ansley required by Items 401(b), 401(d), 401(e) and 404(a) of Regulation S-K is incorporated in this report by reference from the following sections of the Company’s Report on Form 10-K for the fiscal year ended December 30, 2018, filed with the U.S. Securities and Exchange Commission on April 4, 2019: Item 12, Security Ownership of Certain Beneficial Ownership and Management and Related Stockholder Matters - Information About Director Nominees and Executive Officers, and Item 13, Certain Relationships and Related Transactions, and Director Independence - Transactions with Related Persons - Certain Transactions.

On July 2, 2019, the Board of Directors appointed Toni Werner, age 42, to serve as Interim Chief Financial Officer. Ms. Werner has served as Controller of the Company since May 2014.

(e) In connection with their resignations, the Company, Mr. Burke and Ms. Knight have agreed to the general terms of Separation Agreements which will be disclosed once finalized. Among other matters, the Separation Agreements will provide that Mr. Burke will receive severance payments in the aggregate amount of \$535,800 payable over the course of one year, and Ms. Knight will receive severance payments in the aggregate amount of \$404,200 payable over the course of one year. In addition, the restricted stock awards for 333,334 shares held by Mr. Burke and the restricted stock awards for 281,334 shares held by Ms. Knight under the Company’s applicable equity incentive plans will vest immediately to the extent not already vested.

A copy of the Company’s press release issued in connection with the matters reported in this report is furnished as Exhibit 99.1 to this report and incorporated in this report by reference.

Item 9.01 Financial Statement and Exhibits

(d) Exhibits

Exhibit No. Description

[99.1 Press Release dated July 3, 2019 of Diversified Restaurant Holdings, Inc.](#)

SIGNATURES

In accordance with Section 13 or 15(d) 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.

**DIVERSIFIED RESTAURANT
HOLDINGS, INC.**

Dated: July 3, 2019

By: /s/ T. Michael Ansley

Name: T. Michael Ansley

Title: Acting President (Principal
Executive Officer)



NEWS RELEASE

5750 New King Drive, Suite 320 ♦ Troy, Michigan 48098

FOR IMMEDIATE RELEASE

Diversified Restaurant Announces Restructuring Program and Management Changes

TROY, MI, July 3, 2019 -- [Diversified Restaurant Holdings, Inc.](#) (Nasdaq: SAUC) ("DRH" or the "Company"), one of the largest franchisees for Buffalo Wild Wings® ("BWW"), announced today that David G. Burke, President and CEO, and Phyllis Knight, Chief Financial Officer, resigned their positions with the Company as part of the Company's efforts to restructure the business effective June 27, 2019. Mr. Burke also resigned his position as a Director at that time.

Michael Ansley, Executive Chairman of the Board, will assume the role of Interim CEO. Mr. Ansley is the founder and largest shareholder of the Company. He has been operating Buffalo Wild Wings franchises for over 20 years. Toni Werner, Controller, will assume the role of Interim CFO.

The restructuring, which includes other cost saving measures, is expected to reduce annual costs by approximately \$1.5 million. Restructuring charges, including approximately \$0.4 million of non-recurring expenses incurred in the first quarter of 2019, are expected to be approximately \$2.0 million through the second quarter of 2019.

Mr. Ansley commented, "We would like to thank David and Phyllis for their contributions and wish them well in the future. I am resuming responsibility of the business supported by Jason Curtis, our long-time Chief Operating Officer. We also have the benefit of Toni stepping up as interim CFO to lead our strong finance and accounting team."

He added, "These changes and the dedication of the DRH team are a true testament to our belief in the opportunities for our business as we support Inspire Brands' efforts to reignite Buffalo Wild Wings. We are excited about the changes and investments being made by Inspire Brands. We have a strong franchise and are comprised of a great group of employees providing exceptional service throughout the five states in which we operate our 64 restaurants. In addition to this administrative adjustment, our priorities continue to be the restructuring of our debt, growing sales and leveraging our infrastructure."

Ms. Werner, CPA, joined DRH in May 2014 as Controller. She began her career 20 years ago at Deloitte & Touche LLP, after which she was shared services Controller at PulteGroup, Inc. overseeing the Georgia and Tennessee markets and various corporate office responsibilities. Ms. Werner received her B.S. degree in Accounting from Oakland University in Rochester Hills, Michigan.

About Diversified Restaurant Holdings, Inc.

Diversified Restaurant Holdings, Inc. is one of the largest franchisees for Buffalo Wild Wings with 64 franchised restaurants in key markets in Florida, Illinois, Indiana, Michigan and Missouri. DRH's strategy is to generate cash, reduce debt and leverage its strong franchise operating capabilities for

future growth. The Company routinely posts news and other important information on its website at <http://www.diversifiedrestaurantholdings.com>.

Safe Harbor Statement

The information made available in this news release contain forward-looking statements which reflect DRH's current view of future events, results of operations, cash flows, performance, business prospects and opportunities. Wherever used, the words "anticipate," "believe," "expect," "intend," "plan," "project," "will continue," "will likely result," "may," and similar expressions identify forward-looking statements as such term is defined in the Securities Exchange Act of 1934. Any such forward-looking statements are subject to risks and uncertainties, and actual growth, results of operations, financial condition, cash flows, performance, business prospects and opportunities could differ materially from historical results or current expectations. Some of these risks include, without limitation, the outcome of the employment situation of the Company's executive officers, the success of initiatives aimed at improving the Buffalo Wild Wings brand, the impact of economic and industry conditions, competition, food safety issues, store expansion and remodeling, labor relations issues, costs of providing employee benefits, regulatory matters, legal and administrative proceedings, information technology, security, severe weather, natural disasters, accounting matters, other risk factors relating to business or industry and other risks detailed from time to time in the Securities and Exchange Commission filings of DRH. Forward-looking statements contained herein speak only as of the date made and, thus, DRH undertakes no obligation to update or publicly announce the revision of any of the forward-looking statements contained herein to reflect new information, future events, developments or changed circumstances or for any other reason.

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