
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): November 1, 2021

META FINANCIAL GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

0-22140
(Commission File Number)

42-1406262
(IRS Employer Identification No.)

5501 South Broadband Lane, Sioux Falls, South Dakota 57108
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (877) 497-7497

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(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$.01 par value	CASH	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 Officer.

Executive Severance Pay Policy

On November 1, 2021, the Compensation Committee of Meta Financial Group, Inc. ("Meta Financial"), and MetaBank, National Association, a wholly-owned subsidiary of Meta Financial ("MetaBank", together with Meta Financial, the "Company") adopted an Executive Severance Pay Policy (the "Policy"), effective as of November 1, 2021. The Policy applies to individuals serving as the Company's Chief Executive Officer ("CEO"), President and Executive Vice Presidents who sit on the Executive Committee, and other select employees identified by the CEO and approved by the Compensation Committee (each, an "Eligible Employee").

The Policy provides that if the termination of an Eligible Employee occurs without Cause (as defined in the Policy), other than in connection with a Change-in-Control (as defined in the Policy), the Eligible Employee will be entitled to: (1) equal consecutive cash payment installments over a period of 12 months (24 months for the CEO) equal to 100% (200% for the CEO) of the Eligible Employee's annual base salary, plus an amount equal to 100% (200% for the CEO) of the Eligible Employee's annual target cash bonus; (2) the continuation of certain medical benefits for one year (two years for the CEO); (3) vesting of the unvested equity awards granted to the Eligible Employee, except if termination is within 6 months of the fiscal year in which a grant was made, in which case such grants shall be forfeited; and (4) payment of up to \$10,000 for employee outplacement services.

If the termination of an Eligible Employee occurs without Cause, but in connection with a Change-in-Control, the Eligible Employee will be entitled to: (1) a lump-sum cash payment equal to 100% (200% for the CEO) of the Eligible Employee's annual base salary, plus an amount equal to 100% (200% for the CEO) of the Eligible Employee's annual target cash bonus; (2) the continuation of certain medical benefits for one year (two years for the CEO); (3) full vesting of the unvested equity awards granted to the Eligible Employee; and (4) payment of up to \$10,000 for employee outplacement services.

The Policy conditions all payments and benefits upon an Eligible Employee's execution of a release in favor of the Company, which includes non-disparagement covenants, and a non-solicitation obligation for a period of 12 months following the termination of the Eligible Employee's employment.

The foregoing description of the Policy does not purport to be complete and is qualified in its entirety by reference to the Policy, which is filed as Exhibit 10.1 hereto and is incorporated herein by reference.

Employment Agreement Termination

Glen W. Herrick, the Executive Vice President and Chief Financial Officer of Meta Financial and MetaBank, will be covered by the Executive Severance Pay Policy discussed above. Accordingly, pursuant to a Termination Agreement effective November 1, 2021 (the "Termination Agreement"), the Employment Agreement dated October 1, 2020 by and between Mr. Herrick and the Company (the "Employment Agreement") will be terminated in its entirety, and Mr. Herrick's employment with the Company will continue on an at will basis. Mr. Herrick will continue to serve in his current positions.

The Termination Agreement includes a general release and discharge of all claims arising under the Employment Agreement, including a release of all rights to any termination payments and to all provisions that purport to survive termination.

The foregoing description of the Termination Agreement does not purport to be complete and is qualified in its entirety by reference to the Termination Agreement, which is filed as Exhibit 10.2 hereto and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

**Exhibit
Number**

Description of Exhibit

[10.1](#)

Executive Severance Pay Policy

[10.2](#)

Termination Agreement, dated as of November 1, 2021, by and among Meta Financial Group, Inc., MetaBank, National Association and Glen W. Herrick.

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Cover Page Interactive Data File (embedded within the Inline XBRL document)

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.

META FINANCIAL GROUP, INC.

Date: November 2, 2021

By: /s/ Glen W. Herrick

Glen W. Herrick

Executive Vice President and Chief Financial Officer

Executive Severance Pay Policy

Purpose	Provide severance benefits to Eligible Employees whose employment with the Meta Financial Group, Inc. and/or MetaBank, N.A (“ Meta ”) terminates upon a Qualifying Event.	
Eligible Employees	<ul style="list-style-type: none">• Chief Executive Officer (“CEO”), President and Executive Vice Presidents of Meta who sit on the Executive Committee• Other select employees identified by the CEO and approved by the Compensation Committee	
Qualifying Event	<ul style="list-style-type: none">• Termination of employment without Cause not Related to a Change in Control• Termination of employment without Cause Related to Change in Control	
Severance Benefits		
Provision	Termination without Cause Not Related to Change-in-Control	Termination without Cause Related to Change-in-Control
<i>Cash Severance Multiple</i>	<ul style="list-style-type: none">• CEO = 2.0x salary and 2.0x target cash bonus• Other Eligible Employees = 1.0x salary and 1.0x target cash bonus	<= same as
<i>Health Benefit Continuation (Cash Payment Based on COBRA Premiums)</i>	<ul style="list-style-type: none">• CEO = 2 years• Other Eligible Employees = 1 year	<= same as
<i>Treatment of Unvested Equity for Termination without Cause</i>	<ul style="list-style-type: none">• Forfeiture if termination if within 6 months of the fiscal year in the year of grant; otherwise, continued vesting	<ul style="list-style-type: none">• Full vesting (accelerated)
The term “ Severance Benefits ” is defined to include the above.		
Note: The Omnibus Plan, Performance-Based Restricted Stock Agreements and Performance Share Unit Agreements specify equity treatment upon death, disability, or retirement. In the case of retirement, unvested equity for retirement is forfeited if termination is within 6 months of the start of the fiscal year of the year of grant; otherwise, continued vesting. This Policy does not override any more favorable vesting conditions in the applicable award agreements.		
Outplacement Services	Payment of up to \$10,000 for employee outplacement services upon submission of receipt after revocation period.	

Restrictions and Release	<p>To receive any Severance Benefits, Eligible Employees must</p> <ol style="list-style-type: none"> 1. Sign and not revoke a general release of claims against Meta (“Release”) 2. Agree to non-disparagement covenants in the Release 3. Agree to a 12-month non-solicitation covenants that covers customers, employees and third-party relationships in the Release <p>The Release may be amended from time to time by Meta and the Compensation Committee.</p>
Payment	<ul style="list-style-type: none"> • For terminations not Related to a Change-in-Control, cash amounts payable (including for Health Benefit Continuation) will be in substantially equal consecutive installments of: over 24 months for the CEO and 12 months for other Eligible Employees, with each such installment paid on Meta’s normal payroll dates, less standard withholding and deductions elected by Eligible Employee or required by applicable law. The first payment will not be made until the Release becomes effective (and no later than 75 days after the termination date), with a catch up for any payments that would have been made on payroll dates before the Release becomes effective). • For terminations Related to a Change-in-Control, the applicable amounts will be paid in lump sum as soon as practicable after the revocation period (and no later than 75 days after the termination date).
Tax	Eligible Employees will be fully responsible for the payment of any and all taxes which may result from Severance Benefit payments awarded by the Compensation Committee, and payments will be subject to all applicable tax withholding requirements.
Administration	This Policy will be administered by the Compensation Committee or a committee designated by it. The administrator shall have the full power and authority in its sole discretion to make all determinations under this Policy regarding eligibility for, and amount of, severance benefits. The interpretations and decisions of the administrator shall be final and conclusive on all parties.
Definitions	Capitalized terms will have the meanings defined above or in Exhibit A.
Additional Terms	See Exhibit B for additional terms that apply.

EXHIBIT A**Definitions**

“Cause” means an Eligible Employee has, in the reasonable determination of the Compensation Committee:

1. continuously failed to substantially perform their duties to Meta (other than as a result of incapacity due to mental or physical illness) after a written demand for substantial performance is delivered to them by the CEO or Board that specifically identifies the manner in which the CEO or the Board believes they have not substantially performed their duties;
2. engaged in illegal acts, gross negligence or willful misconduct which causes material injury to Meta;
3. materially breached any Meta policy; or
4. consistently failed to meet reasonable performance expectations (other than as a result of incapacity due to mental or physical illness) after a written notice for substantial performance is delivered to them by the CEO or Board that specifically identifies the manner in which the CEO or the Board believes they have consistently failed to meet reasonable performance expectations and they have failed within 90 days of receiving such notice to resume diligent performance of their duties to the reasonable satisfaction of the CEO or Board.

“Change-in-Control” means “change of control” as defined in the Section 409A of the Code, as follows:

1. a change in the ownership of the corporation;
2. a change in the effective control of the corporation; or
3. a change in the ownership of a substantial portion of the assets of the corporation.

“Change in ownership of the corporation” means a person or more than one person acquires more than 50% of the total fair market value and total voting power of the corporation.

“Change in the effective control of the corporation” means (a) that a person or group of people acquires 30% or more of the total voting power; or (b) a majority of the members of the corporation's board of directors is replaced during any 12-month period, and whose appointment or election is not endorsed by a majority of the members of the corporation's board of directors before the date of the appointment or election.

“Change in the ownership of a substantial portion of the corporation's assets” means the date on which a person or group of people acquires assets with a total gross fair market value of 40% of the total gross fair market value of all assets of the corporation immediately before such acquisition. The 40% requirement can be increased as desired by the corporation.

“Code” means Internal Revenue Code of 1986, as amended from time to time (including any valid and binding governmental regulations, court decisions and other regulatory and judicial authority issued or rendered thereunder).

“Corporation” means (1) the corporation for whom the service provider is performing services at the time of the change in control event; (2) the corporation that is liable for the payment of the deferred compensation; or (3) a corporation that is a majority shareholder of a corporation identified in either 1 or 2 above.

“Omnibus Plan” means Meta’s Amended and Restated 2002 Omnibus Incentive Plan, as it may be amended, restated and/or replaced from time to time.

“Related to Change-in-Control” means an involuntary termination without Cause from closing of a Change-in-Control through 24 months after closing.

EXHIBIT B**Additional Terms**

1. **409A.** This Policy will be interpreted to ensure that the payments to an Eligible Employee under the Policy are exempt from, or comply with, Section 409A of the Code ("Section 409A"); provided, however, that nothing in this Policy will be interpreted or construed to transfer any liability for any tax (including a tax or penalty due as a result of a failure to comply with Section 409A) from any Eligible Employee to Meta or any other individual or entity. Any payment under the Policy that is subject to Section 409A and that is contingent on a termination of employment is contingent on a "separation from service" within the meaning of Section 409A. Each such payment will be considered to be a separate payment for purposes of Section 409A. If, upon separation from service, an Eligible Employee is a "specified employee" within the meaning of Section 409A, any payment to such Executive that is subject to Section 409A and would otherwise be paid within six months after the Eligible Employee's separation from service will instead be paid in the seventh month following the Participant's separation from service (to the extent required by Section 409A). If the period during which an Eligible Employee who has a qualifying termination has discretion to execute or revoke a release straddles two calendar years, Meta will make the payments that are conditioned upon the release no earlier than January 1st of the second of such calendar years, regardless of which taxable year such Participant actually delivers the executed release to Meta.

2. **Parachute Payments.** Notwithstanding anything in this Policy to the contrary, if any payments or benefits received or to be received by an Eligible Employee under this Policy or any other plan, arrangement or agreement (all such payments referred to herein as "Parachute Payments") constitute "parachute payments" within the meaning of Code Section 280G and would, but for this Section, be subject to the excise tax imposed under Code Section 4999 (the "Excise Tax"), then prior to making the Parachute Payments, a calculation shall be made comparing **(x)** the Net Benefit (defined below) to the Eligible Employee of the Parachute Payments after payment of the Excise Tax to **(y)** the Net Benefit to the Eligible Employee if the Parachute Payments are limited to the extent necessary to avoid being subject to the Excise Tax. Only if the amount calculated under (x) above is less than the amount under (y) above will the Parachute Payments be reduced to the minimum extent necessary to ensure that no portion of the Parachute Payments is subject to the Excise Tax. "Net Benefit" shall mean the present value of the Parachute Payments net of all federal, state, local, foreign income, employment, and excise taxes. Any reduction made pursuant to this Section shall be made in a manner determined solely by Meta that is consistent with the requirements under Section 409A. All calculations and determinations under this Section shall be made by an independent accounting firm or independent tax counsel appointed by Meta ("Tax Counsel") whose determinations shall be conclusive and binding on Meta and the Eligible Employee for these purposes. For purposes of making the calculations and determinations required by this Section, Tax Counsel may rely on reasonable, good faith assumptions and approximations concerning the application of Code Sections 280G and 4999. Meta and the Eligible Employee shall furnish to Tax Counsel with such information and documents as Tax Counsel may reasonably request in order to make its determinations under this Section. Meta shall bear all costs the Tax Counsel may reasonably incur in connection with its services.

3. **Miscellaneous.** This Policy is not intended to be a plan subject to the requirements of the Employee Retirement Income Security Act of 1974 ("ERISA"), but if it is determined to be subject to ERISA, it is intended to be an unfunded welfare plan for a selected group of management or highly compensated employees. This Policy shall not create or be construed to create a trust or separate fund

of any kind or a fiduciary relationship between Meta and an Eligible Employee or any other person. To the extent that any person acquires a right to receive payments from Meta pursuant to this Policy, such right shall be no greater than the right of any general unsecured creditor of Meta. This Policy shall be governed, construed, performed and enforced in accordance with its express terms, and otherwise in accordance with the laws of the state of South Dakota, without reference to principles of conflict of laws. For the purposes of any suit, action, or other proceeding arising out of this Policy, Meta and each Eligible Employee: (i) agree to submit to the exclusive jurisdiction of the federal or state courts located in Sioux Falls, South Dakota, (ii) waive any objection to personal jurisdiction or venue in such jurisdiction, and agree not to plead or claim forum non conveniens; and (iii) waive their respective rights to a jury trial of any claims and causes of action, and agree to have any matter heard and decided solely by the court.

TERMINATION AGREEMENT

THIS TERMINATION AGREEMENT (this "Agreement") is made and entered into as of November 1, 2021 (the "Effective Date") and is between Glen W. Herrick ("Executive"), MetaBank, National Association (the "Bank") and Meta Financial Group, Inc. ("Meta Financial") (collectively, the "Parties").

WITNESSETH:

WHEREAS, Executive is currently employed by the Bank and Meta Financial pursuant to an Employment Agreement, which was effective October 1, 2020, and was signed by the Parties on or about November 30, 2020 (the "Employment Agreement"); and

WHEREAS, the Parties have mutually agreed to terminate all provisions of the Employment Agreement, with no provision surviving, effective November 1, 2021 at 5:00 p.m. ("Effective Time"); and

WHEREAS, in consideration thereof, Executive shall be, as of the Effective Time, covered by Meta Financial's Executive Severance Pay Policy (the "Policy"), dated November 1, 2021; and

WHEREAS, Executive shall continue his employment with the Bank and Meta Financial and, commencing at the Effective Time, Executive shall become an at-will employee of the Bank and Meta Financial, as further described herein.

NOW, THEREFORE, in consideration of the premises and mutual covenants contained in this Agreement, the parties, intending to be legally bound hereby, mutually agree as follows:

1. Termination of Employment Agreement. At the Effective Time, the Employment Agreement shall terminate, the Parties shall have no rights thereunder, and the Employment Agreement shall be of no further force and effect. For the avoidance of doubt, the Parties agree that each and every provision of the Employment Agreement shall terminate as of the Effective Time and that no Party shall have any further obligation or liability under the Employment Agreement, including with respect to all provisions that purport to survive termination of the Employment Agreement, such as Sections 7, 8, 9, 10, 11 and 12. Furthermore, Executive agrees that, at the Effective Time, he shall have no rights under Section 4 of the Employment Agreement and he waives and surrenders any and all rights to any termination payments referenced in Sections 4(f) and 4(g) of the Employment Agreement.
2. Continued Employment At-Will. As of the Effective Time, Executive shall continue to be employed by the Bank and Meta Financial on an at-will basis in the position of Chief Financial Officer and Executive Vice President of both entities, who shall be collectively referred to as the "Company."
3. Severance Policy. As of the Effective Time, Executive shall be covered by the Policy, subject to all provisions thereof.
4. No Executive Rights Under Employment Agreement. Executive agrees that, as of the Effective Time, any entitlement, right or claim arising under the Employment Agreement shall be extinguished and cancelled, and Executive shall not be eligible to receive from the Company (or its predecessors or successors) any amount, benefit or payment in consideration of or related to the Employment Agreement or the termination thereof, including without limitation any severance payment or benefit, and Executive fully, unconditionally and irrevocably releases the Company, its affiliates, subsidiaries and officers, directors and employees from any and all complaints, claims, liabilities and obligations under the Employment Agreement. Executive hereby also acknowledges and agrees that his eligibility to participate in the Plan following the Effective Time, subject to the terms and conditions therein, provides sufficient consideration for Executive's agreements under this Agreement, including without limitation the release of claims set forth in this Section 4.

5. Entire Agreement. This Agreement contains the entire agreement between the Parties relating to the subject matter hereof and supersedes any and all such prior agreements, written or oral. No inducements, promises or agreements, oral or otherwise, have been made by any party which are not embodied herein. This Agreement shall not be modified except in writing signed by both parties.
6. Governing Law. This Agreement shall be governed, construed, performed and enforced in accordance with its express terms, and otherwise in accordance with the laws of the State of South Dakota, without reference to principles of conflict of laws. For the purposes of any suit, action, or other proceeding arising out of this Agreement or with respect to Executive's employment that is not otherwise subject to arbitration, the parties: (i) agree to submit to the exclusive jurisdiction of the federal or state courts located in Sioux Falls, South Dakota, (ii) waive any objection to personal jurisdiction or venue in such jurisdiction, and agree not to plead or claim forum nonconveniens; and (iii) waive their respective rights to a jury trial of any claims and causes of action, and agree to have any matter heard and decided solely by the court.
7. Binding Agreement; Successors. This Agreement shall be binding upon and inure to the benefit of Executive and Executive's heirs, executors, administrators and legal representatives. This Agreement shall be binding upon and inure to the benefit of the Company's successors. This Agreement is not assignable by Executive, but may be assigned by the Company without Executive's prior consent
8. Severability. The invalidity or unenforceability of any term, phrase, clause, paragraph, section, restriction, covenant or other provision of this Agreement shall not affect the validity or enforceability of any other provision or any part of this Agreement but this Agreement shall be construed as if such invalid or unenforceable term, phrase, clause, paragraph, section, restriction, covenant or other provision had never been contained in this Agreement.
9. Counterparts. This Agreement may be executed in one or more counterparts, and by electronic, .PDF or facsimile signature, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.
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IN WITNESS WHEREOF, MetaBank, Meta Financial Group, Inc., and Executive have executed this Agreement as of the date first written above.

METABANK, NATIONAL ASSOCIATION

By: /s/ Kia S. Tang
Name: Kia S. Tang
Its: EVP, Chief People and Inclusion Officer

META FINANCIAL GROUP, INC.

By: /s/ Brett L. Pharr
Name: Brett L. Pharr
Its: Chief Executive Officer

EXECUTIVE/GLEN W. HERRICK

/s/ Glen W. Herrick

[Signature Page to Termination Agreement]