

CAREER EDUCATION CORP
Form 8-K
February 17, 2017

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): February 13, 2017

Career Education Corporation

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction

of Incorporation)

231 North Martingale Road

0-23245
(Commission

File Number)

36-3932190
(IRS Employer

Identification No.)

60173

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Schaumburg, IL

(Address of Principal Executive Offices)

(Zip Code)

Registrant's telephone number, including area code: (847) 781-3600

Not Applicable

(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 (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))

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

On February 13, 2017, the Compensation Committee (the Committee) of the Board of Directors of Career Education Corporation (the Company) approved the 2017 Annual Incentive Award Program (the 2017 AIP) pursuant to the Career Education Corporation 2016 Incentive Compensation Plan (the 2016 Plan). The 2017 AIP is similar to the Company's 2016 annual incentive program, using a company-wide EBITDA performance component (80% weighting) and an individual goals performance component (20% weighting) for the most senior level participants. Achievement of the target level of performance for the EBITDA performance component results in a payout factor of 100%, with achievement of a threshold EBITDA performance level required for any payments under the 2017 AIP and a payment cap of 200% of a participant's AIP target value. In addition, the payout opportunity for the individual goals performance component will also vary based on the level of achievement of the EBITDA performance component to further support the achievement of the anticipated benefits of the Company's business changes.

Jeffrey Ayers, Andrew Cederroth, David Czeszewski, Andrew Hurst, John Kline and Todd Nelson, certain of the Company's executive officers, participate in the 2017 Annual Incentive Award Program for Key Executives pursuant to the 2016 Plan (the Key Executive AIP) which was also approved by the Committee on February 13, 2017. The Key Executive AIP (i) establishes the maximum amount payable to each identified participant based on achievement of a revenue performance measure and (ii) is designed to qualify amounts earned under the Key Executive AIP as performance-based compensation for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended from time to time. The Committee intends to exercise its negative discretion under the Key Executive AIP to establish payments thereunder in accordance with the 2017 AIP, consistent with its practice in recent years. The Committee has not yet determined if any changes will be made to the existing AIP target value applicable to any of the Company's named executive officers for 2017.

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.

CAREER EDUCATION CORPORATION

By: /s/ Jeffrey D. Ayers
Jeffrey D. Ayers
Senior Vice President, General Counsel
and Corporate Secretary
Date: February 17, 2017