
**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): May 14, 2018

Potbelly Corporation

(Exact name of registrant as specified in its charter)

Commission File Number: 001-36104

Delaware
(State or other jurisdiction
of incorporation)

36-4466837
(IRS Employer
Identification No.)

**111 N. Canal Street, Suite 850
Chicago, Illinois 60606**
(Address of principal executive offices, including zip code)

(312) 951-0600
(Registrant's telephone number, including area code)

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:

- 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 May 14, 2018, Potbelly Corporation (the “Company”) announced that it has entered into a First Amendment of Executive Employment Agreement (the “Amendment”) effective as of May 14, 2018, with Alan Johnson, its President and Chief Executive Officer. The Amendment modifies the terms of the Executive Employment Agreement (the “Employment Agreement”) dated November 29, 2018 entered into with Mr. Johnson. Pursuant to the Employment Agreement, Mr. Johnson was granted 78,125 restricted stock units and granted 200,401 non-qualified stock options (the “Stock Options”) on November 29, 2017. The Stock Options were originally issued at an exercise price of \$12.80, the closing price of the Company’s common stock on the grant date. Pursuant to the Amendment, effective May 14, 2018, Mr. Johnson and the Company agreed to increase the exercise price of the Stock Options to \$14.08 per share, a 10% increase from the original exercise price.

The foregoing description of the Amendment is not complete and is qualified in its entirety by reference to the First Amendment of Executive Employment Agreement which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated in this Item 5.02 in its entirety by reference. The Employment Agreement is filed as Exhibit 10.1 to the Company’s Current Report on Form 8-K, filed with the Securities and Exchange Commission on December 1, 2017. The equity award was granted under the Amended and Restated Potbelly Corporation 2013 Long-Term Incentive Plan; which is filed as Exhibit 10.1 to the Company’s Current Report on Form 8-K, filed with the Securities and Exchange Commission on August 4, 2016.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1	First Amendment of Executive Employment Agreement dated May 14, 2018, between Potbelly Corporation and Alan Johnson

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.

Date: May 14, 2018

Potbelly Corporation

By: /s/ Michael Coyne

Name: Michael Coyne

Title: Chief Financial Officer

FIRST AMENDMENT OF
EXECUTIVE EMPLOYMENT AGREEMENT

WHEREAS, Potbelly Corporation, a Delaware corporation (hereinafter referred to as “Company”), and Alan Johnson, an individual (hereinafter referred to as “Executive”), are parties to that certain Executive Employment Agreement entered into as of November 29, 2017 (the “Agreement”);

WHEREAS, Company and Executive have determined that it is appropriate to amend the Agreement to reflect certain changes agreed by Company and Executive with respect to Executive’s equity-based compensation; and

NOW, THEREFORE, in consideration of the promises set forth herein and other good and valuable consideration, the Agreement is hereby amended, effective as of May 14, 2018, as follows:

1. By substituting the following for paragraph 3(c) of the Agreement:

“(c) **Equity Compensation.** As of the Effective Date, as an initial grant under the Equity Plan (and not to be considered representative of any future grants either as to amount or form), Executive was granted an equity award with a value of \$2,000,000, which equity award grant was comprised of restricted stock units having an approximate value of \$1,000,000 and stock options (the ‘Initial Option Grant’) with respect to 200,401 shares of Company common stock and with an exercise price of \$12.800 per share, which Initial Option Grant had an approximate Black-Scholes value of \$1,000,000. As of May 14, 2018, with Executive’s consent, the Initial Option Grant was amended to provide for an exercise price of \$14.08 and Executive acknowledges and agrees that such amendment to the Initial Option Grant does not constitute a material breach of the Agreement or any other basis for Executive to terminate his employment with Company for Good Reason. Executive shall not be entitled to any grants of awards under Equity Plan in calendar year 2018. For years after 2018, Executive shall be eligible to participate in the Equity Plan with an annual target award value of \$1,000,000, which equity award may in the form of stock options, restricted stock units (including performance-based restricted stock units) and/or other forms of awards permitted under the Equity Plan, as determined in the sole discretion of the Compensation Committee; provided, however, that the actual value of the equity award for any year shall be determined by the Compensation Committee in its sole discretion taking into account Executive’s performance and performance of Company for the applicable period to which the award relates. All awards under the Equity Plan shall be evidenced by an award agreement setting forth the terms and conditions of the applicable award. For purposes of determining the value of any equity award made under the Equity Plan in accordance with this paragraph (c), the value of stock options granted shall be determined based on the Black-Scholes valuation method.”

2. Except as provided in paragraph 1, the Agreement shall remain in full force and effect in accordance with its terms.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each party has caused this First Amendment of Executive Employment Agreement to be executed in a manner appropriate for such party, all effective as of May 14, 2018.

POTBELLY CORPORATION

By: /s/ Peter Bassi
Name: Peter Bassi
Its: Non-Executive Chairman and Lead Director

EMPLOYEE

/s/ Alan Johnson
ALAN JOHNSON