
**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 5, 2019

Cavco Industries, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

000-08822
(Commission
File Number)

56-2405642
(IRS Employer
Identification No.)

**3636 North Central Avenue, Suite 1200
Phoenix, Arizona 85012**
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: (602) 256-6263

Not applicable
(Former name or former address if changed from 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 (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.

Item 1.01 Entry into a Material Definitive Agreement.

The disclosure set forth below under Item 5.02 regarding the Offer Letter is hereby incorporated by reference into this Item 1.01.

Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

On February 5, 2019, the Board of Directors (the "Board") of Cavco Industries, Inc., a Delaware corporation (the "Company") appointed Mickey R. Dragash as Executive Vice President, General Counsel, Corporate Secretary and Chief Compliance Officer of the Company, effective February 6, 2019. In his role, Mr. Dragash will lead the Company's legal and compliance functions.

Mickey R. Dragash, age 49, brings significant legal, compliance and operational experience to Cavco. From June 2015 to September 2017, Mr. Dragash served as Executive Vice-President, General Counsel and Corporate Secretary of Knight-Swift Transportation Holdings Inc. ("Swift"). Prior to joining Swift, Mr. Dragash was Executive Vice-President, General Counsel and Chief Compliance Officer for Gordon Trucking, Inc. (n/k/a Heartland Express, Inc.) from 2013 to 2015. Mr. Dragash served as Associate General Counsel for DHL Supply Chain Solutions from 2010 to 2013 and Assistant General Counsel at Walmart Stores, Inc. from 2004 to 2010. Mr. Dragash also worked in private legal practice as an Associate for the Ohio-based law firm Roetzel & Andress, LPA. Before entering the legal profession, Mr. Dragash worked in various business and operational capacities for both Yellow Freight Systems, Inc. and Roadway Express, Inc. (n/k/a YRC Worldwide, Inc.)

Mr. Dragash received his Bachelor of Arts degree from Baldwin-Wallace University (Ohio), obtained a Master of Science degree in Transportation Systems and Logistics Management from the University of Denver and acquired his Juris Doctorate from Ohio Northern University. Mr. Dragash is admitted to practice law in all state and federal courts of Indiana and Ohio. He is also admitted to the State Bar of Arizona as in-house counsel.

There are no arrangements or understandings between Mr. Dragash and any other person pursuant to which Mr. Dragash was appointed as one of our officers. We are not aware of any transaction requiring disclosure under Item 404(a) of Regulation S-K promulgated by the Securities and Exchange Commission.

Effective January 29, 2019, Mr. Dragash entered into an Offer Letter (the "Offer Letter"), whereby Mr. Dragash will earn a salary of \$325,000, paid bi-weekly. Mr. Dragash will be an at-will employee of the Company and will report to Dan Urness, President and Acting Chief Executive Officer.

Starting in fiscal year 2020, Mr. Dragash will participate in a fiscal year cash bonus program with a target bonus of 100% of his base salary, paid annually. The composition of Mr. Dragash's bonus will be a combination of Company key performance targets and individual goals set by the chief executive officer with 60% to 120% payout ranges on the Company key performance targets. In addition, the Company will pay Mr. Dragash a one-time transition allowance of \$20,000 as a bonus payment for the two months of fiscal year 2019, which will be subject to terms that are similar to other employees on bonus plans.

Further, starting in fiscal year 2020, Mr. Dragash will participate in a fiscal year equity compensation program calculated using a Black-Scholes valuation model and equal to 75% of his base salary. The annual awards, which must be approved by the Board, are expected to be comprised of 50% performance restricted shares which will cliff vest after 3 years, and 50% stock options that will vest ratably over 3 years. The performance restricted shares are expected to have a 60% to 120% payout range based on target achievement level of Company key performance indicators established by the Company. In addition, on the first day of employment, Mr. Dragash will receive a one-time stock option grant that will vest ratably over 3 years with a value of approximately \$41,000 for fiscal year 2019, calculated on a pro-rated basis for the period from his start date to the end of fiscal year 2019.

The foregoing description of the Offer Letter does not purport to be complete and is qualified in its entirety by the full text of the Offer Letter, a copy of which is filed as Exhibit 10.1, and is incorporated by reference herein.

A press release announcing Mr. Dragash's appointment is attached hereto as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits

<u>Exhibit Number</u>	<u>Description</u>
<u>10.1</u>	<u>Offer Letter, dated as of January 29, 2019, between the Company and Mickey R. Dragash</u>
<u>99.1</u>	<u>Press Release dated February 7, 2019</u>

Cavco Industries, Inc.
3636 North Central Avenue, Suite 1200, Phoenix, Arizona 85012

January 28, 2019

Mickey R Dragash
[Address]
[City, State Zip]

Dear Mick,

It has been great getting to know you during the interview process for the last several weeks. We would like to offer you the opportunity to join the Cavco team. Your knowledge and enthusiasm appear to be a great match with the company. The following are the terms of our offer of employment:

1. You would be employed in the capacity of Executive Vice President, General Counsel, Chief Compliance Officer and Corporate Secretary. Your salary will be paid every other week at an annual rate of \$325,000. We will independently verify your admission to practice law in Ohio and Indiana with reciprocity in Arizona, are in good standing, and have an acceptable disciplinary record.
2. Starting in fiscal year 2020, you will participate in an annual fiscal year cash target bonus program. The target bonus will be 100% of your base salary. The exact composition of your bonus has not yet been determined by the board of directors but will be a combination of KPI targets and individual goals set by the CEO with 60% to 120% payout ranges on the KPI targets. In addition, the company will pay you a one-time transition allowance of \$20,000 as bonus payment for the two months of fiscal year 2019. The bonus payments will have various terms and conditions that will be similar to other employees on the bonus plan.
3. Starting in fiscal year 2020, you will participate in a fiscal year equity compensation program calculated using a Black-Scholes valuation model (rounded to the nearest 100 shares) and equal to 75% of your base salary. The annual awards must be approved by the board of directors, are expected to be comprised of ½ performance restricted shares which will cliff vest after 3 years, and ½ stock options that will vest ratably over 3 years. The performance restricted shares are expected to have a 60% to 120% payout range based on target achievement level of company key performance indicators established by the company. In addition, on the first day of employment, you will receive a one-time stock option grant of approximately \$41,000 for fiscal year 2019, calculated on a pro-rated basis for the period from start date to the end of fiscal year 2019.
4. You will be a party to a change in control agreement with similar terms and conditions as other senior executives, subject to formal board approval. Other benefits, as explained to you, will be available in accordance with our benefit plans.
5. The commencement date of your employment will be determined once you have accepted our offer of employment.
6. You will report directly to Cavco's President and Acting Chief Executive Officer.
7. This offer is contingent upon favorable completion of background checks, verifications & drug test.

8. By accepting this offer, you confirm that you are able to accept this position and carry out the work that it would involve without breaching any legal restrictions on your activities, such as restrictions imposed by a current or former employer. You also confirm that you will inform us about any such restrictions and provide with us as much information about them as possible, including any agreements between you and your current or former employer describing such restrictions on your activities. You further confirm that you will not remove or take any documents or proprietary data or materials of any kind, electronic or otherwise, with you from your current or former employer to the Company without written authorization from your current or former employer. If you have any questions about the ownership of particular documents or other information, discuss such questions with your former employer before removing or copying the documents or information. This offer is also contingent upon the absence of any employment agreement with another company that would interfere with the responsibilities of the position. Further, you certify your understanding that your employment will be on an at-will basis, and that neither you nor any company representative have entered into a contract regarding the terms or the duration of your employment. As an at-will employee, you will be free to terminate your employment with the Company at any time, with or without cause or advance notice. Likewise, Cavco will have the right to reassign you, to change your compensation, or to terminate your employment at any time, with or without cause or advance notice.

Mick, I am excited about you joining with Cavco as an important part of the organization. There will be many opportunities to utilize your talents in an atmosphere that encourages people to fully realize their potential.

Sincerely,

/s/ Dan Urness

Dan Urness

President and Acting Chief Executive Officer

ACCEPTED AND AGREED /s/ Mickey R Dragash

Mick Dragash

1/29/2019

Date



News Release

Media Contact:
John Lovallo
Phone: 917-612-8419
Email: jlovallo@levick.com

FOR IMMEDIATE RELEASE

CAVCO INDUSTRIES NAMES MICKEY R. DRAGASH GENERAL COUNSEL, CHIEF COMPLIANCE OFFICER AND CORPORATE SECRETARY

PHOENIX, AZ, February 7, 2019 – Cavco Industries, Inc. (NASDAQ: CVCO) ("Cavco" or the "Company") today announced that the Company has named Mickey R. Dragash ("Mick") as Executive Vice President, General Counsel, Chief Compliance Officer, and Corporate Secretary effective February 6, 2019.

In his new role, Mr. Dragash will lead Cavco's legal and compliance functions. Mr. Dragash will also serve as a member of the Company's Executive Management team and will report to Dan Urness, President and Acting Chief Executive Officer.

"Mick is an excellent addition to our leadership team," commented Dan Urness, President and Acting Chief Executive Officer. "He is a proven executive with extensive experience in leading legal and compliance functions and supporting strategic initiatives across an organization. Mick's thoughtful judgment and business-focused approach will be an asset as we continue to execute our growth strategy."

"I am very pleased to have the opportunity to lead Cavco's legal team and compliance function," added Mr. Dragash. "I look forward to working closely with Dan, the leadership team, and the Board of Directors to build on the Company's long-term success."

Mickey R. Dragash's Background

Mr. Dragash brings significant legal, compliance and operational experience to Cavco. From June 2015 to September 2017, Mr Dragash served as Executive Vice-President, General Counsel and Corporate Secretary of Swift Transportation, Inc. (n/k/a Knight-Swift Transportation Holdings Inc. ("Swift")). Prior to joining Swift, Mr. Dragash was Executive Vice-President, General Counsel and Chief Compliance Officer for Gordon Trucking, Inc. (n/k/a Heartland Express, Inc.) from 2013 to 2015. Mr. Dragash also served as Associate General Counsel for DHL Supply Chain Solutions from 2010 to 2013 and Assistant General Counsel at Walmart Stores, Inc. from 2004 to 2010. Mr. Dragash also worked in private legal practice as an Associate for the Ohio-based law firm Roetzel & Andress, LPA. Before entering the legal profession, Mr. Dragash worked in various business and operational capacities for both Yellow Freight Systems, Inc. and Roadway Express, Inc. (n/k/a YRC Worldwide, Inc.)

Mr. Dragash received his Bachelor of Arts degree from Baldwin-Wallace University (Ohio), obtained a Master of Science degree in Transportation Systems and Logistics Management from the University of Denver and acquired his Juris Doctorate from Ohio Northern University. Mr. Dragash is admitted to practice law in all state and federal courts of Indiana and Ohio. He is also admitted to the State Bar of Arizona as in-house counsel.

About Cavco Industries, Inc.

Cavco Industries, Inc., headquartered in Phoenix, Arizona, designs and produces factory-built housing products primarily distributed through a network of independent and Company-owned retailers. The Company is one of the largest producers of manufactured homes in the United States, based on reported wholesale shipments, marketed under a variety of brand names including Cavco Homes, Fleetwood Homes, Palm Harbor Homes, Fairmont Homes, Friendship Homes, Chariot Eagle and Lexington Homes.

The Company is also a leading producer of park model RVs, vacation cabins, and systems-built commercial structures, as well as modular homes built primarily under the Nationwide Homes brand. Cavco's mortgage subsidiary, CountryPlace Mortgage, is an approved Fannie Mae and Freddie Mac seller/servicer, a Ginnie Mae mortgage-backed securities issuer that offers conforming mortgages, non-conforming mortgages and home-only loans to purchasers of factory-built homes. Our insurance subsidiary, Standard Casualty, provides property and casualty insurance to owners of manufactured homes.

Forward-Looking Statements

Certain statements contained in this release are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities and Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. In general, all statements that are not historical in nature are forward-looking. Forward-looking statements are typically included, for example, in discussions regarding the manufactured housing and site-built housing industries; our financial performance and operating results; and the expected effect of certain risks and uncertainties on our business, financial condition and results of operations. All forward-looking statements are subject to risks and uncertainties, many of which are beyond our control. As a result, our actual results or performance may differ materially from anticipated results or performance. Factors that could cause such differences to occur include, but are not limited to: adverse industry conditions; our ability to successfully integrate past acquisitions and any future acquisition or the ability to attain the anticipated benefits of such acquisitions; the risk that any past or future acquisition may adversely impact our liquidity; involvement in vertically integrated lines of business, including manufactured housing consumer finance, commercial finance and insurance; a constrained consumer financing market; curtailment of available financing for retailers in the manufactured housing industry; our participation in certain wholesale and retail financing programs for the purchase of our products by industry distributors and consumers may expose us to additional risk of credit loss; significant warranty and construction defect claims; our contingent repurchase obligations related to wholesale financing; market forces and housing demand fluctuations; net losses were incurred in certain prior periods and there can be no assurance that we will generate income in the future; a write-off of all or part of our goodwill; the cyclical and seasonal nature of our business; limitations on our ability to raise capital; competition; our ability to maintain relationships with independent distributors; our business and operations being concentrated in certain geographic regions; labor shortages; pricing and availability of raw materials; unfavorable zoning ordinances; loss of any of our executive officers; organizational document provisions delaying or making a change in control more difficult; volatility of stock price; general deterioration in economic conditions and continued turmoil in the credit markets; increased costs of healthcare benefits for employees; government shutdowns; information technology failures and data security breaches; extensive regulation affecting manufactured housing; potential financial impact on the Company from the subpoenas we received from the SEC; the risk of potential litigation or regulatory action arising from the SEC subpoenas; potential reputational damage that the Company may suffer as a result of the matters that are the subject of the subpoenas from the SEC, as well as the results of the investigation being carried out by the Audit Committee of the Board of Directors; losses not covered by our Director and Officer insurance may be large; together with all of the other risks described in our filings with the Securities and Exchange Commission. Readers are specifically referred to the Risk Factors described in Item 1A of the 2018 Form 10-K, as may be amended from time to time, which identify important risks that could cause actual results to differ from those contained in the forward-looking statements. Cavco expressly disclaims any obligation to update any forward-looking statements contained in this release, whether as a result of new information, future events or otherwise. Investors should not place any reliance on any such forward-looking statements.