

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K/A
(Amendment No. 1)

**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 23, 2023

LEIDOS HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)
1750 Presidents Street, Reston, Virginia
(Address of principal executive office)

001-33072
(Commission File Number)

20-3562868
(I.R.S. Employer Identification No.)

20190
(Zip Code)

(571) 526-6000
(Registrants' 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))

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, par value \$.0001 per share	LDOS	New York Stock Exchange

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.

Explanatory Note

This Amendment No.1 to Current Report on Form 8-K/A (the "Amendment") is being filed to amend the Current Report on Form 8-K of Leidos Holdings Inc. (the "Company") filed on February 27, 2023 (the "Original 8-K"). The Amendment updates certain disclosures in the Original 8-K based on information that became available after the date of the Original 8-K. The disclosure contained in Item 5.02 of the Original 8-K is hereby supplemented and amended by the disclosure contained in Item 5.02 of the Amendment.

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

As previously disclosed by the Company on February 27, 2023, Roger A. Krone will retire as the Company's Chief Executive Officer on May 3, 2023 and as Chairman at the time of the Company's 2023 annual meeting of stockholders. Mr. Krone will continue to work as a full-time employee of the Company through July 31, 2023 (the "Full-Time End Date") and will then become a part-time advisor to the Company through March 29, 2024 (the "Separation Date").

In connection with his retirement from Chairman and Chief Executive Officer of the Company and his assistance with the transition of his roles, Mr. Krone entered into a retirement agreement with the Company, dated as of March 28, 2023 (the "Retirement Agreement"). The Retirement Agreement provides that, while Mr. Krone is providing services to the Company prior to the Full-Time End Date, he will continue to receive his current base salary and participate in the Company's benefit plans. Mr. Krone will also be eligible for a prorated bonus for the 2023 fiscal year, with the target amount being \$1,911,000 for the full year and the proration to be based on a fraction, the numerator of which is the number of days between January 1, 2023 and the Full-Time End Date and the denominator of which is 364. The actual bonus for Fiscal 2023 (subject to proration) will be determined based on the Company's actual performance determined on the same basis as for other senior executives of the Company. In addition, Mr. Krone has been granted a prorated equity grant for 2023 (with an initial value of \$4,050,000) that is subject to customary terms applicable to equity grants by the Company, including retirement treatment since Mr. Krone has satisfied the requirements for such treatment. Any equity awards granted by the Company prior to 2023 that remain outstanding will continue to be subject to their current terms, including with respect to retirement treatment. From the Full-Time End Date through the Separation Date, Mr. Krone will be paid at the rate of \$1,000 per hour for any consulting services he provides. The Company has also agreed to reimburse Mr. Krone for legal fees and expenses of up to \$30,000 for services provided with respect to the Retirement Agreement. In connection with receiving the benefits described above, Mr. Krone will be required to execute, and not revoke, a release of claims and will continue to be subject to the 12-month post-termination covenants regarding non-competition and non-solicitation of the Company's employees and customers under his employment agreement, with the 12-month post-termination period to commence on the Separation Date.

The foregoing summary of Mr. Krone's Retirement Agreement is not complete and is qualified in its entirety by the Retirement Agreement, a copy of which is filed herewith as Exhibit 10.1.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit 10.1 [Retirement Agreement, dated March 28, 2023.](#)

Exhibit 104 The cover page from this Current Report on Form 8-K, formatted in Inline XBRL and contained in Exhibit 101.

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.

LEIDOS HOLDINGS, INC.

Date: March 31, 2023

By: /s/ Benjamin A. Winter
Benjamin A. Winter
Its: Senior Vice President and Corporate Secretary

RETIREMENT AGREEMENT

THIS RETIREMENT AGREEMENT (this "Agreement") is entered into as of March 28, 2023 (the "Effective Date") by and between Leidos Holdings, Inc., a Delaware corporation (the "Company"), and Roger A. Krone ("Executive").

WHEREAS, Executive currently serves as Chairman of the Board and Chief Executive Officer of the Company;

WHEREAS, Executive and the Company are parties to an Employment Agreement dated June 30, 2014 (the "Employment Agreement"); and

WHEREAS, the Company and Executive (each, a "Party") desire to set forth the terms of Executive's retirement from the Company.

NOW, THEREFORE, in consideration of the premises, and the promises and agreements set forth below, the Parties, intending to be legally bound, agree as follows:

1. Employment Period.

- (a) From the Effective date through July 31, 2023 or such other date the Parties mutually agree (the "Full-Time End Date", and such period the "Transition Period"), Executive shall continue to be employed by the Company as Chief Executive Officer through the date a successor Chief Executive Officer commences employment with the Company and thereafter as a Senior Advisor. For the avoidance of doubt, the foregoing changes upon or after the successor Chief Executive Officer commences employment with the Company, or a reduction in Executive's duties, authority or responsibilities in connection therewith, shall not constitute "Good Reason" for Executive to resign pursuant to the Employment Agreement. During the Transition Period, Executive shall perform the duties reasonably required in such roles and shall use reasonable best efforts to assist in the transition of his duties as Chief Executive Officer to his successor. During the Transition Period, Executive shall continue to receive a base salary at the rate of \$1,274,000 per annum (payable on the Company's normal payroll schedule) and continue to participate in the Company's employee benefit plans (subject in each case to the terms and conditions thereof), be reimbursed for reasonable documented business expenses in accordance with the Company's business expense reimbursement policies, and be eligible for vacation pursuant to the Company's vacation policies. For the avoidance of doubt, through the Full-Time End Date, Executive will continue to work for the Company on a full business time basis. Capitalized terms used but not defined in this Agreement shall have the meanings ascribed to them in the Employment Agreement.

- (b) From the Full-Time End Date through March 29, 2024 (the "Separation Date"), Executive shall continue to be an employee of the Company, with the title of Consulting Employee (the period from the Full-Time End Date through the Separation Date, the "Consulting Period"). During the Consulting Period, Executive shall perform such duties as reasonably requested by the Board or the successor Chief Executive Officer. Executive shall be paid at the rate of \$1,000 per hour worked during the Consulting Period, Executive will continue to enter time in the Leidos time tracking system (Delttek) and will continue to be paid via Leidos payroll. For the avoidance of doubt, Executive's eligibility to actively participate in the Company's employee benefit plans following the Full-Time End Date shall be determined based on the terms of such plans, and subject to Company approval as set forth below, Executive may pursue employment opportunities during the Consulting Period with any employer that is not a Designated Company (as defined in this Agreement), including (without limitation) full-time employment as a senior executive. During the Consulting Period, Executive shall submit any such proposed opportunities to the Chief Executive Officer in writing for approval in accordance with Section 3.1.2.1 of LP-LG-1 (the Company's Standards of Business Ethics and Conduct), and such approval shall not be unreasonably withheld by the Chief Executive Officer.
 - (c) In no event shall Executive be entitled to any benefits pursuant to Section 4 of the Employment Agreement (other than the Accrued Obligations, which shall be paid in accordance with the terms thereof), and Executive shall not be deemed to have been terminated without "Cause" or to have resigned for "Good Reason" for purposes of the Employment Agreement or any plan or agreement covering Executive.
 - (d) Executive shall continue to serve as Chairman of the Board through the Company's annual meeting of shareholders on April 28, 2023.
2. 2023 Annual Bonus. Subject to Executive's continued compliance with the terms of this Agreement and Executive's re-execution of the Release of Claims pursuant to the final sentence of Section 5 becoming irrevocable, Executive shall be paid a Bonus for the fiscal year commencing December 31, 2022 (the "2023 Bonus") in an amount equal to the product of (i) the earned 2023 Bonus and (ii) a fraction, the numerator of which is the number of days from December 31, 2022 through the Full-Time End Date, and the denominator of which is 364. The Target Bonus for this purpose shall be \$1,911,000, and the earned 2023 Bonus shall be determined by the HR & Compensation Committee of the Board, assuming a personal score of no less than 100% and a company score on the same basis as for active senior executives of the Company. The 2023 Bonus shall be paid to Executive on the first payroll date after Executive's re-execution of the Release of Claims pursuant to the final sentence of Section 5 becoming irrevocable.

3. Equity Awards.

- (a) New Grants. Subject to Executive's continued compliance with the terms of this Agreement, on March 29, 2023, the Executive shall be granted equity awards (the "2023 Equity Awards") with an initial value (as determined pursuant to Company standard procedures) of \$4,050,000, with such award allocated 50% to performance share awards, 30% to performance restricted stock units, and 20% to nonqualified stock options, and subject to the Company's standard grant agreements and the same terms and conditions as applicable to grants on March 3, 2023 to the Company's other senior executives (as modified to reflect this Section 3). The 2023 Equity Awards shall receive "retirement" treatment, subject to Executive's continued compliance with the terms of this Agreement and Executive's re-execution of the Release of Claims pursuant to the final sentence of Section 5 becoming irrevocable.
- (b) Existing Awards. Executive's outstanding equity awards are set forth on Exhibit A to this Agreement. Such equity awards shall continue to remain subject in all respects to the vesting and other terms applicable thereto under the relevant grant agreements, with Executive receiving "retirement" treatment for each such award (with service credit through the Separation Date).
4. Executive Covenants. As consideration for the payments and benefits described herein, the covenants in Section 5, 6, 7, 8 and 14 of the Employment Agreement are incorporated into this Agreement and shall continue in effect in accordance with their terms. The "Designated Companies" for purposes of Section 7(a) of the Employment Agreement are specified in Exhibit B. For the avoidance of doubt, the post-termination time periods applicable thereto shall commence to run on the Separation Date (and not any earlier date).
5. Release of Claims. As a condition of the Company's obligations under this Agreement, the Company and Executive have executed the Release of All Claims and Potential Claims attached as Exhibit C (the "Release of Claims"). In order to receive the payment under Section 2 hereof and "retirement" treatment of the 2023 Equity Awards, Executive must re-execute the Release of Claims on or within twenty-one (21) days following the Separation Date, and not revoke such re-execution.
6. Withholdings. Amounts payable hereunder are subject to all tax and other legally-required withholdings.
7. No Assignment. No right to receive payments and benefits under this Agreement shall be subject to set off, offset, anticipation, commutation, alienation, assignment, encumbrance, charge, pledge or hypothecation or to execution, attachment, levy, or similar process or assignment by operation of law, except as provided in this Agreement.

8. Entire Agreement. This Agreement, its Exhibits and the portions of the Employment Agreement incorporated herein represent the entire understanding and agreement between the parties as to the subject matter hereof and supersede all prior agreements, arrangements and understandings between them concerning the subject matter hereof, and any subsequent written agreements shall be construed to change, amend, alter, repeal or invalidate this Agreement, only to the extent that this Agreement is specifically identified in and made subject to such other written agreements and is executed by both parties hereto. For the avoidance of doubt, the Undertaking Agreement is not superseded hereby and shall remain in effect in accordance with its terms.
9. Other Provisions. Sections 12, 13, 15, 17, 18, 20, 21, 22, 23, 24, 25 and 26 of the Employment Agreement are incorporated into this Agreement, *mutatis mutandis*.
10. Fees and Expenses. The Company will reimburse Executive for up to \$30,000 of legal fees and expenses incurred in connection with his separation and the negotiation and execution of this Agreement.
11. Indemnification. In addition to (and without limiting) the Company's obligations under Section 26 of the Employment Agreement, the Indemnification Agreement between Executive and the Company dated March 28, 2023 shall remain in full force and effect in accordance with their terms. In addition, the Advancement and Undertaking Agreement between Executive and the Company dated March 28, 2023 (a copy of which is attached as Exhibit D) (the "Undertaking Agreement") shall remain in full force and effect in accordance with its terms.
12. Interpretation. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.
13. Notices. Any notice, request or other communication given in connection with this Agreement shall be in writing and shall be deemed to have been given (i) when personally delivered to the recipient (provided written acknowledgement of receipt is obtained), (ii) two days after being sent by reputable overnight courier service or (iii) three days after being mailed by first class mail, return receipt requested, to the recipient at the address below indicated:

Notices to Executive:

[At the last address on file with the Company]

With a copy (which shall not constitute notice) to:

Seth J. Safra, Esq.
Proskauer Rose LLP
1001 Pennsylvania Ave, N.W.
Suite 600 South
Washington, DC 20004

Notices to the Company:

Leidos Holdings, Inc.
1750 Presidents Street
Reston, VA 20190
Attn: Board of Directors and General Counsel

or such other address or to the attention of such other person as the recipient party shall have specified by prior written notice to the sending party in accordance with this paragraph.

IN WITNESS WHEREOF, the Parties hereto have executed this Retirement Agreement as of the date first written above.

LEIDOS HOLDINGS, INC.

By: Robert S. Shapard
Name: Robert S. Shapard
Title: Lead Director

EXECUTIVE

/s/ Roger A. Krone
Roger A. Krone

EXHIBITS

Exhibit A - Outstanding Equity Awards as of February 24, 2023

Exhibit B - Designated Companies

Exhibit C - Release of Claims

Exhibit D - Undertaking Agreement