

---

---

**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): April 1, 2019

**FRANCESCA'S HOLDINGS CORPORATION**

(Exact Name of Registrant as Specified in Its Charter)

**001-35239**  
(Commission File Number)

**Delaware**  
(State or Other Jurisdiction of Incorporation)

**20-8874704**  
(I.R.S. Employer Identification No.)

**8760 Clay Road,  
Houston, Texas**  
(Address of Principal Executive Offices)

**77080**  
(Zip Code)

**(713) 864-1358**  
(Registrant's Telephone Number, Including Area Code)

(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.**

(e) On April 1, 2019 (the “Effective Date”), Francesca’s Services Corporation (“FSC”), a wholly-owned subsidiary of Francesca’s Holdings Corporation (the “Company”), entered into a Retention Agreement with Kelly Dilts, the current Executive Vice President and Chief Financial Officer of the Company and FSC (the “Agreement”). Pursuant to the Agreement, in order to provide additional incentive for Ms. Dilts to remain in the employ of FSC following the Effective Date, FSC has agreed to pay Ms. Dilts \$380,000 if (i) Ms. Dilts is still employed by FSC on the first anniversary of the Effective Date (the “Service Date”) or (ii) Ms. Dilts’ employment has been terminated by FSC without “good cause” (as defined in the Agreement), or by Ms. Dilts with “good reason” (as defined in the Agreement), prior to the Service Date (the date of such termination, the “Termination Date”). Such payment will be payable on the earlier to occur of the Service Date and the Termination Date, and will not be payable if neither the Service Date nor the Termination Date occurs. In consideration of FSC’s obligations under the Agreement and other compensation payable to Ms. Dilts during the term of Ms. Dilts’ employment with FSC, Ms. Dilts has agreed that Ms. Dilts will continue to diligently perform her duties for FSC after the Effective Date.

The foregoing summary of the Agreement is qualified in its entirety by the text of the Agreement, a copy of which is attached hereto as Exhibit 10.1 and incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

[10.1 Retention Agreement, dated as of April 1, 2019, by and between Francesca’s Services Corporation and Kelly Dilts](#)

---



RETENTION AGREEMENT

**Francesca's Services Corporation**, a Texas corporation (the "**Company**"), and Kelly Dilts, an individual ("**Executive**"), hereby enter into this Retention Agreement (this "**Agreement**") as of April 1, 2019 (the "**Effective Date**").

**WHEREAS**, the Company has announced that it is conducting a review of strategic alternatives; and

**WHEREAS**, the Company deems Executive integral to the Company's strategic alternative review process;

**NOW, THEREFORE**, in consideration of the mutual promises and covenants contained below, the parties agree as follows:

1. **Retention Payment.** In order to provide additional incentive for Executive to remain in the employ of the Company following the Effective Date, the Company agrees to pay Executive the amount of Three Hundred Eighty Thousand and 00/100 Dollars (\$380,000.00) if (i) Executive is still employed by the Company or a successor-in-interest on the first anniversary of the Effective Date (the "**Service Date**") or (ii) Executive's employment has been terminated by the Company or its successor-in-interest to its stock (or the stock of its ultimate parent) or assets without Good Cause, or by Executive with Good Reason, prior to the Service Date (the date of such termination, the "**Termination Date**"). Such payment shall be payable on the earlier to occur of the Service Date and the Termination Date, and for the avoidance of doubt shall not be payable if neither the Service Date nor the Termination Date occurs. For purposes of this Agreement, (a) the Company shall be deemed to have "Good Cause" to terminate Executive's employment if Executive is terminated based on Executive's dishonesty, unlawfulness, insubordination or willful or grossly negligent misconduct or pursuant to a "for cause" termination provision in any applicable employment agreement between Executive and the Company or Executive refuses to obey a lawful directive of Executive's supervisor and fails to correct such refusal within a reasonable time after receipt of written notice from the Company; and (b) Executive shall be deemed to have "Good Reason" to terminate his or her employment with the Company voluntarily if Executive's base compensation is reduced and/or if Executive is asked or required to relocate more than fifty (50) miles from Executive's place of employment on the Effective Date.

2. **Exclusive Services Agreement.** In consideration of the Company's obligations under this Agreement and other compensation payable to Executive during the term of Executive's employment with the Company, Executive agrees that Executive shall continue to diligently perform his or her duties for the Company after the Effective Date. Executive will not engage in any other employment during the term of Executive's employment with the Company, without the specific written consent of the Company.

3. **Assignment.** This Agreement is binding upon and will inure to the benefit of any successor-in-interest to the stock or assets of the Company (or the stock or assets of the Company's ultimate parent).

4. **Confidentiality.** Executive agrees that Executive will maintain the confidentiality of and not disclose the terms and conditions and existence of this Agreement to any person or entity other than Executive's attorney, accountant, financial advisor or immediate family member. Any person or entity to whom this Agreement is disclosed pursuant to this Section 4 will be advised of and agree to comply with the terms of Executive's confidentiality obligations hereunder. Breach of this Section 4 shall result in Executive's forfeiting all amounts due to Executive pursuant to this Agreement.

5. **Notices.** All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if hand-delivered or if mailed by registered or certified mail, postage prepaid, addressed to Executive at Executive's address as it appears on the records of the Company or addressed to the Company at its principal office at 8760 Clay Road, Houston, Texas 77080. Either party may change the address at which notice shall be given by written notice given in the above manner.

6. **Governing Law.** This Agreement shall be governed as to its validity and effect by the laws of the State of Texas without regard to principles of conflict of laws.

7. **Miscellaneous.** This instrument constitutes the entire agreement of the parties hereto and supersedes and replaces any other written or oral agreement or understanding with respect to the subject matter hereof. This Agreement may be modified, amended or waived only by written instrument executed by both parties. Should any valid federal or state law be found to affect any provision of this Agreement, the provision or provisions so affected shall be automatically conformed to the law and otherwise this Agreement shall continue in full force and effect.

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

**"EXECUTIVE"**

/s/ Kelly Dilts  
Kelly Dilts

**"COMPANY"**  
**Francesca's Services Corporation**

By: /s/ Michael Prendergast  
Name: Michael Prendergast  
Title: Interim Chief Executive Officer