

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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): **June 14, 2022 (June 12, 2022)**

LATHAM GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	001-40358 (Commission File Number)	83-2797583 (I.R.S. Employer Identification No.)
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**787 Watervliet Shaker Road
Latham, NY 12110**

(Address of principal executive offices) (Zip Code)

(800) 833-3800

(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 (*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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common stock, par value \$0.0001 per share	SWIM	The Nasdaq Stock Market LLC

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

On June 14, 2022, Latham Group, Inc. (the “Company”) (Nasdaq: SWIM) announced that in connection with the retirement of its Chief Financial Officer, J. Mark Borseth, the Company has appointed Robert L. Masson II as the Chief Financial Officer of the Company, effective as of July 11, 2022 (the “Effective Date”).

From August 2018 until July 2022, Mr. Masson, age 53, was the Executive Vice President and Chief Financial Officer of Hypertherm, Inc., a U.S. based manufacturer of industrial cutting systems and software, where he led global finance, information technology and legal organizations. Prior to this, from 2016 to January 2018, he was Vice President of Finance at Flowserve Corporation (NYSE: FLS), a designer, manufacturer and servicer of fluid motion control solutions, where he was responsible for corporate financial planning and analysis and the company’s global financial operations. From 2003 to 2016, Mr. Masson held various roles at Raytheon Company (NYSE: RTN), a provider of state-of-the-art electronics, sensing, and mission systems integration capabilities including: Chief Financial Officer, Intelligence, Surveillance and Reconnaissance Systems, Chief Financial Officer, Seapower Capability Systems and Chief Financial Officer, Civil Security and Response Programs and Advanced Technology. Mr. Masson served on active duty in the United States Navy as a Naval Aviator and Officer from 1992 until 2001. Mr. Masson currently serves on the board of directors of Tech-Etch Inc., an 100% Employee Owned company who creates parts, circuits, and EMI/RFI shielding products. He earned his bachelor’s degree in economics from the United States Naval Academy and his MBA from Harvard Business School.

There are no arrangements or understandings between Mr. Masson and any other persons pursuant to which he was selected as Chief Financial Officer of the Company. Mr. Masson has no familial relationships with any executive officer or director of the Company. There have been no transactions in which the Company has participated and in which Mr. Masson had a direct or indirect material interest that would be required to be disclosed under Item 404(a) of Regulation S-K.

On June 9, 2022, Mr. Masson entered into an employment agreement with Latham Pool Products Inc., a wholly owned subsidiary of the Company, effective as of the Effective Date (the “Masson Employment Agreement”). The Masson Employment Agreement provides for a base salary of \$420,000 and a cash bonus of 60% of his base salary at target, based on achievement of performance targets; provided that the bonus for 2022 shall be guaranteed at not less than \$252,000. He will also be granted, as soon as reasonably practicable following the Effective Date, a one-time award of a number of restricted stock units with an equivalent value of \$315,000 on the date of the grant, with vesting over three years.

Mr. Masson will be eligible to participate in the Company’s annual equity incentive plan and receive grants of equity or equity-based awards which may be options, subject to the terms and conditions of the Company’s Omnibus Equity Incentive Plan and standard form of agreement. Mr. Masson’s equity award for 2022 will be a number of options to purchase Company common stock with an equivalent value of \$378,000 on the date of the grant, vesting annually over four years, and commencing with the 2023 year, Mr. Masson will be granted equity awards with a target value of \$630,000 on the date of grant, vesting annually over four years and it is intended that such awards shall be grant of stock options; provided that the Company may determine to grant restricted stock or restricted stock units or other equity based awards.

Additionally, Mr. Masson will be eligible to participate in the Company's employee benefit plans and programs generally available to all employees. Mr. Masson will also be reimbursed for moving expenses of up to \$150,000 in connection with his relocation to the Latham, New York area during the 18 month period after the Effective Date. Mr. Masson will be eligible for other standard employee benefits.

If his employment is terminated by the Company without "cause" or he resigns for "good reason," in each case as set forth in the Masson Employment Agreement, then subject to the execution of a release of claims, Mr. Masson shall receive as severance pay (i) twelve months base salary payable in installments; (ii) continuation COBRA coverage for twelve months with the costs of the premiums shared in the same proportion as before the termination on the date of termination and (iii) payment of the cash bonus for the year prior to the year of termination to the extent earned, but not yet paid. In addition, Mr. Masson will be entitled to accrued benefits.

The Masson Employment Agreement contains other customary terms and conditions, including a two-year post-employment non-compete covenant, a two-year post-employment non-solicitation covenant and other nondisclosure of confidential information, intellectual property and non-disparagement provisions.

On June 14, 2022, the Company announced Mr. Borseth's plan to retire from his position as Chief Financial Officer of the Company, effective as of the Effective Date, and as a non-executive employee effective as of December 31, 2022. In connection with Mr. Borseth's retirement, he did not express any disagreement on any matter relating to the Company's operations, policies or practices.

In order to ensure a smooth transition, as of the Effective Date, Mr. Borseth will transition to the role of Strategic Advisor to the Company until December 31, 2022, at which point Mr. Borseth will cease to be an employee of the Company and any of its subsidiaries.

In connection with his transition, the Company entered into a retirement agreement with Mr. Borseth (the "Retirement Agreement"), pursuant to which Mr. Borseth will continue to receive his base salary as an employee through December 31, 2022 and he will be eligible to receive a bonus for 2022 to the extent earned based on performance for 2022, payable in 2023 at the same time bonuses are paid to active employees of the Company; provided that 75% of his target bonus shall be guaranteed. In addition, 106,606 shares of restricted stock of the Company that were scheduled to vest on December 27, 2022 will vest on such date, and the remainder of Mr. Borseth's unvested shares of restricted stock will be forfeited. The Company will pay 70% of the COBRA premiums for nine months. The payments and vesting under the Retirement Agreement are conditioned on a release of claims by Mr. Borseth in favor of the Company, as well as his continued compliance with his post-employment restrictive covenants.

The foregoing summary of the material terms of the Masson Employment Agreement, is subject to the full and complete terms of the Masson Employment Agreement, a copy of which will be filed as an exhibit to a future periodic report of the Company and is incorporated herein by reference.

The foregoing summary of the material terms of the Retirement Agreement, is subject to the full and complete terms of the Retirement Agreement, a copy of which will be filed as an exhibit to a future periodic report of the Company and is incorporated herein by reference.

A copy of the press release announcing the appointment of Mr. Masson and the retirement of Mr. Borseth is attached hereto as Exhibit 99.1 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release of Latham Group, Inc., dated June 14, 2022, announcing the appointment of Mr. Masson and the retirement of Mr. Borseth.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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: June 14, 2022

LATHAM GROUP, INC.

By: /s/ Scott M. Rajeski

Name: Scott M. Rajeski

Title: Chief Executive Officer and President

Latham Group, Inc. Announces Chief Financial Officer Succession Plan*Mark Borseth to retire in December 2022**Robert Masson to be named Chief Financial Officer*

LATHAM, N.Y., June 14, 2022 (GLOBE NEWSWIRE) – Latham Group, Inc. (“Latham” or “the Company”) (Nasdaq: SWIM), the largest, manufacturer and marketer of in-ground residential swimming pools in North America, Australia and New Zealand, today announced Mark Borseth’s plans to retire from his position as Chief Financial Officer of the Company. Robert Masson, an accomplished finance executive with nearly 20 years of experience in aerospace and defense and the industrial sectors, has been named Latham’s next Chief Financial Officer and will assume the responsibilities on July 11, 2022. Masson will report to Scott Rajeski, Latham President and Chief Executive Officer. Borseth will remain with Latham as a strategic advisor to the Company through December 31, 2022, to ensure a seamless transition.

“We are extremely pleased to welcome Rob Masson as Latham’s next Chief Financial Officer,” said Scott Rajeski, President and Chief Executive Officer. “Rob has a deep understanding of the industrial manufacturing industry and proven track record of managing and developing high-performing teams to deliver results and achieve strategic and financial objectives, making him an excellent fit for Latham during the next phase of our growth.”

Mr. Rajeski continued, “Mark played an integral role in leading our company through our initial public offering last year, supporting our strategic planning and M&A activities and strengthening our organization by assembling a talented team of finance and accounting professionals. We are grateful to have benefited from Mark’s leadership and expertise during a transformative moment in our company’s history.”

“It has been an honor to serve as CFO of Latham and work alongside Scott and the rest of the talented leadership team,” said Mark Borseth. “I am proud of what we have built together, and believe the Company is well-positioned to continue to capitalize on the attractive dynamics of the pool industry and drive continued growth. Rob is an excellent choice for the role of CFO, and I look forward to working closely with him and the team from an advisory capacity to ensure a seamless transition.”

Masson joins Latham from Hypertherm, Inc., a U.S. based manufacturer of cutting systems and software. He currently serves as Executive Vice President and Chief Financial Officer. In this role, Masson oversees Hypertherm’s global financial, information technology and legal operations. Prior to Hypertherm, Masson was Vice President, Finance at Flowserve, where he led the company’s operational finance, accounting and corporate financial planning and analysis teams. From 2003 to 2016, Masson served in various finance leadership roles at Raytheon, including CFO roles for several of Raytheon’s business units. He started his career as a Lieutenant and Naval Aviator for the United States. Masson holds a Bachelor of Science degree in Economics from the United States Naval Academy and a Master of Business Administration from Harvard Business School.

About Latham Group, Inc.

Latham Group, Inc., headquartered in Latham, NY, is the largest designer, manufacturer and marketer of in-ground residential swimming pools in North America, Australia and New Zealand. Latham has a coast-to-coast operations platform consisting of over 2,000 employees across over 30 facilities.

Forward-looking Statements

Some of the statements contained in this press release and any related discussion are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are generally identified by the use of words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," "target," "will," "would" and, in each case, their negative or other various or comparable terminology. These forward-looking statements reflect our views with respect to future events as of the date of this release and are based on our management's current expectations, estimates, forecasts, projections, assumptions, beliefs and information. Although management believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. All such forward-looking statements are subject to risks and uncertainties, many of which are outside of our control, and could cause future events or results to be materially different from those stated or implied in this document. It is not possible to predict or identify all such risks. These risks include, but are not limited to: secular shifts in consumer demand for swimming pools and spending on outdoor living spaces; slow pace of material conversion from concrete pools to fiberglass pools in the pool industry; general economic conditions and uncertainties affecting markets in which we operate and economic volatility that could adversely impact the Company's business, including the COVID-19 pandemic; the impact of the war between the Russian Federation and Ukraine, including the impact of sanctions imposed by Western governments; changes in access to consumer credit or increases in interest rates impacting consumers' ability to finance their purchases of pools; the impact of weather on the Company's business; the Company's ability to attract new customers and retain existing customers; the Company's ability to sustain further growth and to manage it effectively; the ability of the Company's suppliers to continue to deliver the quantity or quality of materials sufficient to meet the Company's needs to manufacture the Company's products and other risks, uncertainties and factors described under the section titled "Risk Factors" in our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other filings made with the U.S. Securities and Exchange Commission (the "SEC") by the Company, as well as other filings that the Company will make, or has made, with the SEC. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this press release and in other filings. We expressly disclaim any obligation to update or review publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

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