

CAREER EDUCATION CORP  
Form 8-K  
March 10, 2014

**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): March 4, 2014**

**Career Education Corporation**

**(Exact Name of Registrant as Specified in Charter)**

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

**0-23245**  
**(Commission**  
  
**File Number)**

**36-3932190**  
**(IRS Employer**  
  
**Identification No.)**

**231 North Martingale Road**

**Schaumburg, IL**  
**(Address of Principal Executive**  
**Offices)**

**60173**  
**(Zip Code)**

**Registrant's telephone number, including area code: (847) 781-3600**

**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 (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))

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

On March 4, 2014, the Compensation Committee (the Committee) of the Board of Directors of Career Education Corporation (the Company) approved revised base salary and incentive compensation targets for certain of the Company's named executive officers (as such term is defined in Item 402(a)(3) of Regulation S-K), including those who are expected to be named executive officers in the Company's 2014 proxy statement, as follows:

| Name               | Base Salary | Long Term Incentive Award                            |  | Additional One-Time   |
|--------------------|-------------|--|--|---|
|                    |             | Annual Incentive Plan Target (as a % of Base Salary) | Target under 2008 Plan (as a % of Base Salary) | 2014 Long Term Incentive Award Target under 2008 Plan (as a % of Base Salary) |
| Lysa Clemens       | \$ 390,500  | 60%  | 125%   | 25%   |
| Jason Friesen      | \$ 400,000  | 60%  | 125%   | 63%   |
| Colleen O Sullivan | \$ 380,000  | 60%  | 125%   | 50%   |

The Committee also approved the following revised forms under the Career Education Corporation 2008 Incentive Compensation Plan (the 2008 Plan):

a form of performance unit agreement, which is attached as Exhibit 10.1;

a form of stock option agreement, which is attached as Exhibit 10.2;

a form of restricted stock unit agreement, which is attached as Exhibit 10.3; and

a form of cash-settled restricted stock unit agreement, which is attached as Exhibit 10.4.

On March 4, 2014, the Committee granted long term incentive awards under the 2008 Plan pursuant to these forms. Awards to the named executive officers in the chart above were made 30% in stock options, 20% in restricted stock units (to be settled in stock) and 50% in performance units (to be settled in cash), with the amounts of such awards designed to achieve the long-term incentive award target value set forth above for each officer, including the additional one-time amount for 2014.

The terms of each award are determined by the Committee in its sole discretion and will be set forth in an individual's award agreements on these revised forms. Consistent with 2013, each 2014 performance unit award constitutes a right to receive an amount in cash which will be determined based on the target value established by the Committee for a grantee and the Company's relative total shareholder return over a three-year performance period as compared to a company peer group.



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

(d) Exhibits.

**Exhibit**

| <b>Number</b> | <b>Description of Exhibits</b>  |
|---------------|---|
| 10.1          | Form of 2014 Performance Unit Agreement under the Career Education Corporation 2008 Incentive Compensation Plan (the <u>2008 Plan</u> ) |
| 10.2          | Form of Non-Qualified Stock Option Agreement under the 2008 Plan  |
| 10.3          | Form of Restricted Stock Unit Agreement under the 2008 Plan (Time-Based)  |
| 10.4          | Form of Cash-Settled Restricted Stock Unit Agreement under the 2008 Plan (Time-Based)   |

**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.

CAREER EDUCATION CORPORATION

By: /s/ Jennifer A. Campe  
Jennifer A. Campe  
Senior Vice President and Chief Human  
Resources Officer  
Date: March 10, 2014

**Exhibit Index**

**Exhibit**

**Number**

**Description of Exhibits**

|      |   |
|------|---|
| 10.1 | Form of 2014 Performance Unit Agreement under the Career Education Corporation 2008 Incentive Compensation Plan (the <u>2008 Plan</u> ) |
| 10.2 | Form of Non-Qualified Stock Option Agreement under the 2008 Plan  |
| 10.3 | Form of Restricted Stock Unit Agreement under the 2008 Plan (Time-Based)  |
| 10.4 | Form of Cash-Settled Restricted Stock Unit Agreement under the 2008 Plan (Time-Based)   |