

**THE 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): July 21, 2023

The Boston Beer Company, Inc.

(Exact name of Registrant as Specified in Its Charter)

Massachusetts
(State or Other Jurisdiction
of Incorporation)

001-14092
(Commission File Number)

04-3284048
(IRS Employer
Identification No.)

**One Design Center Place
Suite 850
Boston, Massachusetts**
(Address of Principal Executive Offices)

02210
(Zip Code)

Registrant's Telephone Number, Including Area Code: (617) 368-5000

(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 |
|--|------------------------------|--|
| Class A Common Stock, \$0.01 par value | SAM | The 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.

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

On July 24, 2023, the Company announced that it has hired Diego Reynoso, age 47, as its Chief Financial Officer and Treasurer. Mr. Reynoso will report directly to Chief Executive Officer David A. Burwick and will have primary responsibility for overseeing all the Company's finance, treasury, and information technology functions. It is anticipated that his start date will be on or around September 5, 2023.

Mr. Reynoso's hiring fills the vacancy created by the departure of former Chief Financial Officer and Treasurer Frank H. Smalla in April 2023. Since Mr. Smalla's departure, Chief Accounting Officer Matthew D. Murphy has served in the additional role of interim Chief Financial Officer and Treasurer. In connection with Diego's appointment, Mr. Murphy will resume his previous role as Vice President of Finance, Chief Accounting Officer and will report to Mr. Reynoso upon his start date; there are no corresponding changes to Mr. Murphy's compensation.

Mr. Reynoso has over 25 years of experience in finance and operations in the alcoholic beverage and food industry. Most recently, he served as the Chief Financial Officer of the Prepared Foods division of Tyson Foods, a multinational food manufacturer, based out of its Chicago office, from 2021 to 2023. From 2017 to 2021, he served as Senior Vice President and Chief Financial Officer of the \$5 billion beer division of Constellation Brands, an international alcoholic beverage company, also based out of its Chicago office. Prior to that, Mr. Reynoso held various senior financial and operational roles at Beam Suntory Inc., a global spirits manufacturer, from 2005 to 2017, including as CFO Global Operations and Group Treasury and Tax from 2016 to 2017, North American Chief Financial Officer & General Manager International Markets from 2014 to 2016, and Chief Operating Officer and Chief Financial Officer North America from 2013 to 2014. Earlier in his career, he also previously held roles at Allied-Domecq, Danone, and Procter & Gamble. He was appointed to the Board of Directors of SunOpta Inc., a natural food and mineral company headquartered in Eden Prairie, Minnesota, in March 2023 and currently serves as a member of SunOpta's Audit Committee.

On July 21, 2023, Mr. Reynoso and the Company entered into an Offer Letter outlining the details of his employment and compensation. A copy of the Offer Letter is attached hereto as Exhibit 10.1 and is incorporated by reference. The non-equity terms of the Offer Letter were approved by the Compensation Committee on June 23, 2023. The equity portion of the Offer Letter was approved by the full Board of Directors on June 24, 2023.

Mr. Reynoso's annual base salary will be \$600,000, with his bonus potential determined by the Company's performance against its "2023 Company Goals" in accordance with its "Bonus Scale", both of which are described in the Current Report on Form 8-K filed by the Company on February 10, 2023. If the Company achieves the 100% payout level on the Bonus Scale, Mr. Reynoso's bonus target will be 60% of his base salary.

Additionally, the Company will grant Mr. Reynoso an option (the "Option") to purchase shares of the Company's Class A Common Stock ("Class A Shares") valued at approximately \$1.5 million. The Option will be granted on October 31, 2023 (the "Grant Date"). The number of shares will be determined on the Grant Date based on the market price of the Class A Shares on the day prior to the Grant Date (the "Closing Price"), and the per share exercise price will be the Closing Price. The Option will vest as to 25% of the shares covered by the Option on March 1 in each of the years 2024 through 2027, contingent upon Mr. Reynoso's continued employment by the Company on the applicable vesting dates.

The Company will also grant Mr. Reynoso a restricted stock unit ("RSU") award for a number of Class A Shares on the Grant Date valued at approximately \$1,500,000. The number of RSUs will be determined on the Grant Date based on the Closing Price. The RSUs will vest as to 25% of the shares covered by the award on March 1 in each of the years 2024 through 2027, contingent upon Mr. Reynoso's continued employment by the Company on the applicable vesting dates.

The Company will provide Mr. Reynoso with certain relocation assistance, up to a maximum of \$600,000, related to selling his home, the purchase of a new home, certain settling-in allowances, the storage of household goods, and temporary commuting costs.

There are no other arrangements or understandings between Mr. Reynoso and any other person pursuant to which he was appointed Chief Financial Officer and Treasurer. Mr. Reynoso has no familial or other material relationship with the Company, either directly or as a partner, shareholder, or officer of an organization that has a relationship with the Company.

The Company issued a press release regarding the hiring of Mr. Reynoso, which is attached hereto as Exhibit 99.1 and is incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits.

The following exhibits are filed as part of this report:

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|--------------------|
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| 10.1 | Offer Letter between Diego Reynoso and the Company dated July 21, 2023 |
| 99.1 | Press Release announcing hiring of Diego Reynoso, dated July 24, 2023 |
| 104 | Cover Page Interactive Data File (embedded within 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.

The Boston Beer Company, Inc.

Date: July 24, 2023

By: /s/ David A. Burwick

Name: David A. Burwick

Title: President & Chief Executive Officer

July 21, 2023

Diego Reynoso

Deerfield IL, 60015

Dear Mr. Reynoso,

We are pleased to outline the terms of our offer to you for the role of Chief Financial Officer with The Boston Beer Company, Inc (“Boston Beer” or the “Company”). The compensation elements outlined in this offer are subject to approval by our Compensation Committee and by our full Board of Directors (the “Compensation Committee” and the “Board”). Subject to the foregoing condition, our offer is as follows:

1. **Title:** Chief Financial Officer, reporting to David Burwick, President and CEO
2. **Anticipated Start Date:** September 5, 2023.
3. **Location:** Your job has been classified as Part Time BBC Location Based (Hybrid) at the Boston Office.
4. **Base Salary:** US \$600,000, annually, paid bi-weekly in accordance with the Company’s regular payroll schedule, less all applicable federal, state, and local taxes and other authorized payroll withholdings.
5. **Cash Bonus Potential:** You will be eligible to be awarded a discretionary cash bonus with a target of 60% of your base salary earned during the calendar year with funding results applied to the Extended Leadership bonus scale of 0% - 250%. Actual attainment could be higher or lower based on Company and/or individual performance. To be eligible for a bonus payment you must be employed on the last business day of the bonus year, typically on or about December 31. Bonuses for all executive officers are contingent on approval by the Compensation Committee at the Committee’s February meeting.
6. **Performance and Compensation Reviews:** Performance reviews are conducted annually beginning in January. Consideration for a merit increase is dependent upon individual and company performance and is awarded at the discretion of the company. Merit increases are announced in February and become effective in April. Merit increases are contingent on approval by the Compensation Committee at the Committee’s February meeting.
7. **Relocation:** Provided you agree to the Company’s Relocation Payback Guidelines in Section 7.1, and in lieu of using our executive relocation program, you will be eligible for a one-time upfront cash payment in the gross amount of US \$600,000 less all applicable taxes and withholdings. This payment will be made within 30 days after your start date and is intended to cover expenses related to your relocation inclusive of selling your home, purchasing a home, storage of goods, shipment of goods, and any other settling in allowances. In addition, this relocation amount is also intended to cover commuting costs for travel (flight, hotel, meals, etc.) to the Boston Office. You are not permitted to submit expenses via Travel and Expenses for weekly commuting to the Boston Office. Corporate travel to other locations for business purposes will be eligible for reimbursement, in accordance with our Travel and Entertainment Reimbursement Policy. If needed, we will connect you with our relocation vendor, Cornerstone Relocation Group, to assist with identifying vendors to facilitate your move.

7.1 Relocation Payback Guidelines – By receiving this payment through our relocation agreement you agree to payback 100% of the reimbursement if you voluntarily terminate from Boston Beer prior to the 1st anniversary of your start date. If you voluntarily terminate after your 1st anniversary but prior to your 2nd anniversary from your start date, you agree to payback 50% of the total reimbursement.

- 8. Ayco Executive Financial Counseling Benefit:** You will be eligible for the Company's Executive Leadership Team financial counseling benefit through Ayco. This is an optional service to participate in with an annual fee of \$15,000 that is covered by the Company. You will be responsible for the taxes on this benefit. To learn more about the service reach out to the Director of Total Rewards, Ryan Morin.
- 9. Equity Awards:**
- 9.1 Special Restricted Stock Unit Award:** Effective October 31, 2023, (the "Grant Date"), contingent on your joining the Company on or prior to that date, you will be awarded Restricted Stock Units ("RSUs") for Class A Common Stock (NYSE: SAM) valued at approximately US \$1,500,000. The actual number of RSUs will be based on the closing price of SAM on the NYSE on October 31, 2023 (the "Market Price"), rounded up to the nearest whole number of shares. 25% of the shares granted will vest on March 1, 2024, 25% of the shares granted will vest on March 1, 2025, 25% of the shares granted will vest on March 1, 2026, and the remaining 25% will vest on March 1, 2027, contingent upon your continued active employment by the Company on the applicable vesting dates. The RSUs will be subject to an RSU Agreement and the Company's Employee Equity Incentive Plan (the "EEIP").
- 9.2 Special Option Award:** Effective on the Grant Date, you will also be granted a Stock Option Award (the "Option") for shares of SAM valued at approximately US \$1,500,000. The actual number of shares subject to the Option will be calculated via an option pricing model using the Market Price, rounded up to the nearest whole number of shares. The exercise price of each share subject to the Option will be the Market Price. The Option will vest as to 25% of the shares covered by the Option on March 1, 2024, 25% of such shares on March 1, 2025, and 25% of such shares on March 1, 2026, and the remaining 25% will vest on March 1, 2027, contingent upon your continued active employment by the Company on the applicable vesting dates. The Option will be subject to an Option Agreement and the EEIP.
- 9.3** You acknowledge that the issuance of the above referenced RSU and Option fully offsets the value of any equity you may lose as a result of your leaving Tyson Foods and joining the Company.
- 9.4 Long-Term Equity Program:** In this position will be eligible to receive additional annual equity awards through Boston Beer Company's Long-Term Equity (LTE) program. While equity is not guaranteed, the target annual value of your award is US \$800,000. The value of your equity award each year could be higher or lower based on Company and/or individual performance, and will be subject to the approval of the Compensation Committee and the Board. All equity awards are governed by our Restated Employee Equity Incentive Plan (EEIP) plan document.
- 10. Benefits:** You will be eligible to participate in our health and wellness programs upon your first day of employment with us. You will be eligible to participate in our 401(k) plan immediately. The Total Rewards Team will reach out to you after your acceptance to review your benefit options and assist you in enrollment. If you have specific questions regarding our benefits, please let me know. Please note it is imperative that you provide I-9 documentation on or before your first day so we are able to add you to our payroll system. Failure to do so may delay your first paycheck.
- 11. Paid Time Off:** You will be eligible for unlimited paid time off (PTO), in accordance with our PTO Policy for ELT/XLT. A copy of this Policy will be provided for your review. PTO includes all vacation, sick, and personal time. You must be performing successfully in your role to maintain eligibility for this program.
- 12. Employment Agreement:** As a condition of your employment in this position, you are required to sign and return to Boston Beer the attached Employment Agreement prior to your start date, and you acknowledge
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that you have been given ten (10) business days to review this document prior to your start date. The Employment Agreement is incorporated into and is a part of this offer of employment. Section (4) of the Employment Agreement contains a covenant not to compete (“non-competition provision”). As additional consideration for your agreeing to and complying with the non-competition provision, Boston Beer agrees to pay you US \$10,000 (minus all required tax withholdings) at the time your employment with Boston Beer terminates, if your employment terminates on account of your voluntary resignation, or if Boston Beer terminates your employment with cause (as cause is defined in the Employment Agreement), subject to BBC’s election, at the time of termination, to enforce the non-competition provision. Please review the Employment Agreement carefully. You have the right to consult with an attorney about the Employment Agreement before signing it.

- 13. At Will Employment:** Your employment is, and will at all times remain, at will, meaning that you or the Company may terminate your employment at any time, with or without cause, for any reason or for no reason. By accepting our offer of employment, you confirm that you understand you are at will status.

Please indicate your acceptance of this offer by e-signing and accepting the offer via The Boston Beer Company online careers portal. Please note, this offer is contingent upon your signing the Employment Agreement. Should you have any questions, please do not hesitate to contact me.

We look forward to working with you!

Cheers!

David Burwick

/s/ Diego Reynoso
Diego Reynoso

July 21, 2023
Date

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**BOSTON BEER NAMES DIEGO REYNOSO
CHIEF FINANCIAL OFFICER AND TREASURER, EFFECTIVE SEPTEMBER 5, 2023**

BOSTON (JULY 24, 2023) -- The Boston Beer Company, Inc. (NYSE: SAM), today announced the appointment of Diego Reynoso as its Chief Financial Officer and Treasurer, effective September 5, 2023. Reynoso will lead all Boston Beer's Finance, Treasury and IT and will report directly to Chief Executive Officer, David A. Burwick.

Reynoso has more than 25 years of experience in finance and operations in the alcoholic beverage and food industries. He most recently served as the Chief Financial Officer of the Prepared Foods division of Tyson Foods, a multinational food manufacturer, based out of its Chicago office, from 2021 to 2023. He was previously the Senior Vice President and Chief Financial Officer of the \$5 billion beer division at Constellation Brands and held various senior financial and operational roles at spirits company Beam Suntory Inc. Earlier in his career, he held roles at Allied-Domecq, Danone, and Procter & Gamble. Reynoso is a member of the Board of Directors of SunOpta Inc., a natural food and mineral company, and currently serves as a member of SunOpta's Audit Committee.

"Diego is a highly accomplished leader with extensive alcoholic beverage expertise and a proven track record of driving transformational business strategies," said Burwick. "His operating experience and financial acumen make him the right leader to help The Boston Beer Company grow and achieve our long-term financial goals."

With Reynoso's appointment, Matt Murphy, who has served as Interim Chief Financial Officer, will resume his role of Vice President, Finance and Chief Accounting Officer, reporting to Reynoso.

"I would like to thank Matt for his exceptional leadership during this period when he assumed all CFO responsibilities in Finance, Investor Relations and IT while continuing to perform his Chief Accounting Officer duties," said Burwick. "We are very fortunate to have Matt as a senior finance leader and look forward to him playing a larger role in contributing to our future success."

About Boston Beer Company

The Boston Beer Company, Inc. (NYSE: SAM) began in 1984 brewing Samuel Adams beer, and the Samuel Adams brand is currently recognized as one of the largest and most respected craft beer brands. Our portfolio of brands also includes Truly Hard Seltzer, Truly Vodka Soda, Twisted Tea, Angry Orchard Hard Cider, Dogfish Head, Hard Mountain Dew, and Jim Beam Kentucky Coolers, as well as other craft beer brands from Angel City Brewery and Coney Island Brewing. For more information, please visit our website at www.bostonbeer.com, which includes links to our respective brand websites.

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