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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

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**FORM 8-K**

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CURRENT REPORT

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 1, 2018

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**TRACK GROUP, INC.**

(Exact name of Registrant as specified in its Charter)

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Delaware  
(State or other jurisdiction of incorporation)

000-23153  
(Commission File No.)

87-0543981  
(IRS Employer Identification No.)

200 E. 5<sup>th</sup> Avenue, Suite 100, Naperville, Illinois 60563  
(Address of principal executive offices)

(877) 260-2010  
(Registrant's Telephone Number)

Not Applicable  
(Former name or address, if changed since last report)

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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))

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)

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

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#### **Item 1.01 Entry into a Material Definitive Agreement.**

On January 3, 2017, Track Group, Inc. (the “*Company*”) entered into an amendment to the Employment Agreement by and between the Company and Peter K. Poli, the Company’s Chief Financial Officer (the “*Poli Agreement*”). Under the terms of the Poli Agreement, as amended (the “*Poli Amendment*”), effective January 1, 2018, Mr. Poli’s employment was extended three years, and shall automatically renew for successive one year periods thereafter unless either party provides the other with notice of its intent not to renew the Poli Agreement at least six months prior to termination. In addition, the Poli Amendment provides: (i) an increase in Mr. Poli’s base salary to \$250,000 per year; (ii) the issuance of 150,000 unregistered restricted shares of the Company’s common stock, which shall vest annually in increments of 50,000 beginning January 1, 2018; (iii) in the event of a change of control, Mr. Poli shall be entitled to a cash payment equal to one year’s salary, plus all restricted stock, warrants and options previously issued to Mr. Poli shall become immediately vested and exercisable; and (iv) for purposes of any severance due Mr. Poli upon his involuntary termination, any annual bonus due Mr. Poli shall be deemed to be vested and earned.

The foregoing description of the Poli Amendment does not purport to be complete, and is qualified in its entirety by reference to the Poli Amendment, attached hereto as Exhibit 10.1, and incorporated by reference herein.

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

Effective January 1, 2018, the Company’s Board of Directors (the “*Board*”) promoted Derek Cassell, the Company’s former President, to the role of Chief Executive Officer (“*CEO*”). As a result of the appointment of Mr. Cassell to the position of CEO, Mr. Cassell will no longer serve as the Company’s President and Guy Dubois will no longer serve as the Company’s CEO. Mr. Dubois will continue to serve as the Chairman of the Board of the Company. A copy of the press release announcing Mr. Cassell’s appointment is attached to this Current Report on Form 8-K as Exhibit 99.1

Mr. Cassell, age 44, joined the Company in 2014 through the acquisition of Emerge Monitoring. Mr. Cassell served as a Divisional President for the Company from June 2014 until December 2016, and as the Company’s President from December 2016 until his appointment as CEO. From September 2008 until June 2014, Mr. Cassell served as an Executive Vice President of Emerge Monitoring, which was part of the Bankers Surety Team. Mr. Cassell has over 20 years of experience providing correctional solutions to the criminal justice industry. His previous positions include Director of Operations for ADT Correctional Services, Director of Customer Support for G4S Justice Services, and National Sales and Marketing Manager for ElmoTech Inc. He holds a Criminal Justice Degree from Henry Ford College in Dearborn Heights, Michigan.

On January 4, 2018, in connection with Mr. Cassell’s appointment, the Company entered into an amendment to the Employment Agreement by and between the Company and Mr. Cassell (the “*Cassell Agreement*”). Under the terms of the Cassell Agreement, as amended (the “*Cassell Amendment*”), effective January 1, 2018, Mr. Cassell will be promoted from President to CEO of the Company, a position which he shall hold until December 31, 2020, unless earlier terminated or extended. Should Mr. Cassell elect to voluntarily terminate his employment with the Company, he must provide written notice of his intent to do so at least 180 days prior to terminating his employment. In addition, the Cassell Amendment provides: (i) an increase in Mr. Cassell’s base salary to \$275,000 per year; (ii) a 50% increase in his annual bonus effective for bonus plan year 2018 and thereafter; (iii) subject to Board approval, the issuance of 300,000 unregistered restricted shares of the Company’s common stock, which shall vest annually in increments of 100,000 beginning January 1, 2018; (iv) in the event of a change of control, Mr. Cassell shall be entitled to a cash payment equal to one year’s salary, plus all restricted stock, warrants and options previously issued to Mr. Cassell shall become immediately vested and exercisable; and (v) for purposes of any severance due Mr. Cassell upon his involuntary termination, any annual bonus due Mr. Cassell shall be deemed to be vested and earned.

Except as disclosed in this Current Report on Form 8-K, Mr. Cassell has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K, has no arrangement or understanding between him and any other person required to be disclosed pursuant to Item 401(b) of Regulation S-K, and has no family relationships required to be disclosed pursuant to Item 401(d) of Regulation S-K.

The foregoing description of the Cassell Amendment does not purport to be complete, and is qualified in its entirety by reference to the Cassell Amendment, attached hereto as Exhibit 10.2, and incorporated by reference herein.

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

See Exhibit Index.

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**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.

**TRACK GROUP, INC.**

Date: January 5, 2018

By: /s/ Peter K. Poli  
Peter K. Poli  
Chief Financial Officer

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## EXHIBIT INDEX

<b>Exhibit No.</b>	<b>Description</b>
<a href="#"><u>10.1</u></a>	Amendment No. 1 to Peter K. Poli's Employment Agreement, dated January 3, 2018.
<a href="#"><u>10.2</u></a>	Amendment No. 2 to Derek Cassell's Employment Agreement, dated January 4, 2018
<a href="#"><u>99.1</u></a>	Press Release, dated January 4, 2018

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**Amendment No. 1 to the Executive  
Employment Agreement  
Between Track Group, Inc. and Peter K. Poli  
Dated December 12, 2016**

**THIS AMENDMENT NO. 1** to that certain Executive Employment Agreement by and between Track Group, Inc. (the "Company") and Peter K. Poli (the "Employee") is entered into as of December 13, 2017.

**WHEREAS**, the Company and the Employee entered into that certain Executive Employment Agreement dated December 12, 2016 (the "Employment Agreement"); and

**WHEREAS**, the Board of Directors of the Company has agreed to increase Employee's base salary, to provide Employee with Shares of Company common stock, and have agreed to the other terms contained herein.

**NOW, THEREFORE**, the parties agree to amend the Employment Agreement effective January 1, 2018, as follows:

1. Paragraph 3A. shall be modified to change the base salary to \$250,000.00 per calendar year effective January 1, 2018.
2. Paragraph 3 shall be amended by adding the following provision:

"Employee will be issued 150,000 unregistered restricted shares of Company common stock (the "Shares"). The Shares shall bear an applicable restrictive legend. The Shares shall vest as follows: (i) 50,000 Shares shall vest on January 1, 2018, (ii) 50,000 Shares shall vest on January 1, 2019 (iii) 50,000 Shares shall vest on January 1, 2020. In the event of Employee's death or permanent disability, all of the Shares shall immediately vest. Prior to the transfer of any of the Shares during any period during which the Shares are not registered by the Company under an effective registration statement filed, pursuant to the Securities Act of 1933, as amended, Employee shall comply with all laws and regulations for the transfer of restricted shares, as well as the Company's trading policies and procedures as set forth in the Corporate Governance Manual. The Company covenants that in the event it proposes to file a registration statement to register shares with the U.S. Securities and Exchange Commission ("SEC") and the Shares would be eligible for registration on such registration statement, the Company, with Employee's written consent, shall include the Shares in such registration statement.

Subject to paragraph 5, in the event Employee's employment with the Company is terminated before all of the Shares are vested, Employee shall forfeit any unvested Shares.

**D. Change of Control.** In the event that, at any time during the Executive's employment under this Agreement, the Company experiences a Change of Control (as hereinafter defined), the Executive shall be entitled to receive a cash payment equal to twelve (12) months of Executive's Base Annual Salary (at the Executive's highest Base Annual Salary), plus all Restricted Stock, Warrant and Options shall become one hundred percent (100%) vested and fully exercisable and the Company shall have no repurchase right.

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For purposes of this Agreement, a "Change of Control" shall mean, and be deemed to have occurred upon: (i) a sale or transfer of substantially all of the Common Stock of the Company in any transaction or series of related transactions (other than sales in the ordinary course of business); (ii) any merger, consolidation or reorganization to which the Company is a party, except for a merger, consolidation or reorganization in which the Company is the surviving corporation and, after giving effect to such merger, consolidation or reorganization, the holders of the Company's outstanding Common Stock (on a fully-diluted basis) immediately prior to the merger, consolidation or reorganization, hold a majority of the voting power of the Company after such merger, consolidation or reorganization."

3. Paragraph 5A. shall be deleted in its entirety and replaced with the following:

"A. Employment Term of Agreement. The "Employment Term" of this Agreement shall commence on January 1, 2018 and shall continue in effect for a period of thirty-six (36) months or until terminated by one of the parties pursuant to the terms of this Section 5. Following such thirty-six (36) month period (and each twelve (12) month period thereafter), the Employment Term shall automatically renew for successive twelve (12) month periods unless either party hereto notifies the other party at least six (6) months in advance of the applicable period of its intent to not renew the Agreement."

6. Paragraph 5B. (II) (ii) shall be modified to provide that for purposes of the Severance Payment the Target Bonus shall be deemed to be vested and earned.

**IN WITNESS WHEREOF**, each of the parties has executed this Amendment No. 1 to the Executive Employment Agreement between Track Group, Inc. and Peter K. Poli dated December 12, 2016, in the case of the Company by its duly authorized Board Member, as of the day and year first above written.

**TRACK GROUP, INC.**

**EMPLOYEE**

By: /s/ Guy Dubois

/s/ Peter K. Poli

Guy Dubois

Peter K. Poli

Chairman of the Board

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**Amendment No. 2 to the Executive  
Employment Agreement  
Between Track Group, Inc. and Derek Cassell  
Dated December 1, 2016**

**THIS AMENDMENT NO. 2** to that certain Executive Employment Agreement by and between Track Group, Inc. (the "Company") and Derek Cassell (the "Executive") is entered into as of December 13, 2017.

**WHEREAS**, the Company and the Executive entered into that certain Executive Employment Agreement dated December 1, 2016 (the "Employment Agreement"); and

**WHEREAS**, the Company and the Executive entered into an Amendment to the Employment Agreement dated February 13, 2017 ("Amendment 1"); and

**WHEREAS**, the Board of Directors of the Company has agreed to promote Executive, and Executive has agreed to accept a promotion, from the position of President to Chief Executive Officer effective January 1, 2018, and the parties have agreed to increase Executive's base salary, to increase his Target Bonus from 50% to 100% effective for bonus plan year 2018 and thereafter, to provide Executive with additional Shares of Company common stock, and have agreed to the other terms contained herein.

**NOW, THEREFORE**, the parties agree to amend the Employment Agreement effective January 1, 2018, as follows:

1. The Employment Agreement and Exhibit B thereto shall be modified to replace the word "President" with the words "Chief Executive Officer" wherever the word "President" appears.

2. Paragraph 2 shall be modified to read in full as follows:

"During his Employment Term as defined in Paragraph 5, Executive will perform his duties faithfully and to the best of his ability and will devote his full business efforts and time during normal working hours to the Company. Executive will report to the Board of Directors of the Company. Executive shall be responsible for duties typical of the office, including but not limited to the responsibilities set forth in the Track Group, Inc. Corporate Governance Manual Position Description For Chief Executive Officer. Furthermore, Executive shall perform such other duties and projects as may be assigned by the Board of Directors of the Company that are consistent with his position."

3. Paragraph 3A. shall be modified to change the base salary to \$275,000.00 per calendar year effective January 1, 2018.

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4. Paragraph 3 shall be modified to include the following:

“ B. (i) Subject to approval by the Board of Directors, Executive will be issued 300,000 unregistered restricted shares of Company common stock (the “Shares”). The Shares shall bear an applicable restrictive legend. The Shares shall vest as follows: (i) 100,000 Shares shall vest on January 1, 2018, (ii) 100,000 Shares shall vest on January 1, 2019 and (iii) 100,000 Shares shall vest on January 1, 2020.”

“D. **Change of Control.** In the event that, at any time during the Executive’s employment under this Agreement, the Company experiences a Change of Control (as hereinafter defined), the Executive shall be entitled to receive a cash payment equal to twelve (12) months of Executive’s Base Annual Salary (at the Executive’s highest Base Annual Salary), plus all Restricted Stock, Warrant and Options shall become one hundred percent (100%) vested and fully exercisable and the Company shall have no repurchase right.

For purposes of this Agreement, a “Change of Control” shall mean, and be deemed to have occurred upon: (i) a sale or transfer of substantially all of the Common Stock of the Company in any transaction or series of related transactions (other than sales in the ordinary course of business); (ii) any merger, consolidation or reorganization to which the Company is a party, except for a merger, consolidation or reorganization in which the Company is the surviving corporation and, after giving effect to such merger, consolidation or reorganization, the holders of the Company’s outstanding Common Stock (on a fully-diluted basis) immediately prior to the merger, consolidation or reorganization, hold a majority of the voting power of the Company after such merger, consolidation or reorganization.

5. The last sentence of Paragraph 3B. as set forth in Amendment 1 shall be modified to add at the beginning the words: “Subject to paragraph 5,”

6. Paragraph 5A. shall be deleted in its entirety and replaced with the following:

“A. **Employment Term of Agreement.** The Employment Term of this Agreement shall commence on October 1, 2016 and shall continue in effect until December 31, 2020 unless earlier terminated by either party in accordance with the provisions of this Section 5, or extended by mutual agreement of the parties.”

7. Paragraph 5B.(II)(ii) shall be modified to provide that for purposes of the Severance Payment the Target Bonus shall be deemed to be vested and earned.

8. The last sentence of Paragraph 6 shall be modified to read in full as follows: “If Executive voluntarily terminates his employment with the Company he shall provide written notice to the Chairman of the Board of Directors at least one hundred twenty (180) days prior to terminating such employment.”

9. Paragraph 12 shall be modified to change notice to the Company from "Attn: Chief Executive Officer" to "Attn: Chairman, Board of Directors."

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10. Exhibit "B" of the Employment Agreement titled "Executive Bonus Formula" shall be modified to change the Target Bonus percentage from 50% to 100% effective for bonus plan year 2018 and for each bonus plan year thereafter.

**IN WITNESS WHEREOF**, each of the parties has executed this Amendment No. 2 to the Executive Employment Agreement between Track Group, Inc. and Derek Cassell dated December 1, 2016, in the case of the Company by its duly authorized Board Member, as of the day and year first above written.

**TRACK GROUP, INC.**

**EXECUTIVE**

By: /s/ Guy Dubois  
Guy Dubois  
Chairman of the Board

/s/ Derek Cassell  
Derek Cassell

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## Track Group Board Names Derek Cassell As Next CEO – Guy Dubois To Remain Chairman, Effective January 1, 2018

**NAPERVILLE, IL — January 4, 2018** — Track Group today announced that its Board of Directors has appointed Derek Cassell as Chief Executive Officer effective January 1, 2018. Guy Dubois will remain Track Group’s Chairman.

“This is the perfect time for Derek Cassell to become Track Group’s next Chief Executive Officer. We’ve selected a very strong leader at a time when Track Group is in a very strong position,” said Track Group’s Chairman and CEO Guy Dubois. “Derek is unique in his ability to translate vision and strategy into world-class execution, bringing together teams and ecosystems to drive results. He is a champion of the Track Group culture and has an incredible ability to inspire, energize, and connect with employees, partners, and customers. Derek’s vision, strategy and execution track record is exactly what Track Group needs as we enter our next chapter, which I am confident will be even more impactful and exciting than our last.”

Cassell joined Track Group in 2014 through the acquisition of Emerge Monitoring and has moved quickly through the company’s ranks. He most recently served as Track Group’s President, leading the company to consistent revenue and margin growth. Prior to Track Group, he was Executive Vice President of Emerge Monitoring, which was part of the Bankers Surety Team. Cassell has over 20 years experience providing correctional solutions to the criminal justice industry including ADT Correctional Services, G4S Justice Services and ElmoTech Inc.

“I joined Track Group 3 years ago because I wanted to be a part of a company where I believed the possibilities were limitless. Today, I am even more convinced that Track Group is that company,” said Derek Cassell. “Guy Dubois’ vision and leadership have built Track Group into one of the most important companies in the industry; a company fiercely committed to delivering for its customers, shareholders, partners, and employees. The opportunity that lies ahead for Track Group is enormous, and the ability to lead this next chapter is deeply humbling and incredibly exhilarating. I am focused on accelerating the innovation and execution that our customers need from us. Their success will continue to drive us. At a time when our industry is on the cusp of more disruption than we’ve ever encountered, I couldn’t be more confident in our ability to win, or more honored to lead this great company.”

Track Group also announced that Guy Dubois, currently CEO and Chairman of Track Group’s Board of Directors, would remain Chairman. He will devote his time to supporting Cassell and Track Group’s senior leadership team and continue to drive the Company’s strategic vision.

About Track Group ([trackgrp.com](http://trackgrp.com))

Track Group, Inc. (OTCQX: TRCK), designs, manufactures, and markets location tracking devices and develops and sells a variety of related software, services, accessories, networking solutions, and monitoring applications for the criminal justice market. The Company’s products and services are designed to empower professionals in security, law enforcement, corrections and rehabilitation organizations worldwide with single-sourced offender management solutions that integrate reliable intervention technologies to support re-socialization and monitoring initiatives.

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