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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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**Form 8-K**

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

**December 19, 2018**  
Date of Report (Date of earliest event reported)

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**Axon Enterprise, Inc.**  
(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation)

**001-16391**  
(Commission File Number)

**86-0741227**  
(IRS Employer  
Identification No.)

**17800 N. 85<sup>th</sup> St.**  
**Scottsdale, Arizona 85255**  
(Address of principal executive offices, including zip code)

**(480) 991-0797**  
(Registrant's telephone number, including area code)

**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:

- ☐ 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. ☐

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Item 8.01 Other Events.

On December 19, 2018, the Phoenix Business Journal published an article (the “ **Article** ”) in which Patrick W. Smith, the CEO and Founder of Axon Enterprise, Inc. (“ **Axon** ”), provided an interview in connection with the Axon Enterprise, Inc. 2019 Stock Incentive Plan (the “ **Plan** ”). The Article is filed as Exhibit 99.1 hereto and is incorporated herein by reference.

Additional Information and Where to Find It

Axon plans to file with the Securities and Exchange Commission (the “ **SEC** ”), and furnish to its shareholders, a definitive proxy statement and other related materials in connection with the Plan (the “ **Proxy Statement** ”) which is to be voted upon at a special meeting of shareholders (the “ **Special Meeting** ”). The Proxy Statement will contain important information about the Plan and related matters. AXON’S SHAREHOLDERS ARE URGED TO READ THE PROXY STATEMENT AND RELATED MATERIALS (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO) AND ANY OTHER RELEVANT DOCUMENTS THAT AXON WILL FILE WITH THE SEC WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT AXON, THE SPECIAL MEETING AND THE PLAN. Shareholders will be able to obtain for free these documents and other documents filed by Axon with the SEC at [www.sec.gov](http://www.sec.gov). In addition, shareholders will be able to obtain for free these documents from Axon by contacting Axon’s Investor Relations department by email at [ir@axon.com](mailto:ir@axon.com) or by going to Axon’s Investor Relations website at [investor.axon.com](http://investor.axon.com).

Participants in the Solicitation

The directors and executive officers of Axon may be deemed to be participants in the solicitation of proxies from shareholders of Axon in connection with the Plan. The following directors and executive officers of the Company are participants in the Company’s solicitation: Michael Garnreiter, Director; Hadi Partovi, Director; Mark W. Kroll, Director; Dr. Richard Carmona, Director; Bret Taylor, Director; Matthew McBrady, Director; Julie Anne Cullivan, Director; Patrick W. Smith, Director and Chief Executive Officer; Luke S. Larson, President; Jawad Ahsan, Chief Financial Officer; and Josh M. Isner, Chief Revenue Officer. None of such participants owns in excess of 1% of the Company’s common stock except for Patrick W. Smith. Mr. Smith beneficially owns 1.4% of the Company’s outstanding common stock. Additional information regarding the interests of participants in the solicitation of proxies in respect of the Special Meeting will be included in the Proxy Statement. We have engaged Innisfree M&A Incorporated to assist in the solicitation of proxies:

Innisfree M&A Incorporated  
501 Madison Avenue  
New York, NY 10022  
Stockholders Call Toll Free:(888) 750-5834  
International Callers:+1 (412) 232-3651

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Exhibit Description
99.1	<a href="#">Phoenix Business Journal Article published December 19, 2018</a>

## **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.

Dated: December 21, 2018

Axon Enterprise, Inc.

By: /s/ JAWAD A. AHSAN

Jawad A. Ahsan

Chief Financial Officer

## Axon employees offered chance at high-risk, high-reward compensation - just like Elon Musk

Plan encourages employees to stick with the company for at least a decade

Axon Enterprise Inc.'s U.S.-based employees are being asked whether they want to take part in a plan announced Wednesday that gives them a chance to participate in a high-risk, high-reward compensation model.

Every employee will get 60 special restricted stock units in January, and more than 500 employees who make over \$100,000 a year can decide to invest between 5 percent and 50 percent of their salary to select how much to put at risk in Axon's new eXponential Stock Performance Plan.

The plan is modeled after Axon CEO and co-founder Rick Smith's own compensation plan, which he announced in February. Smith agreed to relinquish his salary and only get paid if his Scottsdale-based law enforcement technology company meets specific milestones under the 10-year plan, which has 12 specific milestones.

It's a potentially all-or-nothing plan that could net Smith \$1 billion if all the milestones are reached. Smith will get a payout in stock options, whereas everyone else would be paid in stock, he said.

The plan is not only dependent on how well the company performs, but also how well the stock market does.

While employees won't be able to invest their entire salary like Smith, the buy-in is expected to fundamentally change the way Axon employees think about their jobs, Smith said.

"This makes everybody more of an owner," he said. "I think this has the potential to unlock [more] creativity and energy from our employees. We're competing against tech people who want a high-risk return, and now we have a comp plan that appeals to them, but it will take a decade to get there."

The plan also encourages employees to stay with the company for the next 10 years. If they leave early and they're a part of the plan, they'll lose money, Smith said.

"I think this will help with creating a sense of mission and retention," he said. "You've got to be committed. This is not something you want to do if you want to job hop. Pretty much everyone can make a lot more money by staying with us."

Axon's market cap will have to grow to \$13.5 billion - about five times what it is currently - before the award will be fully vested. Key revenue and profitability goals also will need to be achieved for Smith and employees to get paid.

Axon's performance plan is modeled after the compensation plan for Tesla CEO Elon Musk, which the New York Times said in January may be the "boldest pay plan in corporate history."

However, it's the first time a company has offered the plan to all of its employees, according to Smith.

After Smith decided to start the 10-year compensation plan, Axon employees told him they were excited to help him reach his goal. Smith cringed, thinking his employees should want to reach the milestones because they would benefit as well.

"I wanted to make this inclusive. I want a payout to be more than regular comp if they help us achieve a really difficult plan," Smith said. "We're all going to be popping champagne together or sad if we fail."

There are 12 clusters of market cap milestones that must be met, starting with a \$2.5 billion market cap. Axon has exceeded that market cap, with today's market cap at \$2.64 billion. The market cap milestones rise \$1 billion each cluster until it reaches \$13.5 billion.

Smith said it will be at least three years until the company hits any of its milestones. If employees want to opt in, they're picking up their annualized dollar value for the next nine years.

For example, if an employee puts in \$10,000 a year, or \$90,000 over the next nine years, and Axon's stock delivers both a 20 percent revenue and profit growth, the stock price would be \$258. In that scenario, with all 12 milestones met, the employee would get \$1.54 million in stock from the initial \$90,000 put in, Smith said.

Essentially, for every dollar employees put in, they will get \$27 worth of stock at risk, he added. “The difference here is the risk,” Smith said. “It creates a long-term incentive.”

The plan still must get shareholder approval, but Smith said the shareholders he’s talked to are excited and supportive. The date for the shareholder meeting has not yet been set.

In 2017, Smith’s regular salary was \$350,000 and his total target direct compensation was \$2.054 million. Smith’s salary was reduced in 2018 to \$24,000 pursuant to his participation in the CEO Performance Award, according to an SEC filing.

Axon’s stock (Nasdaq: AAXN) was trading today around \$45, which is closer to its 52-week low of \$24.50 than its high of \$76.45.