

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) September 9, 2018

FLEXSTEEL INDUSTRIES, INC.  
(Exact name of registrant as specified in its charter)

Minnesota  
(State or other jurisdiction  
of incorporation)

0-5151  
(Commission  
File Number)

42-0442319  
(IRS Employer  
Identification No.)

385 Bell St, Dubuque, Iowa  
(Address of principal executive offices)

52001  
(Zip Code)

Registrant's telephone number, including area code 563-556-7730

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(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))

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

***Resignation of President and Chief Executive Officer***

On September 11, 2018, Flexsteel Industries, Inc. issued a press release announcing that Karel K. Czanderna, the Company's President, Chief Executive Officer, and Director retired effective September 9, 2018.

In connection with Ms. Czanderna's retirement and consistent with her Letter Agreement dated July 1, 2012 (as amended, "Letter Agreement"), Ms. Czanderna will receive certain severance benefits as described in the Letter Agreement, including:

- (i) a lump sum payment of \$1,140,945, representing the aggregate of 18 months' base salary and one and one-half times the annual incentive bonus for the fiscal year ending June 30, 2018;
- (ii) reimbursement or payment of the premiums for continuation of her medical benefits under COBRA for a period of 18 months; and
- (iii) payment for senior executive level outplacement program selected by Ms. Czanderna and reasonably approved by the Company.

Receipt of the foregoing severance payments and benefits is conditioned upon Ms. Czanderna entering into release agreement ("Release Agreement") and not revoking the Release Agreement. Among other things, the Release Agreement will contain confidentiality provisions, non-competition and employee/client non-solicitation provisions applicable to Ms. Czanderna as well as mutual general releases and a mutual non-disparagement provision.

In accordance with the terms of the Company's Cash Incentive Compensation Plan and Long-Term Incentive Plan, Ms. Czanderna is entitled to her annual cash incentive compensation and long-term equity incentive compensation payouts based on actual performance for the entire applicable performance periods, prorated for the amount of time Ms. Czanderna was employed by the Company during the applicable performance period. All of Ms. Czanderna's stock options were fully vested at grant and are exercisable for a period of three years.

***Appointment of Interim President***

Until a permanent successor to Ms. Czanderna is appointed, the Board has appointed Jeffrey T. Bertsch as Interim President, effective September 9, 2018.

Mr. Bertsch, age 63, has served as a current Board member of the Company since 1997. Mr. Bertsch served as the Company's former Senior Vice President of Corporate Services from 2004 to 2015 and former Vice President of Corporate Services from 1989 to 2004. Mr. Bertsch also currently serves as a current Board member of American Trust and Savings Bank. There are no arrangements or understandings between Mr. Bertsch and any other person pursuant to which he was appointed as the Company's Interim President. There is no family relationship between or among Mr. Bertsch and any director, executive director, or person nominated or chosen by the Company to become a director or executive officer of the Company. Mr. Bertsch's sister, Carrie Bliele, is employed by the Company as Vice President Merchandising and received compensation of \$134,400 for the fiscal year ended June 30, 2018.

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Mr. Bertsch will receive compensation from the Company for his service as Interim President in the amount of \$10,000 per month.

The press release announcing Ms. Czanderna's retirement and Mr. Bertsch's appointment as Interim President is included as Exhibit 99.1 to this Current Report on Form 8-K.

**Item 9.01 Financial Statements and Exhibits**

[Exhibit 99.1 – Press Release by Flexsteel Industries, Inc. on September 11, 2018.](#)

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.

FLEXSTEEL INDUSTRIES, INC.  
(Registrant)

Date: September 13, 2018

By: /s/ Marcus D. Hamilton  
Marcus D. Hamilton  
Chief Financial Officer, Secretary and Treasurer  
Principal Financial and Accounting Officer

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FLEXSTEEL®

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## Press Release

### FLEXSTEEL ANNOUNCES LEADERSHIP CHANGE

Dubuque, Iowa – September 11, 2018 – Flexsteel Industries, Inc. (NASDAQ:FLXS) announced that Karel Czanderna has retired from her positions as President, Chief Executive Officer and Director, effective September 9, 2018.

This decision was not the result of any dispute or disagreement with the Company or any matter related to the Company’s operations, policies, practices, management or Board of Directors.

Jeff Bertsch, a current Board member and Flexsteel’s former Senior Vice President of Corporate Services has been appointed Interim President. Mr. Bertsch will report to an Executive Committee of the Board, which will also help support the management of the Company during this interim period until a new President and Chief Executive Officer is appointed. This Executive Committee is chaired by Tom Levine and includes fellow Board members: Mary Bottie, Michael Edwards, and Nancy Uridil. The Board has commenced a search for a permanent President and Chief Executive Officer with the assistance of a national executive search firm.

“The Board is appreciative of Karel’s contributions to Flexsteel during her over six years of service,” said Eric Rangen, Flexsteel’s Chairman of the Board. “During her tenure, Karel has overseen a number of significant advancements to Flexsteel’s infrastructure and organization. The Board thanks Karel for the many contributions she made to Flexsteel.” Mr. Rangen further commented, “With his over 35 years of involvement with the Company, Jeff Bertsch is taking on the role of Interim President with the support of a strong Flexsteel senior management team, that will continue to focus on Flexsteel’s growth as one of this country’s largest furniture companies.”

#### About Flexsteel

Flexsteel Industries, Inc. and Subsidiaries (the “Company”) incorporated in 1929 is celebrating its 125th anniversary of the Company’s founding in 1893. Flexsteel Industries, Inc. is one of the oldest and largest manufacturers, importers and marketers of residential and contract upholstered and wooden furniture products in the United States. Over the generations, the Company has built a committed retail and consumer following based on its patented, guaranteed-for-life Blue Steel Spring™ – the all-riveted, high-carbon, steel-banded seating platform that gives upholstered and leather furniture the strength and comfort to last a lifetime.

With offerings for use in home, hotel, healthcare, recreational vehicle, marine and office, the Company distributes its furniture throughout the United States & Canada through the Company’s sales force and various independent representatives. Additional information about Flexsteel can be found at [www.flexsteel.com](http://www.flexsteel.com).

CONTACT: Flexsteel Industries, Inc., Dubuque, IA  
Eric S. Rangen, Chair Board of Directors 563-585-8121

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