

**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): January 10, 2017

Conn's, Inc.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	001-34956 (Commission File Number)	06-1672840 (IRS Employer Identification No.)
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4055 Technology Forest Blvd., Suite 210 The Woodlands, Texas (Address of principal executive offices)	77381 (Zip Code)
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Registrant's telephone number, including area code: **(936) 230-5899**

Not Applicable
(Former name, former address and former fiscal year, 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))

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

Appointment of President and Chief Operating Officer, Retail. On January 13, 2017, Conn's, Inc. announced the appointment of Coleman R. ("C.R.") Gaines as President and Chief Operating Officer, Retail, effective February 1, 2017 (the "Commencement Date"). In this role, Mr. Gaines will report to Mr. Norman L. Miller, the Company's Chairman and Chief Executive Officer.

Mr. Gaines, age 51, is an experienced executive with over 25 years of consumer retail experience. Most recently, Mr. Gaines served as Executive Vice President ("EVP") of TMX Finance ("TMX"), a consumer finance company based in Savannah, Georgia, from January 2016 to January 2017. During his employment with TMX starting in 2010, Mr. Gaines was promoted to roles of increasing responsibility, and by 2016, as EVP of Store Operations, he was responsible for leading 1,300 TMX retail stores in 18 states.

Prior to TMX, Mr. Gaines worked for the Tractor Supply Company ("TSC"), a leading publicly traded U.S. retailer offering products for home improvements, agriculture, farm, lawn and garden maintenance, and livestock care, from 2002 to 2010. At TSC, Mr. Gaines' various responsibilities as a Divisional Vice President included operating 470 TSC stores. Prior to TSC, Mr. Gaines was employed with Scotty's Home Centers, from 1989 to 2002, starting as an assistant manager and rising to Vice President of Hardware Stores responsible for 70 regional hardware stores. Mr. Gaines holds a B.A. in Theology from Freed Hardeman University.

Pursuant to a compensation package recommended by the Compensation Committee of the Board and approved by the Board, Mr. Gaines will receive the following compensation:

Annual Base Salary: \$475,000 per year.

Annual Cash Incentive: Mr. Gaines will be eligible for a target cash bonus opportunity equal to 60% of his base salary and a maximum cash bonus opportunity equal to 120% of his base salary.

Initial Long-Term Incentive Award: Mr. Gaines will receive a grant of \$250,000 in restricted stock units (RSUs) on the Commencement Date based on the closing stock price on that date. These RSUs will ratably vest on each anniversary of the Commencement Date over 4 years.

Long-Term Incentive Plan: Mr. Gaines will be eligible for a target long-term incentive grant equal to 100% of his annual base salary. The form of the grant and the related performance requirements will be determined by the Compensation Committee of the Board.

Other Benefits: Mr. Gaines is also eligible for other benefits including participation in the Company's employee equity plans and employee benefit plans available to other employees (including healthcare), and relocation assistance.

The Company also expects to enter into the Company's standard form of Indemnification Agreement with Mr. Gaines, the form of which was filed as Exhibit 10.16 to the Company's Registration Statement on Form S-1 filed with the Securities and Exchange Commission on September 23, 2003, the terms of which are described more fully under the section entitled "Termination of Employment and Change of Control Arrangements-Executive Severance Agreements" in the Company's 2016 Proxy Statement filed with the Securities and Exchange Commission on April 15, 2016, which descriptions incorporated by reference herein.

Additionally, on January 10, 2017, the Company entered into an Executive Agreement with Mr. Gaines (the "Executive Agreement"), to be effective as of February 1, 2017, similar to what the Company has entered into with certain other executive officers and similar to the description under the section entitled "Termination of Employment and Change of Control Arrangements-Executive Severance Agreements" in the Company's 2016 Proxy Statement filed with the Securities and Exchange Commission on April 15, 2016. That description is incorporated by reference herein with the following changes:

Pursuant to the Gaines Executive Agreement, if Mr. Gaines is terminated without cause, or if he voluntarily terminates his employment for good reason, in each case other than in connection with a change of control, he will receive severance benefits for 18 months. If, during the period beginning one year prior to a change of control and ending one year following the change in control, Mr. Gaines is terminated without cause or if Mr. Gaines voluntarily terminates his employment for good reason, then (i) Mr. Gaines will receive a lump sum cash stipend equal to 18 times the portion of the monthly premium that would have been paid by the Company for the same level of health and dental coverage he had in effect immediately prior to such termination, and (ii) all equity awards held by Mr. Gaines under our 2016 Omnibus Incentive Plan will immediately vest on the later of the date of termination and the date of the change of control. In addition, as a condition to receiving any benefits under the Gaines Executive Agreement, Mr. Gaines will be required to execute a waiver and release agreement.

The foregoing description of the Executive Agreement does not purport to be complete and is qualified in its entirety by reference to the Executive Agreement, which is filed as Exhibit 10.2 to this Current Report on this Form 8-K and is incorporated by reference herein.

There are no transactions in which Mr. Gaines has an interest requiring disclosure under Item 404(a) of Regulation S-K or any family relationships requiring disclosure under Item 401(d) of Regulation S-K.

Item 7.01. Regulation FD Disclosure.

On January 13, 2017, the Company issued a press release announcing certain executive leadership changes. A copy of the press release is furnished as Exhibit 99.1 to this Current Report.

None of the information contained in Item 7.01 or Exhibit 99.1 of this Form 8-K shall be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and none of it shall be incorporated by reference in any filing under the Securities Act of 1933, as amended. Furthermore, this report will not be deemed an admission as to the materiality of any information in the report that is required to be disclosed solely by Regulation FD.

Item 9.01. Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1*	Offer of employment from the Company to Coleman ("C.R.") Gaines, dated January 10, 2017.
10.2*	Executive Agreement by and between the Company and Mr. Gaines, dated January 10, 2017.
99.1*	Press Release, dated January 13, 2017: Conn's Announces "Conn's Continues Executive Transition Process"

* Filed herewith

SIGNATURE

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.

Date: January 13, 2017

CONN'S, INC.

By: /s/ Mark L. Prior

Name: Mark L. Prior

Title: Vice President, General Counsel & Secretary



4055 Technology Forest Blvd
Suite 210
The Woodlands, Texas 77381

January 10, 2017

Mr. Coleman R. Gaines
21743 South 223rd Place
Queen Creek, AZ 85142

Dear Mr. Gaines:

We are pleased to offer you:

- The position of President and Chief Operating Officer - Retail, reporting directly to the Chief Executive Officer;
- A cash compensation plan consisting of a base salary of \$39,583.33 per month (\$475,000 annualized), plus an annual target bonus opportunity of 60%, and up to a maximum 120%, of your base salary (pro-rated during your initial year of employment) if targeted company performance requirements (as set by the Compensation Committee) are achieved;
- Participation in the company's annual Long Term Incentive Program effective May 2017 (as determined by the Compensation Committee) at a participation rate equal to 100% of your base salary;
- An initial one-time grant of \$250,000 worth of restricted stock units (RSUs) that will vest on a pro-rata, straight-line basis over four years starting on the first anniversary of your hire date, with the actual number of RSUs granted to be determined based on the closing stock price on the date you begin employment with the company;
- A monthly car allowance of \$1,000 (\$12,000 annualized);
- An Executive Agreement, which includes "double trigger" provisions consistent with the other executive officers and is incorporated by reference herein; and
- An Executive Indemnity Agreement, which is incorporated by reference herein, consistent with the other executive officers.

As part of this offer, you will be required to relocate to The Woodlands, Texas area and are eligible for customary relocation benefits related to your move. These benefits will be provided based on the understanding that you and your family will relocate within twelve (12) months of your date of employment.

Please note that, should your employment with Conn's voluntarily end within twelve (12) months of your date of hire, your relocation benefits will be subject to full repayment. Furthermore, should your employment with Conn's voluntarily end between twelve (12) and twenty four (24) months of your date

of hire, your relocation benefits will be subject to pro-rata repayment. Additionally, failure to relocate within 12 months of the date of hire will be considered a voluntary resignation from your position.

Notwithstanding the terms contained herein, the nature of your employment with Conn's is "at-will."

You will become eligible for most of Conn's health and welfare benefits on the first of the month following two full months of employment. Conn's will, however, reimburse you for COBRA expenses (less the contribution you would pay, if you were on Conn's medical plan) to continue your current medical benefits until you become eligible for Conn's plan.

You will be eligible for three weeks of vacation and four personal holidays during your first year of employment with Conn's according to a prorated accrual schedule. You will be eligible for four personal holidays each year upon your anniversary date, following the first year of employment.

Please note that this offer is subject to successful completion of Conn's pre-employment processes, which include an interview, background check, and drug screen.

You will also become eligible for Conn's 401(k) Retirement Savings Plan at the beginning of a plan quarter immediately following three months of continuous service. You can, however, roll over the qualifying funds from your current 401(k) to Conn's plan at any time. Additionally, you will become eligible for Conn's Employee Stock Purchase Plan at the beginning of a plan quarter immediately following three months of continuous service.

We look forward to having you join the Conn's team on February 1, 2017. Please acknowledge your acceptance of this offer of employment by signing below and returning one original document to me.

Sincerely,

Norman L. Miller
Chairman and Chief Executive Officer

Acceptance Acknowledged: /s/

Date: 1-10-17

EXECUTIVE AGREEMENT

THIS EXECUTIVE AGREEMENT (this "Agreement") is made as of February 1, 2017 ("Effective Date"), by and between Conn's, Inc., a Delaware corporation with its principal offices at 4055 Technology Forest Blvd, The Woodlands, Texas 77381 ("Conn's"), and Coleman R. Gaines, an individual (the "Executive").

WHEREAS, Executive has agreed to commence employment with Conn's as its President and Chief Operating Officer-Retail as of the Effective Date;

NOW, THEREFORE, in consideration of the foregoing and in consideration of the mutual promises and agreements contained herein, the parties hereto agree as follows:

1. Term of Agreement. This Agreement will commence on the Effective Date and will continue in effect, unless modified in writing, until Executive's employment with Conn's terminates.

2. At-Will Employment. Conn's and Executive acknowledge that the Executive's employment shall be at-will, within the meaning of applicable law.

3. Severance Benefits Under This Agreement.

(a) *Termination of Employment for Any Reason*. The following financial obligations will exist between Conn's and Executive upon Executive's termination of employment for any reason:

- (i) Conn's will pay to Executive earned but unpaid Base Salary through the date of termination;
- (ii) Conn's will pay to Executive any annual incentive plan bonus, or other form of incentive compensation, for which the performance measurement period has ended, but which is unpaid at the time of termination;
- (iii) Conn's will pay to Executive any accrued but unpaid vacation;
- (iv) Conn's will pay to Executive any unreimbursed business expenses incurred by the Executive on behalf of Conn's;
- (v) Executive will pay to Conn's any relocation benefits in accordance with the terms of the Offer Letter, which is incorporated herein by reference.

(b) *Termination Without Cause, or Voluntary Termination by the Executive for Good Reason, not in Connection with a Change of Control*. Except as otherwise provided in Section 3(c), and subject to Executive's execution and non-revocation of a release of claims pursuant to Section 3(d), if (x) Conn's terminates Executive's employment other than (A) for Cause or (B) as a result of Executive's death or Disability, or (y) Executive voluntarily terminates his employment for Good Reason, Conn's will pay Executive the following amounts and provide the following benefits:

(i) Executive shall continue to receive his Base Salary for the eighteen (18) month period (the “Severance Period”) following such termination, payable in accordance with Conn’s normal payroll practices.

(ii) During the Severance Period, Executive shall receive continued coverage under Conn’s medical, dental, life, disability, and other employee welfare benefit plans in which executive officers of Conn’s are eligible to participate, to the extent Executive is eligible under the terms of such plans immediately prior to Executive’s termination. For purposes of clarity, during the term of this Agreement Conn’s shall provide Executive coverage under a major medical plan. Conn’s obligation to provide the foregoing benefits shall terminate upon Executive’s becoming eligible for comparable employee welfare benefits under a plan or arrangement provided by a new employer. Executive agrees to promptly notify Conn’s of any such employment and the material terms of any employee welfare benefits offered to Executive in connection with such employment.

(c) *Termination in Connection with a Change of Control.* If, during the two (2) year period that begins on the date that is one (1) year prior to a Change of Control and ends on the date that is one (1) year following a Change of Control, Conn’s (or its successor) terminates Executive’s employment other than (A) for Cause or (B) as a result of Executive’s death or Disability, or Executive voluntarily terminates his employment for Good Reason, then, subject to Executive’s execution and non-revocation of a release of claims pursuant to Section 3(d), Conn’s will pay the following amounts and provide the following benefits:

(i) A lump-sum cash payment in an amount equal to three (3) times the Executive’s Base Salary, which, subject to Section 16, shall be payable not later than sixty (60) days following (A) Executive’s termination (if Executive’s employment terminates on or after the date of the Change of Control), or (B) the date of the Change of Control (if Executive’s employment terminates during the one-year period prior to the date of the Change of Control); *provided, however*, that if the Change of Control is not a “change in control event,” within the meaning of Treasury Regulations issued under Section 409A of the Code, then such amount shall be paid in monthly installments over a period of three years, rather than a lump sum payment. Notwithstanding the provisions of Section 3(c)(i)(B), the amount payable to Executive under this Section 3(c)(i) shall be reduced by the payments, if any, received by Executive pursuant to Section 3(b)(i).

(ii) Conn’s will offer the Executive and any eligible family members the opportunity to elect to continue medical and dental coverage pursuant to COBRA. The Executive will be responsible for paying the required monthly premium for that coverage, but Conn’s will pay the Executive a lump sum cash stipend equal to 18 times the portion of the monthly premium that would have been paid by Conn’s for the same level of health and dental coverage the Executive had in effect immediately prior to his termination if the Executive were actively employed by Conn’s, and the Executive may, but is not required to, choose to use the stipend for the payment of COBRA premiums for any COBRA coverage that the Executive or eligible family members may elect. Conn’s will pay the stipend to the Executive within sixty (60) days after Executive’s termination of employment, or such later date required

under Section 16, whether or not the Executive or any eligible family member elects COBRA coverage, whether or not the Executive continues COBRA coverage for the maximum period permitted by law, and whether or not the Executive receives medical or dental coverage from another employer while the Executive is receiving COBRA continuation coverage. Payment of the stipend will not in any way extend or modify the Executive's continuation coverage rights under COBRA or any similar continuation coverage law.

(iii) All awards held by Executive under the 2016 Omnibus Incentive Plan shall immediately vest and, if applicable, continue to be exercisable during the 18-month period following the date of termination as if Executive had remained an employee of Conn's.

The terms of this Section 3(c) are continuing in nature and shall survive until the one (1) year anniversary of the earlier of Executive's termination of employment or termination of this Agreement.

(d) *Waiver and Release.* Executive's rights to any payments under 3(b) or 3(c) of this Agreement are contingent on Executive signing and returning, within 21 days following the date of termination (or, if permitted by Conn's, within 45 days following the date of termination), an executed release of claims in a form prescribed by Conn's, and not revoking such release within seven (7) days thereafter. Any amounts payable under Section 3(b)(i), 3(c)(i) and 3(c)(ii) shall be delayed until such conditions have been satisfied; *provided, however*, that if the period during which Executive may consider whether to execute or revoke such a release of claims begins in one calendar year and ends in a subsequent calendar year, all payments under Section 3(b) or 3(c) that otherwise would be payable in the first of such calendar years shall be paid in the subsequent calendar year in accordance with Section 409A of the Code.

4. Attorneys' Fees, Costs and Expenses. Conn's will reimburse Executive for the reasonable attorney's fees, costs, and expenses incurred by the Executive in connection with any claim made or action brought by Executive to enforce his rights hereunder, provided such action is not decided in favor of Conn's.

5. Potential Limitation on Payments.

(a) Anything in this Agreement to the contrary notwithstanding, if it is determined that any payment or distribution by Conn's to or for the benefit of the Executive (whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, but determined without regard to any additional payments required under this Section 5) (all such payments and benefits, including the payments and benefits under Section 5 hereof, being hereinafter referred to as the "Total Payments") would be subject to the excise tax imposed by Section 4999 of the Code or any interest or penalties are incurred by the Executive with respect to such excise tax (such excise tax, together with any such interest and penalties, collectively the "Excise Tax"), then the Total Payments will be reduced, in the order specified in Section 5(b), to the extent necessary so that no portion of the Total Payments is subject to the Excise Tax, but only if the net amount of such Total Payments, as so reduced (and after subtracting the net amount of federal, state,

and local income taxes on such reduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such reduced Total Payments) is greater than or equal to the net amount of such Total Payments without such reduction (but after subtracting the net amount of federal, state, and local income taxes on such Total Payments and the amount of Excise Tax to which the Executive would be subject in respect of such unreduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such unreduced Total Payments).

(b) The Total Payments will be reduced in the following order: (i) reduction of any cash severance payments otherwise payable to the Executive that are exempt from Section 409A of the Code; (ii) reduction of any other cash payments or benefits otherwise payable to the Executive that are exempt from Section 409A of the Code, but excluding any payments attributable to any acceleration of vesting or payments with respect to any equity award that are exempt from Section 409A of the Code; (iii) reduction of any other payments or benefits otherwise payable to the Executive on a pro-rata basis or such other manner that complies with Section 409A of the Code, but excluding any payments attributable to any acceleration of vesting and payments with respect to any equity award that are exempt from Section 409A of the Code; and (iv) reduction of any payments attributable to any acceleration of vesting or payments with respect to any equity award that are exempt from Section 409A of the Code, in each case beginning with payments that would otherwise be made last in time.

(c) Subject to the provisions of Section 5(d) hereof, all determinations required to be made under this Section 5, including whether and when Total Payments should be reduced, the amount of such Total Payments, Excise Taxes, and all other related determinations, as well as all assumptions to be utilized in arriving at such determinations, will be made by a nationally recognized certified public accounting firm as may be designated by Conn's, subject to Executive's approval which will not be unreasonably withheld (the "Accounting Firm"). All fees and expenses of the Accounting Firm will be borne solely by Conn's. Any determination by the Accounting Firm will be binding upon Conn's and the Executive.

(d) As a result of uncertainty in the application of Section 280G and Section 4999 of the Code at the time of the initial calculation by the Accounting Firm hereunder, it is possible that the cash severance payment made by Conn's will have been less than Conn's should have paid pursuant to Section 5 hereof (the amount of any such deficiency, the "Underpayment"), or more than Conn's should have paid pursuant to Section 5 hereof (the amount of any such overage, the "Overpayment"). In the event of an Underpayment, Conn's will pay the Executive the amount of such Underpayment (together with interest at 120% of the rate provided in Section 1274(b)(2)(B) of the Code) not later than five business days after the amount of such Underpayment is subsequently determined, provided, however, such Underpayment will not be paid later than the end of the calendar year following the calendar year in which the Executive remitted the related taxes. In the event of an Overpayment, the amount of such Overpayment will be paid to Conn's by the Executive not later

than five business days after the amount of such Overpayment is subsequently determined (together with interest at 120% of the rate provided in Section 1274(b)(2)(B) of the Code).

6. Certain Definitions. For purposes of this Agreement, the following terms shall have the following meanings:

(a) “*Affiliate*” shall mean, with respect to a person, any other person controlling, controlled by, or under common control with the first person.

(b) “*Base Salary*” shall mean Executive’s annual base salary, as approved by the Compensation Committee of the Board, and effective as of the date immediately prior to the Executive’s termination of employment.

(c) “*Board*” shall mean the Board of Directors of Conn’s.

(d) “*Cause*” shall mean (i) behavior of Executive which is adverse to Conn’s interests, (ii) Executive’s dishonesty, criminal charge or conviction, grossly negligent misconduct, willful misconduct, acts of bad faith, neglect of duty, or (iii) material breach of this Agreement.

(e) “*Change of Control*” means the occurrence of any of the following events:

(i) Any “person” (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the “Act”)) becomes the “beneficial owner” (as defined in Rule 13d-3 under the Act), directly or indirectly, of securities of Conn’s representing thirty-five percent (35%) or more of the total voting power represented by Conn’s then outstanding voting securities;

(ii) A change in the composition of the Board occurring within a twelve-month period, as a result of which fewer than a majority of the directors are Incumbent Directors. “Incumbent Directors” will mean directors who either (A) are directors of Conn’s as of the effective date of this Agreement, or (B) are elected, or nominated for election, to the Board with the affirmative votes of at least a majority of the Incumbent Directors at the time of such election or nomination (but will not include an individual whose election or nomination is in connection with an actual or threatened proxy contest relating to the election of directors to Conn’s);

(iii) The consummation of a merger or consolidation of Conn’s with any other entity or corporation, other than a merger or consolidation that would result in the voting securities of Conn’s outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or such surviving entity’s parent) at least fifty percent (50%) of the total voting power represented by the voting securities of Conn’s or such surviving entity or such surviving entity’s parent outstanding immediately after such merger or consolidation; or

(iv) The sale, lease, exchange or other transfer, directly or indirectly, of (A) all or substantially all of the assets of Conn’s (in one transaction or in a series of related transactions), or (B) one of the significant operating divisions of Conn’s, including the Retail and Credit Divisions.

(f) “*Confidential Information*” shall mean information: (i) disclosed to or known by the Executive as a consequence of or through his employment with Conn’s, (ii) not generally known outside Conn’s, and (iii) which relates to any aspect of Conn’s or its business, research, or development. “Confidential Information” includes, but is not limited to Conn’s trade secrets, proprietary information, business plans, marketing plans, methodologies, computer code and programs, formulas, processes, compilations of information, results of research, proposals, reports, records, financial information, compensation and benefit information, cost and pricing information, customer lists and contact information, supplier lists and contact information, vendor lists and contact information, and information provided to Conn’s by a third party under restrictions against disclosure or use by Conn’s or others; provided, however, that the term “Confidential Information” does not include information that (a) at the time it was received by Executive was generally available to the public, (b) prior to its use by Executive, becomes generally available to the public through no act or failure of Executive, (c) is received by Executive from a person or entity other than Conn’s or an Affiliate of Conn’s who is not under an obligation of confidence with respect to such information, or (d) was generally known by Executive by virtue of his experience and know-how gained prior to employment with Conn’s.

(g) “*Control*” and correlative terms shall mean the power, whether by contract, equity ownership, or otherwise, to direct the policies or management of a person.

(h) “*Copyright Works*” shall mean materials for which copyright protection may be obtained including, but not limited to literary works (including all written material), computer programs, artistic and graphic works (including designs, graphs, drawings, blueprints, and other works), recordings, models, photographs, slides, motion pictures, and audio-visual works, regardless of the form or manner in which documented or recorded.

(i) “*Disability*” shall mean Executive’s permanent disability (A) as determined in accordance with the disability insurance that Conn’s may then have in effect, if any, or (B) if no such insurance is in effect, shall mean that Executive is subject to a medical determination that he, because of a medically determinable disease, injury, or other mental or physical disability, is unable to perform substantially all of his then regular duties, and that such disability is determined or reasonably expected to last at least twelve (12) months, based on then-available medical information.

(j) “*Good Reason*” shall mean, (A) without Executive’s express written consent, the material diminution of the Executive’s title, duties, authority, or responsibilities, relative to Executive’s duties, authority, or responsibilities as in effect immediately prior to such reduction, or the assignment to Executive of such reduced duties, authority, or responsibilities, (B) without Executive’s express written consent, a substantial reduction, without good business reasons, of the facilities and perquisites (including office space and location) available to the Executive immediately prior to such reduction, (C) a material reduction of Executive’s Base Salary or annual bonus opportunity, each as in effect as of the Effective Date, (D) a material reduction in the kind or level of employee benefits, including additional bonus opportunities, to which the Executive was entitled immediately prior to such reduction with the result that the Executive’s overall benefits package is significantly reduced, (E) for purposes of Section 3(c) only, the failure of Conn’s to obtain the assumption of this Agreement by any successors contemplated in Section 9 below, or (F) for purposes of Section 3(c) only, the transfer of Executive’s principal place of employment to a location that is more than one-hundred (100) miles from Executive’s principal place of employment immediately prior to the Change of Control, or (G) any act

or set of facts or circumstances that would, under case law or statute, constitute a constructive termination of Executive. Executive may terminate his employment for Good Reason only if (1) Executive provides written notice to Conn's of the occurrence of the Good Reason event (as described above) within thirty (30) days after Executive knows or reasonably should know of the circumstances constituting Good Reason, which notice shall specifically identify the circumstances which Executive believes constitute Good Reason; (2) Conn's fails to correct the circumstances constituting Good Reason within thirty (30) days after such notice; and (3) Executive resigns for Good Reason within thirty (30) days after the expiration of the correction period described in clause (2) hereof.

(k) "Person" shall mean an individual, partnership, corporation, limited liability company, trust, or unincorporated organization, or a government or agency or political subdivision thereof.

(l) "Work Product" shall mean all methods, analyses, reports, plans, computer files and all similar or related information which (i) relate to Conn's or any of its Affiliates and (ii) are conceived, developed, or made by Executive in the course of his employment by Conn's.

7. Non-Disclosure, Non-Competition, and Non-Solicitation. Executive and Conn's acknowledge and agree that during and solely as a result of his employment by Conn's, Conn's has provided and will continue to provide Confidential Information and special training to Executive to allow Executive to fulfill his obligations as an executive of a publicly-held company and under this Agreement. In consideration of the special and unique opportunities afforded to Executive by Conn's as a result of Executive's employment, as outlined in the previous sentence, Executive hereby agrees as follows:

(a) Executive agrees that Executive will not, except as Conn's may otherwise consent or direct in writing, reveal or disclose, sell, use, lecture upon, publish, or otherwise disclose to any third party any Confidential Information of Conn's or any of its Affiliates, or authorize anyone else to do these things at any time either during or subsequent to Executive's employment with Conn's. This Section 7(a) shall continue in full force and effect after termination of Executive's employment for any reason. Executive's obligations under this Section 7(a) with respect to any specific Confidential Information shall cease only when that specific portion of the Confidential Information becomes publicly known, other than as a result of disclosure by Executive, in its entirety and without combining portions of such information obtained separately. It is understood that such Confidential Information of Conn's and any of its Affiliates includes matters that Executive conceives or develops, as well as matters Executive learns from other executives of Conn's and any of its Affiliates. Notwithstanding anything herein to the contrary, nothing in this Agreement shall (i) prohibit the Executive from making reports of possible violations of federal law or regulation to any governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the Securities Exchange Act of 1934 or Section 806 of the Sarbanes-Oxley Act of 2002, or of any other whistleblower protection provisions of state or federal law or regulation, or (ii) require notification or prior approval by Conn's of any reporting described in clause (i) above.

(b) Executive agrees that for the duration of this Agreement, and for a period of eighteen (18) months following Executive's termination of employment for any reason other than in connection with a Change of Control (as described in Section 3(c)), Executive shall

not (other than for the benefit of Conn's or any of its Affiliates pursuant to this Agreement) compete with Conn's or any of its Affiliates by engaging in the conception, design, development, production, marketing, or servicing of any product or service that is substantially similar to the products or services which Conn's or any of its Affiliates provides, and that he will not work for, assist, loan money, extend credit, or become affiliated with as an individual, owner, partner, director, officer, stockholder, employee, advisor, independent contractor, joint venturer, consultant, agent, representative, salesman, or any other competitive capacity, either directly or indirectly, any individual or business which offers or performs services, or offers or provides products substantially similar to the services and products provided by Conn's or any of its Affiliates. The scope of the restrictions of this Section 7(b) are nationwide, given Executive's nationwide responsibilities. The restrictions of this Section 7(b) shall not be violated by the ownership of no more than 1% of the outstanding securities of any company whose equity securities are traded on a national securities exchange, including the NASDAQ Global Select Market.

(c) Executive agrees that for the duration of this Agreement, and for a period of eighteen (18) months following Executive's termination of employment for any reason, Executive shall not either directly or indirectly, on his behalf or on behalf of others, solicit, attempt to hire, or hire any person employed by Conn's and any of its Affiliates to work for Executive or for another entity, firm, corporation, or individual.

(d) Executive acknowledges that Conn's has taken reasonable steps to maintain the confidentiality of its Confidential Information and the ownership of its Work Product and Copyright Works, which is extremely valuable to Conn's and provides Conn's with a competitive advantage in its market. Executive further acknowledges that Conn's would suffer irreparable harm if Executive were to use or enable others to use such knowledge, information, and business acumen in competition with Conn's. Executive acknowledges the necessity of the restrictive covenants set forth herein to: protect Conn's legitimate interests in Conn's Confidential Information; protect Conn's customer relations and the goodwill with customers and suppliers that Conn's has established at its substantial investment; and protect Conn's as a result of providing Executive with specialized knowledge, training, and insight regarding Conn's operations as a publicly-held company. Executive further agrees and acknowledges that these restrictive covenants are reasonably limited as to time, geographic area, and scope of activities to be restricted and that such promises do not impose a greater restraint on Executive than is necessary to protect the goodwill, Confidential Information, and other legitimate business interests of Conn's. Executive agrees that any breach of this Section 7 cannot be remedied solely by money damages, and that in addition to any other remedies Conn's may have, Conn's is entitled to obtain injunctive relief against Executive without the requirement of posting bond or other security. Nothing herein, however, shall be construed as limiting Conn's right to pursue any other available remedy at law or in equity, including recovery of damages and termination of this Agreement.

(e) Executive acknowledges that all writings, records, and other documents and things comprising, containing, describing, discussing, explaining, or evidencing any Confidential Information, Work Product, and/or Copyright Works of Conn's, any Affiliate of Conn's, or any third party with which Conn's has a confidential relationship, is the property of Conn's or such Affiliate. All property belonging to Conn's in Executive's custody or possession that has been obtained or prepared in the course of Executive's employment with

Conn's shall be the exclusive property of Conn's, shall not be copied and/or removed from the premises of Conn's, except in pursuit of the business of Conn's, and shall be delivered to Conn's, along with all copies or reproductions of same, upon notification of the termination of Executive's employment or at any other time requested by Conn's. Conn's shall have the right to retain, access, and inspect all property of any kind in Executive's office, work area, and on the premises of Conn's upon termination of Executive's employment and at any time during Executive's employment, to ensure compliance with the terms of this Agreement.

The terms of this Section 7 are continuing in nature and shall survive the termination or expiration of this Agreement.

8. Notices. All notices and other communications under this Agreement shall be in writing and shall be delivered personally or by facsimile or electronic delivery, given by hand delivery to the other party, sent by overnight courier or sent by registered or certified mail, return receipt requested, postage prepaid, to:

If to Executive: Coleman R. Gaines
4055 Technology Forest Blvd
The Woodlands, Texas 77381
Fax No: (877) 303-2445

If to Conn's: Conn's, Inc.
4055 Technology Forest Blvd.
The Woodlands, Texas 77381
Attn: Office of the General Counsel
Fax No: (877) 303-2445

9. Assignment. Conn's shall require any successors (whether direct or indirect, by purchase, merger, consolidation or otherwise) to a controlling interest in the business, assets, or equity of Conn's (or, if applicable, a material division of Conn's, including the Retail or Credit division) to assume and agree to perform this Agreement in the same manner and to the same extent that Conn's would be required to perform if no such succession had taken place. This Agreement is a personal employment contract and the rights, obligations, and interests of Executive under this Agreement may not be sold, assigned, transferred, pledged, or hypothecated by Executive.

10. Binding Agreement. Executive understands that his obligations under this Agreement are binding upon Executive's heirs, successors, personal representatives, and legal representatives.

11. Arbitration. Except for any controversy or claim relating to Section 7 of this Agreement, any controversy or claim arising out of or relating to this Agreement or the breach of any provision of this Agreement, including the arbitrability of any controversy or claim, shall be settled by arbitration administered by the American Arbitration Association ("AAA") under its National Rules for the Resolution of Employment Disputes and the Optional Rules for Emergency Measures of Protection of the AAA, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Any provisional remedy, which would be available from a court of law, shall be available from the arbitrator to the parties to this Agreement

pending arbitration. Arbitration of disputes is mandatory and in lieu of any and all civil causes of action and lawsuits either party may have against the other arising out of Executive's employment with Conn's. Civil discovery shall be permitted for the production of documents and taking of depositions. The arbitrator(s) shall be guided by the Texas Rules of Civil Procedure in allowing discovery and all issues regarding compliance with discovery requests shall be decided by the arbitrator(s). The Federal Arbitration Act shall govern this Section 11. This Agreement shall in all other respects be governed and interpreted by the laws of the State of Texas, excluding any conflicts or choice of law rule or principles that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction. The arbitration shall be conducted in the city of Conn's corporate offices by one neutral arbitrator chosen by AAA according to its National Rules for the Resolution of Employment Disputes if the amount of the claim is one million dollars (\$1,000,000.00) or less and by three neutral arbitrators chosen by AAA in the same manner if the amount of the claim is more than one million dollars (\$1,000,000.00). Neither party nor the arbitrator(s) may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties unless compelled to do so either by judicial process or to enforce an arbitration award rendered pursuant to this Section 11. All fees and expenses of the arbitration shall be borne by the parties equally.

12. Waiver. No waiver by either party to this Agreement of any right to enforce any term or condition of this Agreement, or of any breach of this Agreement, shall be deemed a waiver of such right in the future or of any other right or remedy available under this Agreement.

13. Severability. If any provision of this Agreement as applied to either party or to any circumstances shall be adjudged by a court of competent jurisdiction or arbitrator to be void or unenforceable, the same shall in no way affect any other provision of this Agreement or the validity or enforceability of this Agreement. If any court or arbitrator construes any of the provisions of Section 7 of this Agreement, or any part thereof, to be unreasonable because of the duration of such provision or the geographic or other scope thereof, such court or arbitrator shall reduce the duration or restrict the geographic or other scope of such provision or enforce such provision to the maximum extent possible as so reduced or restricted.

14. Entire Agreement; Amendment. This Agreement shall constitute the entire agreement between the parties with respect to the subject matter hereof. This Agreement replaces and supersedes any and all existing agreements entered into between Executive and Conn's, whether oral or written, regarding the subject matter of this Agreement, except that this Agreement shall modify and supersede any equity award agreement between Executive and Conn's under the 2016 Omnibus Incentive Plan as expressly set forth herein. The terms of this Agreement shall prevail to the extent of any conflict between the terms of this Agreement and any equity award agreement between Executive and Conn's under the Conn's 2016 Omnibus Incentive Plan. This Agreement may not be amended or modified other than by a written agreement executed by the parties to this Agreement or their respective successors and legal representatives.

15. Understand Agreement. Executive represents and warrants that he has (i) read and understood each and every provision of this Agreement, (ii) been given the opportunity to obtain advice from legal counsel of choice, if necessary and desired, to interpret any and all provisions of this Agreement, and (iii) freely and voluntarily entered into this Agreement.

16. Section 409A of the Code. This Agreement is intended to comply with the requirements of Section 409A of the Code, and shall be interpreted and construed consistently with such intent. The payments to Executive pursuant to this Agreement are also intended to be exempt from Section 409A of the Code to the maximum extent possible, under either the separation pay exemption pursuant to Treasury regulation §1.409A-1(b)(9)(iii) or as short-term deferrals pursuant to Treasury regulation §1.409A-1(b)(4), and for such purposes, each payment to Executive under this Agreement shall be considered a separate payment. In the event the terms of this Agreement would subject Executive to taxes or penalties under Section 409A of the Code (“409A Penalties”), Conn’s and Executive shall cooperate diligently to amend the terms of the Agreement to avoid such 409A Penalties, to the extent possible; *provided, however*, that in no event shall Conn’s be responsible for any 409A Penalties that arise in connection with any amounts payable under this Agreement. To the extent any amounts under this Agreement are payable by reference to Executive’s “termination of employment,” such term and similar terms shall be deemed to refer to Executive’s “separation from service,” within the meaning of Section 409A of the Code. Notwithstanding any other provision in this Agreement, to the extent any payment hereunder constitutes nonqualified deferred compensation, within the meaning of Section 409A, and Executive is a specified employee (within the meaning of Section 409A of the Code) as of the date of Executive’s separation from service, each such payment that is payable upon Executive’s separation from service and would have been paid prior to the six-month anniversary of Executive’s separation from service, shall be delayed until the earlier to occur of (i) the first day of the seventh month following Executive’s separation from service or (ii) the date of Executive’s death. Any reimbursement payable to Executive pursuant to this Agreement shall be conditioned on the submission by Executive of all expense reports reasonably required by Employer under any applicable expense reimbursement policy, and shall be paid to Executive in accordance with Conn’s expense reimbursement policy, but in no event later than the last day of the calendar year following the calendar year in which Executive incurred the reimbursable expense. Any amount of expenses eligible for reimbursement, or in-kind benefit *provided*, during a calendar year shall not affect the amount of expenses eligible for reimbursement, or in-kind benefit to be provided, during any other calendar year. The right to any reimbursement or in-kind benefit pursuant to this Agreement shall not be subject to liquidation or exchange for any other benefit.

17. Recoupment. (a) Any portion of the payments, equity grants, equity vesting, including those under the 2016 Omnibus Incentive Plan, Conn’s annual performance bonus opportunity, and benefits provided under this Agreement, as well as any other payments and benefits which you receive pursuant to a Company plan or other arrangement, shall be subject to recoupment and clawback to the extent necessary to comply with the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act, any Securities and Exchange Commission rule, or any policy that may be adopted by the Company’s Board of Directors, as amended from time to time. Executive agrees to fully cooperate with Conn’s in assuring compliance with such policies and provisions of applicable law.

(b) In addition, the payments outlined in Section 17(a), as well as any sign-on bonus paid to Executive, shall be subject to recoupment and clawback in the event of Executive’s termination for Cause.

18. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas and is performable in the city of Conn’s corporate offices.

19. Professional/Personal. Membership by Executive on corporate and civic boards should be accepted only after consideration of conflict of interest and consultation with the Chairman of the Board.

20. Titles; Pronouns and Plurals. The titles to the sections of this Agreement are inserted for convenience of reference only and should not be deemed a part hereof or affect the construction or interpretation of any provision hereof. Whenever the context may require, any pronoun used in this Agreement shall include the corresponding masculine, feminine, or neuter forms, and the singular form of nouns, pronouns, and verbs shall include the plural and vice versa.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

CONN'S, INC.

By: _____
Name: _____
Title: _____
Date: _____

EXECUTIVE

By: /s/ _____
Name: Coleman R. Gaines
Date: 1/10/2017



Conn's Continues Executive Transition Process and Appoints Seasoned Executives to Lead Retail, Logistics and Service Divisions

- *Coleman R. ("CR") Gaines named President and Chief Operating Officer of Retail*
- *Casey Chung appointed Vice President of Logistics, and*
- *David Hutchinson appointed Vice President of Service*

THE WOODLANDS, Texas-- Conn's, Inc. (NASDAQ:CONN) today announced that it has achieved another major milestone in the transformation of its business with the appointments of three important executives across the Company's Retail, Logistics and Service divisions.

Within Retail, the Company has named Coleman R. ("CR") Gaines as President and Chief Operating Officer. In his role, Gaines will oversee the Company's Retail business including operations, merchandising, logistics and service. Gaines will join Conn's on February 1, 2017 and will report directly to Norm Miller, the Company's Chief Executive Officer and Chairman.

"CR is a seasoned operations executive with over 25 years of experience at high growth retail organizations," said Mr. Miller. "With his track record of providing outstanding leadership and solid financial management, I'm confident that CR will ensure Conn's is well positioned to achieve sustainable revenue growth in our Retail business."

Gaines previously spent seven years at TMX Finance in Savannah, GA, a consumer retail finance company that served subprime consumers, and was most recently the company's Executive Vice President of Store Operations. At TMX, Gaines led the entire store operations group, which consisted of 1,300 retail locations across 18 states, and was responsible for managing new store growth, improving operational efficiencies, and delivering profit to expectation. He also served in additional roles at TMX including Senior Vice President, Divisional Vice President and Regional Manager. Gaines holds a B.A. in Theology from Freed Hardeman University.

Prior to TMX, Gaines spent eight years at Tractor Supply Company, working up to Divisional Vice President of Operations, where he managed a \$1.4 billion business unit and directed all operational activities for the company's 900 stores. Gaines began his career at Scotty's Home Centers & Hardware Stores, working his way up over 13 years to Vice President of Hardware Stores where he assumed full P&L responsibility for the company's 70 retail stores.

In addition to the appointment of Gaines, Conn's announced the appointments of Casey Chung as Vice President of Logistics and David Hutchinson as Vice President of Service.

Chung brings over 20 years of logistics business experience to Conn's, most recently serving as Vice President of Logistics for Caleres in Lebanon, TN, the parent company to Famous Footwear. At Caleres, Chung spearheaded an initiative to modernize and optimize the Supply Chain network, with a focus on reducing cost and increasing speed and flexibility. Prior to Caleres, Chung oversaw logistics for other leading high growth retail companies including GAP Inc., Blockbuster and Walmart. Chung has an MBA in Supply Chain Management and a Ph.D. in Operations Management from the University of Texas in Dallas.

Hutchinson has nearly two decades of experience in sales and operations roles with an emphasis on creating an innovative customer service experience for major retailers including The Home Depot and Sears. In his most recent role, Hutchinson served as Senior Director & General Manager at The Home Depot in Atlanta where he was responsible for in-home sales and installation business for all custom windows, roofing, siding and other exterior products. Prior to The Home Depot, Hutchinson spent 16 years at Sears. His last role at Sears was as a Regional Vice President, responsible for major home appliance repair operations. Hutchinson has a B.S. in Business Management from the University of South Florida.

About Conn's, Inc.

Conn's is a specialty retailer currently operating over 110 retail locations in Alabama, Arizona, Colorado, Georgia, Louisiana, Mississippi, Nevada, New Mexico, North Carolina, Oklahoma, South Carolina, Tennessee and Texas. The Company's primary product categories include:

- Furniture and mattress, including furniture and related accessories for the living room, dining room and bedroom, as well as both traditional and specialty mattresses;
- Home appliance, including refrigerators, freezers, washers, dryers, dishwashers and ranges;
- Consumer electronics, including LED, OLED, Ultra HD, and internet-ready televisions, Blu-ray players, home theater and portable audio equipment; and
- Home office, including computers, printers and accessories.

Additionally, Conn's offers a variety of products on a seasonal basis. Unlike many of its competitors, Conn's provides flexible in-house credit options for its customers in addition to third-party financing programs and third-party rent-to-own payment plans.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties. Such forward-looking statements include information concerning the Company's future financial performance, business strategy, plans, goals and objectives. Statements containing the words "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "project," "should," or the negative of such terms or other similar expressions are generally forward-looking in nature and not historical facts. We can give no assurance that such statements will prove to be correct, and actual results may differ materially. A wide variety of potential risks, uncertainties, and other factors could materially affect the Company's ability to achieve the results either expressed or implied by the Company's forward-looking statements including, but not limited to: general economic conditions impacting the Company's customers or potential customers; the Company's ability to execute periodic securitizations of future originated customer loans including the sale of any remaining residual equity on favorable terms; the Company's ability to continue existing customer financing programs or to offer new customer financing programs; changes in the delinquency status of the Company's credit portfolio; unfavorable developments in ongoing litigation; increased regulatory oversight; higher than anticipated net charge-offs in the credit portfolio; the success of the Company's planned opening of new stores; technological and market developments and sales trends for the Company's major product offerings; the Company's ability to protect against cyber-attacks or data security breaches and to protect the integrity and security of individually identifiable data of the Company's customers and employees; the Company's ability to fund its operations, capital expenditures, debt repayment and expansion from cash flows from operations, borrowings from the Company's revolving credit facility, and proceeds from accessing debt or equity markets; the ability to continue the repurchase program; and the other risks detailed in the Company's most recent reports filed with the Securities and Exchange Commission, including but not limited to, the Company's Annual Report on Form 10-K, the Company's Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. If one or more of these or other risks or uncertainties materialize (or the consequences of such a development changes), or should our underlying assumptions prove incorrect, actual outcomes may vary materially from those reflected in our forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. We disclaim any intention or obligation to update publicly or revise such statements, whether as a result of new information, future events or otherwise. All forward-looking statements attributable to us, or to persons acting on our behalf, are expressly qualified in their entirety by these cautionary statements.

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S.M. Berger & Company

Andrew Berger (216) 464-6400