

**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): December 15, 2021**

**VROOM, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**001-39315**  
(Commission  
File Number)

**90-1112566**  
(IRS Employer  
Identification No.)

**1375 Broadway, Floor 11**  
**New York, New York 10018**  
(Address of principal executive offices) (zip code)

**(855) 524-1300**  
(Registrant's telephone number, including area code)

**N/A**  
(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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
<b>Common Stock, \$0.001 par value per share</b>	<b>VRM</b>	<b>The Nasdaq Global Select Market</b>

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.

## SECTION 5 - CORPORATE GOVERNANCE AND MANAGEMENT

### ITEM 5.02 DEPARTURE OF DIRECTORS OR CERTAIN OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF CERTAIN OFFICERS; COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS.

The Board of Directors (the “**Board**”) of Vroom, Inc. (the “**Company**”) has named Thomas Shortt as Chief Operating Officer, effective as of January 3, 2022 (the “**commencement date**”).

Mr. Shortt, 53, most recently served as Senior Vice President at Walmart, Inc., where he developed a comprehensive ecommerce supply chain strategy and led improvements through advanced analytics, processes, and systems. Prior to joining Walmart, Inc., Mr. Shortt held senior leadership roles overseeing supply chain, fulfillment and logistics, with an emphasis on change management and business transformation, at Home Depot, ACCO Brands, Unisource, Fisher Scientific and Office Depot. He holds a bachelor’s degree in Accounting from the University of Akron.

In connection with Mr. Shortt’s appointment, effective as of January 3, 2022, Mark Roszkowski, currently the Company’s Chief Revenue Officer, will assume a new role leading strategy for the broader organization, in addition to his responsibility for value-added products and all financing, as Chief Strategy Officer and General Manager of Vroom Financial Services.

#### *Chief Operating Officer Compensation Arrangements*

In connection with Mr. Shortt’s appointment as Chief Operating Officer, the Company and Mr. Shortt entered into an offer letter setting forth the terms and conditions of his employment. In consideration for his service, Mr. Shortt will receive an annual base salary of \$650,000 and will be eligible for an annual cash incentive with a target opportunity equal to 75% of his annual base salary, pro-rated for partial years of service. In connection with his hire, Mr. Shortt will receive an initial restricted stock unit grant with a grant date fair value of \$3,000,000, subject to ratable vesting on the first three anniversaries of the grant date, in lieu of an annual equity award grant for 2022. Commencing in 2023, Mr. Shortt will be eligible to receive annual equity awards in the amounts and on such terms as are determined by the Compensation Committee of the Board.

Mr. Shortt will receive a one-time cash payment equal to \$1,600,000 on the first administratively practical payroll date following the commencement date, \$300,000 of which will be subject to repayment to the Company if he voluntarily terminates his employment with the Company without good reason or his employment with the Company is terminated for cause prior to the first anniversary of the commencement date.

Mr. Shortt will also be eligible to participate in the Company’s broad-based employee benefits programs and the Company’s Executive Severance Plan.

Mr. Shortt has entered into the Company’s standard Proprietary Information and Inventions Assignment Agreement, which subjects him to certain restrictive covenants, including confidentiality and one-year post-employment restrictions on competition and solicitation of employees, vendors and customers of the Company.

The foregoing description of the terms and conditions of the letter agreement with Mr. Shortt does not purport to be complete and is qualified in its entirety by reference to such agreement, which is filed as Exhibit 10.1 hereto and is incorporated herein by reference.

A copy of the press release issued by the Company on December 16, 2021, is attached as Exhibit 99.1 hereto.

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**SECTION 9 - FINANCIAL STATEMENTS AND EXHIBITS**

**ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.**

<u>Exhibit Number</u>	<u>Description</u>
10.1	<a href="#">Letter Agreement, dated as of December 15, 2021, by and between Thomas Shortt and Vroom, Inc.</a>
99.1	<a href="#">Press Release, dated as of December 16, 2021.</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, Vroom, Inc. has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Vroom, Inc.

Date: December 16, 2021

By: /s/ Robert R. Krakowiak  
Robert R. Krakowiak  
Chief Financial Officer



December 15, 2021

Thomas Shortt  
Delivered via email

Dear Tom:

Congratulations – this is where the rubber meets the road! We are pleased to extend you the following offer of employment with Vroom, Inc. (“Vroom”). We believe that you have the personal and professional qualities to contribute to Vroom’s continued success. This letter sets forth the terms of your offer.

**Position:** Chief Operating Officer, reporting directly to the Chief Executive Officer of Vroom.

**Start Date:** Your first day of employment will be Monday, January 3, 2022 (your “Start Date”).

**Location:** You will primarily work remotely, subject to appropriate business travel. It is understood and expected that you will travel regularly as the requirements of the role dictate, including but not limited to Vroom offices, reconditioning centers and logistics hubs. Our normal hours of operation are 9:00 AM to 6:00 PM; however, your actual schedule will be determined based on the overall needs of the business.

**Compensation:** Your gross annual salary shall be \$650,000, payable bi-weekly on Fridays. Your role is currently classified as exempt. Therefore, you are exempt from the overtime provisions of the Fair Labor Standards Act (FLSA). Your salary will be reviewed by the Compensation Committee of the Board of Directors (the “Board”) of Vroom on an annual basis, beginning in March 2023.

**Annual Incentive:** You shall be entitled to participate in Vroom’s annual incentive bonus plan. This plan is based upon Vroom’s achievement of its business plan, as well as your success against personal performance goals.

- Your annual target bonus is 75% of your gross annual base salary, prorated for partial years of service.
- Payments in respect of annual bonuses are generally made on or before the end of the first quarter following the relevant performance year. No part of any bonus is earned unless you are actively employed by Vroom on the date the bonus is to be paid.
- The details of the bonus plan will be governed and outlined in a plan document that has been provided to you.

**One-Time Payments:**

- **Sign-on Bonus.** You shall be entitled to a sign-on bonus in the gross amount of \$1,300,000, payable on the first administratively practical payroll date following your Start Date.
- **Anniversary Bonus.** You shall be entitled to an anniversary bonus in the gross amount of \$300,000 (the “Anniversary Bonus”), payable on the first administratively practical payroll date following your Start Date. If you voluntarily terminate employment without Good Reason (as defined in the Vroom Executive Severance Plan) or your employment is terminated by Vroom for Cause (as defined in the Vroom Executive Severance Plan) prior to January 3, 2023, you shall repay the full amount (net of applicable taxes) of the Anniversary Bonus within 30 days following the date of termination.

**Equity:**

- **Initial RSU Award.** You shall be granted a restricted stock unit award with a grant date fair value of \$3,000,000 based on the average closing price of Vroom Common Stock over the twenty (20) trading days that precede the Start Date (the “Initial Award”) pursuant to the Vroom 2020 Incentive Award Plan (as in effect from time to time, the “Plan”). The Initial Award shall vest in 1/3 increments on the first three anniversaries of the grant date, subject to your continued employment through the applicable vesting date. The Initial Award shall be in lieu of any equity grants for 2022 under Vroom’s annual grant process.
- **Annual Grants.** Subject to your continued employment with Vroom through the applicable grant date, commencing in 2023, you shall be entitled to participate in an annual grant process along with other senior executives of Vroom. Such grants are expected to be made in March of each year, subject to the approval of the Board or its Compensation Committee.

**Benefits:** You shall be entitled to participate in Vroom’s comprehensive benefits package and retirement plan starting on the first day of the month, immediately following your Start Date. For details on eligibility and our full benefits offering, please review our benefits handouts, which will be provided separately on your Start Date. You also shall be the beneficiary of a company-paid officers and directors liability insurance policy and tail on terms consistent with those applicable to other senior executives of Vroom.

**Severance:** You shall be designated as a participant in the Vroom Executive Severance Plan. In the event of your termination of service with Vroom, your severance benefits (if any) shall be determined in accordance with the terms of the Vroom Executive Severance Plan (or any successor plan), as in effect on the date of termination.

**Time Off:** You will be entitled to participate in Vroom’s comprehensive Paid Time Off Policy (“PTO Policy”), including holidays, twenty (20) days of PTO annually, and five (5) days of sick leave annually. Please review Vroom’s PTO Policy for complete details.

**Next steps:** In addition, as with all employees, our offer to you is contingent on the following:

- Your consent to submit to a drug and alcohol screen, which may be required at any time and in Vroom’s sole discretion based upon your position. Refusal to submit to a drug and alcohol screen, or positive test results for drug(s) and/or alcohol, may result in termination.
- Receipt of satisfactory proof of your identity and legal authorization to work in the United States, as required by the Immigration Reform and Control Act of 1986, on your Start Date.
- Your execution of Vroom’s Proprietary Information and Inventions Assignment Agreement (“Vroom PIIA”), a copy of which is enclosed.
- Your representation, indicated by your signature below, that: (a) your acceptance of this offer and employment with Vroom does not violate any agreement with a third party or duties to your current or former employers; and (b) you will not bring with you to Vroom any proprietary or confidential information in violation of any agreement with a third party, including current or former employers.
- Your representation, indicated by your signature below, that you agree to comply with Vroom’s policies, including, without limitation, the policies set forth in Vroom’s Employee Handbook, which may be updated from time to time (“Policies”).

*[Signature Page Follows]*

Vroom may withdraw this offer of employment if any of the above conditions or representations are not met or are false. To accept this offer, please complete, sign and scan all documents included with this offer package. If you have any questions, do not hesitate to call. I hope you are ready to take the wheel and help drive Vroom's growth!

Sincerely,

/s/ C. Denise Stott

\_\_\_\_\_  
C. Denise Stott | Vroom  
Chief People and Culture Officer

12/15/2021

\_\_\_\_\_  
Date

Enclosures

I accept your offer of employment and agree to the provisions stated in this letter. I acknowledge that this letter, together with the Vroom PIIA and Policies, constitutes the entire agreement between Vroom and me and supersedes all prior verbal or written agreements, arrangements or understandings pertaining to my offer of employment. I understand that I am employed at-will and that my employment can be terminated at any time, with or without cause, at the option of either Vroom or me, but subject to the terms of this letter and the Vroom Executive Severance Plan.

I UNDERSTAND THAT THIS AGREEMENT AFFECTS IMPORTANT RIGHTS. BY SIGNING BELOW, I CERTIFY THAT I HAVE READ IT CAREFULLY AND AM SATISFIED THAT I UNDERSTAND IT COMPLETELY.

/s/ Thomas Shortt

\_\_\_\_\_  
Employee's Signature

Thomas Shortt

\_\_\_\_\_  
Employee's Name

12/15/2021

\_\_\_\_\_  
Date

*[Signature Page to Offer Letter]*



**Vroom Announces Appointment of Chief Operating Officer**

*Tom Shortt appointed in newly-created role at Vroom*

NEW YORK – (BUSINESS WIRE)—Dec. 16, 2021 – Vroom, Inc. (Nasdaq:VRM), a leading ecommerce platform for buying and selling used vehicles (the “Company”), today announced the appointment of Thomas Shortt as Chief Operating Officer, effective January 3, 2022.

Since 2018, Mr. Shortt has served as Senior Vice President at Walmart, where he developed a comprehensive ecommerce supply chain strategy and led improvements through advanced analytics, processes, and systems. Prior to his time at Walmart, he held senior leadership roles overseeing supply chain, fulfillment and logistics, with an emphasis on change management and business transformation, at Home Depot, ACCO Brands, Unisource, Fisher Scientific and Office Depot.

As Chief Operating Officer, which is a new role at Vroom, Mr. Shortt will report to CEO Paul J. Hennessy and lead key supply chain and cross-functional operations, including acquisitions, reconditioning, logistics, sales-support, customer experience and growth operations.

Mr. Hennessy commented, “Tom is a transformational leader and proven change agent with deep experience in supply chain and logistics management. As an innovative and seasoned executive who relies on data and analytics to drive execution, I am confident Tom will be a tremendous asset as we continue to manage our growth, scale our operations, execute our strategic plan, and pursue our path to profitability. I am delighted to welcome Tom to the Vroom team.”

“I am excited to join the Vroom team as COO and look forward to using my experience in supply chain management and business transformation to help Vroom build on its success, execute its growth plan and drive operational improvements across the organization,” said Mr. Shortt.

**About Vroom Inc.:**

Vroom is an innovative, end-to-end ecommerce platform designed to offer a better way to buy and a better way to sell used cars. The Company’s scalable, data-driven technology brings all phases of the car buying and selling process to consumers wherever they are and offers an extensive selection of used cars, transparent pricing, competitive financing, and at-home pick-up and delivery. Vroom is based in New York and Houston and also operates the Texas Direct Auto and CarStory brands.

**Forward-Looking Statements:**

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this press release that do not relate to matters of historical fact should be considered forward-looking statements. These statements are based on management’s current assumptions and are neither promises nor guarantees, but involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. For factors that could cause actual results to differ materially from the forward-

looking statements in this press release, please see the risks and uncertainties identified under the heading “Risk Factors” in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2021 filed with the U.S. Securities and Exchange Commission (the “SEC”) and our Annual Report on Form 10-K for the year ended December 31, 2020 filed with the SEC, as such factors may be updated from time to time in our other filings with the SEC, which are accessible on the SEC website at [www.sec.gov](http://www.sec.gov) and on our Investor Relations website at [ir.vroom.com](http://ir.vroom.com). All forward-looking statements reflect our beliefs and assumptions only as of the date of this press release. Vroom undertakes no obligation to update forward-looking statements to reflect future events or circumstances.

View source version on [businesswire.com](http://businesswire.com):

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