

**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): March 6, 2023

CAPSTONE GREEN ENERGY CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-15957
(Commission File Number)

95-4180883
(IRS Employer
Identification No.)

16640 Stagg Street,
Van Nuys, California
(Address of principal executive offices)

91406
(Zip Code)

(818) 734-5300
(Registrant's telephone number, including area code)

Former name or former address, if changed since last report: N/A

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))

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

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of exchange on which registered</u>
Common Stock, par value \$.001 per share Series B Junior Participating Preferred Stock Purchase Rights	CGRN	NASDAQ Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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.

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

On March 2, 2023, the Board of Directors of the Company (the “Board”) appointed John J. Juric as Chief Financial Officer (serving as the Company’s Principal Financial Officer) of the Company, effective March 6, 2023 (the “Effective Date”).

In connection with the appointment of Mr. Juric as Chief Financial Officer, Scott W. Robinson, the current interim Chief Financial Officer and Principal Financial Officer of the Company, delivered his resignation to the Board.

Prior to joining the Company, Mr. Juric, 62, spent nearly two years providing management and financial consulting services to C-suite executives in multiple industries. Previously, Mr. Juric served as Vice President of Finance and Chief Financial Officer of USALCO, LLC, a chemical manufacturing and distribution company, for six years, and as President Americas & Asia Industrial Division and Americas Region Chief Financial Officer of Fiberweb, PLC., a global nonwoven products manufacturer and distributor, for nearly five years. Additionally, Mr. Juric’s career includes multiple leadership, finance, and accounting roles with publicly traded and privately held organizations. He also previously served as the Director of Finance at Hercules, Inc., a global specialty chemical manufacturing company. Mr. Juric is a Certified Public Accountant, and holds an MBA and Bachelor of Science in Accounting from West Chester University.

In connection with Mr. Juric’s appointment, the Compensation and Human Capital Committee of the Board (the “Compensation Committee”) approved an annual base salary of \$375,000, effective as of the Effective Date.

In addition, Mr. Juric’s offer letter provides that he will be paid a cash bonus of \$100,000 to be paid in June 2023, and that he will be granted 125,000 restricted stock units, which will be effective as of the Effective Date and which will vest on March 6, 2025, provided that Mr. Juric remains employed as Chief Financial Officer on such date. Mr. Juric’s offer letter also provides that Mr. Juric will be eligible to participate in the Capstone Executive Bonus Program, with an annual incentive target value of 60% of base salary and a long-term incentive target value of 60% of base salary.

In connection with the appointment of Mr. Juric as Chief Financial Officer, the Company amended its Amended and Restated Severance Pay Plan, as amended (the “Severance Pay Plan”), to provide that (i) the Chief Financial Officer will receive fifty-two (52) weeks of severance pay if he is terminated without Cause (as defined in the Severance Pay Plan) and (ii) the Chief Executive Officer will receive eighteen (18) months of severance pay if he is terminated without Cause, in each case pursuant to and subject to the terms of the Severance Pay Plan. The foregoing description of the Severance Pay Plan does not purport to be complete and is qualified in its entirety by reference to the Severance Pay Plan, as amended, a copy of which is filed herewith as Exhibit 10.1 and incorporated herein by reference.

There are no arrangements or understandings between Mr. Juric and any other person pursuant to which he was selected as Chief Financial Officer, no family relationships between Mr. Juric and any other executive officer or director of the Company, and no related party transactions within the meaning of Item 404(a) of Regulation S-K between Mr. Juric and the Company.

**Item 7.01 Regulation FD
Disclosure**

On March 6, 2023, the Company issued a press release announcing the appointment of Mr. Juric as Chief Financial Officer and Principal Financial Officer. A copy of the press releases is furnished with this Current Report on Form 8-K as Exhibit 99.1, and is incorporated herein by reference.

The information furnished pursuant to this Item 7.01, including Exhibit 99.1, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities under that section and shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
10.1	<u>Amended and Restated Severance Pay Plan and Summary Plan Description, dated July 3, 2018, as amended on March 2, 2023.</u>
99.1	<u>Press Release of Capstone Green Energy Corporation, dated March 6, 2023</u>
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).

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.

CAPSTONE GREEN ENERGY CORPORATION

Date: March 6, 2023

By: /s/ Darren R. Jamison

Name: Darren R. Jamison

Title: President and Chief Executive Officer

**CAPSTONE GREEN ENERGY CORPORATION
AMENDED AND RESTATED
SEVERANCE PAY PLAN AND SUMMARY PLAN DESCRIPTION**

Effective July 3, 2018

AMENDED March 2, 2023

**ARTICLE I
INTRODUCTION**

This Amended and Restated Capstone Green Energy Corporation (the “Company”) Severance Pay Plan (the “Plan”) is established effective as of the date set forth above (the “Effective Date”). As of the Effective Date, this Plan replaces and supersedes the Capstone Green Energy Corporation Severance Pay Plan, as amended and restated effective February 1, 2010. This document serves as both the Plan document and the summary plan description of the Plan. The purpose of this Plan is to assist employees in their transition to finding new employment following a qualifying termination of employment and is not intended to be a reward for prior service with the Company. Benefits paid to an employee hereunder are not earned or otherwise accrued by an employee.

**ARTICLE II
PARTICIPATION IN THE PLAN**

Regular full-time employees of the Company or its subsidiaries whose employment is involuntarily terminated under conditions described in Article III (“Eligible Employees”) will be eligible for benefits upon satisfaction of the terms and conditions described in this Plan. For purposes of eligibility, a regular full-time employee is an employee who is a resident of the United States and is regularly scheduled to work at least 30 hours per week. It does not include: (i) employees who are designated by the Company as temporary, seasonal or intern, or (ii) individuals who provide services under an employee lease agreement, “leased employees” (defined in section 414(n) of the Internal Revenue Code) or independent contractors. Employees of the Company who are eligible for severance under another Company plan, agreement or arrangement are not eligible to receive duplicate benefits under this Plan. For the avoidance of doubt, any benefits payable pursuant to a Change in Control Agreement between an Eligible Employee and the Company shall be in lieu of, and not in addition to, the benefits payable pursuant to this Plan.

**ARTICLE III
BENEFIT ELIGIBILITY**

An Eligible Employee may receive benefits under this Plan only if the Company terminates his/her employment without Cause (as defined in Article VII) and the Eligible Employee satisfies all conditions and covenants provided in the Plan.

Benefits are conditioned on a loss of employment with the Company and its successors. An individual shall not be eligible for benefits if, following termination of employment that is in connection with a Change in Control (as defined in Article VII), he/she becomes employed or is offered employment by a successor to the Company in a position that is substantially similar to the position he/she had with the Company at the time of termination of employment, provided that the geographic location of such position is not more than 50 miles from the geographic location at which the Eligible Employee provided services at the time of termination of employment.

An Eligible Employee will be notified if he/she is eligible for benefits due to a reduction in force or job elimination. However, an Eligible Employee will not be entitled to benefits under the Plan if he/she is offered and does not accept a reasonable reassignment to another position with the Company following such reduction or elimination, provided that the geographic location of such position is not more than 50 miles from the geographic location at which the Eligible Employee provided services immediately prior to termination of employment.

An Eligible Employee will not be entitled to benefits under this Plan in the event of resignation by an Eligible Employee, termination of the Eligible Employee's employment by the Company for Cause, or the Eligible Employee's death or disability.

ARTICLE IV SEVERANCE BENEFIT

If an Eligible Employee is eligible for benefits under Article III, his/her severance benefits will be calculated in accordance with Section 4.01, but subject to forfeiture under Section 4.07 or adjustment under Section 4.08, as applicable.

Section 4.01. Severance Benefit Formula. If an Eligible Employee executes the General Release & Separation Agreement (as defined in Section 4.03 below), the Eligible Employee will receive the severance benefit described in the Severance Benefit Formula Addendum that applies to the Eligible Employee's job classification.

Section 4.02. Payment. Each week of severance pay is equivalent to the weekly compensation regularly paid to the Eligible Employee at the time his/her employment terminates, excluding any overtime pay, bonuses and imputed income. The severance pay benefit will be paid in the same manner as the Company's regular payroll practices during the severance period. Eligible Employees will also be paid for any unused vacation time, as defined in the Company's vacation policy, determined as of the termination date, which payment shall be made no later than required by applicable state law.

All other accruals, benefits and perquisites will cease upon termination of employment except to the extent of continuation coverage that may be required under the Consolidated Omnibus Budget Reconciliation Act of 1985 or other applicable law.

Section 4.03. General Release & Separation Agreement. To receive benefits calculated under Section 4.01, an Eligible Employee must sign a separation agreement containing, among

other provisions, a general release of claims in favor of the Company and related persons and entities (the “General Release & Separation Agreement”) in the form prescribed by the Administrator (as defined in Article VI below). If an Eligible Employee does not sign the General Release & Separation Agreement, such Eligible Employee will not be eligible to receive severance benefits under this Plan.

Section 4.04. Company Benefit Plans. Participation in this Plan is not intended to alter any benefits an Eligible Employee is entitled to receive under any other benefit plans maintained by the Company, except as is expressly provided in such plans or in Section 4.08. Except as set forth in Section 4.08, those benefits will continue to be determined by the terms of those plans. For more information, please refer to the plan documents and summary plan descriptions for those plans.

Section 4.05. Non-Alienation Of Benefit. An Eligible Employee may not, in any manner, sell, pledge, transfer, assign, encumber, or otherwise dispose of any severance pay benefit, or any right to such benefit, under this Plan, either voluntarily or involuntarily, before he/she receives it, and any attempt to do so or to otherwise dispose of any right to benefits under this Plan will be void.

Section 4.06. Application For Benefits. To receive benefits under this Plan, an Eligible Employee must notify the Company’s Human Resources Department by executing and delivering to Human Resources a General Release & Separation Agreement and the General Release & Separation Agreement must become fully effective, all within the time period set forth in the General Release & Separation Agreement. If an Eligible Employee does not receive a benefit to which he/she believes he/she is entitled, the Eligible Employee may write to the Administrator at the address set forth in this Plan and state the benefit to which the Eligible Employee believes he/she is entitled. Such writing will be considered a claim for benefits described in Section 7.02.

Section 4.07. Forfeiture. Notwithstanding anything to the contrary set forth herein, any and all remaining severance benefits shall be forfeited and cease immediately upon:

- (1) Any breach of the terms set forth in the General Release & Separation Agreement;
- (2) An Eligible Employee’s rejection of an offer of re-employment with the Company in the same or an equivalent position, provided that the geographic location of such position is not more than 50 miles from the geographic location at which the Eligible Employee provided services at the time of termination of employment; or
- (3) An Eligible Employee’s acceptance of re-employment with the Company.

Section 4.08. No Duplication. An Eligible Employee may not receive severance benefits under the Plan and another plan, agreement or arrangement with the Company. Such an Eligible Employee will only be entitled to severance benefits under the plan, agreement or arrangement that provides the Eligible Employee with the greatest amount of severance pay.

**ARTICLE V
PLAN AMENDMENT OR TERMINATION**

The Board of Directors of the Company (the “Board”) may terminate or amend the Plan in its sole discretion at any time by a written amendment that is authorized by the Board. Notice of any amendment must be provided to or made available to the Administrator. Oral amendments and modifications of this Plan are not effective. All amendments and modifications must be in writing and approved by the Board to be effective.

**ARTICLE VI
PLAN ADMINISTRATION AND SUMMARY OF INFORMATION**

Section 6.01. Plan Administrator. Except for those responsibilities specifically reserved to the Board herein, the Plan is administered by the “Administrator.” The Administrator is the individual or committee of individuals designated from time to time by the Board to administer the Plan. In the absence of such designation, the Board shall be the Administrator. The Administrator may delegate any of its duties or authorities to any person or entity. The Administrator has absolute discretion to make all decisions under the Plan, including making determinations about eligibility for and the amounts of benefits payable under the Plan and interpreting all Plan provisions. All decisions of the Administrator are final, binding and conclusive.

Section 6.02. How to Make a Claim for Benefits. If severance benefits are not automatically paid upon a payment event, an Eligible Employee may file a request for benefits in writing with the Administrator. Failure to timely submit an application for benefits in writing will result in a loss of Plan benefits. An Eligible Employee may not assign his/her benefits. Any attempted assignment is void.

If an Eligible Employee’s claim for Benefits is denied, the Administrator will furnish written notice of denial to the Eligible Employee (the “Claimant”) within 90 days of the date the claim is received, unless special circumstances require an extension of time for processing the claim. This extension will not exceed 90 days, and the Claimant must receive written notice stating the grounds for the extension and the length of the extension within the initial 90-day review period. If the Administrator does not provide written notice, the Claimant may deem the claim denied and seek review according to the appeals procedures set forth below.

1. The notice of denial to the Claimant shall state:
 - (a) The specific reasons for the denial;
 - (b) Specific references to pertinent provisions of the Plan on which the denial was based;

- (c) A description of any additional material or information needed for the Claimant to perfect his or her claim and an explanation of why the material or information is needed;
- (d) A statement that the Claimant may request, upon written application to the Administrator, to review pertinent Plan documents; and
- (e) The name and address of the Administrator to which the Claimant may forward an appeal. The notice may state that failure to appeal the action to the Administrator in writing within a 60-day period will render the determination final, binding and conclusive.

2. If the Claimant appeals to the Administrator, the Claimant or his/her authorized representative may submit in writing whatever issues and comments he/she believes to be pertinent. The Administrator shall reexamine all facts related to the appeal and make a final determination of whether the denial of benefits is justified under the circumstances. The Administrator shall advise the Claimant in writing of:

- (a) The Administrator's decision on appeal;
- (b) The specific reasons for the decision;
- (c) The specific provisions of the Plan on which the decision is based; and
- (d) That the Claimant has the right to bring a civil action under Section 502(a) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

Notice of the Administrator's decision shall be given within 60 days of the Claimant's written request for review, unless additional time is required due to special circumstances. In no event shall the Administrator render a decision on an appeal later than 120 days after receiving a request for a review.

Section 6.03. Additional Information. Benefits under the Plan are paid out of the general assets of the Company. The Company may, in its discretion establish a "grantor trust" to fund the payment of benefits under the Plan. Otherwise, this Plan does not give an Eligible Employee any rights to any particular assets of the Company. Cash amounts paid under a severance plan are generally considered taxable income to the recipient.

Section 6.04. ERISA Rights. Participants in the Plan are entitled to certain rights and protections under ERISA. ERISA provides that all Plan participants shall be entitled to:

- Examine, without charge, at the Administrator's office and at other specified locations, all Plan documents, including insurance contracts, and copies of all documents filed by the Plan with the U.S. Department of Labor, such as detailed annual reports and plan descriptions.

- Obtain copies of all Plan documents and other Plan information upon written request to the Administrator. The Administrator may make a reasonable charge for the copies.

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate this Plan, called “fiduciaries” of the Plan, have a duty to do so prudently and in the interest of Eligible Employees and other Plan participants and beneficiaries. No one, including the Company or any other person, may fire an Eligible Employee or otherwise discriminate against an Eligible Employee in any way to prevent the Eligible Employee from obtaining a benefit under this Plan or from exercising his/her rights under ERISA. As discussed above, if a claim for a benefit is denied in whole or in part, an Eligible Employee must receive a written explanation of the reason for the denial. Eligible Employees have the right to have the Administrator review and reconsider a claim.

Under ERISA, there are steps an Eligible Employee can take to enforce the above rights. For instance, if an Eligible Employee requests materials from the Administrator and does not receive them within 30 days, he/she may file suit in federal court. In such a case, the court may require the Administrator to provide the materials and pay the Eligible Employee up to \$110 a day until the Eligible Employee receives the materials, unless the materials were not sent because of reasons beyond the control of the Administrator.

If an Eligible Employee has a claim for benefits that is denied or ignored, in whole or in part, and he/she has exhausted all administrative remedies provided herein and ERISA, such Eligible Employee may file suit in federal court. If it should happen that Plan fiduciaries misuse the Plan’s money or if an Eligible Employee is discriminated against for asserting his/her rights, the Eligible Employee may seek assistance from the U.S. Department of Labor or may file suit in federal court. The court will decide who should pay court costs and fees. If the Eligible Employee loses, the court may order him/her to pay these costs and fees, for example, if it finds the Eligible Employee’s claim is frivolous.

If an Eligible Employee has any questions about the Plan, he/she should contact the Administrator. If an Eligible Employee has any questions about this statement or about his/her rights under ERISA, the Eligible Employee should contact the nearest Area Office of the U.S. Labor-Management Services Administration.

Section 6.05. Summary of Plan Information.

Name of Plan:	Capstone Green Energy Corporation Amended and Restated Severance Pay Plan
Company Address:	Capstone Green Energy Corporation 16640 Stagg Street Van Nuys, CA 91406
Who Pays for the Plan:	The cost of the Plan is paid entirely by the Company.

The Company's Employer Identification No.: 95-4180883

Plan Number: 506

Plan Year: January 1 to December 31

Plan Administrator:

For the Company's Chief Executive Officer:

Administrator of the Severance Pay Plan
c/o Board of Directors
Capstone Green Energy Corporation
16640 Stagg Street
Van Nuys, CA 91406
(818) 734-5300

For the Company's Chief Financial Officer:

Administrator of the Severance Pay Plan
c/o Darren Jamison
Capstone Green Energy Corporation
16640 Stagg Street
Van Nuys, CA 91406
(818) 734-5300

All other Eligible Employees of the Company:

Administrator of the Severance Pay Plan
Capstone Green Energy Corporation
16640 Stagg Street
Van Nuys, CA 91406
(818) 734-5300

Agent for Service of Legal Process on the Plan: Chief executive officer of the Company or the Administrator.

ARTICLE VII DEFINITIONS

For purposes of the Plan, the following terms shall be defined as set forth below:

"Change in Control" shall mean: (a) 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") (other than the Company, any of its subsidiaries, or any trustee, fiduciary or other person or entity holding securities under any employee benefit plan or trust of the Company or any of its subsidiaries), together with all "affiliates" and "associates" (as such terms are defined in Rule 12b-2 under the Act) of such person, shall become the "beneficial owner" (as such term is defined in Rule 13d-3 under the Act), directly or indirectly, of securities of the Company representing 50 percent or more of the combined voting power of the Company's then outstanding securities having the

right to vote in an election of the Board (“Voting Securities”) (in such case other than as a result of an acquisition of securities directly from the Company); (b) the following individuals cease for any reason to constitute a majority of the number of directors then serving on the Board: individuals who, on the Effective Date, constitute the Board and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including, but not limited to, a consent solicitation relating to the election of directors of the Company) whose appointment or election by the Board or nomination for election by the Company’s stockholders was approved or recommended by a vote of at least a majority of the directors then still in office who either were members of the Board on the Effective Date or whose appointment, election or nomination for election was previously so approved (the “Incumbent Directors”); or (c) the consummation of (i) any consolidation or merger of the Company (A) where the stockholders of the Company, immediately prior to the consolidation or merger, would not, immediately after the consolidation or merger, beneficially own (as such term is defined in Rule 13d-3 under the Act), directly or indirectly, shares representing in the aggregate more than 50 percent of the voting shares of the Company issuing cash or securities in the consolidation or merger (or of its ultimate parent corporation, if any) or (B) after which the Incumbent Directors continuing immediately thereafter do not represent at least a majority of the board of directors of the resulting or successor entity (or its ultimate parent, if applicable), or (ii) any sale or other transfer (in one transaction or a series of transactions contemplated or arranged by any party as a single plan) of all or substantially all of the assets of the Company.

Notwithstanding the foregoing, a “Change in Control” shall not be deemed to have occurred for purposes of the foregoing clause (a) solely as the result of an acquisition of securities by the Company that, by reducing the number of shares of Voting Securities outstanding, increases the proportionate number of shares of Voting Securities beneficially owned by any person to 50 percent or more of the combined voting power of all then outstanding Voting Securities; provided, however, that if any person referred to in this sentence shall thereafter become the beneficial owner of any additional shares of Voting Securities (other than pursuant to a stock split, stock dividend, or similar transaction or as a result of an acquisition of securities directly from the Company) and immediately thereafter beneficially owns 50 percent or more of the combined voting power of all then outstanding Voting Securities, then a “Change in Control” shall be deemed to have occurred for purposes of the foregoing clause (a).

“Cause” shall mean any of the following: (i) an Eligible Employee’s failure to devote substantially all of the Eligible Employee’s full professional time, attention, energies, and abilities to Eligible Employee’s employment duties for the Company, which failure has continued for more than thirty (30) days following written notice of such non-performance from the Company or the Company’s successor; (ii) an Eligible Employee’s inducement of any customer, consultant, employee, or supplier of the Company or its successor to unreasonably breach any contract with the Company or its successor or cease its business relationship with the Company or its successor; (iii) an Eligible Employee’s failure to perform the duties and obligations of the Eligible Employee’s position(s), which failure has continued for more than thirty (30) days following written notice of such non-performance from the Company or the Company’s successor; (iv) an act or acts of dishonesty undertaken by the Eligible Employee resulting in substantial personal gain by the Eligible Employee at the expense of the Company or its successor; (v) an Eligible Employee’s material breach of a fiduciary or contractual duty to the Company or its successor; (vi) an Eligible Employee’s failure to cooperate with a bona fide

internal investigation or an investigation by regulatory or law enforcement authorities, after being instructed by the Company or its successor to cooperate, or the willful destruction or failure to preserve documents or other materials known to be relevant to such investigation or the inducement of others to fail to cooperate or to produce documents or other materials in connection with such investigation; (vii) an Eligible Employee's breach of any confidentiality, trade secret or return of property obligations to the Company or its successor, which breach, if curable, has not been cured within thirty (30) days following written notice of such breach from the Company or the Company's successor; (viii) a violation by an Eligible Employee of the Company's or its successor's material written employment policies, including those regarding discrimination, harassment and retaliation; or (ix) an Eligible Employee's commission of any felony or a misdemeanor involving moral turpitude, deceit, dishonesty or fraud, or any conduct by an Eligible Employee that would reasonably be expected to result in material injury or reputational harm to the Company or its successors if he/she were retained in his/her position(s).

This Amended and Restated Severance Pay Plan was approved by the Board on July 3, 2018, to be effective as of the Effective Date.

Severance Benefit Formula Addendum

General

The Severance Benefit Formula in Section 4.01 is calculated as follows for Eligible Employees who are not classified by the Company as a Director, Vice President or Executive or the Chief Executive Officer at the time of termination of employment: each such Eligible Employee will receive one (1) week of severance pay for each full year of service with the Company as an Eligible Employee (except for years of service for which severance benefits have previously been paid by Company) for the period ending on the date of termination; provided, however, that benefits will not be less than two (2) weeks of severance pay, or more than twelve (12) weeks of severance pay.

A “Director” is an employee of the Company who reports directly to an Executive or Vice President of the Company and makes at least \$85,000 in annual base salary. An “Executive” is an employee of the Company who reports directly to the Chief Executive Officer of the Company. A “Vice President” is any Vice President of the Company who does not report directly to the Chief Executive Officer of the Company.

Severance Benefit Formula Addendum

Directors

The Severance Benefit Formula in Section 4.01 is calculated as follows for Eligible Employees who are classified by the Company as Directors at the time of termination of employment: each such Eligible Employee will receive two (2) weeks of severance pay for each full year of service with the Company as an Eligible Employee (except for years of service for which severance benefits have previously been paid by Company) for the period ending on the date of termination; provided, however, that benefits will not be less than two (2) weeks of severance pay, or more than twelve (12) weeks of severance pay.

A “Director” is an employee of the Company who reports directly to an Executive or Vice President of the Company and makes at least \$85,000 in annual base salary.

Severance Benefit Formula Addendum

Vice Presidents

The Severance Benefit Formula in Section 4.01 is calculated as follows for Eligible Employees who are classified by the Company as Vice Presidents at the time of termination of employment: each such Eligible Employee will receive twelve (12) weeks of severance pay. The severance plan also includes COBRA reimbursement for a period of three (3) months.

A “Vice President” is any Vice President of the Company who does not report directly to the Chief Executive Officer of the Company.

Severance Benefit Formula Addendum

Executives

The Severance Benefit Formula in Section 4.01 is calculated as follows for Eligible Employees who are classified by the Company as Executives at the time of termination of employment: each such Eligible Employee will receive twenty-six (26) weeks of severance pay. The severance plan also includes COBRA reimbursement for a period of six (6) months. The Chief Financial Officer will receive (52) weeks of severance pay including COBRA reimbursement for a period of (12) months.

An "Executive" is an employee of the Company who is or who reports directly to the Chief Executive Officer of the Company but not including the Chief Executive Officer.

Severance Benefit Formula Addendum

Chief Executive Officer

The Severance Benefit Formula in Section 4.01 is calculated as follows for the Eligible Employee who is the Company's Chief Executive Officer at the time of termination of employment: each such Eligible Employee will receive eighteen (18) months of severance pay. The severance plan also includes COBRA reimbursement for a period of eighteen (18) months.

Capstone Green Energy Names John J. Juric as Chief Financial Officer

LOS ANGELES, CA / BUSINESS WIRE / March 3, 2023 / [Capstone Green Energy Corporation](#) (NASDAQ: CGRN), a global leader in carbon reduction and on-site resilient green energy solutions, has appointed John J. Juric as Chief Financial Officer (CFO), effective March 6, 2023. Juric brings a wealth of experience in finance and business management to the position, having worked in senior leadership roles in multiple industries.

“Please join us in welcoming John to our team as Capstone Green Energy’s new Chief Financial Officer,” said Darren Jamison, Capstone Green Energy’s President and CEO. “With his extensive experience in financial strategy, reporting, and business management, we are confident that he will be instrumental in driving Capstone’s continued growth and success.”

As the new CFO, John will be responsible for overseeing the company’s financial operations, including financial reporting, budgeting, forecasting, and treasury management. He will work closely with the CEO, executive team, and Board of Directors to develop and execute financial strategies that align with the company’s vision and objectives.

“I am excited to join the team at Capstone Green Energy and contribute to the company’s continued success,” said John Juric, the new CFO of Capstone Green Energy. “I look forward to leveraging my experience and working collaboratively with the team to drive growth and profitability for the company and its shareholders.”

“We are delighted to welcome John as our new Chief Financial Officer at Capstone Green Energy. With his impressive track record in finance and business management, we are confident he will significantly contribute to the company’s management,” said Robert Flexon, Board of Directors Chairman, Capstone Green Energy. “We look forward to working with John to leverage his expertise and develop and execute our financial strategies to drive sustainable long-term value for our shareholders.”

John has more than 25 years of experience in finance and business management. Before joining Capstone, he held several senior finance positions in prominent industries including USALCO, LLC; Fiberweb, PLC, CIBA Specialty Chemicals and Arco Chemical Company. John holds a Master of Business Administration degree and a Bachelor of Science in Accounting degree from West Chester University and is a Certified Public Accountant.

About Capstone Green Energy

[Capstone Green Energy](#) (NASDAQ: CGRN) is a leading provider of customized microgrid solutions and on-site energy technology systems focused on helping customers around the globe meet their environmental, energy savings, and resiliency goals. Capstone Green Energy focuses on four key business lines. Through its Energy as a Service (EaaS) business, it offers rental solutions utilizing its microturbine energy systems and battery storage systems, comprehensive Factory Protection Plan (FPP) service contracts that guarantee lifecycle costs, as well as aftermarket parts. Energy Generation Technologies (EGT) are driven by the Company’s industry-leading, highly efficient, low-

emission, resilient microturbine energy systems offering scalable solutions in addition to a broad range of customer-tailored solutions, including hybrid energy systems and larger frame industrial turbines. The Energy Storage Solutions (ESS) business line designs and installs microgrid storage systems creating customized solutions using a combination of battery technologies and monitoring software. Through Hydrogen & Sustainable Products (H2S), Capstone Green Energy offers customers a variety of hydrogen products, including the Company's microturbine energy systems.

To date, Capstone has shipped over 10,000 units to 83 countries and estimates that in FY22, it saved customers over \$213 million in annual energy costs and approximately 388,000 tons of carbon. Over the last four years, total savings are estimated to be approximately \$911 million in energy savings and approximately 1,503,100 tons of carbon savings.

For customers with limited capital or short-term needs, Capstone offers rental systems; for more information, contact: rentals@CGRNenergy.com.

For more information about the Company, please visit www.CapstoneGreenEnergy.com. Follow Capstone Green Energy on [Twitter](#), [LinkedIn](#), [Instagram](#), [Facebook](#), and [YouTube](#).

Cautionary Note Regarding Forward-Looking Statements

This release contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, including statements regarding growth and profitability expectations and other statements regarding the Company's expectations, beliefs, plans, intentions, and strategies. The Company has tried to identify these forward-looking statements by using words such as "expect," "anticipate," "believe," "could," "should," "estimate," "intend," "may," "will," "plan," "goal" and similar terms and phrases, but such words, terms and phrases are not the exclusive means of identifying such statements. Actual results, performance and achievements could differ materially from those expressed in, or implied by, these forward-looking statements due to a variety of risks, uncertainties and other factors, including, but not limited to, the following: the integration of the new chief financial officer into our management team and his success in developing and executing financial strategies; the ongoing effects of the COVID-19 pandemic; the availability of credit and compliance with the agreements governing the Company's indebtedness; the Company's ability to develop new products and enhance existing products; product quality issues, including the adequacy of reserves therefor and warranty cost exposure; intense competition; financial performance of the oil and natural gas industry and other general business, industry and economic conditions; the Company's ability to adequately protect its intellectual property rights; and departures and other changes in management and other key employees. For a detailed discussion of factors that could affect the Company's future operating results, please see the Company's filings with the Securities and Exchange Commission, including the disclosures under "Risk Factors" in those filings. Except as expressly required by the federal securities laws, the Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, changed circumstances or future events, or for any other reason.

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