

Papa Murphy's Holdings, Inc.
Form 10-K/A
November 15, 2016

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

FORM 10-K/A
(Amendment No. 1)

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the fiscal year ended December 28, 2015

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to
Commission file number 001-36432

Papa Murphy's Holdings, Inc.
(Exact name of registrant as specified in its charter)

Delaware	27-2349094
(State or Other Jurisdiction of Incorporation or Organization)	(IRS Employer Identification No.)
8000 NE Parkway Drive, Suite 350, Vancouver, WA	98662
(Address of principal executive offices)	(Zip Code)
(360) 260-7272	

(Registrant's telephone number, including area code)

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

Common Stock, \$0.01 par value	NASDAQ Global Select Market
(Title of Each Class)	(Name of Each Exchange on Which Registered)

Securities
registered
pursuant
to Section
12(g) of
the Act:
NONE

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during

Edgar Filing: Papa Murphy's Holdings, Inc. - Form 10-K/A

the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "accelerated filer," "large accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes . No .

At June 29, 2015, the last business day of the registrant's most recently completed second fiscal quarter, the aggregate market value of the shares of voting and non-voting common stock of the Registrant held by non-affiliates was \$245,836,683 based on the last sales price of the Registrant's common stock as reported by the NASDAQ Global Select Market on that day.

At March 1, 2016, there were 16,942,932 shares of the Registrant's common stock, \$0.01 par value, outstanding.

EXPLANATORY NOTE

Papa Murphy's Holdings, Inc. (the "Company") is filing this Amendment No. 1 to its Annual Report on Form 10-K (this "Amendment No. 1") to amend and restate Part II, Item 9A of its previously filed Annual Report on Form 10-K for the fiscal year ended December 28, 2015, as filed with the Securities and Exchange Commission ("SEC") on March 9, 2016 (the "Original Form 10-K"), in order (i) to include management's assessment of internal control over financial reporting, which was inadvertently omitted from the Original Form 10-K, and (ii) to correct an inadvertent omission of certain language from paragraph 4 of the certification of its Chief Executive Officer filed as Exhibit 31.1 and the certification of its Chief Financial Officer filed as Exhibit 31.2 to the Original Form 10-K.

This Amendment No. 1 should be read in conjunction with the Original Form 10-K, which continues to speak as of the date of the Original Form 10-K. Other than as specifically set forth herein, this Amendment No. 1 does not modify or update disclosures in the Original Form 10-K. Accordingly, this Amendment No. 1 does not reflect events occurring after the filing of the Original Form 10-K or modify or update any related or other disclosures.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer has evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report, pursuant to Rules 13a-15 and 15d-15 under the Exchange Act. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures are effective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act). With the participation of our Chief Executive Officer and Chief Financial Officer, our management evaluated the effectiveness of our internal control over financial reporting based on the framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”) in Internal Control—Integrated Framework (2013). Based on our evaluation under the framework in Internal Control—Integrated Framework (2013), our management concluded that our internal control over financial reporting was effective as of December 28, 2015.

We have not engaged an independent registered accounting firm to perform an audit of our internal control over financial reporting as of any balance sheet date or for any period reported in our financial statements. Our independent public registered accounting firm will first be required to attest to the effectiveness of our internal control over financial reporting for our Annual Report on Form 10-K for the first year we are no longer an “emerging growth company.”

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) that occurred during our last fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 15. Exhibits and Financial Statement Schedules

(a) The following documents are filed as part of this report:

	Form 10-K Page No.
1. Financial Statements:	
Consolidated Statements of Operations and Comprehensive Income (Loss) for the Fiscal Years ended December 28, 2015, December 29, 2014, and December 30, 2013	58
Consolidated Balance Sheets as of December 28, 2015 and December 29, 2014	59
Consolidated Statements of Shareholders' Equity for the Fiscal Years ended December 28, 2015, December 29, 2014 and December 30, 2013	60
Consolidated Statements of Cash Flows for the Fiscal Years ended December 28, 2015, December 29, 2014 and December 30, 2013	61
Notes to Consolidated Financial Statements	62
Report of Independent Registered Public Accounting Firm	94
2. Financial Statement Schedule:	
Schedule I - Condensed Financial Information of the Registrant	99
Schedule II - Valuation and Qualifying Accounts	103
All other schedules are omitted because they are not applicable, not required or the required information is shown in the financial statements or the notes thereto.	

3. Exhibits:

EXHIBIT NUMBER	DESCRIPTION OF EXHIBITS	INCORPORATED BY REFERENCE			FILING DATE
		FILE	FORM NUMBER	EXHIBIT	
3.1	Fifth Amended and Restated Certificate of Incorporation of Papa Murphy's Holdings, Inc.	8-K	001-36432	3.1	May 13, 2014
3.2	Amended and Restated Bylaws of Papa Murphy's Holdings, Inc.	8-K	001-36432	3.2	May 13, 2014
4.1	Form of Common Stock Certificate.	S-1/A	333-194488	4.1	April 28, 2014
4.2	Second Amended and Restated Stockholders' Agreement.	8-K	001-36432	4.1	May 13, 2014
10.1‡	Amended 2010 Management Incentive Plan.	S-1/A	333-194488	10.1	April 4, 2014
10.2	Stockholder's Agreement	8-K	001-36432	10.1	May 13, 2014
10.3	Credit agreement, dated as of August 28, 2014 among PMI Holdings, Inc., General Electric Capital Corporation and the other financial institutions party thereto.	10-Q	001-36432	10.1	November 13, 2014
10.4‡	Form of 2014 Equity Incentive Plan.	S-1/A	333-194488	10.5	April 28, 2014
10.5	Form of Franchise Agreement.	S-1/A	333-194488	10.6	April 4, 2014
10.6	Form of Area Development Agreement.	S-1/A	333-194488	10.7	April 4, 2014
10.7	Form of Multiple Store Commitment Letter and Amendment to Franchise Agreement.	S-1/A	333-194488	10.8	April 4, 2014
10.8‡	Amended and Restated Executive Employment and Non-Competition Agreement dated as of July 24, 2011 among PMI Holdings, Inc. and John Barr.	S-1/A	333-194488	10.10	April 4, 2014

Edgar Filing: Papa Murphy's Holdings, Inc. - Form 10-K/A

10.9‡	First Amendment to Amended and Restated Executive Employment and Non-Competition Agreement dated as of December 30, 2013 among PMI Holdings, Inc. and John Barr.	S-1/A 333-194488 10.11	April 4, 2014
10.10‡	Executive Employment and Non-Competition Agreement dated as of May 25, 2011 among PMI Holdings, Inc. and Ken C. Calwell.	S-1/A 333-194488 10.12	April 4, 2014
10.11‡	Executive Employment and Non-Competition Agreement dated as of May 4, 2010 among PMI Holdings, Inc. and Victoria T. Blackwell.	S-1/A 333-194488 10.14	April 4, 2014
10.12‡	Executive Employment and Non-Competition Agreement dated as of January 7, 2013 among PMI Holdings, Inc. and Jayson Tipp.	S-1/A 333-194488 10.15	April 4, 2014
10.13‡	Executive Employment and Non-Competition Agreement dated as of March 21, 2014 among PMI Holdings, Inc. and Mark Hutchens.	S-1/A 333-194488 10.18	April 4, 2014

Edgar Filing: Papa Murphy's Holdings, Inc. - Form 10-K/A

10.14‡	First Amendment to Executive Employment and Non-Competition Agreement dated as of March 21, 2014 among PMI Holdings, Inc. and Ken Calwell.	S-1/A 333-194488	10.19	April 4, 2014
10.15‡	Form of Stock Option Agreement subject to time-vesting under the Amended 2010 Management Incentive Plan.	S-1/A 333-194488	10.20	April 21, 2014
10.16‡	Form of Stock Option Agreement subject to performance-vesting under the Amended 2010 Management Incentive Plan.	S-1/A 333-194488	10.21	April 21, 2014
10.17‡	Form of Restricted Stock Agreement subject to time-vesting under the Amended 2010 Management Incentive Plan.	S-1/A 333-194488	10.22	April 21, 2014
10.18‡	Form of Restricted Stock Agreement subject to performance-vesting under the Amended 2010 Management Incentive Plan.	S-1/A 333-194488	10.23	April 21, 2014
10.19‡	Form of Amendment to the Restricted Stock Agreement subject to performance-vesting under the Amended 2010 Management Incentive Plan.	S-1/A 333-194488	10.24	April 21, 2014
10.20‡	Form of Stock Option Agreement subject to time-vesting under the Form of 2014 Equity Incentive Plan.	S-1/A 333-194488	10.25	April 21, 2014
10.21‡	Form of Restricted Stock Agreement subject to time-vesting under the Form of 2014 Equity Incentive Plan.	S-1/A 333-194488	10.26	April 21, 2014
10.22	Form of Indemnification Agreement between Papa Murphy's Holdings, Inc. and each of its directors and executive officers.	S-1/A 333-194488	10.27	April 21, 2014
10.23	Form of Indemnification Agreement between Papa Murphy's Holdings, Inc. and each of its sponsor-affiliated directors.	S-1/A 333-194488	10.28	April 21, 2014
10.24‡	Form of Stock Option Agreement subject to performance-vesting under the Form of 2014 Equity Incentive Plan.	S-1/A 333-194488	10.29	April 28, 2014
10.25‡	Executive Employment and Non-Competition Agreement between PMI Holdings, Inc. and Dan Harmon.	S-1/A 333-194488	10.30	April 28, 2014
21.1	List of Subsidiaries of the Registrant.	10-K 001-36432	21.1	March 9, 2016
23.1	Consent of Moss Adams LLP	10-K 001-36432	23.1	March 9, 2016
31.1*	Certification of the Chief Executive Officer Pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as amended, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.			
31.2*	Certification of the Chief Financial Officer Pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as amended, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.			
32.1	Certificate of the Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	10-K 001-36432	32.1	March 9, 2016
32.2	Certificate of the Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	10-K 001-36432	32.2	March 9, 2016
101.INS	XBRL Instance Document	10-K 001-36432	101.INS	March 9, 2016
101.SCH	XBRL Taxonomy Extension Schema Document	10-K 001-36432	101.SCH	March 9, 2016
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document	10-K 001-36432	101.CAL	March 9, 2016
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document	10-K 001-36432	101.DEF	

Edgar Filing: Papa Murphy's Holdings, Inc. - Form 10-K/A

			March 9, 2016
101.LABXBRL Taxonomy Extension Label Linkbase Document	10-K 001-36432	101.LAB	March 9, 2016
101.PRE XBRL Taxonomy Extension Presentation Linkbase Document	10-K 001-36432	101.PRE	March 9, 2016

* Filed herewith

‡ A management contract or compensatory plan or arrangement

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized, on November 14, 2016.

PAPA MURPHY'S HOLDINGS, INC.

By: /s/ Mark Hutchens
 Name: Mark Hutchens
 Title: Chief Financial Officer
 (Principal Financial Officer and
 Principal Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
/s/ Ken Calwell Ken Calwell	President and Chief Executive Officer (Principal Executive Officer) and Director	November 14, 2016
/s/ Mark Hutchens Mark Hutchens	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	November 14, 2016
/s/ Jean M. Birch Jean M. Birch	Chair of the Board, Director	November 14, 2016
/s/ Benjamin Hochberg Benjamin Hochberg	Director	November 14, 2016
/s/ Yoo Jin Kim Yoo Jin Kim	Director	November 14, 2016
/s/ L. David Mounts L. David Mounts	Director	November 14, 2016
/s/ John Shafer John Shafer	Director	November 14, 2016
/s/ Rob Weisberg Rob Weisberg	Director	November 14, 2016
/s/ Jeffrey B. Welch Jeffrey B. Welch	Director	November 14, 2016