

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 13, 2019

MITEK SYSTEMS INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-35231
(Commission File Number)

87-0418827
(IRS Employer
Identification No.)

600 B Street, Suite 100
San Diego, California
(Address of principal executive offices)

92101
(Zip Code)

Registrant's telephone number, including area code: (619) 269-6800

Not Applicable
(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 Instructions 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
Common Stock, par value \$0.001 per share	MITK	The 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 (§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.

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

On December 13, 2019, the Board of Directors (the “Board”) of Mitek Systems, Inc. (the “Company”), based upon the recommendation of the Compensation Committee of the Board, approved the Company’s executive bonus program for the fiscal year ending September 30, 2020 (the “2020 Plan”). Pursuant to the terms of the 2020 Plan, certain of the Company’s executives will be eligible to receive cash bonuses based upon the achievement of certain corporate and individual performance goals during the 2020 fiscal year. These bonuses are designed to attract, motivate, retain and reward the Company’s executives.

Under the 2020 Plan, our Chief Executive Officer has a bonus target at plan equal to 100% of his annualized salary; our Chief Financial Officer has a bonus target at plan equal to 60% of his annualized salary; our Chief Technical Officer has a bonus target at plan of 60% of his annualized salary; and our Chief Legal Officer / General Counsel has a bonus target at plan of 50% of his annualized salary. The bonus target for the Chief Executive Officer is based upon achievement of two financial metrics (revenue and Non-GAAP operating income). Up to 80% of the bonus target for the other executives is based upon achievement of two financial metrics (revenue and non-GAAP operating income) and the remaining 20% of the bonus target is based upon achievement of certain individual performance goals. The maximum bonus payable to these individuals is 200% of their respective bonus targets.

Under the 2020 Plan, our General Manager (“GM”) has an annual bonus target at plan equal to 50% of his annualized salary. Up to 87.5% of the bonus target is based upon achievement of certain financial metrics (revenue and non-GAAP operating income) and the remaining 12.5% of the bonus target is based upon achievement of certain individual performance goals. The maximum bonus payable to the GM is 200% of his bonus target.

The foregoing description is intended only as a summary of the material terms of the 2020 Plan and is qualified in its entirety by reference to the text of the 2020 Plan, a copy of which is attached as Exhibit 10.1 to this Form 8-K and is incorporated herein by reference.

Item 8.01. Other Events.

On December 13, 2019, the Board authorized and approved a share repurchase program for up to \$10 million of the currently outstanding shares of the Company’s common stock, par value \$0.001 (“Common Stock”). The share repurchase program is effective immediately and will expire December 16, 2020. The purchases under the share repurchase program may be made from time to time in the open market, through block trades, 10b5-1 trading plans, privately negotiated transactions or otherwise, in each case, in accordance with applicable laws, rules and regulations. The timing and actual number of the shares repurchased will depend on a variety of factors including price, market conditions and corporate and regulatory requirements. The Company intends to fund the share repurchases from cash on hand. The share repurchase program does not commit the Company to repurchase shares of its Common Stock and it may be amended, suspended or discontinued at any time.

A copy of the Company’s press release announcing these matters is attached to this Current Report on Form 8-K as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

Exhibits. The exhibits shall be deemed to be filed or furnished, depending on the relevant item requiring such exhibit, in accordance with the provisions of Item 601 of Regulation S-K (17 CFR 229.601) and Instruction B.2 to this form.

<u>Exhibit Number</u>	<u>Description</u>
10.1	Mitek Systems, Inc. Executive Bonus Program Fiscal 2020
99.1	Press Release issued on December 19, 2019

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 thereunto duly authorized.

Mitek Systems, Inc.

December 19, 2019

By: _____ /s/ Jason Gray

Jason Gray
Chief Legal Officer

Exhibit Index

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10.1	Mitek Systems, Inc. Executive Bonus Program Fiscal 2020
99.1	Press Release issued on December 19, 2019

**MITEK SYSTEMS EXECUTIVE BONUS PROGRAM
FISCAL YEAR 2020**

Objective

The objective of the Mitek Executive Bonus Program (“the Program”) is to ensure the Company’s ability to attract, reward and retain the leadership strength required to achieve our business strategy in direct alignment with the interests of our shareholders. The Program provides Mitek executives with the opportunity to earn an annual cash bonus, on a fiscal year basis, for contributions toward the successful achievement of corporate quantitative and qualitative goals. This Program is to be aligned with compensation management best practices to provide a competitive, market-based total compensation opportunity.

Program Design

The Program provides for the payment of a cash bonus that is based upon the percentage achievement of the fiscal 2020 annual revenue and non-GAAP Operating Income (“NGOI”) targets set by the Board of Directors (“Board”), as well as individual performance goals.

Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Technology Officer, Chief Legal Officer (CLO) and non-GM Executive Bonus:

Annual bonus targets are computed as a percentage of the participant’s annualized salary earned during the 2020 fiscal year. The bonus targets at plan for the CEO, CFO, CTO, and CLO (General Counsel) are 100%, 60%, 60%, and 50%, respectively, of their respective annualized salaries for the 2020 fiscal year.

The CEO, CFO, CTO and CLO (General Counsel) and all non-GM executives will receive an annual cash bonus based on annual achievement of corporate revenue, corporate non-GAAP Operating Income (“NGOI”) and individual performance goals. The total cash bonus is comprised of the following components:

For the CEO:

- Corporate Revenue Achievement – 80%
- NGOI Achievement – 20%

For the CFO, CTO and CLO (General Counsel):

- Corporate Revenue Achievement – 60%
- NGOI Achievement – 20%
- Achievement of Individual MBOs – 20%

General Manager (GM) Bonus

Annual bonus targets are computed as a percentage of the participant’s annualized salary earned during the 2020 fiscal year. The bonus target at plan for the General Manager is 50% of his annualized salary for the 2020 fiscal year. The GM, Deposits will receive a cash bonus based on achievement of certain revenue, corporate non-GAAP operating income (“NGOI”), and individual performance goals. The total cash bonus is comprised of the following components:

- Revenue Achievement – 75%
- NGOI Achievement – 12.5%
- Achievement of Individual MBOs – 12.5%

Performance Targets

Revenue shall be defined as the applicable revenue determined in accordance with generally accepted accounting principles, adjusted for acquisition-related write-downs of revenue or deferred revenue. NGOI shall be defined as Operating Income as determined in accordance with generally accepted accounting principles, adjusted for: 1) acquisition-related write-downs of revenue or deferred revenue, and 2) non-cash, non-recurring or non-operational items including (but not limited to) expenses for the following: acquisition and integration, litigation, stock compensation, , amortization, asset impairment charges, severance and restructuring.

The Corporate Revenue and NGOI performance components of the cash bonus actually earned will increase at a rate of 5.9:1 for goal attainment in excess of 100% and shall decrease on a 2.4:1 scale for goal attainment below 100%. Subject to the discretion of the Compensation Committee, no award is earned below 83% achievement and no additional award is earned for achievement above 117%.

For example, the portion of the cash bonus earned for achieving 83% of the Revenue Plan would be 60% of that portion of the cash bonus. At the achievement of 82% or below of the Revenue Plan, no bonus will be earned. Similarly, at the achievement of 117% of Revenue Plan, the bonus award would be 200% of that portion of the cash bonus. The maximum bonus award that can be earned is 200% of the bonus target percentage.

Eligibility

In order to be eligible for a bonus award, the participant must be employed by the Company for a minimum of a full quarter of the fiscal year for which an annual bonus is earned, and be employed at Mitek at the conclusion of the 2020 fiscal year. Each participant will be paid following the close of the fiscal year and upon approval of the Board of Directors. Participants with a partial year of service may earn a bonus calculated on a pro rata based upon the number of days of employment with the Company during the 2020 fiscal year.

Limitations

The Program is administered by the Compensation Committee of the Board of Directors. Final authority and full discretion in all matters pertaining to the development, or amendment of the Program and the granting of any bonus award under the Program rests with the Compensation Committee.

Participation in the Program does not in any way imply a contractual relationship for employment or in any way alter the at-will employment relationship with the Company.

Mitek Announces \$10 Million Share Repurchase Program

SAN DIEGO, CA, December 19, 2019 – Mitek (NASDAQ: MITK), a global leader in mobile capture and digital identity verification solutions, today announced that its Board of Directors authorized a share repurchase program for up to \$10 million of its outstanding common stock.

The share repurchase program is effective immediately and will expire December 16, 2020. The purchases under the share repurchase program may be made from time to time in the open market, through block trades, 10b5-1 trading plans, privately negotiated transactions or otherwise, in each case, in accordance with applicable laws, rules and regulations. The timing and actual number of the shares repurchased will depend on a variety of factors including price, market conditions and corporate and regulatory requirements. The company intends to fund the share repurchases from cash on hand. The share repurchase program does not commit the company to repurchase shares of its common stock and it may be amended, suspended or discontinued at any time.

About Mitek

Mitek (NASDAQ: MITK) is a global leader in mobile image capture and digital identity verification solutions built on the latest advancements in computer vision, artificial intelligence and machine learning. Mitek's identity verification solutions enable an enterprise to verify a user's identity during a digital transaction, which assists businesses operating in highly regulated markets to reduce financial risk and meet regulatory requirements while increasing revenue from digital channels. Financial services, marketplaces and other organizations around the world use Mitek to reduce friction creating the digital experiences their customers expect. Mobile Deposit® and Mobile Verify® are used by millions of consumers for check deposit, new account opening and more. The company is based in San Diego with offices in New York, London, Amsterdam, Barcelona, Paris and St Petersburg. Learn more at www.miteksystems.com. [(MITK-F)]

Notice Regarding Forward-Looking Statements

Statements contained in this news release relating to the Company's or management's intentions, hopes, beliefs, expectations or predictions of the future, including, but not limited to, statements relating to the purchase by the Company of its common stock are forward-looking statements. Such forward-looking statements are subject to a number of risks and uncertainties, including, but not limited to, risks related to changes in price and volume and the volatility of the Company's common stock; adverse developments affecting either or both of prices and trading of exchange-traded securities, including securities listed on the NASDAQ Stock Exchange; and unexpected or otherwise unplanned or alternative requirements with respect to capital investments of the Company. Additional risks and uncertainties faced by the Company are contained from time to time in the Company's filings with the U.S. Securities and Exchange Commission (SEC), including, but not limited to, the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2019, and its quarterly reports on Form 10-Q and current reports on Form 8-K, which you may obtain for free on the SEC's website at www.sec.gov. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Company disclaims any intention or obligation to update, amend or clarify these forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

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