
**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 14, 2019 (March 8, 2019)**

QUANTA SERVICES, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

001-13831
(Commission File No.)

74-2851603
(IRS Employer Identification No.)

**2800 Post Oak Boulevard, Suite 2600
Houston, Texas 77056**
(Address of principal executive offices, including ZIP code)

(713) 629-7600
(Registrant's telephone number, including area code)

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 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))

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.

(e) On March 8, 2019, the Compensation Committee (the “Compensation Committee”) of the Board of Directors (the “Board”) of Quanta Services, Inc. (the “Company”) adopted the 2019 annual incentive plan for all corporate employees, the 2019 long-term incentive plan for senior leadership and the 2019 discretionary plan for all employees (collectively, the “Incentive Plan”). Under the Incentive Plan, certain employees of the Company, including all executive officers, are eligible to receive incentive compensation awards payable in cash, restricted stock units and/or performance units, and the Compensation Committee established specific target incentive amounts for the executive officers. All equity-based awards under the Incentive Plan will be made pursuant to the Quanta Services, Inc. 2011 Omnibus Equity Incentive Plan (the “Omnibus Plan”) or other plans that may be approved from time to time by the Board or by stockholders as required.

Certain awards under the Incentive Plan are based on the achievement of annual or long-term performance metrics. The annual performance metrics for 2019 include EBITDA, EBITDA margin and safety. The long-term incentive performance metrics for the January 1, 2019 through December 31, 2021 performance period include return on invested capital, total shareholder return and capital efficiency.

The foregoing description of the Incentive Plan is qualified in its entirety by reference to the Incentive Plan and the Omnibus Plan, copies of which are included as Exhibits 10.1, 10.2, 10.3, 10.4, 10.5 and 10.6 to this Current Report on Form 8-K and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Exhibit
10.1*^	<u>Quanta Services, Inc. Term Sheet for 2019 Annual Incentive Plan – Corporate Employees, Quanta Services, Inc. Term Sheet for 2019 Senior Leadership Long-Term Incentive Plan and Quanta Services, Inc. Term Sheet for 2019 Discretionary Plan – All Employees</u>
10.2*	<u>Quanta Services, Inc. 2011 Omnibus Equity Incentive Plan (previously filed as Exhibit 4.5 to the Company’s Form S-8 (No. 333-174374) filed May 20, 2011 and incorporated herein by reference)</u>
10.3*	<u>Amendment No. 1 to the Quanta Services, Inc. 2011 Omnibus Equity Incentive Plan (previously filed as Exhibit 10.4 to the Company’s Form 10-Q for the quarter ended June 30, 2013 (No.001-13831) filed August 9, 2013 and incorporated herein by reference)</u>
10.4*	<u>Amendment No. 2 to the Quanta Services, Inc. 2011 Omnibus Equity Incentive Plan (previously filed as Exhibit 10.1 to the Company’s Form 10-Q for the quarter ended June 30, 2016 (No.001-13831) filed August 8, 2016 and incorporated herein by reference)</u>
10.5*	<u>Amendment No. 3 to the Quanta Services, Inc. 2011 Omnibus Equity Incentive Plan (previously filed as Exhibit 10.4 to the Company’s Form 8-K (No. 001-13831) filed May 30, 2018 and incorporated herein by reference)</u>
10.6*^	<u>Amendment No. 4 to the Quanta Services, Inc. 2011 Omnibus Equity Incentive Plan</u>

* Management contract or compensatory plan or arrangement

^ Filed with this Current Report on Form 8-K

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.

Dated: March 14, 2019

QUANTA SERVICES, INC.

By: /s/ Donald C. Wayne

Name: Donald C. Wayne

Title: Executive Vice President and General Counsel



Quanta Services, Inc.
Term Sheet
2019 Annual Incentive Plan – Corporate Employees

Participants

Employees will be selected to participate in the Plan with the approval of the Compensation Committee after consultation with the CEO.

Target Incentive

A target incentive amount, representing a specified percentage of annual base salary, has been established for each participant in the Plan.

Performance Period

One year beginning on January 1, 2019 through December 31, 2019.

Company Performance Metrics and Weighting

Metrics and Weighting, which are determined by Compensation Committee annually, are as follows for 2019:

- EBITDA 60%
- EBITDA Margin 20%
- Safety 20%

The payout on EBITDA and EBITDA Margin metrics will be determined based on the level of achievement as determined by the Compensation Committee relative to pre-established goals, according to the following table:

Percent of Achievement	Payout Percentage
Less than Minimum Threshold	0%
Minimum Threshold	25%
50%	50%
100%	100%
150%	150%
200%	200%

The payout on the Safety metric will be determined based on the level of achievement as determined by the Compensation Committee relative to pre-established goals, according to the following table:

Percent of Achievement	Payout Percentage
Less than Minimum Threshold	0%
25%	25%
50%	50%
100%	100%
150%	150%
200%	200%

Administration and Limitations

- The salary in effect on December 31, 2019 will be used in the calculation.
- For EBITDA and EBITDA Margin, when performance falls between the designated points above the minimum threshold in the table, the incentive will be determined by interpolation.
- For Safety, when performance falls between the designated points in the table, the incentive will be determined by interpolation.
- Any incentive will be subject to (i) assessment of overall company performance to ensure that payout of incentives will not jeopardize the financial stability of the company, and (ii) discretion of Quanta management regarding individual performance.
- A participant must be employed by the company on the date incentive compensation under the Plan is paid. Any participant not employed by the company on the payment date forfeits any and all rights to such incentive compensation. It is the company's intention to pay incentive compensation earned under the plan in March following the end of the calculation period.
- A new participant added to this Plan during the Plan year will be pro-rated from their date of hire unless otherwise determined by the CEO or, in the case of any executive officer, the Compensation Committee.

Clawback Provision

Notwithstanding anything herein to the contrary, any and all incentive compensation awarded or paid by the Company shall be subject to clawback, forfeiture and repayment (i) to the extent necessary to comply with the requirements of applicable law, the rules and regulations of the Securities and Exchange Commission, applicable stock exchange listing standards, or the Company's clawback policy, as amended from time to time, or (ii) to the extent deemed appropriate by the Board of Directors or any committee thereof, upon its determination that the recipient has violated applicable restrictive covenants.

Incentive Payout

Any incentive earned under the Annual Incentive Plan is intended to be paid in cash.



Quanta Services, Inc.
Term Sheet
2019 Sr. Leadership Long-Term Incentive Plan

Participants

Employees will be selected to participate in the Plan with the approval of the Compensation Committee after consultation with the CEO.

Target Incentive

A target incentive amount, representing a specified percentage of annual base salary, has been established for each participant in the Plan.

Performance Period

Three years beginning on January 1, 2019 through December 31, 2021.

Company Performance Component

A specified percentage (namely, 70% with respect to the CEO, 60% with respect to senior leadership personnel whose annual base salary rate is expected to exceed \$350,000 as of December 31, 2019, and 50% with respect to other senior leadership personnel) of a participant's long-term incentive target value will be awarded in performance units that, subject to the terms of the applicable award agreement, cliff vest following the end of the three-year performance period at the rate determined by the Committee based on the achievement of company financial performance metrics.

Company Performance Metrics and Weighting

Metrics and Weighting, which are determined by Compensation Committee shortly following commencement of the performance period, are as follows for 2019-2021:

- ROIC with TSR Modifier 66%
- Capital Efficiency 34%

The vesting rate or payout percentage on each metric will be determined following conclusion of the three-year performance period based on the level of achievement relative to pre-established goals as certified by the Compensation Committee.

Individual Component

The remaining percentage (or 30% with respect to the CEO, 40% with respect to senior leadership personnel whose annual base salary rate is expected to exceed \$350,000 as of December 31, 2019, and 50% with respect to other senior leadership personnel) of a participant's long-term incentive target value will be awarded in time-vested restricted stock units that, subject to the terms of the applicable award agreement, vest ratably over a three-year period following the date of grant.

Administration and Limitations

- Any incentive will be subject to (i) assessment of overall company performance to ensure that payout of incentives will not jeopardize the financial stability of the company and (ii) discretion of Quanta management regarding individual performance, and (iii) approval by the Compensation Committee.
- It is intended that incentives pursuant to the Long-Term Incentive Plan be granted in equity-based awards, such as performance units and restricted stock units described above, that may be settled solely in common stock. However, with the approval of the Compensation Committee after consultation with the CEO, incentives pursuant to this plan may be granted in (or substituted with) equity-based awards that may be settled in cash.
- Generally, a participant must be employed by the company on the date of vesting to be eligible to receive the payout, and any participant not employed by the company on the vesting date forfeits any and all rights to such payout. However, the Compensation Committee, after consultation with the CEO, may determine to permit a participant who leaves prior to the completion of the three-year performance period to receive his or her payout, or some portion of it.
- Awards to a new participant added to this Plan during the first nine months of the performance period generally will be pro-rated from their date of hire unless otherwise determined by the Compensation Committee.

Clawback Provision

Notwithstanding anything herein to the contrary, any and all incentive compensation awarded or paid by the Company shall be subject to clawback, forfeiture and repayment (i) to the extent necessary to comply with the requirements of applicable law, the rules and regulations of the Securities and Exchange Commission, applicable stock exchange listing standards, or the Company's clawback policy, as amended from time to time, or (ii) to the extent deemed appropriate by the Board of Directors or any committee thereof, upon its determination that the recipient has violated applicable restrictive covenants.



Quanta Services, Inc.
Term Sheet
2019 Discretionary Plan – All Employees

Participants

Employees may be selected to receive an award pursuant to this Plan at the discretion of the CEO, provided that any such award to an executive officer shall be subject to Compensation Committee approval.

Awards

Awards may be made in cash, restricted stock units, or a combination thereof.

Administration and Limitations

- A participant must be employed by the company on the date the award is paid. Any participant not employed by the company on the payment date forfeits any and all rights to such award. It is the company's intention to pay the awards under the plan in March.

Clawback Provision

Notwithstanding anything herein to the contrary, any and all incentive compensation awarded or paid by the Company shall be subject to clawback, forfeiture and repayment (i) to the extent necessary to comply with the requirements of applicable law, the rules and regulations of the Securities and Exchange Commission, applicable stock exchange listing standards, or the Company's clawback policy, as amended from time to time, or (ii) to the extent deemed appropriate by the Board of Directors or any committee thereof, upon its determination that the recipient has violated applicable restrictive covenants.

AMENDMENT NO. 4
TO THE
QUANTA SERVICES, INC.
2011 OMNIBUS EQUITY INCENTIVE PLAN

This Amendment No. 4 to the Quanta Services, Inc. 2011 Omnibus Equity Incentive Plan (the “Plan”), is made on behalf of Quanta Services, Inc., the sponsor of the Plan, effective as of February 27, 2019.

1. Section 15(c) of the Plan is hereby amended in its entirety to read as follows:

“(c) Tax Withholding.

(i) A Participant shall be required to pay to the Company or any Affiliate, and the Company or any Affiliate shall have the right and is hereby authorized to withhold, from any cash, Common Shares, other securities or other property deliverable under any Award or from any compensation or other amounts owing to a Participant, the amount (in cash, Common Shares, other securities or other property) of any withholding taxes (at a rate that is no less than the minimum required by applicable law and no more than the maximum statutory marginal rate that could be applicable to the Participant) in respect of an Award, its exercise, or any payment or transfer under an Award or under the Plan and to take such other action as may be necessary in the opinion of the Committee or the Company to satisfy all obligations for the payment of such withholding taxes.

(ii) Without limiting the generality of clause (i) above, the Committee may, in its sole discretion, permit a Participant to satisfy, in whole or in part, the foregoing withholding liability by (A) the delivery of Common Shares (which are not subject to any pledge or other security interest) owned by the Participant having a fair market value equal to such withholding liability or (B) having the Company withhold from the number of Common Shares otherwise issuable or deliverable pursuant to the exercise or settlement of the Award a number of shares with a fair market value equal to such withholding liability.”

2. Except as specifically modified herein, all terms and conditions of the Plan shall remain in effect.

* * *

As approved by the Board of Directors of Quanta Services, Inc. on February 27, 2019