

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): April 27, 2018

## Graco Inc.

(Exact name of registrant as specified in its charter)

**Minnesota**

(State or other jurisdiction  
of Incorporation)

**001-9249**

(Commission  
File Number)

**41-0285640**

(I.R.S. Employer  
Identification No.)

**88-11<sup>th</sup> Avenue Northeast  
Minneapolis, Minnesota**

(Address of principal executive offices)

**55413**

(Zip Code)

Registrant's telephone number, including area code: **(612) 623-6000**

**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:

- ☐ 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))

## Item 1.01 Entry into a Material Definitive Agreement

On April 30, 2018, Graco Inc. (the “Company”) entered into a stock repurchase agreement with Patrick J. McHale, the Company's President and Chief Executive Officer, pursuant to which the Company purchased 650,770 shares of the Company's common stock held by Mr. McHale at a price of \$43.33 per share, representing a three percent discount to the closing price of the Company's common stock on the preceding trading day. The repurchase transaction was effected pursuant to the Company's repurchase program and was approved by the Company's Audit Committee pursuant to the Company's related person transactions approval policy. The sale of shares by Mr. McHale arose in connection with the dissolution of his marriage. Mr. McHale's holdings remain substantially above his five times base salary holding requirement.

## Item 5.07 Submission of Matters to a Vote of Security Holders.

On April 27, 2018, the Company held its Annual Meeting of Shareholders (the “Annual Meeting”) in Minneapolis, Minnesota. Set forth below are the final voting results on each matter submitted to a vote of security holders at the Annual Meeting. Each proposal is described in detail in the Company's Proxy Statement for 2018 Annual Meeting, filed with the Securities and Exchange Commission on March 14, 2018 (the “2018 Proxy Statement”).

### **Proposal 1**

The following directors were elected to serve for three-year terms:

<u>Name</u>	<u>For</u>	<u>Against</u>	<u>Abstain</u>	<u>Broker Non-Votes</u>
William J. Carroll	131,420,437	9,190,252	41,338	13,496,303
Jack W. Eugster	131,975,785	8,592,703	83,539	13,496,303
R. William Van Sant	131,981,938	8,629,442	40,647	13,496,303
Emily C. White	139,693,390	921,283	37,354	13,496,303

### **Proposal 2**

The appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year 2018 was ratified:

<u>For</u>	<u>Against</u>	<u>Abstain</u>
147,829,541	6,260,032	58,757

### **Proposal 3**

Shareholders approved, on an advisory basis, the compensation paid to our Named Executive Officers as disclosed in the 2018 Proxy Statement:

<u>For</u>	<u>Against</u>	<u>Abstain</u>	<u>Broker Non-Votes</u>
130,610,576	9,776,540	246,911	13,496,303

## EXHIBIT INDEX

<u>Exhibit</u>	<u>Description</u>	<u>Method of Filing</u>
<a href="#">10.1</a>	Stock Repurchase Agreement, dated April 30, 2018 by and between Graco Inc. and Patrick J. McHale	Filed Electronically

**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, thereunto duly authorized.

GRACO INC.

Date: May 1, 2018

By: /s/ Karen Park Gallivan

Karen Park Gallivan

Its: Vice President, General Counsel and Secretary

## **STOCK REPURCHASE AGREEMENT**

This Stock Repurchase Agreement (this "Agreement") is made this 30th day of April, 2018, between Graco Inc., a Minnesota corporation ("Purchaser"), and Patrick J. McHale ("Seller").

1. **Sale of Shares.** Upon the terms set forth in this Agreement, on the date hereof, Seller hereby sells, assigns, and transfers to Purchaser, and Purchaser hereby purchases from Seller, 650,770 shares of common stock of Purchaser owned by Seller (the "Shares"). The purchase price being paid by Purchaser to Seller for each of the Shares shall be \$43.33, representing 97% of the closing price of Purchaser's common stock on the trading day preceding the date hereof, or an aggregate purchase price of \$28,197,864.10.

2. **Settlement.** On the date of sale of the Shares as set forth above, (a) Purchaser shall pay the aggregate purchase price for all of the Shares purchased and sold hereunder by wire transfer to Seller, and (b) Seller shall take any and all actions necessary or appropriate to direct the transfer agent of Purchaser's common stock to transfer the Shares from Seller's account to Purchaser's account.

3. **Representations and Warranties of Seller.** Seller hereby represents and warrants to Purchaser as follows:

(a) **Ownership of the Shares.** Seller owns all of the Shares, free and clear of any liens, pledges, encumbrances, charges, agreements, restrictions, or claims of any kind. No person or entity has asserted any claim or commenced or threatened any litigation concerning Seller's title to the Shares. Seller has the legal right, power, and authority to transfer, assign, and deliver the Shares as provided in this Agreement.

(b) **No Violation.** The execution, delivery, and performance of this Agreement by Seller will not result in a breach or violation of, or constitute a default by Seller under, any agreement, instrument, or order to which Seller is a party or by which Seller is bound.

4. **Representations and Warranties of Purchaser.** Purchaser hereby represents and warrants to Seller as follows:

(a) **Execution and Authorization.** Purchaser has the corporate power and authority to enter into and to perform this Agreement. The execution and delivery of this Agreement and consummation of the transactions contemplated hereby have been duly authorized by all requisite corporate action on the part of Purchaser.

(b) **No Violation.** The execution, delivery, and performance of this Agreement by Purchaser will not result in a breach or violation of, or constitute a default by Purchaser under, any agreement, instrument, or order to which Purchaser is a party or by which Purchaser is bound.

5. **Miscellaneous.**

(a) **Entire Agreement; Amendments.** This Agreement represents the entire understanding and agreement between the parties hereto with respect to the subject matter hereof.

This Agreement may be amended, supplemented, or changed, and any provision hereof may be waived, only by a written instrument executed by Seller and Purchaser.

(b) Successors. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their successors and assigns.

(c) Applicable Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Minnesota.

(d) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original.

GRACO INC.

Patrick J. McHale

By: /s/ Christian Rothe

/s/ Patrick J. McHale

Christian Rothe

Its: Chief Financial Officer and Treasurer