
**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): September 30, 2020

ROKU, INC.

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-38211
(Commission
File Number)

26-2087865
(IRS Employer
Identification No.)

1155 Coleman Avenue
San Jose, California
(Address of Principal Executive Offices)

95110
(Zip Code)

(408) 556-9040
(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 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 Exchange on Which Registered:
Class A Common Stock, \$0.0001 par value	"ROKU"	The Nasdaq Global Select 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 September 30, 2020, the Compensation Committee of the Board of Directors of Roku, Inc. approved the terms of an Executive Supplemental Stock Option Program (the “**Program**”) whereby our executive officers may elect to reduce their annual base salary for calendar year 2021 in exchange for a series of monthly grants of fully-vested nonstatutory stock options under our 2017 Equity Incentive Plan (the “**Plan**”). Each officer’s election to participate in the Program will be made under an Executive Supplemental Stock Option Program 2021 Enrollment Form and must be completed during the last open trading window in 2020. The Program will commence in January 2021. No officer participating in the Program may withdraw from the Program, unless the withdrawal is during an open trading window when the officer is not in possession of material, non-public information and such withdrawal is due to an unforeseeable emergency. If an officer withdraws from the Program, they will not be able to re-enroll in the Program. No officer participating in the Program may change their election amount during the year. The number of options granted will be determined based on the following formula: (i) the monthly dollar amount by which the officer has elected to reduce their annual base salary divided by (ii) the quotient of (x) the closing price of our Class A common stock as reported by The Nasdaq Global Select Market on the date of grant (the “**Fair Market Value**”) and (y) a factor intended to result in such quotient approximating a Black-Scholes value (the “**Stock Option Ratio**”), with the Stock Option Ratio to be in effect during 2021 will be determined prior to the initiation of enrollment. For example, if an officer elects to reduce their annual base salary by \$20,000 per month to participate in the Program and the Fair Market Value is \$50.00, then the officer will be granted an option to purchase the number of shares of our Class A common stock under the Program equal to (i) \$20,000 divided by (ii) the quotient of (x) \$50.00 divided by (y) the Stock Option Ratio, rounded down to the nearest whole share.

Each monthly grant will be made on the first trading day of the month (contingent upon the officer’s continued service as of that date), will be fully vested on the grant date and will have an exercise price equal to the Fair Market Value. The options will be subject to the terms and conditions of the Plan and will be administered on a non-discretionary basis without further action by our Compensation Committee. These stock options will be exercisable for up to ten years following the date of grant regardless of the employment status of the officer.

The Supplemental Stock Option Program 2021 Enrollment Form and the form stock option grant notice and agreement to be used in connection with the Program are filed as Exhibits 10.1 and 10.2, respectively, to this Current Report on Form 8-K and are incorporated herein by reference.

The foregoing description does not purport to be complete and is qualified in its entirety by the terms of the exhibits.

Item 9.01 Financial Statement and Exhibits.

(d) Exhibits.

The following exhibits are furnished herewith:

Exhibit Number	Description	Incorporation by reference			
		Form	SEC File No.	Exhibit	Filing Date
10.1	Executive Supplemental Stock Option Program 2021 Enrollment Form				
10.2	Forms of Option Grant Notice and Executive Supplemental Stock Option Agreement and Option Grant Notice under 2017 Equity Incentive Plan	8-K	001-38211	10.2	12/07/2018
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)				

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: October 6, 2020

Roku, Inc.

By: /s/ Steve Louden
Steve Louden
Chief Financial Officer



**EXECUTIVE SUPPLEMENTAL STOCK OPTION PROGRAM
2021 ENROLLMENT FORM**

Date: November XX, 2020

Roku, Inc. (“Roku” or the “Company”) believes in providing its employees at the level of CEO and Senior Vice President (“SVP”) and above (each an “Executive”), which includes you, with a choice as to how their compensation is structured. For calendar year 2021, the Company is offering you the opportunity to enroll in the Executive Supplemental Stock Option Program (the “Program”) pursuant to which you can elect to reduce your Eligible Cash Compensation (as noted below and as defined on Appendix A) in exchange for the grant of vested stock options under the Company’s 2017 Equity Incentive Plan (the “2017 Plan”).

The terms and conditions of the Program are described in Appendix A to this Enrollment Form. A general summary of the terms of stock options is included in Appendix B. Such summary is meant to be general only. It is ultimately your responsibility to review the terms of your stock options as set forth in the 2017 Plan and the applicable stock option notice(s) and agreement(s). If there is a difference between the terms of this Enrollment Form, including its appendices, and the 2017 Plan or the applicable stock option notice(s) and agreement(s), the 2017 Plan and the applicable stock option notice(s) and agreement(s) will govern. It is ultimately your responsibility to consult your personal tax or financial planning advisor about the tax and financial consequences of your election.

To enroll in the Program, please check the applicable box below and enter a dollar value of your Eligible Cash Compensation that will be reduced in exchange for stock option grants.

Annual Cash Compensation:

[Annual Cash Amount]

Eligible Cash Compensation:

[Eligible Cash Comp Amount]

I hereby enroll in the Program and elect to reduce my Eligible Cash Compensation by \$ _____ (the “Stock Option Allocation Amount”) in exchange for the grant of stock options pursuant to the terms of the Program.

I hereby elect **not** to enroll in the Program.

Your election is irrevocable, except as otherwise expressly provided in Appendix A to this Enrollment Form.

Please return the signed Enrollment Form to Stock Administration at the Company by no later than **1:00 pm PST on [DAY], November XX, 2020**. Your failure to return the signed Enrollment Form by that date will be treated by the Company as your election **not** to enroll in the Program (i.e., your Annual Cash Compensation will not be reduced in exchange for the grant of stock options).

BY SIGNING BELOW, I AGREE TO THE TERMS OF THE PROGRAM AS SET FORTH IN THIS ENROLLMENT FORM, INCLUDING THE TERMS IN APPENDIX A AND APPENDIX B TO THIS ENROLLMENT FORM. I ACKNOWLEDGE AND AGREE THAT MY ELECTION IS IRREVOCABLE, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN APPENDIX A TO THIS ENROLLMENT FORM.

ACCEPTED AND AGREED:

[CEO/SVP PRINT NAME]

DATE

Roku Confidential

Appendix A

Terms and Conditions of the Executive Supplemental Stock Option Program

This Appendix A, which is part of the Enrollment Form, contains the terms and conditions of your participation in the Program. Capitalized terms used but not defined herein shall have the same meanings assigned to them in the 2017 Plan.

Eligible Cash Compensation and Impact of Enrollment

If you enroll in the Program, the dollar amount of your Annual Cash Compensation that you elect will be reduced (the “Stock Option Allocation Amount”) in exchange for the grant of stock options on a monthly basis. Your Eligible Cash Compensation is your annualized base salary expected to be paid in calendar 2021 (your “Annual Cash Compensation”) less \$58,240. In other words, you must take a minimum of \$58,240 in annual base salary (payable in the amount of \$2,240 each bi-weekly payroll period, less applicable taxes and deductions). Eligible Cash Compensation does not include any bonus payments, reimbursement for expenses or other one time and/or extraordinary cash payments.

Your enrollment in the Program results in the reduction of the amount of your gross, before-tax, Annual Cash Compensation by the amount of your Stock Option Allocation Amount resulting in an amount we refer to as your “Adjusted Annual Cash Compensation”. The bi-weekly pay period portion of the Stock Option Allocation Amount you select will not be deducted from each paycheck and will not appear as a line-item on your paystub.

For example, if your annual base salary is \$500,000 and you elect a Stock Option Allocation Amount of \$441,760 (\$500,000 - \$58,240):

Annual Cash Compensation: \$500,000

Eligible Cash Compensation: \$441,760

Stock Option Allocation Amount: \$441,760

Adjusted Annual Cash Compensation: \$58,240

Any Company benefits that are normally determined based on your Annual Cash Compensation and/or deducted from each pay period will now be determined based on your Adjusted Annual Cash Compensation. For example, if you participate in the Company’s 401(k) plan, the calculation of your percentage of annual salary deferred under the 401(k) plan will be based on your Adjusted Annual Cash Compensation paid out in bi-weekly salary payments (in the example above the 401k contribution would be calculated on \$58,240). If you then elect to have 5% of your gross, before-tax annual salary deferred under the 401(k) plan, the 5% contribution rate would be based on the Adjusted Annual Cash Compensation of \$58,240. The result would be that \$2,912 rather than \$25,000 (or such lesser amount up to the applicable 401(k) maximum annual contribution) would be deferred on a pre-tax basis under the 401(k) plan for 2021.

If you receive an Annual Cash Compensation increase during 2021, that increase will be paid to you in addition to your Adjusted Annual Cash Compensation; it will not be added to your Eligible Cash Compensation under the Program. The amount you’re electing for your Stock Option Allocation Amount is a flat amount that will not change for the Program year.

In addition, you should be aware of the impact to your take home pay on any benefit plan premiums you pay from each paycheck. The amount of Eligible Cash Compensation you direct to the Program (your Stock Option Allocation Amount) also will not be considered when calculating your life insurance, short-term disability, long-term disability, and workers' compensation benefits. So please be sure to take all of this into account when determining your Stock Option Allocation Amount.

For purposes of the Company's Amended and Restated Severance Benefit Plan, the term "Monthly Base Salary" will be determined based on your Annual Cash Compensation before reduction for your election under the Program.

Option Grants

Nonstatutory Stock Options (NSOs) will be granted on the first trading day of the month following the month of your salary reduction. At the end of each month, we will calculate the amount of the monthly portion of your Stock Option Allocation Amount and convert that into a number of NSOs determined under the formula set forth below. NSOs will be fully vested when granted.

Process for Converting Monthly Portion of Stock Option Allocation Amount to Options:

$(\text{Stock Option Allocation Amount} \div 12) \div (\text{Closing Price on Date of Grant} \div [*])$

* Roku will update the full value to stock option ratio.

Example of Executive Supplemental Stock Option Program		Notes
Annual Cash Compensation Amount	\$ 500,000	Base salary before election
Annual Gross Cash Payroll Amount	\$ 58,240	Minimum annual cash (paycheck)
Annual Stock Option Allocation Amount	\$ 441,760	Employee Election to Annual Stock Option Allocation (stock options)
Monthly Stock Option Allocation Amount	\$ 36,813	$(\$441,760 \div 12)$
Grant Date	February 1	First trading day of the month
Closing Price on Grant Date	\$ 150.0000	Hypothetical ROKU Fair Market Value on Grant Date
* Used for Calculation	TBD	$(\$150 \div [*])$ * ratio is used to calculate stock option shares; approximately the black-scholes rate Roku applies to stock options $(1 \div \text{ratio}\%)$
Monthly Grant Calculation	TBD	$(\text{Monthly} + \text{Carryover} \div \text{TBD})$
Grant Details		Fully Vested on Date of Grant
Grant Date	February 1	First trading day of the month
Grant Price	\$ 150.0000	Hypothetical ROKU Fair Market Value on Grant Date
Fully Vested Shares Granted	TBD	Monthly Grant of NSO
Fractional share	TBD	
Carryover to next month	TBD	Dollar amount less than one full share

Roku will not grant NSOs for a fractional share so the actual number of NSOs to be granted will be rounded down to the nearest whole share. The remaining dollar amount will be carried over to the next month and added to the amount of the monthly portion of Stock Option Allocation Amount for purposes of the option grant to be made for that month. Any Stock Option Allocation Amount not applied to the grant of an NSO due to the fractional share limitation by the end of 2021 will be refunded to you during the second regular payroll period in January 2022.

Modifications and Withdrawal

Except as otherwise provided in this paragraph, your election is irrevocable. Once you have enrolled in the Program and selected your Stock Option Allocation Amount, you will not be able to change your election amount. You will remain enrolled in the Program for all of calendar 2021 unless (i) you notify us in writing, during an open trading window when you are not in possession of material, non-public information that you are withdrawing from the Program and (ii) such withdrawal is due to an “unforeseeable emergency”, as such term is used in Section 409A of the Internal Revenue Code of 1986, as amended, and the treasury regulations thereunder (“Section 409A”). In the case of an unforeseeable emergency, such withdrawal will take effect only to the extent necessary to satisfy the unforeseeable emergency, and any reference to a withdrawal in the Program will be deemed to mean a withdrawal only to such extent. If you withdraw from the Program, you will not be able to re-enroll in the Program for calendar year 2021. Your withdrawal from the Program will be effective beginning on the first payroll period in the month after you notify the Company of your withdrawal. For example, if you notify the Company of your intent to withdraw from the Program in June during the open trading window, the monthly portion of your Salary Reduction Amount will still apply for the month of June followed by a grant of NSOs on the first trading day of July. Then, beginning with the first payroll in July you will receive your prorated bi-weekly salary less applicable taxes and deductions (based on the reduced amount due to the unforeseeable emergency), plus any amount of cash from a fractional share carryover from a prior month.

If you elect to participate in the Program and, during the course of calendar 2021 you: (i) move outside of the United States, (ii) are no longer on the Company’s payroll in the United States, or (iii) no longer have the title SVP or above, you will no longer be eligible to participate in the Program and will be automatically withdrawn as of the date of such change in status. Your withdrawal will become effective as of the first payroll period in the month after the change in your status. For example, if you are no longer eligible to participate in the Program beginning in June, the monthly portion of your Stock Option Allocation Amount for June will still apply followed by a grant of NSOs on the first trading day of July. Then, beginning with the first payroll in July you will receive your full bi-weekly salary less applicable taxes and deductions, plus any amount of cash from a fractional share carryover from a prior month.

Termination of Continuous Service

If your Continuous Service with the Company terminates for any reason during calendar year 2021, your enrollment in the Program will automatically terminate and you will receive a cash salary payment, less applicable taxes and deductions, for the portion of your Stock Option Allocation Amount during the month of your termination. You will not be eligible to receive a stock option grant for that month under the Program. Stock options previously granted to you under the Program (and otherwise) will remain exercisable for their remaining term as set forth in the applicable stock option grant documents, subject to the Company’s ability to take any of the actions set forth in the applicable stock option grant documents, including without limitation pursuant to Section 9(b) and/or Section 9(c) of the 2017 Plan.

Additional Terms

You should be aware that the Company, in its discretion, may change or end the operation of the Program and/or the 2017 Plan at any time. If the Company decides to change or terminate the Program and/or the 2017 Plan, you will not have any claim against the Company to receive additional option grants or any other equity benefits equivalent to the option grant. You acknowledge that the Company is not obligated to continue to grant options, restricted stock units or any other equity awards to you. You also acknowledge that the Company is not obligated to offer the Program in any subsequent years.

The Company will administer the Program and will have discretionary authority to interpret and construe the terms and conditions of the Program and to adopt rules and regulations for administration of the Program. All determinations, interpretations and constructions made by the Company pursuant to such authority will be final and binding. The foregoing authority does not in any way supersede, diminish, replace or otherwise modify the authority of the Board, the Committee or an Officer, as applicable (each as defined in the 2017 Plan) to administer the 2017 Plan (and Options granted pursuant to the Program) in accordance with the terms of the 2017 Plan.

The Company's obligation under the Program shall be merely that of an unfunded and unsecured promise of the Company to issue NSOs in the future, and your rights will be no greater than those of unsecured general creditors. You and your heirs, successors, and assigns will have no legal or equitable rights, claims, or interest in any specific property or assets of the Company. No assets of the Company will be held under any trust or held in any way as collateral security for the fulfilling of the obligations of the Company under the Program. Any and all of the Company's assets will be, and remain, the general unpledged, unrestricted assets of the Company.

You have no right to commute, sell, assign, transfer, pledge, anticipate, mortgage or otherwise encumber, transfer, hypothecate, alienate or convey in advance of actual receipt, the amounts or NSO, if any, payable or issuable hereunder, or any part thereof, which are, and all rights to which are expressly declared to be, unassignable and non-transferable. No part of the amounts payable or issuable will, prior to actual payment or issuance, be subject to seizure, attachment, garnishment (except to the extent the Company may be required to garnish amounts from payments due under the Program pursuant to applicable law) or sequestration for the payment of any debts, judgments, alimony or separate maintenance owed by you or any other person, be transferable by operation of law in the event of your or any other person's bankruptcy or insolvency or be transferable to a spouse as a result of a property settlement or otherwise.

The terms and conditions of the Program will not be deemed to constitute a contract of employment or continued engagement between the Company or any of its affiliates and you. Nothing in the Program will be deemed to give you the right to be retained in the service of the Company or any of its affiliates or to interfere with the right of the Company or any of its affiliates to discipline or discharge you at any time for any or no reason, with or without notice (subject to applicable law). Your employment with the Company or any of its affiliates remains at will (subject to applicable law). In the event your regular level of employment with the Company is reduced (for example, and without limitation, if you change your employment status with the Company from full-time to part-time or you take a leave of absence) while you are a participant in the Program, the Company has the right in its discretion to make a corresponding adjustment to your Annual Cash Compensation, Eligible Cash Compensation, Stock Option Allocation Amount and Adjusted Annual Cash Compensation under the Program (collectively, the "Program Compensation"). In the event of any such adjustment, you will have no right with respect to any portion of the Program Compensation that is reduced in connection with such adjustment, subject to applicable law.

The Program is intended to be exempt from Section 409A to the maximum extent an exemption is available; provided, however, that to the extent an exemption under Section 409A is unavailable, the Program is intended to comply with the requirements of Section 409A. To the extent that any provision of the Program is ambiguous as to its exemption from or compliance with Section 409A, the provision will be read in such a manner that the applicable payments or issuances hereunder are exempt from Section 409A to the maximum permissible extent, and for any payments or issuances where such construction is not tenable, that those payments or issuances comply with

Section 409A to the maximum permissible extent. You acknowledge and agree that the Company and its affiliates make no representations with respect to the application of Section 409A to any payment or issuance under the Program and other tax consequences to any payments under the Program.

You understand and agree that any option grant made pursuant to your participation in the Program will be subject to the terms of the 2017 Plan and your applicable award agreement and that this Enrollment Form is governed by the internal substantive laws of the State of Delaware, without regard to that state's conflicts of laws rules. For purposes of any action, lawsuit or other proceedings brought to enforce this election, relating to it, or arising from it, the parties hereby submit to and consent to the sole and exclusive jurisdiction of the courts within Santa Clara County, State of California, and no other courts, where this election is made and/or to be performed.

The provisions of this Enrollment Form are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

Appendix B

General Information About Nonstatutory Stock Options

THIS IS GENERAL INFORMATION ONLY.

ROKU DOES NOT GIVE TAX OR FINANCIAL ADVICE; YOU MUST SPEAK TO YOUR OWN TAX OR FINANCIAL ADVISOR

What is an Option?

An option is a right to **buy** Company common stock at a specified price (exercise price). The exercise price will be the fair market value of a share of Company common stock (equal to the closing Nasdaq price of Company stock) on the grant date. As detailed below, upon exercise of the option, you become the owner of the shares of Company common stock.

General requirements & restrictions

- **Vesting** - Options granted to you under the Program will be fully vested at grant.
- **Exercise** - You do not own shares of Company common stock upon the grant of your vested options. To own such shares of Company common stock, you must exercise the vested options.
- **Expiration and Forfeiture** - Options granted under the Program will have a 10-year term and will be exercisable at any time during the 10-year term even if you have terminated employment with the Company, subject to the Company's ability to take any of the actions set forth in the applicable stock option grant documents, including without limitation pursuant to Section 9(b) and/or Section 9(c) of the 2017 Plan. Options not exercised during the term will automatically expire and will be automatically cancelled.

Taxes

If you enroll in the Program, you will not be subject to tax on the date the options are granted. Instead, you will be subject to ordinary income and withholding taxes on the date you exercise your options. The taxable income amount will be the excess of the fair market value of the Company common stock on the date of exercise over the option exercise price (i.e., the "spread").

You may also be subject to capital gains tax at the time you sell any shares of Company common stock acquired upon the exercise of the options, provided you sell the shares at a gain (i.e., the sale price is greater than the fair market value of the shares at the time of acquisition).

Please note that that you are solely responsible for all taxes associated with your stock options, even if Roku has an obligation to withhold (and does or does not withhold) applicable taxes at the time of exercise. Therefore, you should consult your personal accountant or tax advisor regarding the tax implications of any stock options granted to you. You should also refer to the tax sections of the prospectus for the 2017 Plan.

Tax obligations are complex and differ from state to state. Roku is not in a position to give tax advice to you and you should not rely on the above as anything else but general information.