
**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 22, 2018

CarGurus, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-38233
(Commission
File Number)

04-3843478
(IRS Employer
Identification No.)

2 Canal Park, 4th Floor
Cambridge, Massachusetts 02141
(Address of principal executive offices)
(zip code)

Registrant's telephone number, including area code: 617-354-0068

(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))

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 March 22, 2018, CarGurus, Inc. (the “Company”) was informed by David Parker, a director and member of the Audit Committee of the Board of Directors of the Company (the “Board”), that he would resign his positions on the Board and Audit Committee effective immediately. The resignation was not as a result of any disagreement with the Company regarding its operations, policies or practices. In recognition of Mr. Parker’s outstanding service to the Company, the Board has approved a partial acceleration of vesting for Mr. Parker’s award of 2,080 restricted stock units (“RSUs”) granted on October 25, 2017, such that 1,040 of such RSUs became fully vested on the date of Mr. Parker’s resignation.

On March 22, 2018, the Board appointed Greg Schwartz to fill the vacancy created by David Parker’s resignation. Mr. Schwartz will serve as a Class I director of the Board. The terms of Class I directors expire at the Company’s Annual Meeting of Stockholders for the year 2018. Mr. Schwartz was also appointed to serve as a member of the Audit Committee. The Board has determined that Mr. Schwartz is an independent director in accordance with applicable rules of the Securities and Exchange Commission and the Nasdaq Global Select Stock Market.

Greg Schwartz has served as Zillow Group’s Chief Business Officer since August 2015. Prior to that time, Mr. Schwartz served as Chief Revenue Officer from September 2010 to August 2015 and as Vice President of Sales from March 2007 to September 2010. Prior to joining Zillow, Mr. Schwartz was Vice President of Advertising Sales at CNNMoney.com, a financial media company, from July 2005 to March 2007. From August 2001 to July 2005, Mr. Schwartz served as National Accounts Director for the Automotive and Finance Properties of Yahoo!, Inc., an online search company. Mr. Schwartz held various positions at DoubleClick, Inc., an online advertising company, from 1998 to 2000, including Director of Business Development. Mr. Schwartz holds a B.A. in Government from Hamilton College.

In connection with Mr. Schwartz’s appointment to and service on the Board and consistent with the compensation arrangements for non-employee directors, Mr. Schwartz will receive an annual cash retainer of \$35,000, for his service on the Board and will receive \$9,000 for his service on the Audit Committee. Such amounts will be paid on or promptly after the 2018 Annual Meeting of Stockholders and will be prorated based on his expected service during the fiscal year. In addition, Mr. Schwartz was granted 4,219 RSUs, subject to the Company’s Omnibus Equity Incentive Plan (the “Plan”), and subject to a service-based vesting requirement, vesting in full on the first anniversary of such grant. In addition, such grant will vest in full upon a change of control of the Company, provided that Mr. Schwartz continues to provide services to the Company until the effective date of such change of control.

The form of Restricted Stock Unit Agreement to be used to evidence such award, and future awards of RSUs to non-employee directors of the Company under the Plan, is included as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Since the beginning of the Company’s last fiscal year through the present, there have been no transactions with the Company and there are currently no proposed transactions with the Company, in which the amount involved exceeds \$120,000 and in which Mr. Schwartz had or will have a direct or indirect material interest within the meaning of Item 404(a) of Regulation S-K. No arrangement or understanding exists between Mr. Schwartz and any other person pursuant to which Mr. Schwartz was selected as a director of the Company.

In addition, Mr. Schwartz and the Company will enter into the Company’s standard indemnification agreement, a form of which has been previously filed.

Item 8.01 Other Events.

On March 26, 2018, the Company issued a press release announcing Mr. Schwartz's appointment to the Board, which is attached as Exhibit 99.1 to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<i>Exhibit No.</i>	<i>Description</i>
10.1	Form of Non-Employee Director Restricted Stock Unit Agreement.
99.1	CarGurus, Inc. Press Release issued on March 26, 2018.

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.

CarGurus, Inc.

(Registrant)

Date: March 26, 2018

/s/ Kathleen Patton

Name: Kathleen Patton

Title: Senior Vice President, General Counsel and Secretary

CARGURUS, INC. OMNIBUS INCENTIVE COMPENSATION PLAN
RESTRICTED STOCK UNIT AGREEMENT

This RESTRICTED STOCK UNIT AGREEMENT (the “Agreement”), dated as of _____ (the “Date of Grant”), is delivered by CarGurus, Inc. (the “Company”) to _____, who is a Non-Employee Director (the “Participant”).

RECITALS

The CarGurus, Inc. Omnibus Incentive Compensation Plan (the “Plan”) provides for the grant of restricted stock units. The Board has decided to make this grant of restricted stock units as an inducement for the Participant to promote the best interests of the Company and its stockholders. The Participant hereby acknowledges the receipt of a copy of the official prospectus for the Plan, which is available by accessing the Company’s intranet at <https://cargurus.atlassian.net/wiki/spaces/HR/overview>. Paper copies of the Plan and the official Plan prospectus are available by contacting the Senior Vice President, General Counsel of the Company at 617.315.4900 or legal@cargurus.com. This Agreement is made pursuant to the Plan and is subject in its entirety to all applicable provisions of the Plan. Capitalized terms used herein and not otherwise defined will have the meanings set forth in the Plan.

1. Grant of Stock Units. Subject to the terms and conditions set forth in this Agreement and in the Plan, the Company hereby grants the Participant restricted stock units, subject to the restrictions set forth below and in the Plan (the “Stock Units”). Each Stock Unit represents the right of the Participant to receive a share of Class A common stock of the Company (“Company Stock”) on the applicable payment date set forth in Section 5 below.

2. Stock Unit Account. Stock Units represent hypothetical shares of Company Stock, and not actual shares of stock. The Company shall establish and maintain a Stock Unit account, as a bookkeeping account on its records, for the Participant and shall record in such account the number of Stock Units granted to the Participant. No shares of Company Stock shall be issued to the Participant at the time the grant is made, and the Participant shall not be, and shall not have any of the rights or privileges of, a stockholder of the Company with respect to any Stock Units recorded in the Stock Unit account. The Participant shall not have any interest in any fund or specific assets of the Company by reason of this award or the Stock Unit account established for the Participant.

3. Vesting.

(a) The Stock Units shall become vested according to the following schedule (each, a “Vesting Date”), provided that the Participant continues to be employed by, or provide service to, the Employer from the Date of Grant until the applicable Vesting Date:

<u>Vesting Date</u>	<u>Vested Stock Units</u>

(b) The vesting of the Stock Units shall be cumulative, but shall not exceed 100% of the Stock Units. If the foregoing schedule would produce fractional Stock Units, the number of Stock Units that vest shall be rounded down to the nearest whole Stock Unit and the fractional Stock Units will be accumulated so that the resulting whole Stock Units will be included in the number of Stock Units that become vested on the last Vesting Date.

(c) In the event of a Change of Control before all of the Stock Units vest in accordance with Section 3(a) above, the provisions of the Plan applicable to a Change of Control shall apply to the Stock Units.

Notwithstanding the foregoing, if the Participant continues to provide services to the Company from the Date of Grant until the date of the Change of Control, 100% of any then-unvested Stock Units shall become vested immediately prior to such Change of Control.

4. Termination of Stock Units. If the Participant ceases to be employed by, or provide service to, the Employer for any reason before all of the Stock Units vest, any unvested Stock Units shall automatically terminate and shall be forfeited as of the date of the Participant’s termination of employment or service. No payment shall be made with respect to any unvested Stock Units that terminate as described in this Section 4.

5. Payment of Stock Units.

(a) If and when the Stock Units vest, the Company shall issue to the Participant one share of Company Stock for each vested Stock Unit, subject to applicable tax withholding obligations. Payment shall be made within 30 days after the applicable Vesting Date.

(b) All obligations of the Company under this Agreement shall be subject to the rights of the Employer as set forth in the Plan to withhold amounts required to be withheld for any taxes, if applicable. At the time of payment in accordance with Section 5(a) above, the number of shares issued to the Participant shall be reduced by a number of shares of Company Stock with a Fair Market Value (measured as of the Vesting Date) equal to an amount of the federal (including FICA), state, local and other tax liabilities required by law to be withheld with respect to the payment of the Stock Units. To the extent not withheld in accordance with the immediately preceding sentence, the Participant shall be required to pay to the Employer, or make other arrangements satisfactory to the Employer to provide for the payment of, any federal, state, local or other taxes that the Employer is required to withhold with respect to the Stock Units. Unless the Committee determines otherwise, share withholding for taxes shall not exceed the Participant’s minimum applicable tax withholding amount.

(c) The obligation of the Company to deliver Company Stock shall also be subject to the condition that if at any time the Board shall determine in its discretion that the listing, registration or qualification of the shares upon any securities exchange or under any state or federal law, or the consent or approval of any governmental regulatory body is necessary or desirable as a condition of, or in connection with, the issuance of shares, the shares may not be issued in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Board. The issuance of shares to Participant pursuant to this Agreement is subject to any applicable taxes and other laws or regulations of the United States or of any state having jurisdiction thereof.

6. No Stockholder Rights; Dividend Equivalents. Neither the Participant, nor any person entitled to receive payment in the event of the Participant's death, shall have any of the rights and privileges of a stockholder with respect to shares of Company Stock, including voting or dividend rights, until certificates for shares have been issued upon payment of Stock Units. The Participant acknowledges that no election under Section 83(b) of the Code is available with respect to Stock Units. Notwithstanding the foregoing, the Participant shall be entitled to accrue Dividend Equivalents on the shares underlying the Stock Units prior to the Vesting Date, which shall be credited to the Stock Unit account for the Participant and will be paid or distributed in the form of shares of Company Stock when the shares underlying the Stock Units vest and are issued in accordance with this Agreement.

7. Grant Subject to Plan Provisions. This grant is made pursuant to the Plan, the terms of which are incorporated herein by reference, and in all respects shall be interpreted in accordance with the Plan. The grant and payment of the Stock Units are subject to the provisions of the Plan and to interpretations, regulations and determinations concerning the Plan established from time to time by the Committee in accordance with the provisions of the Plan, including, but not limited to, provisions pertaining to (a) rights and obligations with respect to withholding taxes, (b) the registration, qualification or listing of the shares of Company Stock, (c) changes in capitalization of the Company and (d) other requirements of applicable law. The Committee shall have the authority to interpret and construe the Stock Units pursuant to the terms of the Plan, and its decisions shall be conclusive as to any questions arising hereunder.

8. No Employment or Other Rights. The grant of the Stock Units shall not confer upon the Participant any right to be retained by or in the employ or service of any Employer and shall not interfere in any way with the right of any Employer to terminate the Participant's employment or service at any time. The right of any Employer to terminate at will the Participant's employment or service at any time for any reason is specifically reserved.

9. Assignment and Transfers. Except as the Committee may otherwise permit pursuant to the Plan, the rights and interests of the Participant under this Agreement may not be sold, assigned, encumbered or otherwise transferred except, in the event of the death of the Participant, by will or by the laws of descent and distribution. In the event of any attempt by the Participant to alienate, assign, pledge, hypothecate, or otherwise dispose of the Stock Units or any right hereunder, except as provided for in this Agreement, or in the event of the levy or any attachment, execution or similar process upon the rights or interests hereby conferred, the Company may terminate the Stock Units by notice to the Participant, and the Stock Units and all rights hereunder shall thereupon become null and void. The rights and protections of the Company hereunder shall extend to any successors or assigns of the Company and to the Company's parents, subsidiaries, and affiliates. This Agreement may be assigned by the Company without the Participant's consent.

10. Applicable Law; Jurisdiction. The validity, construction, interpretation and effect of this Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to the conflicts of laws provisions thereof. Any action arising out of, or relating to, any of the provisions of this Agreement shall be brought only in the United States District Court for the District of Massachusetts, or if such court does not have jurisdiction or will not accept jurisdiction, in any court of general jurisdiction in Boston, Massachusetts, and the jurisdiction of such court in any such proceeding shall be exclusive. Notwithstanding the foregoing sentence, on and after the date a Participant receives shares of Company Stock hereunder, the Participant will be subject to the jurisdiction provision set forth in the Company's bylaws.

11. Notice. Any notice to the Company provided for in this instrument shall be addressed to the Company in care of the Senior Vice President, General Counsel, with copy to the Chief Financial Officer, at the corporate headquarters of the Company, and any notice to the Participant shall be addressed to such Participant at the current address shown on the payroll of the Employer, or to such other address as the Participant may designate to the Employer in writing. Any notice shall be delivered by hand, or enclosed in a properly sealed envelope addressed as stated above, registered and deposited, postage prepaid, in a post office regularly maintained by the United States Postal Service or by the postal authority of the country in which the Participant resides or to an internationally recognized expedited mail courier.

12. Recoupment Policy. The Participant agrees that, subject to the requirements of applicable law, if the Participant breaches any restrictive covenant agreement between the Participant and the Employer or otherwise engages in activities that constitute Cause either while employed by, or providing service to, the Employer or within 12 months thereafter, the Stock Units shall terminate, and the Company may rescind delivery of shares upon payment of the Stock Units, as applicable on such terms as the Committee shall determine, including the right to require that in the event of any such rescission, (a) the Participant shall return to the Company the shares received upon payment of the Stock Units or, (b) if the Participant no longer owns the shares, the Participant shall pay to the Company the amount of any gain realized or payment received as a result of any sale or other disposition of the shares (or, in the event the Participant transfers the shares by gift or otherwise without consideration, the Fair Market Value of the shares on the date of the breach of any restrictive covenant agreement or activity constituting Cause), net of the price originally paid by the Participant for the shares, if applicable. The Participant agrees that payment by the Participant shall be made in such manner and on such terms and conditions as may be required by the Committee and the Employer shall be entitled to set off against the amount of any such payment any amounts otherwise owed to the Participant by the Employer. In addition, the Participant agrees that the Stock Units shall be subject to any applicable clawback or recoupment policies, share trading policies and other policies that may be implemented by the Board or imposed under applicable rule or regulation from time to time.

13. Application of Section 409A of the Code. This Agreement is intended to be exempt from section 409A of the Code under the "short-term deferral" exception and to the extent this Agreement is subject to section 409A of the Code, it will in all respects be administered in accordance with section 409A of the Code.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused an officer to execute this Agreement, and the Participant has executed this Agreement, effective as of the Date of Grant.

CARGURUS, INC.

Name:
Title:

I hereby accept the award of Stock Units described in this Agreement, and I agree to be bound by the terms of the Plan and this Agreement. I hereby agree that all decisions and determinations of the Committee with respect to the Stock Units shall be final and binding.

Date

Participant

CarGurus, Inc. Appoints Greg Schwartz to its Board of Directors**Zillow Executive Brings Deep Experience Driving Innovative Business Models**

CAMBRIDGE, Mass. – March 26, 2018 - CarGurus, Inc. (Nasdaq: CARG), a leading global online automotive marketplace, today announced the appointment of Greg Schwartz to the company's Board of Directors, effective March 22, 2018. Schwartz is chief business officer of Zillow Group (Nasdaq:Z) (Nasdaq:ZG), where he leads sales and B2B strategy across Zillow's real estate, rental, mortgage and home improvement marketplaces. Greg joined Zillow in 2007 and built the sales and revenue operations from the ground up. He brings more than twenty years of experience driving innovative business models in the media and internet industries.

"I have long admired Greg for his leadership at Zillow, and I am thrilled to welcome him to our Board of Directors," said CarGurus Founder, CEO and Chairman, Langley Steinert. "Greg's experience driving innovative marketplace business models and growing revenue and sales channels is highly relevant to our business, and his knowledge will be a great asset to the Board."

"CarGurus' emergence as the nation's most visited online automotive marketplace is a story of bold vision, technology innovation and strong leadership," said Schwartz. "I am deeply honored to join the CarGurus Board of Directors, and I look forward to working closely with Langley and the other Board members to help support the company's next chapter of growth."

Before joining Zillow, Greg was Vice President of Advertising Sales at CNNMoney, where he launched the advertising sales team and platform. He also served as national accounts director for Yahoo's Automotive and Finance properties and held multiple positions at DoubleClick, Inc., including director of business development. Greg was named by Inman News as one of the 100 Most Influential Real Estate Leaders in 2013. In addition, he was named to Swanepoel's Power 200, a list of the 200 most powerful people in residential real estate.

Greg has been on the boards of directors for the Woodland Park Zoo, Seeking Alpha and Pike13 and is a Policy Advisory Board Member for Harvard University Joint Center for Housing Studies. Greg earned a Bachelor of Arts in Government from Hamilton College.

CarGurus also announced that David Parker has retired from the Board effective March 22, 2018. David is currently CEO of Entrepreneurship for All, a non-profit based in Lowell, Ma. "On behalf of the Board of Directors and management, I would like to thank David for his eleven years of dedicated service. He has contributed invaluable leadership and insight during his tenure, for which I am extremely grateful," stated Steinert.

About CarGurus

Founded in 2006, CarGurus (Nasdaq: CARG) is a global, online automotive marketplace connecting buyers and sellers of new and used cars. The company uses proprietary technology, search algorithms and data analytics to bring trust and transparency to the automotive search experience and help users find great deals from top rated dealers. In addition to the United States, CarGurus operates online marketplaces in Canada, the United Kingdom and Germany. To learn more about CarGurus, visit www.cargurus.com.

CarGurus is a registered trademark of CarGurus, Inc.

Cautionary Language Concerning Forward-Looking Statements

This press release includes forward-looking statements. All statements contained in this press release other than statements of historical facts, including, without limitation, statements regarding attractiveness of our product offerings and platform and the value proposition of our products, are forward-looking statements. The words “anticipate,” “believe,” “continue,” “estimate,” “expect,” “intend,” “guide,” “may,” “will” and similar expressions and their negatives are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives and financial needs. These forward-looking statements are subject to a number of risks and uncertainties, including, without limitation, risks related to our rapid growth and ability to sustain our revenue growth rate, our relationships with dealers, competition in the markets in which we operate, market growth, our ability to innovate and manage our growth, our ability to expand effectively into new markets, our ability to operate in compliance with applicable laws as well as other risks and uncertainties set forth in the “Risk Factors” section of our form 10-K filing on March 1, 2018 and subsequent reports that we file with the Securities and Exchange Commission. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, we cannot guarantee future results, levels of activity, performance, achievements or events and circumstances reflected in the forward-looking statements will occur. We are under no duty to update any of these forward-looking statements after the date of this press release to conform these statements to actual results or revised expectations, except as required by law. You should, therefore, not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this press release.