
**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): May 8, 2023



NN, Inc.

(Exact name of registrant as specified in its charter)

| | | |
|--|---|--|
| Delaware <i>(State or other jurisdiction of incorporation)</i> | 000-23486 <i>(Commission File Number)</i> | 62-1096725 <i>(I.R.S. Employer Identification No.)</i> |
|--|---|--|

| | |
|--|-----------------------------------|
| 6210 Ardrey Kell Road, Suite 600 Charlotte, North Carolina <i>(Address of principal executive offices)</i> | 28277 <i>(Zip Code)</i> |
|--|-----------------------------------|

(980) 264-4300
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box 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))

Securities registered pursuant to Section 12(b) of the Act:

| <i>Title of each class</i> | <i>Trading symbol</i> | <i>Name of each exchange on which registered</i> |
|---------------------------------------|-----------------------|--|
| Common Stock, par value \$0.01 | NNBR | The Nasdaq Stock Market LLC |

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 November 1, 2022, NN, Inc. (the “Company”) previously announced that Warren Veltman will be retiring from his position as President and Chief Executive Officer of the Company in 2023. Accordingly, and as previously publicly announced, Mr. Veltman was not nominated for reelection at the Company’s 2023 Annual Meeting of the Stockholders. On May 9, 2023, the Board of Directors (the “Board”) of the Company announced the appointment of Harold Bevis as the Company’s President and Chief Executive Officer, effective May 22, 2023 (the “Transition Date”). The Board also expects to appoint Mr. Bevis as a director of the Board, following the Transition Date. Mr. Veltman will retire as the President and Chief Executive Officer of the Company and from the Board, effective as of the Transition Date.

Mr. Bevis has more than 25 years of business leadership, including more than 20 years’ experience in the CEO role at a number of companies. He was previously President and CEO of Commercial Vehicle Group, Inc. (“CVGI”), a publicly traded manufacturer of electrical, mechanical and seating systems for electric and internal combustion engine commercial vehicles, as well as warehouse automation and robotic systems to retailers and ecommerce shippers. At CVGI, Mr. Bevis demonstrated a track record of driving new business wins in the electric vehicle industry and he repositioned CVGI towards electrification, automation and connectivity. Prior to his experience at CVGI, Mr. Bevis was Chairman and CEO of Boxlight, a startup company focused on education technology solutions. Previously, Mr. Bevis led a number of companies in the packaging industry, including as President and CEO of Xerium Technologies, Inc., Chairman and CEO of Prolamina, and President and CEO of Pliant Corporation. Mr. Bevis has a bachelor’s degree in industrial engineering from Iowa State University, and an MBA in marketing from Columbia Business School.

In connection with Mr. Bevis’ appointment, the Company and Mr. Bevis entered into a letter of understanding and relocation agreement, dated as of May 8, 2023 (the “Letter of Understanding”), setting forth the terms of his employment, compensation and relocation benefits. Pursuant to the Letter of Understanding, Mr. Bevis’ annual base salary will be \$835,000, and he will be eligible to receive an annual incentive award under the Company’s Executive Incentive Compensation Program, which is based on a target amount of a minimum of 50% and maximum of 150% of his annual base salary, with a guaranteed minimum bonus of \$835,000 for 2023. The Letter of Understanding also provides that Mr. Bevis will not be eligible to participate in the Company’s long-term equity incentive program until 2028.

As an inducement material to his entering into employment with the Company, Mr. Bevis will be granted on the Transition Date (i) a one-time conditional equity grant as an inducement to his employment with the Company, consisting of (i) 1,500,000 time-vesting restricted stock units, which will vest ratably in one fifth increments on each of the first five anniversaries of the Transition Date (the “RSU Award”); and (ii) 2,500,000 performance-vesting restricted stock units (“PSUs”) that will be realized incrementally upon certain increases in the price of the Company’s common stock, par value \$0.001 per share, over a five-year performance period (the “PSU Award” and together with the RSU Award, the “Inducement Grants”). The RSU Award will be granted pursuant to that certain form of Restricted Share Award Agreement (the “RSU Agreement”), and the PSU Award will be granted pursuant to that certain form of Performance Share Unit Award Agreement (the “PSU Agreement”).

The Company will enter into its standard form of separation agreement with Mr. Bevis (the “Separation Agreement”) as of the Transition Date. Under the Separation Agreement, if terminated by the Company without cause or if Mr. Bevis resigns with “Good Reason” (as defined in the Separation Agreement), Mr. Bevis would receive: (i) a lump-sum payment equal to two-times his base salary (as of the date of termination), (ii) any vested rights in accordance with the terms of his RSU Award Agreement and PSU Award Agreement, and (iii) a lump sum payment in an amount equal to twelve (12) months of monthly premiums that Mr. Bevis would be required to pay to continue the group health coverage for himself and/or his eligible dependents. The Separation Agreement also includes non-competition and non-solicitation obligations of Mr. Bevis for the period ending when the salary continuation benefit ends or, in circumstances not entitling Mr. Bevis to such salary continuation, on the date one year after the termination of his employment with the Company.

Further, under the Separation Agreement, if terminated within the twenty-four month period following a change of control (i.e., a “double-trigger”), as defined therein, he will receive: (i) a lump sum payment equal to the sum of two-times his base salary (as of the date of termination) plus two-times his target bonus, (ii) any vested rights in accordance with the terms of his RSU Award Agreement and PSU Award Agreement, and (iii) a lump sum payment in an amount equal to twelve (12) months of monthly premiums that Mr. Bevis would be required to pay to continue the group health coverage for himself and/or his eligible dependents.

The Company will also enter into its standard form of indemnification agreement with Mr. Bevis (the “Indemnification Agreement”) as of the Transition Date, in the form previously entered into by the Company with its current directors and officers, a copy of which was previously filed as [Exhibit 10.6](#) to the Company’s Registration Statement on Form S-3/A, as originally filed on July 15, 2002.

The foregoing descriptions of the terms of the Letter of Understanding, Employment Agreement, Separation Agreement and Indemnification Agreement are only summaries and are qualified in their entirety by the full text of (i) the Letter of Understanding, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K (this “Current Report”);

(ii) the RSU Agreement, a copy of which is filed as Exhibit 10.2 to this Current Report; (iii) the PSU Agreement, a copy of which is filed as Exhibit 10.3 to this Current Report; (iv) the Separation Agreement, a copy of which is filed as Exhibit 10.4 to this Current Report on Form 8-K; and (v) the Indemnification Agreement, the form of which was previously filed as [Exhibit 10.6](#) to the Company's Registration Statement on Form S-3/A, as originally filed on July 15, 2002, each of which are incorporated herein by reference.

There are no arrangements or understandings between Mr. Bevis and any other persons pursuant to which he was appointed as President and Chief Executive Officer of the Company. There are no family relationships between Mr. Bevis and any of the Company's directors or other executive officers, and Mr. Bevis is not a party to any transaction, or any proposed transaction, required to be disclosed pursuant to Item 404(a) of Regulation S-K

ITEM 7.01 REGULATION FD DISCLOSURE.

On May 9, 2023, the Company issued a press release regarding Mr. Bevis' appointment as Chief Executive Officer. A copy of this press release is included as Exhibit 99.1 to this Current Report.

The information, including the press releases, furnished under this Item 7.01 shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, and shall not be deemed incorporated by reference into any other filing by the Company under the Exchange Act or the Securities Act of 1933, as amended, except as otherwise expressly stated in such filing.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits.

| <u>Exhibit No.</u> | <u>Description of Exhibit</u> |
|--------------------|--|
| 10.1 | Letter of Understanding, dated May 8, 2023, by and between NN, Inc. and Harold Bevis. |
| 10.2 | Form of Restricted Share Award Agreement, by and between NN, Inc. and Harold Bevis. |
| 10.3 | Form of Performance Share Unit Award Agreement, by and between NN, Inc. and Harold Bevis. |
| 10.4 | Form of Separation Agreement, by and between NN, Inc. and Harold Bevis. |
| 10.5 | Form of Indemnification Agreement (filed as Exhibit 10.6 to the Company's Registration Statement on Form S-3/A, as originally filed on July 15, 2002 and incorporated herein by reference) |
| 99.1 | Press Release, dated May 9, 2023 |
| 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.

Date: May 9, 2023

NN, INC.

By: /s/ Michael C. Felcher
Name: Michael C. Felcher
Title: Senior Vice President - Chief Financial Officer



NN, Inc.
Corporate Headquarters
6210 Ardrey Kell Road • Charlotte, NC 28277
Phone: 980-264-4300

May 8, 2023

Mr. Harold Bevis
6210 Ardrey Kell Road, Suite 600
Charlotte, NC 28277

RE: Letter of Understanding (LOU) and Relocation Agreement

Dear Harold:

We are pleased to extend you an offer to join NN, Inc. (“NN” or the “Company”) as its President and Chief Executive Officer (“CEO”), as well as joining the Company’s Board of Directors (the “Board”) following the 2023 Annual Meeting of Stockholders. In this salaried exempt role, you will report directly to the Board of Directors of the Company and will be located at the Company’s headquarters in Charlotte, NC. Following is a summary of the terms of our offer:

- Duties:** Report directly to the Board; oversee execution of the Company’s strategic plan, financial and operating performance, analysis and development of business opportunities and leadership of the Company’s executive team; and such other duties, authorities and responsibilities as are customary for the position of President and CEO and as may be reasonably assigned by the Board that are commensurate with and not inconsistent with your position as President and CEO. You will devote your full business time to the discharge of your duties and responsibilities hereunder; provided, however, that you may manage personal investments and affairs for yourself and your family, and participate in industry, trade, professional, non-profit, community or philanthropic activities, serve on civic or charitable boards or committees, in each case to the extent that such activities do not materially interfere with the performance of your duties and are not in conflict with the business interests of the Company and, subject to providing notice to the Board, may serve as a director of one (1) for-profit external board of directors.
- Effective Date:** As soon as practicable, but no later than **May 22, 2023**. The term “Effective Date” refers to the date you actively begin employment with NN.
- Base Salary:** Your base salary will be **\$835,000** and will be subject to an annual review by the Compensation Committee of the Board and may be subject to increase from time to time by the Board (but not decrease, except as set forth in the Separation Agreement (as defined below)), in the Board’s sole discretion.

- Annual Incentive Award:** You will be entitled to participate in all executive-level annual bonus plans from time to time in effect for senior executives of the Company generally; you will be entitled to a target bonus under such annual bonus plans of **100%** of your base annual salary during the year. Such bonus plans will be dependent upon corporate, group and individual performance, and any bonus amounts will be determined in accordance with NN corporate guidelines. Bonuses of this type are distributed after completion of the year-end financial audit, which is typically completed in March but shall in all cases be payable not later than two and one-half (2½) months following the end of the fiscal year for which the awards were earned.
- Annual incentive awards are subject to your execution, and governed by the terms, of the Executive Incentive Compensation (“EIC”) Program document.
- For 2023 only, your bonus amount under the EIC will be guaranteed and will be no less than \$835,000 (100% of your target bonus) and you will have a maximum bonus opportunity equal to \$1,252,500 (150% of your target bonus) for performance at or above top performance levels.
- Inducement Award:** As a material inducement to you accepting employment with the Company), the Company will grant to the Executive the following one-time equity awards:
- (i) 1,500,000 time-vesting restricted stock units (“RSUs”), outside of the Company’s 2022 Omnibus Incentive Plan, as amended (the “Omnibus Plan”) as an “inducement grant” (within the meaning of NASDAQ Listing Rule 5635(c)) having substantially the same terms, definitions and provisions of the Omnibus Plan. The RSUs will vest with respect to one fifth (1/5) of the shares subject thereto on each of the first five anniversaries of the Effective Date, subject to potential acceleration and the other terms and conditions set forth in an award agreement to be entered into by the Company and the Executive, which shall evidence the grant of the RSUs.
- (ii) 2,500,000 performance-vesting restricted stock units (“PSUs”), outside of the Omnibus Plan as an “inducement grant” (within the meaning of NASDAQ Listing Rule 5635(c)) having substantially the same terms, definitions and provisions of the Omnibus Plan. Each PSU shall entitle the Executive to receive one share of the Company’s common stock for each PSU that vests. The PSUs will vest based on the performance conditions set forth in an award agreement to be entered into by the Company and the Executive, which shall evidence the grant of the PSUs.
- Beginning in 2028, you will be eligible to participate in the Company’s Long-Term Incentive (“LTI”) program. LTI awards are subject to your execution, and governed by the terms, of the LTI program document.
- LTI Award**
- Separation Provisions:** You will be eligible for additional separation provisions related to qualifying terminations—specifically, terminations both prior to and following a Change in Control. These provisions will be set forth in a Separation Agreement (the “Separation Agreement”) that will be executed separately from and concurrently with the LOU.
- Employment-at-Will:** Except as expressly set forth herein and in the Separation Agreement, nothing in this Letter of Understanding and Relocation Agreement is intended to supersede NN, Inc.’s employment-at-will policy. Under these provisions, employment with NN, Inc. is voluntarily entered into, and the associate is free to resign at will at any time, with or without cause. Similarly, NN, Inc. may terminate the employment relationship at will at any time, with or without notice or cause, so long as there is no violation of applicable federal and state law. For purposes of clarification, although employment is on an at-will basis, any termination of your employment will be subject to and in compliance with the terms of the Separation Agreement and the documents governing your RSUs and PSUs.
- Relocation** Relocation provisions are described in Exhibit A attached hereto.

Confidentiality:

Since you will be in a position of trust requiring the maintenance of confidence, you will be required to sign a confidentiality and non-disclosure agreement on your first day of employment. A copy of the current agreement will be provided to you for your review.

**Reimbursement of
Legal Expenses:**

Not to exceed \$25,000, the Company will reimburse you for reasonable legal fees and expenses incurred by you in connection with the negotiation and execution of this LOU and the agreements ancillary hereto.

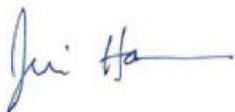
Benefits:

The Company offers a broad range of benefits for you and your eligible dependents. All such benefits are subject to the terms of the benefit plans and are available to employees generally. Plans include medical, dental, life, and disability benefits, as well as voluntary offerings such as vision, 401(k), and other voluntary offerings are also available; a copy of the current enrollment guide will be provided to you for your review.

Any provision of this Agreement to the contrary notwithstanding, all payments made by the Company hereunder to you, your estate, or your beneficiaries shall be subject to the withholding of such amounts, if any, relating to tax and other payroll deductions as the Company may reasonably determine are required to be withheld pursuant to any applicable law or regulation.

Harold, we look forward to welcoming you to the NN team. If you are in agreement with the terms of this offer, please sign and return a copy of the executed letter to us for your file. If you have any questions, please feel free to call me directly.

Sincerely,



Jeri Harman Chairman of the Board of Directors

Enclosures

EXHIBIT A

NN, Inc. Relocation Agreement

The following guidelines set forth the provisions of the Company's relocation offer. These relocation benefits are only available in conjunction with the purchase of a primary residence in the Charlotte, NC area. It may not be used to purchase vacation property, vacant land or other non-primary housing. Sections A through D below must each be initiated within 12 months of the Effective Date or they will be forfeited.

A. Temporary Living and Duplicate Real Estate Costs

The Company will pay temporary living expenses (room, meals and incidentals) while you are purchasing a home or arranging for other permanent housing, and/or will pay any duplicate costs associated with mortgages payable including the mortgage payment, utilities and routine maintenance on the home beginning with the Effective Date. The benefit for these two provisions combined shall not exceed a total of four (4) months, and the amount of the reimbursement shall not exceed thirty-six thousand dollars (\$36,000).

B. Purchase/Sale of Real Estate

The Company will pay usual and customary closing costs on the purchase of a new home.

C. Relocation Allowance

The Company will pay an aggregate amount not to exceed \$50,000 for movement of standard household items (excluding boats, antiques, and other similar or heavy/oversized items) and up to three (3) automobiles, as well as reasonable travel of household family members, including the movement of all household goods and items in your current residence and currently in storage in both the greater Atlanta, Georgia and Columbus, Ohio areas. You will be required to first submit two (2) moving estimates to corporate Human Resources for review and approval.

D. Home Finding Trip

You will be reimbursed for three (3) trips, not to exceed nine (9) days, including actual and reasonable expenses from the departure location to the destination location. This shall only include reimbursement for members of your immediate family that currently reside with you. Reimbursable expenses include:

- **Airfare** (provided if the distance to the destination location is over 300 miles one-way): Coach fare; and reasonable and appropriate car rental fees (full size or smaller), in accordance with the Company's travel policy
- **Vehicle Mileage** (required if the distance to the new location is 300 or fewer miles one-way): Reimbursed at Company's current mileage reimbursement rate
- **Meals and Lodging**: Reasonable meals and overnight lodging for you and your immediate family members traveling with you

Your trip must be made by the most direct route; i.e., no vacation, extended trips, personal side trips, or leisure travel will be covered.

E. Termination of Benefits

Relocation benefits will cease if you resign your employment or are terminated for cause, including for performance. In addition, if you resign your employment or are terminated for cause, including for performance, within the first eighteen (18) months following your first date of work in this position, you will be required to reimburse the Company for 100% of the relocation expenses and relocation benefits paid for by the Company under this program.

F. Tax Treatment

The IRS requires all relocation expenses, which are reimbursed or paid directly by the company, be reported as income. Certain reimbursements are taxed by the federal and appropriate state taxing authorities and are subject to withholding for the current tax year.

NN, INC.
RESTRICTED SHARES GRANT NOTICE

NN, Inc., a Delaware corporation, (the “Company”), hereby grants to the holder listed below (“Grantee”), the right to receive a number of Restricted Shares as set forth below (the “Restricted Share Award”). The Restricted Shares are subject to the terms and conditions set forth in this Restricted Shares Grant Notice (the “Grant Notice”) and the Restricted Share Award Agreement attached hereto as Exhibit A (the “Agreement”), which are incorporated herein by reference.

This Restricted Share Award is a stand-alone award separate and apart from, and outside of, the Company’s 2022 Omnibus Incentive Plan (the “Plan”) and is intended to constitute a non-plan based inducement grant as described in Nasdaq Listing Rule 5635(c)(4) and shall not constitute Restricted Shares granted under the Plan. Notwithstanding the foregoing, the terms, conditions and definitions set forth in the Plan shall apply to this Grant Notice and the Agreement as though this Restricted Share Award had been granted under the Plan, and this Restricted Share Award shall be subject to such terms, conditions and definitions, which are hereby incorporated herein by reference and made a part hereof.

Grantee: Harold Bevis

Grant Date: May 22, 2023

Total Number of Restricted Shares: 1,500,000 shares

| Vesting Schedule: | <u>Vesting Date</u> | <u>Percentage of Restricted Shares Which Become Vested</u> |
|--------------------------|---------------------|--|
| | May 22, 2024 | 20.00% |
| | May 22, 2025 | 20.00% |
| | May 22, 2026 | 20.00% |
| | May 22, 2027 | 20.00% |
| | May 22, 2028 | 20.00% |

By his signature and the Company’s signature below, Grantee agrees to be bound by the terms and conditions of the Agreement and this Grant Notice. Grantee has reviewed the Agreement and this Grant Notice in their entirety. Grantee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under this Grant Notice or the Agreement.

NN, INC.

GRANTEE

By: _____
 Print Name: Michael C. Felcher
 Title: Senior Vice President – Chief
 Financial Officer

By: _____
 Print Name: Harold Bevis
 Address:

EXHIBIT A
RESTRICTED SHARE AWARD AGREEMENT

Pursuant to this Restricted Share Award Agreement (this “Agreement”) and the Grant Notice to which it is attached, the Company has granted to Grantee the right to receive the number of Restricted Shares set forth in the Grant Notice, subject to the terms and conditions of this Agreement.

ARTICLE I
GENERAL

1.1 Defined Terms. Although the Restricted Share Award is not granted under the Company’s 2022 Omnibus Incentive Plan (the “Plan”), for purposes of this Agreement, Capitalized terms not specifically defined herein shall have the meanings specified in the Plan or the Grant Notice. In the event of any inconsistency between the Plan and this Agreement, the terms of this Agreement shall control.

ARTICLE II
GRANT OF RESTRICTED SHARES

2.1 Grant. In consideration of Grantee’s past and/or continued employment with or service to the Company or a Subsidiary and for other good and valuable consideration, effective as of the grant date set forth in the Grant Notice (the “Grant Date”), the Company has granted to Grantee the Restricted Share Award. The Restricted Shares granted pursuant to this Award shall be issued in the form of a book entry of Shares in Grantee’s name as soon as reasonably practicable after the Grant Date and shall be subject to Grantee’s acknowledgement and acceptance of the Grant Notice and this Agreement.

2.2 Lapse of Restrictions. Subject to Sections 3.2 and 3.3 hereof, the restrictions associated with the Restricted Shares granted pursuant to the Grant Notice shall lapse at such times (each, a “Vesting Date”) as set forth on the Vesting Schedule contained in the Grant Notice. Certificates representing the Restricted Shares that have vested under pursuant to this Section 2.2 will be distributed to the Grantee as soon as practicable after each Vesting Date, or an appropriate book entry notation shall be made.

2.3 Voting Rights and Dividends. During the period prior to vesting, except as otherwise provided herein, Grantee will have all of the rights of a shareholder with respect to all of the Restricted Shares, including without limitation the right to vote such Restricted Shares and the right to receive all dividends or other distributions with respect to such Restricted Shares. Prior to the distribution of unrestricted Shares pursuant to Section 2.2 hereof, certificates representing Restricted Shares issued pursuant to this Agreement will be held (or appropriate book entry notation will be made) by the Company (the “Custodian”) in the name of the Grantee. The Custodian will take such action as is necessary and appropriate to enable the Grantee to vote the Restricted Shares. All cash dividends received by the Custodian, if any, with respect to the Restricted Shares will be delivered to Grantee as soon as practicable after the Custodian’s receipt thereof. Stock dividends issued with respect to the Restricted Shares shall be treated as additional Restricted Shares that are subject to the same restrictions and other terms and conditions that apply to the Restricted Shares granted in the Grant Notice. Notwithstanding the foregoing, no voting rights or dividend rights shall inure to the Grantee following the forfeiture of the Restricted Shares pursuant to Section 3.1 hereof.

ARTICLE III
SEPARATION FROM SERVICE; CHANGE IN CONTROL

3.1 In General. Subject to Section 3.3, in the event that Grantee Separates from Service for any reason, other than death, Retirement or Disability, all Restricted Shares for which the forfeiture restrictions have not lapsed pursuant to Section 2.2 prior to the Grantee’s Separation from Service shall be immediately forfeited and Grantee shall have no further rights with respect to such Restricted Shares, except as may be determined otherwise by the Committee in its the sole and absolute discretion.

3.2 Death or Disability. In the event that the Grantee’s employment terminates by reason of death or Disability, all Restricted Shares shall be deemed vested and, the restrictions under this Agreement with respect to the Restricted Shares, including the restriction on transfer set forth in Section 4.1 hereof, shall automatically expire and shall be of no further force or effect.

3.3 Qualifying Termination. In the event that the Grantee’s employment terminates by reason of a Qualifying Termination (as defined in that certain Separation Agreement, dated May 22, 2023, by and between

the Company and the Grantee (the "Separation Agreement"), all Restricted Shares shall be deemed vested and, the restrictions under this Agreement with respect to the Restricted Shares, including the restriction on transfer set forth in Section 4.1 hereof, shall automatically expire and shall be of no further force or effect.

3.4 Change in Control. Upon the occurrence of a Change in Control (as each is defined in the Separation Agreement), all Restricted Shares shall be deemed vested and, the restrictions under this Agreement with respect to the Restricted Shares, including the restriction on transfer set forth in Section 4.1 hereof, shall automatically expire and shall be of no further force or effect.

ARTICLE IV OTHER PROVISIONS

4.1 No Transfer or Pledge of Restricted Shares. No Restricted Shares may be sold, assigned, transferred, pledged, hypothecated or otherwise encumbered or disposed of prior to the date the forfeiture restrictions with respect to such shares have lapsed, if at all, on the Vesting Date applicable to such shares, other than by will or the laws of descent and distribution.

4.2 Tax Withholding. If the Grantee makes an election under Section 83(b) of the Code with respect to any Restricted Shares, the grant of such Restricted Shares shall be further conditioned upon the Grantee making prompt payment to the Company of any applicable withholding obligations or withholding taxes ("Withholding Taxes"). Failure by the Grantee to pay such Withholding Taxes will render the Restricted Shares subject to such election null and void *ab initio* and such Restricted Shares will be immediately cancelled. If the Grantee does not make an election under Section 83(b) of the Code with respect to the Restricted Share Award, the Company's obligation to release the vested Restricted Shares shall be subject to the Grantee's satisfaction of any applicable Withholding Taxes, and the Grantee shall pay the amount of any such Withholding Taxes to the Company as set forth in this Section 4.2. The Grantee may satisfy his or her obligation to pay the Withholding Taxes with respect to any Restricted Shares for which an election under Section 83(b) of the Code has not been made by: (i) making a cash payment to the Company in an amount equal to the Withholding Taxes; (ii) having the Company withhold Shares otherwise deliverable to the Grantee pursuant to settlement of vested Restricted Shares; or (iii) delivering, actually or by attestation, to the Company Shares already owned by the Grantee; provided that in the case of (ii) or (iii) the amount of such Shares withheld or Shares delivered (with the value of such Shares being based on the Fair Market Value of a Share as of the payment date as determined by the Committee) shall be determined by the Committee. The Grantee acknowledges and agrees that the Company has the right to deduct from compensation or other amounts owing to the Grantee an amount not to exceed the Withholding Taxes. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding or vesting of the Restricted Shares or the subsequent sale of Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure this Restricted Share Award to reduce or eliminate Grantee's tax liability.

4.3 Stock Subject to Award. In the event that the Company Shares should, as a result of a stock split or stock dividend or combination of shares or any other change, redesignation, merger, consolidation, recapitalization or otherwise, be increased or decreased or changed into or exchanged for a different number or kind of shares of stock or other securities of the Company or of another corporation, the number of Restricted Shares that have been awarded to Grantee shall be adjusted in an equitable and proportionate manner to reflect such action. If any such adjustment shall result in a fractional share, such fraction shall be disregarded. For the avoidance of doubt, the Restricted Share Units set forth in the Grant Notice shall not be entitled to any anti-dilution protections.

4.4 Stock Power. Concurrently with the execution of this Agreement, the Grantee shall deliver to the Company a stock power, endorsed in blank, relating to the Restricted Shares. Such stock power shall be in the form attached hereto as Exhibit A.

4.5 Legend. Each certificate representing Restricted Shares shall bear a legend in substantially the following form:

THIS CERTIFICATE AND THE SHARES OF STOCK REPRESENTED HEREBY ARE SUBJECT TO THE TERMS AND CONDITIONS (INCLUDING FORFEITURE AND RESTRICTIONS AGAINST TRANSFER) CONTAINED IN THE RESTRICTED SHARE AGREEMENT (THE "AGREEMENT") BETWEEN THE OWNER OF THE RESTRICTED SHARES REPRESENTED HEREBY AND NN, INC. (THE "COMPANY"). THE RELEASE OF SUCH STOCK FROM SUCH TERMS AND CONDITIONS SHALL BE MADE ONLY IN

ACCORDANCE WITH THE PROVISIONS OF THE AGREEMENT, A COPY OF WHICH IS ON FILE AT THE COMPANY.

4.6 No Right to Continued Employment. This Agreement shall not be construed as giving the Grantee the right to be retained in the employ of the Company (or any Subsidiary of the Company), and the Company (or any Subsidiary of the Company) may at any time dismiss the Grantee from employment, free from any liability or any claim under this Agreement.

4.7 Entire Agreement. This Agreement contains the entire understanding and agreement between the Company and the Grantee concerning the Restricted Shares granted hereby, and supersedes any prior or contemporaneous negotiations and understandings. The Company and the Grantee have made no promises, agreements, conditions or understandings relating to the Restricted Shares, either orally or in writing, that are not included in this Agreement.

4.8 Captions. The captions and section numbers appearing in this Agreement are inserted only as a matter of convenience. They do not define, limit, construe or describe the scope or intent of the provisions of this Agreement.

4.9 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to applicable law, each of which shall be deemed an original and all of which together shall constitute one instrument.

4.10 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to Grantee shall be addressed to Grantee at Grantee's last address reflected on the Company's records. By a notice given pursuant to this Section 4.11, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

4.11 Amendment. This Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Committee or the Board, provided that no amendment, modification, suspension or termination of this Agreement shall adversely affect this Restricted Share Award in any material way without the prior written consent of Grantee.

4.12 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in Section 4.1 hereof, this Agreement shall be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

4.13 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

4.14 Conformity to Securities Laws. Grantee acknowledges that the Grant Notice and this Agreement are intended to conform to the extent necessary with all applicable laws, including, without limitation, the provisions of the Securities Act and the Exchange Act and any and all regulations and rules promulgated thereunder by the SEC and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Restricted Shares are granted only in such a manner as to conform to applicable law. To the extent permitted by applicable law, this Agreement shall be deemed amended to the extent necessary to conform to applicable law.

4.15 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

4.16 Clawback. Any Shares issued pursuant to this Award shall be subject to mandatory repayment by the Grantee to the Company to the extent that such Grantee or such Shares are, or in the future become, subject to (a) any "clawback" or recoupment policy adopted by the Company or any Subsidiary thereof in order to comply with the requirements of any applicable laws, rules or regulations or stock exchange listing requirement, including pursuant to final rules adopted by the SEC pursuant to the Dodd-Frank Wall Street Reform and Consumer

Protection Act, or otherwise, or (b) any applicable laws which impose mandatory recoupment, under circumstances set forth in such applicable laws, including the Sarbanes-Oxley Act of 2002.

[remainder of this page intentionally left blank]

EXHIBIT A

IRREVOCABLE STOCK POWER

FOR VALUE RECEIVED, the undersigned does hereby sell, assign and transfer to NN, Inc. (the "Company"), _____ shares of the Company's common stock represented by Certificate No. _____. The undersigned authorizes the Secretary of the Company to transfer the stock on the books of the Company in the event of the forfeiture or repayment (in accordance with the terms of the Restricted Share Award Agreement dated _____, 20__ between the Company and the undersigned (the "Award Agreement")) of any shares issued under the Award Agreement.

Dated: _____, ____

Signed:

By: _____

Name:

NN, INC.
PERFORMANCE SHARE UNIT GRANT NOTICE

NN, Inc., a Delaware corporation, (the “Company”), hereby grants to the holder listed below (“Grantee”), the right to receive a number of performance share units (the “Performance Share Units”) as set forth below (the “Performance Share Unit Award”). The Performance Share Units are subject to the terms and conditions set forth in this Performance Share Unit Grant Notice (the “Grant Notice”) and the Performance Share Unit Award Agreement attached hereto as Exhibit A (the “Agreement”), which are incorporated herein by reference.

This Performance Share Unit Award is a stand-alone award separate and apart from, and outside of, the Company’s 2022 Omnibus Incentive Plan (the “Plan”) and is intended to constitute a non-plan based inducement grant as described in Nasdaq Listing Rule 5635(c)(4) and shall not constitute a Performance Award granted under the Plan. Notwithstanding the foregoing, the terms, conditions and definitions set forth in the Plan shall apply to this Grant Notice and the Agreement as though this Performance Share Unit Award had been granted under the Plan, and this Performance Share Unit Award shall be subject to such terms, conditions and definitions, which are hereby incorporated herein by reference and made a part hereof.

| | |
|--|--|
| Grantee: | Harold Bevis |
| Grant Date: | May 22, 2023 |
| Target Number of Performance Share Units: | 2,500,000 Performance Share Units |
| Performance Period: | May 22, 2023 through May 21, 2028 |
| Determination Date: | The date on which the Committee determines whether the performance goals to which this Performance Share Unit Award relates have been met as required by the Performance Share Unit Award Agreement. |

By his signature and the Company’s signature below, Grantee agrees to be bound by the terms and conditions of the Agreement and this Grant Notice. Grantee has reviewed the Agreement and this Grant Notice in their entirety. Grantee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under this Grant Notice or the Agreement.

NN, INC.

GRANTEE

By: _____
 Print Name: Michael C. Felcher
 Title: Senior Vice President – Chief
 Financial Officer

By: _____
 Print Name: Harold Bevis
 Address:

EXHIBIT A
PERFORMANCE SHARE UNIT AWARD AGREEMENT

Pursuant to this Performance Share Unit Award Agreement (this “Agreement”) and the Grant Notice to which it is attached, the Company has granted to Grantee the right to receive the number of Performance Share Units set forth in the Grant Notice, subject to the terms and conditions of this Agreement.

ARTICLE I
GENERAL

1.1 Defined Terms. Although the Performance Share Unit Award is not granted under the Company’s 2022 Omnibus Incentive Plan (the “Plan”), for purposes of this Agreement, capitalized terms not specifically defined herein shall have the meanings specified in the Plan or the Grant Notice. In the event of any inconsistency between the Plan and this Agreement, the terms of this Agreement shall control.

ARTICLE II
GRANT OF PERFORMANCE SHARE UNITS

2.1 Grant. In consideration of Grantee’s future employment with or service to the Company or a Subsidiary, as an inducement to accept employment with the Company and for other good and valuable consideration, effective as of the grant date set forth in the Grant Notice (the “Grant Date”), the Company has granted to Grantee the Performance Share Unit Award. Each Performance Share Unit represents the right to receive one Share (or the Fair Market Value thereof) upon the expiration of the performance period set forth in the Grant Notice (the “Performance Period”) and otherwise subject to the terms, conditions and restrictions set forth in this Agreement. The Grantee’s interest in the Performance Share Units granted hereby shall be that of a general, unsecured creditor of the Company.

2.2 Lapse of Restrictions. Subject to Sections 3.2 and 3.3 hereof, the restrictions associated with the Performance Share Units granted pursuant to the Grant Notice shall lapse at the expiration of the Performance Period as set forth in the Grant Notice (the “Vesting Date” as it pertains to Performance Share Units that vest) but only if (a) and to the extent the Company has achieved the performance targets for the Performance Period as set forth on Exhibit A-1 hereto, and (b) the Grantee has remained in service with the Company or any of its Subsidiaries continuously from the Grant Date until the Vesting Date. In the event the performance targets shall not have been met as of the Vesting Date with respect to some or all of the Performance Share Units, such Performance Share Units shall be cancelled for no further consideration as of the Vesting Date.

2.3 Settlement. The Grantee shall be entitled to settlement of the Performance Share Units covered by this Agreement on the Vesting Date to the extent the Performance Share Units have not previously been forfeited and the restrictions associated with the Performance Share Units lapse in accordance with Section 2.2 hereof. Such settlement shall be made as promptly as practicable thereafter (but in no event after the forty-fifth day following the Vesting Date) through, in the sole discretion of the Committee, either (a) the issuance to the Grantee (or to the executors or administrators of Grantee’s estate in the event of the Grantee’s death) of a stock certificate (or evidence such Shares have been registered in book entry form in the name of the Grantee with the relevant stock agent) for a number of Shares equal to the number of such vested Performance Share Units, or (b) a payment of cash to the Grantee (or to the executors or administrators of Grantee’s estate in the event of the Grantee’s death) equal to the Fair Market Value of the Shares that would otherwise have been issued pursuant to (a) above.

2.4 Dividends. If the Company pays a cash dividend on its common stock, the Grantee shall accrue in his or her Dividend Account (as defined below) a cash dividend equivalent with respect to the maximum number of Performance Share Units issuable pursuant to this Agreement as of the record date for the dividend. The Company shall cause an account (the “Dividend Account”) to be established and maintained as part of the records of the Company to evidence the aggregate cash dividend equivalents accrued by the Grantee from time to time under this Section 2.4. No interest shall accrue on any amounts reflected in the Dividend Account. The Grantee’s interest in the amounts reflected in the Dividend Account shall be that of a general, unsecured creditor of the Company. Subject to, and as promptly as practicable following, the settlement of the Performance Share Units pursuant to Section 2.3 hereunder, the Company shall pay an amount in cash (without interest and subject to applicable withholding taxes) to

the Grantee (or his or her permitted transferee(s) who are issued Shares or cash pursuant to Section 2.3 hereunder) equal to the aggregate cash dividend equivalents accrued in the Grantee's Dividend Account with respect to the vested Performance Share Units settled with the Grantee and the Grantee's Dividend Account shall be eliminated at that time. In the event that the Grantee forfeits his or her rights to all or any portion of the Performance Share Units (or such Performance Share Units are otherwise cancelled on account of the Company's actual performance), the Grantee also shall forfeit his or her rights to any cash dividend equivalents accrued in the Grantee's Dividend Account with respect to such forfeited or cancelled units and the Grantee's Dividend Account shall be eliminated at that time.

2.5 Adjustment Upon Changes in Capital. In the event of a change in capitalization or other adjustment event that impacts the Shares and occurs prior to a Change in Control (as defined in the Separation Agreement), the Stock Price and number of Earned Shares, each as set forth on Exhibit A-1, shall be equitably adjusted as determined by the Committee in its sole discretion to be necessary to preserve the intended purpose of the Performance Share Units. For the avoidance of doubt, the Performance Share Units set forth in the Grant Notice shall not be entitled to any anti-dilution protections.

ARTICLE III SEPARATION FROM SERVICE; CHANGE IN CONTROL

3.1 In General. Subject to Section 3.2 and Section 3.3, in the event that Grantee Separates from Service for any reason, other than death or Disability, prior to the settlement of this Performance Share Unit Award pursuant to Section 2.3, all unvested Performance Share Units shall be immediately forfeited and Grantee shall have no further rights with respect to such Performance Share Units, except as may be determined otherwise by the Committee in its the sole and absolute discretion.

3.2 Death or Disability. In the event that Grantee Separates from Service by reason of death or Disability, the Earned Shares shall be deemed vested (and the date of the Grantee's death or Disability shall be the Vesting Date with respect to such Performance Share Units which shall thereupon settle in accordance with Section 2.3 hereof).

3.3 Qualifying Termination. In the event of a Separation from Service for a Qualifying Termination (as defined in that certain Separation Agreement, dated May 22, 2023, by and between the Company and the Grantee (the "Separation Agreement")), the Earned Shares shall be deemed vested, and the date of the Separation from Service shall be the Vesting Date with respect to such Performance Share Units which shall thereupon settle in accordance with Section 2.3 hereof. Notwithstanding anything to the contrary in the foregoing, (i) on the date that is six (6) months after the date of such Separation from Service for a Qualifying Termination, in addition to the Earned Shares that were deemed vested on the date of such Separation from Service, to the extent that additional Performance Share Units would have become Earned Shares had the Performance Period continued for such additional six (6) month period, on such date those additional Earned Shares shall be deemed vested, the Vesting Date shall be on such date that is six (6) months following the Qualifying Termination and such additional Earned Shares shall be settled in accordance with Section 2.3 hereof; provided, however, (ii) if during such additional six (6) month period there is the occurrence of a Change in Control, any additional Earned Shares that would have otherwise been earned based on the Change in Control consideration shall be deemed vested and the Vesting Date shall be immediately preceding the closing of such Change in Control with the Shares issuable for such Performance Share Units participating in the proceeds of the Change in Control. After the closing of such Change in Control, any additional vesting under subpart (i) above shall immediately terminate.

3.4 Change in Control. Upon the occurrence of a Change in Control, all Earned Shares (including those earned based on the Change in Control consideration) shall be deemed vested and the Vesting Date shall be immediately preceding the closing of such Change in Control with the Shares issuable for such Performance Share Units participating in the proceeds of the Change in Control.

ARTICLE IV OTHER PROVISIONS

4.1 No Transfer or Pledge of Performance Share Units. The Performance Share Units may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Grantee other than by will or the laws of descent and distribution. Any sale, assignment, transfer, pledge,

hypothecation, loan or other disposition other than in accordance with this Section 4.1 shall be null and void.

4.2 Tax Withholding. The Company's obligation to settle vested Performance Share Units shall be subject to the Grantee's satisfaction of any applicable federal, state, local and foreign withholding obligations or withholding taxes, including any employer minimum statutory withholding ("Withholding Taxes"), and the Grantee shall pay the amount of any such Withholding Taxes to the Company as set forth in this Section 4.2. The Grantee may satisfy his or her obligation to pay the Withholding Taxes by: (i) making a cash payment to the Company in an amount equal to the Withholding Taxes; (ii) having the Company withhold Shares otherwise deliverable to the Grantee pursuant to settlement of vested Performance Share Units; or (iii) delivering, actually or by attestation, to the Company Shares already owned by the Grantee; provided that in the case of (ii) or (iii) the amount of such Shares withheld or Shares delivered (with the value of such Shares being based on the Fair Market Value of a Share as of the payment date as determined by the Committee) shall be reasonably determined in good faith by the Committee. The Grantee acknowledges and agrees that the Company has the right to deduct from compensation or other amounts owing to the Grantee an amount not to exceed the Withholding Taxes. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding or vesting of the Performance Share Units or the subsequent sale of Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure this Performance Share Unit Award to reduce or eliminate Grantee's tax liability.

4.3 Stock Subject to Award. In the event that the Company Shares should, as a result of a stock split or stock dividend or combination of shares or any other change, redesignation, merger, consolidation, recapitalization or otherwise, be increased or decreased or changed into or exchanged for a different number or kind of shares of stock or other securities of the Company or of another corporation, the number of Performance Share Units that have been awarded to Grantee shall be adjusted in an equitable and proportionate manner to reflect such action. If any such adjustment shall result in a fractional share, such fraction shall be disregarded.

4.4 Section 409A. Notwithstanding anything herein to the contrary, to the maximum extent permitted by applicable law, the settlement of the Performance Share Units (including any dividend equivalent rights related thereto) to be made to the Grantee pursuant to this Agreement is intended to qualify as a "short-term deferral" pursuant to Section 1.409A-1(b)(4) of the Treasury Regulations and this Agreement shall be interpreted consistently therewith. However, under certain circumstances, settlement of the Performance Share Units or any dividend equivalent rights may not so qualify, and in that case, the Committee shall administer the grant and settlement of such Performance Share Units and any dividend equivalent rights in strict compliance with Section 409A of the Code. Further, notwithstanding anything herein to the contrary, if at the time of a Grantee's termination of employment with the Company and its Subsidiaries, the Grantee is a "specified employee" as defined in Section 409A of the Code, and the deferral of the commencement of any payments or benefits otherwise payable hereunder as a result of such termination of service is necessary in order to prevent the imposition of any accelerated or additional tax under Section 409A of the Code, then the Company will defer the commencement of the payment of any such payments or benefits hereunder (without any reduction in such payments or benefits ultimately paid or provided to the Grantee) to the minimum extent necessary to satisfy Section 409A of the Code until the date that is six months and one day following the Grantee's termination of employment with the Company (or the earliest date as is permitted under Section 409A of the Code), if such payment or benefit is payable upon a termination of employment. Each payment of Performance Units (and related dividend equivalent units) constitutes a "separate payment" for purposes of Section 409A of the Code.

4.5 No Right to Continued Employment. This Agreement shall not be construed as giving the Grantee the right to be retained in the employ of the Company (or any Subsidiary of the Company), and the Company (or any Subsidiary of the Company) may at any time dismiss the Grantee from employment, free from any liability or any claim under this Agreement.

4.6 Entire Agreement. This Agreement contains the entire understanding and agreement between the Company and the Grantee concerning the Performance Share Units granted hereby, and supersede any prior or contemporaneous negotiations and understandings. The Company and the Grantee have made no promises, agreements, conditions or understandings relating to the Performance Share Units, either orally or in writing, that are not included in this Agreement.

4.7 Captions. The captions and section numbers appearing in this Agreement are inserted only as a matter of convenience. They do not define, limit, construe or describe the scope or intent of the provisions of this Agreement.

4.8 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to applicable law, each of which shall be deemed an original and all of which together shall constitute one instrument.

4.9 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to Grantee shall be addressed to Grantee at Grantee's last address reflected on the Company's records. By a notice given pursuant to this Section 4.9, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

4.10 Amendment. This Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Committee or the Board, provided that no amendment, modification, suspension or termination of this Agreement shall adversely affect this Performance Share Unit Award in any material way without the prior written consent of Grantee.

4.11 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in Section 4.1 hereof, this Agreement shall be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

4.12 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

4.13 Conformity to Securities Laws. Grantee acknowledges that the Grant Notice and this Agreement are intended to conform to the extent necessary with all applicable laws, including, without limitation, the provisions of the Securities Act and the Exchange Act and any and all regulations and rules promulgated thereunder by the SEC and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Performance Share Units are granted only in such a manner as to conform to applicable law. To the extent permitted by applicable law and this Agreement shall be deemed amended to the extent necessary to conform to applicable law.

4.14 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

4.15 Clawback. Any Shares or cash issued pursuant to this Award shall be subject to mandatory repayment by the Grantee to the Company to the extent that such Grantee or such Shares are, or in the future become, subject to (a) any "clawback" or recoupment policy adopted by the Company or any Subsidiary thereof in order to comply with the requirements of any applicable laws, rules or regulations or stock exchange listing requirement, including pursuant to final rules adopted by the SEC pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act, or otherwise, or (b) any applicable laws which impose mandatory recoupment, under circumstances set forth in such applicable laws, including the Sarbanes-Oxley Act of 2002.

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EXHIBIT A-1
Performance Goals

Performance Period: May 22, 2023 through May 21, 2028

Stock Price:

Subject to the terms and conditions of this Agreement, Executive shall be entitled to receive up to 2,500,000 PSUs during the Performance Period, as illustrated in the below table. Executive shall earn 250,000 PSUs upon the Average Stock Price of the Company's common stock, par value \$0.01 per share ("Common Stock") during any twenty (20) consecutive trading days (each a "Measurement Period") within the Performance Period, meeting or exceeding \$2.00, with Executive earning additional PSUs in increments of 250,000 for each dollar increase to the Average Stock Price thereafter, with a cap of \$11.00 on the measurement of the Average Stock Price. For purposes of this Exhibit A-1, "Average Stock Price" shall be calculated based on the Fair Market Value of a share of Common Stock on each day during the Measurement Period, divided by twenty (20). For purposes of this Exhibit A-1, "Fair Market Value" means, as of any given date, the closing price of a share of the Common Stock on the Nasdaq Stock Market LLC (or any successor exchange). For the avoidance of doubt, there shall be no interpolation between the Average Stock Prices.

Subject to Article III, PSUs earned in the Performance Period (the "Earned Shares") will vest at the end of the Performance Period.

| Average Stock Price | Aggregate Number of Additional Shares Earned |
|---------------------|--|
| \$1.00 | 0 |
| \$2.00 | 250,000 |
| \$3.00 | 500,000 |
| \$4.00 | 750,000 |
| \$5.00 | 1,000,000 |
| \$6.00 | 1,250,000 |
| \$7.00 | 1,500,000 |
| \$8.00 | 1,750,000 |
| \$9.00 | 2,000,000 |
| \$10.00 | 2,250,000 |
| \$11.00 | 2,500,000 |

SEPARATION AGREEMENT

THIS SEPARATION AGREEMENT (this “Agreement”) is made as of this May 22, 2023, (the “Effective Date”) by and between NN, Inc., a Delaware Corporation with its principal place of business in Charlotte, North Carolina (the “Company”), and Harold Bevis (the “Executive”).

WITNESSETH:

WHEREAS, the Company will employ the Executive for the success of the Company and recognizes that the Executive will perform key functions for the Company; and

WHEREAS, the Company has determined that it is in the best interests of the Company to institute a formalized separation arrangement with the Executive in the event of a separation of employment; and

WHEREAS, the Executive desires to enter into this Agreement with the Company;

NOW, THEREFORE, in consideration of the foregoing and of the promises, covenants and mutual agreements set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. ***Compensation and Benefits in the Event of Separation from Service.*** Subject to Section 1(f) below, in the event of the Executive’s Separation from Service, compensation and benefits shall be paid as set forth below.
 - (a) Qualifying Termination Prior To A Change In Control. If the Executive has a Qualifying Termination after the Effective Date and prior to a Change in Control, then upon such Qualifying Termination the Executive shall be entitled to receive the following:
 - (i) The Executive’s annual salary through the effective date of Separation from Service, at the annual rate in effect at the time the Notice of Termination is given (or death occurs), to the extent unpaid prior to such Separation from Service.
 - (ii) A lump sum payment equal to (i) 2.0 times Executive’s base salary (as of the date of the Executive’s termination), plus (ii) in the event of a termination prior to the payment in full of Executive’s guaranteed annual bonus for 2023, Executive’s 2023 bonus amount, which payment shall be made by wire transfer of immediately available funds to an account designated by Executive following the date of the Separation from Service.
 - (iii) Any vested rights of Executive in accordance with the terms of the Award Agreements and any other vested rights of Executive under any of the Company’s other plans, programs or policies.
 - (iv) Prompt reimbursement for any and all reimbursable business expenses (to the extent not already reimbursed) upon Executive’s properly accounting for the same.
 - (v) Regardless of whether Executive elects continuation coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (“COBRA”), a taxable lump sum payment in an amount equal to twelve (12) months of the monthly COBRA premium Executive would be required to pay to continue the group health coverage for Executive and/or Executive’s eligible dependents in effect on the date of the Separation from Service. Payment shall commence or shall be paid within 60 days

following the Executive's Separation from Service; provided, however, that the Executive is in full compliance with the covenants under paragraphs 2, 3, 4, and 6 of this Agreement.

(b) Termination By The Company For Cause Or By The Executive Without Good Reason. In the event Executive's Separation from Service is terminated (A) by action of the Company for Cause, (B) by action of the Executive without Good Reason, or (C) by reason of the Executive's death, Disability or retirement, the following compensation and benefits shall be paid and provided the Executive (or his beneficiary):

- (i) The Executive's annual salary provided through the effective date of Separation from Service, at the annual rate in effect at the time the Notice of Termination is given (or death occurs), to the extent unpaid prior to such Separation from Service.
- (ii) Any vested rights of Executive in accordance with the terms of the Award Agreements and any other vested rights of Executive under any of the Company's other plans, programs or policies.
- (iii) Prompt reimbursement for any and all reimbursable business expenses (to the extent not already reimbursed) upon Executive's properly accounting for the same.
- (iv) In the event of death or Disability, (A) any annual bonus earned with respect to the previous fiscal year but unpaid as of the date of Executive's death or Disability shall be paid the actual amount earned, as determined by the Compensation Committee Company payable in accordance with the Company's regular practice after the Company's fiscal year end audit; (B) a prorated amount of the annual bonus for the fiscal year in which the Executive's death or Disability occurs, calculated by multiplying the actual amount of the annual bonus earned as determined by the Compensation Committee of the Company by a fraction, the numerator of which is the number of days the Executive was employed during the applicable year and the denominator of which is 365, payable in accordance with the Company's regular practice after the Company's fiscal year end audit.

(c) Qualifying Termination Following a Change in Control.

(i) In the event that Executive has a Qualifying Termination within the twenty-four (24) month period following a Change in Control, Executive shall receive the following, subject to paragraph 1(c)(ii):

- (1) The annual salary due to the Executive through the date of his Separation from Service.
- (2) A lump sum payment equal to an amount set forth on Schedule A to this Agreement (the "Severance Payment"). The Severance Payment shall be made by wire transfer of immediately available funds to an account designated by Executive following the date of the Separation from Service.
- (3) Any vested rights of Executive in accordance with the terms of the Award Agreements and any other vested rights of Executive under any of the Company's other plans, programs or policies.

- (4) Prompt reimbursement for any and all reimbursable business expenses (to the extent not already reimbursed) upon Executive's properly accounting for the same.
- (5) Regardless of whether the Executive elects continuation coverage pursuant to COBRA, a taxable lump sum payment in an amount equal to twenty-four (24) months of the monthly COBRA premium Executive would be required to pay to continue the group health coverage for Executive and/or Executive's eligible dependents in effect on the date of the Separation from Service.

Payments under (2) and (5) above shall be paid in full in a lump sum within 60 days following the Executive's Separation from Service; provided, however, that the Executive is in compliance in all material respects with the covenants under paragraphs 2, 3, 4, and 6 of this Agreement.

(ii) Excise Tax.

- (1) If it is determined that any payment or distribution in the nature of compensation (within the meaning of Section 280G(b)(2) of the Code) to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise (the "Change in Control Payment"), would constitute an "excess parachute payment" within the meaning of Section 280G of the Code, then the Company shall pay to the Executive whichever of the following gives the Executive the highest net after-tax amount (after taking into account all applicable federal, state, local and social security taxes): (i) the Change in Control Payment, or (ii) the amount that would not result in the imposition of excise tax on the Executive under Section 4999 of the Code. Any required reduction in the Change in Control Payment pursuant to the foregoing shall be accomplished solely by reducing the amount of severance payment payable pursuant to paragraph 1(c)(i)(1) of this Agreement and then, to the extent necessary, paragraph 1(c)(i)(2) of this Agreement.
 - (2) All determinations to be made under this paragraph 1(c)(ii) shall be made by an independent public accounting firm selected by the Company immediately prior to the Change in Control (the "Accounting Firm"), which shall provide its determinations and any supporting calculations both to the Company and the Executive within ten (10) days of the Change in Control. Any such determination by the Accounting Firm shall be binding upon the Company and the Executive. All of the fees and expenses of the Accounting Firm in performing the determinations referred to in this paragraph 1(c)(iii) shall be borne solely by the Company.
- (d) Continuation of Benefits. Except as otherwise provided in Sections 1(a), (b) and (c), following Executive's Separation from Service, the Executive shall have the right to continue in the Company's group health insurance plan or other Company benefit program, at his own cost and without any contribution by the Company, as may be required by COBRA or any other federal or state law or regulation.
- (e) Limit on Company Liability. Except as expressly set forth in this paragraph 1, the Company shall have no obligation to Executive under this Agreement following

Executive's Separation from Service. Without limiting the generality of the provision of the foregoing sentence, the Company shall not, following Executive's Separation from Service, have any obligation to provide any further benefit to Executive under this Agreement or make any further contribution for Executive's benefit under this Agreement except as provided in this paragraph 1.

- (f) **Release Condition.** The Executive's receipt of any severance payments or benefits upon the Executive's Qualifying Termination under this Section 1 is subject to the Executive's execution and non-revocation of a release of claims substantially in the form attached hereto as Schedule B (the "**Release**") (which must become effective and irrevocable no later than the sixtieth (60th) day following the Executive's Qualifying Termination (the "**Release Deadline**"). Notwithstanding the times of payment otherwise set forth in Section 1, the payments due under Sections 1(a)(ii) and (v) and Sections 1(c)(i) (2) and (5) shall be made (or commence to the Employee within seven (7) days following receipt by the Company of the Release properly executed (and not revoked) by the Executive. If the Release does not become effective and irrevocable by the Release Deadline, the Executive will forfeit any right to severance payments or benefits under Section 1 (other than any earned but unpaid salary and reimbursement of business expenses pursuant to the Company's reimbursement policies).

2. **Disclosure of Confidential Information.** The Company has developed confidential information, strategies and programs, which include customer lists, prospects, lists, expansion and acquisition plans, market research, sales systems, marketing programs, computer systems and programs, product development strategies, manufacturing strategies and techniques, budgets, pricing strategies, identity and requirements of national accounts, customer lists, methods of operating, service systems, training programs and methods, other trade secrets and information about the business in which the Company is engaged that is not known to the public and gives the Company an opportunity to obtain an advantage over competitors who do not know of such information (collectively, "**Confidential Information**"), provided that the term "Confidential Information" shall not include (i) any such information that can be shown to be in the public domain or generally known or available to customers, suppliers or competitors of the Company through no breach by Executive of the provisions of this Agreement or other non-disclosure covenants; (ii) any such information that Executive receives on a non-confidential basis from a third party (other than the Company or its representatives) that, to Executive's knowledge, was not bound by an obligation of confidentiality to the Company with respect to such information; and (iii) any such information that is independently developed by or for the Executive without Executive's violation of the provisions of this Agreement or other non-disclosure covenants. In performing duties for the Company, Executive regularly will be exposed to and work with Confidential Information of the Company. Executive may also be exposed to and work with Confidential Information of the Company's affiliates and subsidiaries. Executive acknowledges that Confidential Information of the Company and its affiliates and subsidiaries is critical to the Company's success and that the Company and its affiliates and subsidiaries have invested substantial sums of money in developing the Confidential Information. While Executive is employed by the Company and after such employment ends for any reason, Executive will never reproduce, publish, disclose, use, reveal, show or otherwise communicate to any person or entity any Confidential Information of Company, its affiliates, and/or its subsidiaries except to the extent: (i) reasonably necessary in order to carry out Executive's duties on behalf of the Company

during his employment with the Company, (ii) disclosure is made during Executive's employment with the Company to the Company's directors, officers, employees, independent contractors and advisors or (iii) specifically directed by the Company to do so in writing, provided that nothing herein shall prohibit the Executive from disclosing (x) Confidential Information as required by law, stock exchange rule or regulation or pursuant to legal, judicial or regulatory process (which shall be deemed to include any disclosures made to Executive's legal advisors concerning any claim or dispute between or involving Executive and the Company) or (y) to Executive's spouse and legal, financial and tax advisors, Confidential Information concerning Executive's compensation, it being agreed that any such disclosures described in the foregoing subparts (x) and (y) so made shall be without liability to Executive. Executive agrees that whenever Executive's employment with the Company ends for any reason, all documents containing or referring to Confidential Information of the Company, its affiliates, and/or its subsidiaries that may be in Executive's possession or control will be delivered by Executive to the Company promptly upon the Company's request; provided, however, that Executive may retain any Confidential Information necessary for evidentiary purposes in connection with any dispute or claim between Executive and the Company or its affiliates.

3. ***Non-Interference with Personnel Relations.*** At any time while Executive is employed by the Company and at any time during the Restrictive Period after such employment ends for any reason, Executive acting either directly or indirectly, or through any other person, firm, or corporation, will not then, at such time, hire, contract with or employ any then key employee of the Company, and/or any then key employee of any direct or indirect subsidiary of the Company with whom Executive interacted during his employment with Company ("Restricted Employees"). Further, Executive will not induce or attempt to induce or influence any of the Restricted Employees to terminate employment with the Company, and/or any direct or indirect subsidiary.
4. ***Non-Competition.*** While Executive is employed by the Company and for the Restrictive Period after such employment ends, Executive will not, directly or indirectly, or through any other person, firm or corporation (i) be employed by, consult for, have any ownership interest in or engage in any activity on behalf of any company that engages in a Competing Business, as defined below, or (ii) call on, solicit or communicate with any of the Company's customers or suppliers for any purpose related to a Competing Business, as defined below. A "Competing Business" is one that engages in the production, sale, or marketing of a product or service that is substantially similar to, or serves the same primary purpose as, any product or service produced, sold or marketed by the Company or any direct or indirect subsidiary of the Company with which Executive interacted during his employment with the Company. The term "customer" or "supplier" means any customer or supplier with whom Executive had business contact during the eighteen (18) months immediately before Executive's employment with the Company ended. Notwithstanding the foregoing, this paragraph shall not be construed to prohibit Executive from owning less than five percent (5%) of the outstanding securities of a corporation which is publicly traded on a securities exchange or over-the-counter.
5. ***Notification to Subsequent Employers.*** Executive grants the Company the right to notify any future employer or prospective employer of Executive concerning the existence of and terms of

this Agreement and grants the Company the right to provide a copy of this Agreement to any such subsequent employer or prospective employer.

6. Company Proprietary Rights.

- (a) Company to Retain Rights. Executive agrees that all right, title and interest of every kind and nature whatsoever in and to copyrights, patents, ideas, business or strategic plans and concepts, studies, presentations, creations, inventions, writings, properties, discoveries and all other intellectual property conceived by Executive during the term of this Agreement and pertaining to or useful in or to (directly or indirectly) the activities of the Company and/or any direct or indirect subsidiary of the Company (collectively, "Company Intellectual Property") shall become and remain the exclusive property of the Company and/or such direct or indirect subsidiary, and Executive shall have no interest therein.
- (b) Further Assurances. At the request of the Company, Executive shall, at the Company's expense but without additional consideration, execute such documents and perform such other acts as the Company may deem necessary or appropriate to vest in the Company or its designee such title as Executive may have to all Company Intellectual Property in which Executive may be able to claim any rights by virtue of his employment under this Agreement.
- (c) Return of Material. Upon the termination of the Executive's employment under this Agreement at the Company's written request, the Executive will promptly return to the Company all copies of information protected by paragraph 6(a) hereof which are in his possession, custody or control, whether prepared by him or others, and the Executive agrees that he shall not retain any of same.

7. Withholding. Any provision of this Agreement to the contrary notwithstanding, all payments made by the Company hereunder to the Executive or his estate or beneficiaries shall be subject to the withholding of such amounts, if any, relating to tax and other payroll deductions as the Company may reasonably determine are required to be withheld pursuant to any applicable law or regulation. In lieu of withholding such amounts, the Company may accept other provisions, provided that it has sufficient funds to pay all taxes required by law to be withheld in respect of any or all such payments.

8. Mitigation. The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be subject to set off for any reason and shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action which the Company may have against Executive or others. In no event shall Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to Executive under any of the provisions of this Agreement and such amounts shall not be reduced whether or not Executive obtains other employment.

9. Notices. All notices, requests, demands and other communications provided for by this Agreement shall be in writing and shall be sufficiently given if and when mailed in the continental United States by registered or certified mail, or personally delivered to the party

entitled thereto, at the address stated below or to such changed address as the addressee may have given by a similar notice:
To the Company: NN, Inc.

Attn: General Counsel
6210 Ardrey Kell Road
Suite 600
Charlotte, NC 28277

To the Executive: Harold Bevis

6210 Ardrey Kell Road
Suite 600
Charlotte, NC 28277

- 10. Successors; Binding Agreement.** The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company, by agreement in the form and substance satisfactory to the Executive, to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. Failure of the Company to obtain such agreement prior to the effectiveness of any such succession shall be a breach of this Agreement. For purposes of this Agreement, "Company" shall include any successor to its business and/or assets as aforesaid which executes and delivers the agreement provided for in this paragraph or which otherwise becomes bound by all the terms and provisions of this Agreement by operation of law.

This Agreement shall inure to the benefit of and be enforceable by the Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If the Executive should die while any amount would still be payable to him hereunder if he had continued to live, all such amounts, except to the extent otherwise expressly provided under this Agreement, shall be paid in accordance with the terms of this Agreement to his devisee, legatee or other designee, or if there be no such designee, to the Executive's estate.

- 11. Modification, Waiver or Discharge.** No provision of this Agreement may be modified or discharged unless such modification or discharge is authorized by the Board of Directors of the Company and is agreed to in writing, signed by the Executive and by an officer of the Company duly authorized by the Board. No waiver by either party hereto of any breach by the other party hereto of any condition or provision of this Agreement to be performed by such other party will be deemed a waiver of similar or dissimilar provisions or conditions at the time or at any time or at any prior or subsequent time. No failure or delay by any party hereto in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise of any right, power or privilege hereunder.

- 12. Entire Agreement.** This Agreement constitutes the entire understanding of the parties hereto with respect to its subject matter and supersedes all prior agreements between the parties hereto with respect to its subject matter, including, but not limited to, all employment agreements, change of control agreements, non-competition agreements or any other agreement related to Executive's employment with the Company; provided, however, nothing herein shall affect the terms of any indemnification agreement by and between the Company and Executive or any general

indemnification policy in favor of Executive, which shall continue and remain in full force and effect.

13. **Governing Law.** The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of Delaware, without regard to its conflict of laws principles, to the extent federal law does not apply.
14. **Resolution of Disputes.** Any dispute or claim arising out of or relating to this Agreement shall be settled by final and binding arbitration in Charlotte, North Carolina in accordance with the Commercial Arbitration rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof.
15. **Validity.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of the other provisions of this Agreement, which latter provisions shall remain in full force and effect.
16. **Compliance with Section 409A.**
 - (a) **General.** It is intended that the Agreement will comply with Section 409A of the Code and the regulations and other guidance thereunder ("Section 409A"), and the Agreement shall be interpreted consistent with such intent. As permitted by Section 409A, each installment or other payment made or benefit provided hereunder shall be treated as "separate payment" for purposes of Section 409A and the available exemptions under Section 409A shall be stacked to the maximum extent possible so that the Executive will not be subject to tax penalties imposed under Section 409A of the Code and this Agreement shall be construed accordingly. This Agreement may be amended in any respect deemed necessary (including retroactively) in order to pursue compliance with Section 409A. To the extent necessary, the parties hereto agree to negotiate in good faith should any amendment to this Agreement be required in order to comply with Section 409A of the Code. The foregoing shall not be construed as a guarantee of any particular tax effect for benefits under this Agreement. The Executive or any beneficiary, as applicable, is solely responsible and liable for the satisfaction of all taxes, interest and penalties that may be imposed on the Executive or any beneficiary in connection with any payments to the Executive or beneficiary under the Agreement, including any taxes, interest and penalties under Section 409A, and neither the Company nor any director, officer or affiliate shall have any obligation to indemnify or otherwise hold the Executive or a beneficiary harmless from any and all of such taxes, interest and penalties. To the extent Executive is entitled to be paid or reimbursed for any taxable expenses under this Agreement, and such payments or reimbursements are includible in Executive's federal gross taxable income, the amount of such expenses reimbursable in any one calendar year shall not affect the amount reimbursable in any other calendar year, and the reimbursement of an eligible expense shall be made no later than December 31 of the year after the year in which the expense was incurred. Executive's right to reimbursement of expenses under this Agreement shall not be subject to liquidation or exchange for another benefit.
 - (b) **Six Month Delay for Specified Employees.** Notwithstanding anything in the Agreement to the contrary, if the Executive is determined to be a "specified employee" (as defined in Section 409A) for the year in which the Executive incurs a Separation from Service, any payment due under the Agreement that is not permitted to be paid on the date of such separation without the imposition of additional taxes, interest and penalties under Section 409A shall be paid on the first business day following the six-month anniversary of the Executive's date of separation or, if

earlier, the Executive's death. In this regard, any payments that otherwise would have been made during such six (6) month period shall be paid to the Executive in a lump sum on the first date on which they may be paid, together with interest credited at the short-term applicable federal rate, compounded daily.

- 17. No Adequate Remedy At Law.** The Company and the Executive recognize that each party may have no adequate remedy at law for breach by the other of any of the agreements contained herein, and particularly a breach of paragraphs 2, 3, 4, and 6, and, in the event of any such breach, the Company and the Executive hereby agree and consent that the other shall be entitled to injunctive relief or other appropriate remedy to enforce performance of such agreements.
- 18. Non-Assignability.** This Agreement, and the rights and obligations of the parties hereunder, are personal and neither this Agreement, nor any right, benefit or obligation of either party hereto, shall be subject to voluntary or involuntary assignment, alienation or transfer, whether by operation of law or otherwise, without the prior written consent of the other party; provided, however, that the Company may assign this Agreement in connection with a merger or consolidation involving the Company or a sale of substantially all of its assets to the surviving corporation or purchaser, as the case may be, so long as such assignee assumes in writing the Company's obligations hereunder.
- 19. Headings.** The section headings contained in this Agreement are for convenience of reference only and will not be deemed to control or affect the meaning or construction of any provision of this Agreement. Reference to paragraphs are to paragraphs in this Agreement.
- 20. Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but of which together will constitute one and the same instrument.
- 21. Definitions.** For purposes of this Agreement, the following terms shall have the following meanings:
- (a) "Award Agreements" means (i) that certain Restricted Shares Grant Notice, dated May 22, 2023, by and between the Executive and the Company, and (ii) that certain Performance Share Unit Grant Notice, dated May 22, 2023, by and between the Executive and the Company.
- (b) "Cause" means any of the following:
- (i) the failure of the Executive to perform the Executive's duties under this Agreement (other than as a result of physical or mental illness or injury), which failure, if correctable, and provided it does not constitute willful misconduct or gross negligence, remains uncorrected for 30 days following written notice to Executive by the Board of Directors of the Company of such breach;
 - (ii) willful misconduct or gross negligence by the Executive in connection with his duties on behalf of the Company in either case that results in material damage to the business or reputation of the Company;
 - (iii) a material breach by Executive of this Agreement which, if correctable, remains uncorrected for 30 days following written notice to Executive by the Board of Directors of the Company of such breach; or

- (iv) the Executive is convicted of a felony or any serious misdemeanor (other than traffic violations) involving moral turpitude committed in connection with Executive's employment by the Company which causes the Company a substantial detriment.

No act or failure to act shall be considered "willful" unless it is done, or omitted to be done, by Executive in bad faith or without reasonable belief that his action or omission was in the best interests of the Company. Any act or failure to act that is based upon authority given pursuant to a resolution duly adopted by the Board, or the advice of counsel for the Company, shall be conclusively presumed to be done, or omitted to be done, by Executive in good faith and in the best interests of the Company.

(c) "Change in Control" means, and shall occur on the date that any of the following occurs:

- (i) A person, corporation, entity or group (1) makes a tender or exchange offer for the issued and outstanding voting stock of NN, Inc., ("NN") and beneficially owns fifty percent (50%) or more of the issued and outstanding voting stock of NN after such tender or exchange offer, or (2) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person, corporation, entity or group), directly or indirectly, the beneficial ownership of fifty percent (50%) or more of the issued and outstanding voting stock of NN in a single transaction or a series of transactions (other than any person, corporation, entity or group for which a Schedule 13G is on file with the Securities and Exchange Commission, so long as such person, corporation, entity or group has beneficial ownership of less than fifty percent (50%) of the issued and outstanding voting stock of NN); or
- (ii) NN is a party to a merger, consolidation or similar transaction and following such transaction, fifty percent (50%) or more of the issued and outstanding voting stock of the resulting entity is not beneficially owned by those persons, corporations or entities that constituted the stockholders of NN immediately prior to the transaction;
- (iii) NN sells fifty percent (50%) or more of its assets to any other person or persons (other than an affiliate or affiliates of NN) in a single transaction or a series of transactions; or
- (iv) Individuals who, during any 12-month period, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least sixty percent (60%) of the Board of Directors of NN; provided, however, that any individual becoming a director whose election or nomination was approved by a majority of the directors then comprising the Incumbent Board, shall be considered a member of the Incumbent Board, but not including any individual whose initial board membership is a result of an actual or threatened election contest (as that term is used in Rule 14a-11 promulgated under the Securities Act of 1934, as amended) or an actual or threatened solicitation of proxies or consents by or on behalf of a party other than the Board.

It is not intended that a Change in Control, in and of itself, will serve as an event which entitles Executive to any payment hereunder.

- (d) “Code” means the Internal Revenue Code of 1986 as amended.
- (e) “Disability” means the Executive (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months; or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, receiving income replacement benefits for a period of not less than three (3) months under an accident and health plan covering employees or directors of the Company. Executive will be deemed Disabled if he is determined to be totally disabled by the Social Security Administration, or if Executive is determined to be disabled in accordance with a disability insurance program maintained by the Company if the definition of “disability” applied under such disability insurance program complies with the requirements of the preceding sentence. Upon the request of the plan administrator, the Executive must submit proof to the plan administrator of the Social Security Administration’s or the provider’s determination.
- (f) “Good Reason” means any of the following events if not remedied by the Company within 30 days after receipt of notice thereof from the Executive: (i) assignment to the Executive of any duties inconsistent with Executive’s position duties, responsibilities, office, or any other action by the Company that results in a material diminution in the Executive’s position, authority, duties or responsibilities (including status, offices, titles and reporting requirements); (ii) any material failure by the Company to comply with this Agreement; (iii) any adverse change or reduction in Executive’s annual compensation and other benefits (including, without limitation, base salary, target bonus and incentive equity compensation); or (iv) a requirement to relocate Executive’s place of employment in excess of fifty (50) miles from the current principal office of the Company as of the date hereof.
- Notwithstanding anything in this definition to the contrary, an alleged act by the Company shall not constitute a “Good Reason” event for purposes of this Agreement unless Executive gives written notice of the same to the Company within 90 days of the initial existence of the condition or circumstance constituting or giving rise to the purported Good Reason. Further, for avoidance of doubt, nothing in this Agreement shall preclude the Company from reducing Executive’s annual base salary and/or incentive opportunity as part of an across-the-board compensation adjustment to other employees at Executive’s level of employment.
- (g) “Notice of Termination” means a written notice which shall include the specific termination provision under this Agreement relied upon, and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive’s employment. Any purported termination of the Executive’s employment hereunder by action of either party shall be communicated by delivery of a Notice of Termination to the other party. Any termination by Executive of his employment without Good Reason shall be made on not less than 14 days’ notice.
- (h) “Qualifying Termination” means any of the following: (i) a Separation from Service by action of the Company that is not for Cause, or (ii) a Separation from Service by action of the Executive that is for Good Reason.
- (i) “Restrictive Period” means (i) a number of months following Executive’s termination of employment pursuant to paragraph 1(a) or 1(c) above which is equal to the number of months for which the Executive is entitled to, and does in fact, receive his base salary under paragraph 1(a)

or 1(c) above, or (ii) a period of 12 months following Executive's termination of employment pursuant to paragraph 1(b) above.

(j) "Separation from Service" means Executive's "separation from service" as defined in Treasury Regulation Section 1.409A-1(h).

IN WITNESS WHEREOF, the Executive and the Company (by action of its duly authorized officers) have executed this Agreement as of the date first above written.

NN, INC.

By: _____

Name: Michael C. Felcher

Title: Senior Vice President – Chief Financial Officer

EXECUTIVE:

Name: Harold Bevis

SCHEDULE A

Executive's Severance Payment subsequent to a Change in Control as provided in paragraph 1(c)(i) shall be a lump sum payment equal to:

1. 2.0 times Executive's base salary (as of the date of Executive's termination); plus
2. 2.0 times Executive's target bonus.

SCHEDULE B

Release of Claims

1. Release of Claims

In partial consideration of the payments and benefits described in the Separation Agreement (the "Separation Agreement") dated as of May 22, 2023, by and among Harold Bevis (hereinafter "you" or "Executive") and NN, Inc., a Delaware corporation (the "Company"), to which you agree that you are not entitled until and unless you execute this Release of Claims ("Release") and it becomes effective in accordance with the terms hereof, you, for and on behalf of yourself and your heirs, successors and assigns, except as provided in this Release, hereby waive and release the following (the "Released Claims"): any common law, statutory or other complaints, claims, charges or causes of action of any kind whatsoever, both known and unknown, in law or in equity, which you ever had, now have or may have against the Company and each of its subsidiaries, predecessors, successors, assigns, directors, officers, employees, trustees (in their official and individual capacities), employee benefit plans and their administrators and fiduciaries (in their official and individual capacities), representatives or agents, and each of their affiliates, successors and assigns, (collectively, the "Releasees") by reason of acts or omissions which have occurred on or prior to the date that you sign this Release, on account of, arising out of or in connection with your employment and/or the termination thereof, or the provision of any services to the Releasees, or any term or condition of that employment or service, arising under federal, state or local laws pertaining to employment, including the Age Discrimination in Employment Act of 1967 ("ADEA," a law which prohibits discrimination on the basis of age), the Older Workers Benefit Protection Act, the National Labor Relations Act, the Civil Rights Act of 1991, the Americans With Disabilities Act of 1990, Title VII of the Civil Rights Act of 1964, the Employee Retirement Income Security Act of 1974, the Family and Medical Leave Act, the Sarbanes-Oxley Act of 2002, all as amended, and any other Federal, state and local laws relating to discrimination on the basis of age, sex or other protected class, all claims under Federal, state or local laws for express or implied breach of contract, wrongful discharge, defamation, intentional infliction of emotional distress, and any related claims for attorneys' fees and costs. By signing this Release, you acknowledge that you intend to waive and release any rights known or unknown that you may have against the Releasees with respect to the Released Claims under these and any other laws by reason of acts or omissions which have occurred on or prior to the date that you sign this Release, on account of, arising out of or in connection with your employment and/or the termination thereof, or the provision of any services to the Releasees, or any term or condition of that employment or service. Notwithstanding anything herein to the contrary, you do not waive or release, and the Released Claims do not include, any claims with respect to (a) rights that cannot be so released as a matter of applicable law, (b) your rights arising under this Release, the Indemnification Agreement signed by you and the Company on May 22, 2023 and/or the Separation Agreement (including, without limitation, as a result of the Company's breach of the terms, provisions or covenants thereof), (c) accrued vested benefits under employee benefit plans of the Company and its subsidiaries subject to the terms and conditions of such plans and applicable law, (d) any rights you may have solely in connection with your capacity as a security holder of the Company or its affiliates (without regard to your employment or termination of employment with the Company), (e) any claim arising after the effective date of this Release, and (f) any claims subject to (A) indemnification by Company under any current article, section or provision of Company's certificate of incorporation or bylaws related to liability and/or indemnification of officers and directors of the Company or under any former article, section or provision of any of the foregoing which remain in force, or (B) coverage under any of Company's director and officer insurance policies (collectively, the "Unreleased Claims").

2. Proceedings

You acknowledge that you have not filed any complaint, charge, claim or proceeding, against any of the Releasees before any local, state or federal agency, court or other body (each individually a “Proceeding”). Except with respect to Unreleased Claims, you (i) acknowledge that you will not initiate or cause to be initiated any Proceeding and will not participate in any Proceeding related to any claims released by you under Section 1 of this Release, in each case, except as required by law; and (ii) waive any right you may have to benefit in any manner from any relief (whether monetary or otherwise) arising out of any Proceeding related to any claims released by you under Section 1 of this Release, including any Proceeding conducted by the Equal Employment Opportunity Commission (“EEOC”). Further, you understand that, by executing this Release, you will be limiting the availability of certain remedies that you may have against the Company and limiting also your ability to pursue certain claims against the Releasees. Notwithstanding the above, nothing in Section 1 of this Release shall prevent you from (i) initiating or causing to be initiated any complaint, charge, claim or proceeding against the Company before any local, state or federal agency, court or other body challenging the validity of the waiver of claims under the ADEA contained in Section 1 of this Release (but no other portion of such waiver); (ii) initiating or participating in an investigation or proceeding conducted by the EEOC or any other Federal, State or Local governmental or quasi-governmental entity; or (iii) filing any claim for unemployment or workers’ compensation benefits.

3. Time to Consider

You acknowledge that you have been advised that you have twenty-one (21) days from the date of receipt of this Release to consider all the provisions of this Release and, by signing this Release prior to the expiration of the twenty-one (21) day review period, you do hereby knowingly and voluntarily waive the remainder of said given twenty-one (21) day period.

4. Revocation

You hereby acknowledge and understand that you shall have seven (7) days from the date of execution of this Release to revoke this Release and that neither the Company nor any other person is obligated to provide any benefits to you pursuant to this Release until eight (8) days have passed since your signing of this Release without you having revoked this Release. If you revoke this Release, you will be deemed not to have accepted the terms of this Release, and no action will be required of the Company under any section of this Release, nor shall any severance payments or benefits be paid under the Separation Agreement.

5. No Admission

This Release does not constitute an admission of liability or wrongdoing of any kind by Executive or the Company.

6. Non-Disparagement

Executive agrees and covenants not to disparage the Company, or any of the Releasees, in public or to any third party, or otherwise take any action or make any comment that would harm or injure the goodwill and professional reputation of the Company or any of the Releasees.

7. Disclosure

Executive acknowledges and warrants that Executive is not aware of, or that he has fully disclosed to Company, any matters for which Executive was responsible or which came to Executive's attention as an employee of Company that might give rise to, evidence, or support any claim of illegal conduct, regulatory violation, unlawful discrimination, or other cause of action against Company.

8. Company Property

All records, files, lists, including computer generated lists, data, drawings, documents, equipment and similar items relating to the Company's business that Executive generated or received from the Company remains the Company's sole and exclusive property. Executive agrees to promptly return to the Company all property of the Company in his possession as of the end of his employment. Executive further represents that he has not copied or caused to be copied, printed out, or caused to be printed out any documents or other material originating with or belonging to the Company, except to be used on behalf of the Company. Executive additionally represents that, following his employment, he will not retain in his possession any such documents or other materials.

9. Acknowledgments

YOU ACKNOWLEDGE THAT YOU HAVE READ THIS RELEASE CAREFULLY, YOU HAVE BEEN ADVISED BY THE COMPANY TO CONSULT AN ATTORNEY, AND FULLY UNDERSTAND THAT BY SIGNING BELOW YOU ARE GIVING UP CERTAIN RIGHTS WHICH YOU MAY HAVE TO SUE OR ASSERT A CLAIM AGAINST ANY OF THE RELEASEES (INCLUDING CLAIMS UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT). YOU ACKNOWLEDGE THAT YOU HAVE NOT BEEN FORCED OR PRESSURED IN ANY MANNER WHATSOEVER TO SIGN THIS RELEASE, AND YOU AGREE TO ALL OF ITS TERMS VOLUNTARILY. YOU AGREE THAT THE CONSIDERATION PROVIDED IN THE SEPARATION AGREEMENT CONSTITUTES GOOD AND VALUABLE CONSIDERATION. YOU ACKNOWLEDGE THAT OTHER THAN THE PAYMENTS TO BE MADE PURSUANT TO THE SEPARATION AGREEMENT, YOU HAVE BEEN PAID ALL OTHER COMPENSATION OWED TO YOU BY THE COMPANY, INCLUDING ANY APPLICABLE SALARY, BONUS AND INCENTIVE COMPENSATION.

10. General Provisions

If any provision of this Release is determined to be so broad as to be unenforceable, such provision shall be interpreted to be only so broad as is enforceable, and in the event that any provision is determined to be entirely unenforceable, such provision shall be deemed severable, such that all other provisions of this Release shall remain valid and binding upon Executive and the Releasees. If Executive breaches the release of claims herein, the Company shall be entitled to its reasonable attorneys' fees and expenses incurred in the defense of such action and any related counterclaim for Executive's breach of this Release. This Release shall be binding upon and inure to the benefit of Executive and the Company, and their officers, directors, employees, agents, legal counsel, heirs, successors and assigns.

11. Governing Law

The validity, interpretations, construction and performance of this Release shall be governed by the laws of the State of Delaware without giving effect to conflict of laws principles. Any dispute or claim arising out of or relating to this Release shall be settled by final and binding arbitration in Charlotte, North Carolina in accordance with the Commercial Arbitration rules of the American Arbitration

Association, and judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof.



news

NN, Inc.
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FOR IMMEDIATE RELEASE**NN, INC. ANNOUNCES HAROLD BEVIS AS PRESIDENT AND CHIEF EXECUTIVE OFFICER**

Industry Veteran Brings Decades of Experience in Electric Vehicles, Technology, Business Transformation and Growth

CHARLOTTE, N.C., May 9, 2023 – NN, Inc. (NASDAQ: NNBR), a global diversified industrial company that manufactures high-precision components and assemblies, today announced the appointment of Harold Bevis as President and Chief Executive Officer effective May 22, 2023. Mr. Bevis will succeed Warren Veltman, who will retire just prior to the new CEO start date, in alignment with the planned executive transition announced November 1, 2022.

Jeri Harman, Chairman of the Board of NN, commented, “The Board of NN is pleased to welcome Harold Bevis as the Company’s new President and Chief Executive Officer. Harold brings an impressive track record of operational excellence and driving growth in core, new and adjacent markets. Throughout his career, he has developed a deep knowledge and extensive industry experience in electric vehicles, communication technologies, and electrical components and assemblies which can be directly applied to NN’s largest targeted end markets. We believe Harold has the right skills in business transformation and optimization, empowering teams, and value creation, which will allow NN to drive sustainable growth and increase shareholder value.”

Ms. Harman added, “On behalf of our Board of Directors and the entire Company, I want to thank Warren for his leadership and dedication to NN over his many years of service. We greatly appreciate the significant contributions he has made to NN.”

Harold Bevis, President and Chief Executive Officer of NN, commented, “I am honored to join NN as its next President and Chief Executive Officer, and I am eager to continue the work of transforming the business to reach the financial and operational potential inherent in the business. Our Company stands at the center of converging trends in both electric vehicles and the improvements in the power grid required to satisfy the significant increase in worldwide electrical power demand. I am looking forward to leveraging my skills and experience to drive NN’s future success providing our global customers with precision components and assemblies.”

Mr. Bevis has more than 25 years of business leadership experience, including more than 20 years’ experience in the CEO role at a number of companies. He was previously President and CEO of Commercial Vehicle Group, Inc. (NASDAQ: CVGI), a publicly traded manufacturer of electrical, mechanical and seating systems for electric and internal combustion engine commercial vehicles, as well as industrial automation and robotic systems to

retailers and ecommerce shippers. At CVGI, Mr. Bevis demonstrated a track record of driving new business wins in the electric vehicle industry and he repositioned CVGI towards electrification, automation and connectivity. Prior to his experience at CVGI, Mr. Bevis was Chairman and CEO of Boxlight, a startup company focused on education technology solutions. Previously, Mr. Bevis led a number of companies in the packaging industry, including as President and CEO of Xerium Technologies, Inc., Chairman and CEO of Prolamina, and President and CEO of Pliant Corporation. Mr. Bevis has a bachelor's degree in industrial engineering from Iowa State University, and an MBA in marketing from Columbia Business School.

As a material inducement to Mr. Bevis to enter into employment with the Company, the Board of Directors approved the grant of the following inducement equity awards (collectively, the Inducement Awards), granted outside the Company's stockholder-approved equity incentive plan, with a grant date of May 22, 2023: (i) 1,500,000 time-vesting restricted stock units (RSUs), which will vest ratably in one-fifth increments on each of the first five anniversaries of the grant date; and (ii) 2,500,000 performance-vesting RSUs (PSUs), 250,000 of which will be earned upon the Company's average stock price meeting or exceeding a price of \$2.00 per share over a period of 20 consecutive days, with an additional 250,000 PSUs being earned for each dollar increase to the average stock price thereafter, with a cap of \$11.00, subject further to a five-year vesting period.

As a result of the Inducement Grants, the Company does not anticipate granting any further equity, as part of his annual compensation or otherwise, to Mr. Bevis before 2028, and as such, the Inducement Awards, effectively serve as his 2023, 2024, 2025, 2026 and 2027 annual long-term incentive awards. The Company designed the Inducement Awards, in part, to (i) replace, in the case of the RSUs, the compensation forfeited by Mr. Bevis when he joined NN, (ii) align, in case of the PSUs, the interests of Mr. Bevis and the Company's shareholders, as the equity is only earned as shareholders experience value creation, and (iii) prioritize retention of Mr. Bevis through the entire five-year performance and vesting periods.

About NN, Inc.

NN, Inc., a global diversified industrial company, combines advanced engineering and production capabilities with in-depth materials science expertise to design and manufacture high-precision components and assemblies for a variety of markets on a global basis. Headquartered in Charlotte, North Carolina, NN has 31 facilities in North America, Europe, South America, and Asia.

Except for specific historical information, many of the matters discussed in this press release may express or imply projections of revenues or expenditures, statements of plans and objectives or future operations or statements of future economic performance. These statements may discuss goals, intentions and expectations as to future trends, plans, events, results of operations or financial condition, or state other information relating to NN, Inc. based on current beliefs of management as well as assumptions made by, and information currently available to, management. Forward-looking statements generally will be accompanied by words such as "anticipate," "believe," "could," "estimate," "expect," "forecast," "guidance," "intend," "may," "possible," "potential," "predict," "project" or other similar words, phrases or expressions. Forward-looking statements involve a number of risks and uncertainties that are outside of management's control and that may cause actual results to be materially different from such forward-looking statements. Such factors include, among others, general economic conditions and economic conditions in the industrial sector; the impacts of pandemics, epidemics, disease outbreaks and other public health crises, including the COVID-19 pandemic, on our financial condition, business operations and liquidity; competitive influences; risks that current customers will commence or increase captive production; risks of capacity underutilization; quality issues; material changes in the costs and availability of raw materials; economic, social, political and geopolitical instability, currency fluctuation, and other risks of doing business outside of the United States; inflationary pressures and changes in the cost or availability of materials, supply chain shortages and disruptions, and the availability of labor; our dependence on certain major customers, some of whom are not parties to long-term agreements (and/or are terminable on short notice); the impact of acquisitions and divestitures; our ability to hire or retain key personnel; the level of our indebtedness; the restrictions contained in our debt agreements; our ability to obtain financing at favorable rates, if at all, and to refinance existing debt as it matures; unanticipated difficulties

integrating acquisitions; new laws and governmental regulations; the impact of climate change on our operations; and cyber liability or potential liability for breaches of our or our service providers' information technology systems or business operations disruptions. The foregoing factors should not be construed as exhaustive and should be read in conjunction with the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in the Company's filings made with the Securities and Exchange Commission. Any forward-looking statement speaks only as of the date of this press release, and the Company undertakes no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law. New risks and uncertainties may emerge from time to time, and it is not possible for the Company to predict their occurrence or how they will affect the Company. The Company qualifies all forward-looking statements by these cautionary statements.

FOR FURTHER INFORMATION:

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