

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): September 16, 2019 (September 15, 2019)



NN, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

6210 Ardrey Kell Road
Charlotte, North Carolina
(Address of principal executive offices)

000-23486
(Commission
File Number)

62-1096725
(I.R.S. Employer
Identification No.)

28277
(Zip Code)

(980) 264-4300

(Registrant's telephone number, including area code)

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

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

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

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

None
(Title of class)

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company.

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

ITEM 5.02. DEPARTURE OF DIRECTORS OR CERTAIN OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF CERTAIN OFFICERS; COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS.

On September 16, 2019, NN, Inc. (the “Company”) announced that the Board of Directors (the “Board”) of the Company has appointed Warren A. Veltman as the Company’s interim President and Chief Executive Officer, effective immediately. Mr. Veltman succeeds Richard D. Holder as the Company’s President and Chief Executive Officer, who has departed the Company, effective immediately.

Mr. Veltman, age 58, joined us in September 2014 as Senior Vice President and General Manager of our former Autocam Precision Components Group. Most recently, Mr. Veltman served as Executive Vice President of our Mobile Solutions Group. Prior to joining us, Mr. Veltman served as Chief Financial Officer of Autocam Corporation from 1990 and Secretary and Treasurer since 1991. Prior to Mr. Veltman’s service at Autocam, Mr. Veltman was an Audit Manager with Deloitte & Touche LLP.

The Board has not yet established any new compensation arrangements for Mr. Veltman’s service as interim President and Chief Executive Officer. Mr. Veltman will continue to be subject to his existing Executive Employment Agreement, dated September 9, 2014, which was filed as [Exhibit 10.27](#) to the Company’s Annual Report on Form 10-K for the year ended December 31, 2014, which is incorporated herein by reference.

In connection with Mr. Holder’s departure, the Company and Mr. Holder entered in a separation agreement and general release dated September 15, 2019 (the “Separation Agreement”). Mr. Holder will receive severance payments equal to his last base salary of \$972,000 for a period of 12 months following his separation date, his annual target bonus in the amount of \$656,752 and an additional payment in the amount of \$37,000. Further, 52,496 unvested shares of restricted stock owned by Mr. Holder will vest, and the exercise period for his options to purchase shares of common stock will remain outstanding and exercisable until the tenth anniversary of the applicable date of grant. In consideration of the payments and benefits provided under the Separation Agreement, Mr. Holder agreed to certain confidentiality, non-disparagement, non-competition and non-solicitation restrictions, as well as other restrictive covenants, provided a global release of all claims and resigned from the Board, effective as of September 13, 2019.

The foregoing description of the terms of the Separation Agreement is only a summary and is qualified in its entirety by the full text of the Separation Agreement, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated by reference herein.

In connection with his resignation as President and Chief Executive Officer, Mr. Holder also resigned his position as a director of the Company effective as of September 13, 2019. His resignation was not the result of any disagreement with the Company on any matter relating to the Company’s operations, policies or practices. Following Mr. Holder’s departure, Mr. Veltman was appointed to the Board, effective September 15, 2019.

ITEM 7.01. REGULATION FD DISCLOSURE.

On September 16, 2019, the Company issued a press release regarding Mr. Holder’s departure. A copy of this press release is included as Exhibit 99.1 to this Current Report on Form 8-K.

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</u>
10.1	Separation Agreement and General Release, dated as of September 15, 2019, by and between NN, Inc. and Richard D. Holder
99.1	Press Release issued by NN, Inc. dated September 16, 2019

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: September 16, 2019

NN, INC.

By: /s/ Matthew S. Heiter

Name: Matthew S. Heiter

Title: Senior Vice President, General Counsel

SEPARATION AGREEMENT AND GENERAL RELEASE

THIS SEPARATION AGREEMENT AND GENERAL RELEASE (this "**Agreement**"), dated as of September 15, 2019, is effective as of September 13, 2019 (the "**Termination Date**") by and between Richard D. Holder ("**Executive**") and NN, Inc., a Delaware Corporation (the "**Company**"). In consideration of the payments and benefits described in Section 2 below to be provided to Executive, the sufficiency of which is acknowledged hereby, Executive and the Company agree as follows:

1. **Termination Date.** Executive's employment with the Company terminated on the Termination Date. Executive hereby resigns as President, Chief Executive Officer and as a member of the board of directors of the Company and from all other positions as a director and/or officer with the Company, its subsidiaries and its affiliates (the "**Company Group**"), if any, effective as of the Termination Date. Executive confirms and agrees that he has not since the Termination Date taken, and shall not from the date hereof take, any actions on behalf of the Company Group, including acting as an agent of the Company Group. In addition, Executive acknowledges that as of the Termination Date, he has not represented himself to be an employee, officer, director, agent or representative of the Company Group for any purpose, has not directed the work of any employee of the Company Group, or made any management decisions, or undertaken to commit the Company Group to any course of action in relation to third persons.

2. **Termination Payments and Benefits.**

(a) **Severance.** Subject to (i) Executive's execution of this Agreement and the effectiveness of the release of claims set forth in Section 5 below (the "**Release**") following the expiration of the Revocation Period without Executive's having revoked the Release and (ii) Executive's continued compliance with Paragraphs 8, 9, 10, 11 and 12 of the Executive Employment Agreement between Executive and the Company, dated May 8, 2013 (the "**Employment Agreement**"), as amended pursuant to Section 8 hereof, the Company shall pay to Executive as severance compensation ("**Severance**"), (i) \$681,731.50, payable in a lump sum on the first regularly scheduled payroll date following the Release Effective Date (as defined below), (ii) \$504,500, payable on the first regularly scheduled payroll date following March 14, 2020 (the "**Specified Employee Payment Date**") and (iii) \$504,500, payable in accordance with the Company's regular payroll procedures over the six-month period following the Specified Employee Payment Date.

(b) **Accrued Obligations.** The Company shall also pay and provide the Executive with his Accrued Obligations. For purposes of this Agreement, Executive's "**Accrued Obligations**" shall consist of the following: (i) accrued and unpaid base salary and accrued and unused paid time off through the Termination Date; (ii) accrued and vested benefits under any employee retirement plan (including 401(k)) in which the Executive participates, in accordance with applicable plan terms; and (iii) unreimbursed business expenses incurred through the termination date, in accordance with the Company's business expense reimbursement policy. Any benefits accrued or earned will be distributed in accordance with the terms of the applicable benefit plans and programs of the Company Group. Executive confirms that he has received all of his Accrued Obligations due and payable as of the date of this Agreement.

(c) COBRA. Executive and his eligible dependents shall be entitled to continue participating in the Company's group medical, dental, and other health benefit coverages as required under the health care continuation requirements of the Consolidated Omnibus Reconciliation Act of 1985 ("COBRA"), provided Executive timely elects such coverage and pays the full monthly premium for COBRA coverage.

(d) Treatment of Equity. Notwithstanding the terms of any outstanding award agreement between you and the Company, (i) you will receive accelerated vesting of 52,496 restricted shares of Company common stock and (ii) your currently vested stock options to purchase 125,000 shares of Company common stock will remain outstanding and exercisable until the tenth anniversary of the applicable date of grant. For the avoidance of doubt, all remaining outstanding equity granted to you under any of the Company Group's equity incentive plans will be forfeited as of the Termination Date.

(e) No Further Rights. Following the Termination Date, except as set forth in this Section 2, Executive shall have no further rights to any compensation or any other benefits from the Company or any of its affiliates.

3. Return of Company Property. As of the date of this Agreement, Executive represents that he has returned to the Company (and has not recreated, or delivered to anyone else) all of the records and property of the Company that were in Executive's possession or over which Executive had direct or indirect control, including, but not limited to, all confidential information, files, monies, records, files, credit cards, office keys, office access cards, passwords, laptops, parking access cards and electronically encoded information (such as computer disks and flash drives) and all copies of such records and property. You may retain your Company- provided ipad and cellular telephone (including telephone number); provided, that you provide such items to the Company, as requested by the Company, to remove all proprietary and/or confidential information and documents in any form belonging to the Company Group.

4. No Admission. Neither this Agreement nor anything in this Agreement shall be construed to be or shall be admissible in any proceeding as evidence of an admission by the Company or Executive of any violation of the Company's policies or procedures, or state or federal laws or regulations. This Agreement may be introduced, however, in any proceeding to enforce the Agreement. Such introduction shall be pursuant to an order protecting its confidentiality, except insofar as a court declines to enter any such order.

5. Release.

(a) General. In consideration of the Severance payments, Executive, for and on behalf of Executive and Executive's heirs, administrators, executors, and assigns, effective as of the Release Effective Date (as defined below), does fully and forever waive and release, remise, and discharge each member of the Company Group, its members, or partners, and each of its and their respective current, past, and future directors, partners, members, employees, advisors and agents (collectively, the "Released Parties") from any and all claims that Executive had, may have had, or now has against the Released Parties collectively or any of the Released Parties individually, for or by reason of any matter, cause, or thing whatsoever, including but not limited to any claim arising out of or attributable to Executive's employment or the termination of Executive's employment with the Company, and also including but not limited to claims of

breach of contract, wrongful termination, unjust dismissal, defamation, libel, or slander, or claims under any federal, state, or local law dealing with discrimination based on age, race, sex, national origin, handicap, religion, disability, sexual preference, or any other protected class or characteristic. This release of claims includes, but is not limited to, all claims arising under the Age Discrimination in Employment Act of 1967 (the "ADEA"), Title VII of the Civil Rights Act, the Americans with Disabilities Act, the Civil Rights Act of 1991, the Family Medical Leave Act, the Equal Pay Act, Chapter 95, Articles 49A and 49B of Chapter 143, or Chapter 168A of the North Carolina General Statutes, and any other federal, state, and local labor and anti-discrimination law, the common law, and any other purported restriction on an employer's right to terminate the employment of employees. Notwithstanding any provision of this Release to the contrary, by executing this Release, Executive is not releasing any claims to the Severance.

(b) Release of Unknown Claims. It is the intention of Executive in executing this Agreement that the Release shall be effective as a bar to each and every claim, demand and cause of action hereinabove specified. Executive acknowledges that Executive may hereafter discover claims or facts in addition to or different from those which Executive now knows or believes to exist with respect to the subject matter of this Release and which, if known or suspected at the time of executing this Release, may have materially affected this settlement. Nevertheless, Executive hereby waives any right, claim or cause of action that might arise as a result of such different or additional claims or facts. Executive acknowledges that Executive understands the significance and consequence of such release.

(c) No Proceedings. Except as provided in Section 10(a) of this Agreement, Executive represents that Executive has not filed or permitted to be filed against any of the Released Parties, individually or collectively, any lawsuit, complaint, charge, proceeding, or the like, before any local, state, or federal agency, court, or other body (each, a "Proceeding"), and Executive covenants and agrees that Executive will not do so at any time hereafter with respect to the subject matter of the Release and claims released pursuant to the Release (including, without limitation, any claims relating to the termination of Executive's employment), except as may be necessary to enforce the Release or Executive's rights to Severance under this Agreement, to seek a determination of the validity of the waiver of Executive's rights under the ADEA, or to initiate or participate in an investigation or proceeding conducted by the Equal Employment Opportunity Commission ("EEOC"). Except as otherwise provided in the preceding sentence or in Sections 5(d) or 10(a) of this Agreement, (i) Executive will not initiate or cause to be initiated on Executive's behalf any Proceeding, and will not participate (except as required by law) in any Proceeding of any nature against any of the Released Parties individually or collectively that in any way involves the allegations and facts that Executive could have raised against any of the Released Parties individually or collectively as of the date hereof and (ii) Executive waives any right Executive may have to benefit in any manner from any relief (monetary or otherwise) arising out of any Proceeding.

(d) Forfeiture of Award from Proceedings. Executive agrees that Executive shall forfeit and not accept any award, damages, recovery or settlement from any Proceeding brought by Executive or on Executive's behalf pertaining to Executive's employment, separation or otherwise. Nothing herein shall preclude Executive's right to receive an award from a Governmental Entity (as defined below) for information provided under any whistleblower program.

6. Release Acknowledgements. Executive expressly represents and acknowledges that:

(a) the Company has advised Executive to consult with legal counsel, Executive has had the opportunity to seek the advice of legal counsel of Executive's own choice, Executive has read this Agreement and the Release and has had the opportunity to have this Agreement and the Release explained to Executive by legal counsel, and the terms and conditions hereof are fully understood and voluntarily accepted by Executive;

(b) Executive is specifically agreeing to the terms of the Release because the Company has agreed to pay Executive compensation, which Executive was not otherwise entitled under the Company's policies or any agreement between the Company and Executive (in the absence of providing the Release), and the Company has agreed to provide the compensation because of Executive's agreement to accept the compensation in full settlement of all possible claims Executive might have or ever had, and because of Executive's execution of this Agreement;

(c) the offer to accept the terms of this Agreement is open for 21 days from the date Executive receives this Agreement, provided, that, should Executive sign this Agreement within 21 days of the date that the Agreement was received by Executive, then Executive's choice not to wait for the full 21-day period to expire was made knowingly and voluntarily, and was in no way induced by the Company by means of intimidation, fraud, duress, or any other threat to withdraw the terms offered under this Agreement;

(d) Executive shall have the right to revoke the Release for a period of seven days following Executive's execution of this Agreement (the "Revocation Period"), by giving written notice of such revocation to Matthew S. Heiter, Senior Vice President and General Counsel, at 6210 Ardrey Kell Road, Charlotte, NC 28277, or by email at matt.heiter@nninc.com **on or before 5:00 p.m. Eastern time on the last day of the Revocation Period**; and

(e) the Company's obligations under Section 2 (other than the Accrued Obligations) shall not become effective until the eighth day following Executive's execution of this Agreement, provided Executive has not revoked the Release during the Revocation Period (the "Release Effective Date").

7. Remedies. Executive understands and agrees that if Executive breaches any provision of this Agreement or any provision of Employment Agreement that survives Executive's termination of employment with the Company, in addition to any other legal or equitable remedies the Company may have, the Company shall be entitled to cease making any payments to Executive under Section 2 above (other than the Accrued Obligations), and Executive shall reimburse the Company for all such payments made to Executive prior to such breach and the reasonable attorneys' fees and costs incurred by the Company arising out of any such breach and to enforce such reimbursement. The remedies set forth in this paragraph shall not apply to any challenge to the validity of the waiver and release of Executive's rights under the ADEA. In the event Executive challenges the validity of the waiver and release of Executive's rights under the ADEA, then the Company's right to attorneys' fees and costs shall be governed by the provisions of the ADEA, so that the Company may recover such fees and costs if the

lawsuit is brought by Executive in bad faith. Any such action permitted to the Company by this paragraph, however, shall not affect or impair any of Executive's obligations under this Agreement, including without limitation, the Release. Executive further agrees that nothing herein shall preclude the Company from recovering attorneys' fees, costs, or any other remedies specifically authorized under applicable law

8. Restrictive Covenants. Executive represents that Executive has not violated any of the provisions in Paragraphs 8, 9, 10, 11 and 12 of the Employment Agreement (which is incorporated by reference and made a part hereof). Executive hereby acknowledges and reaffirms his obligations under Paragraphs 8, 9, 10, 11 and 12 of the Employment Agreement following the Termination Date; provided, that, (i) in consideration of the payments and benefits described in Section 2 hereof, the sufficiency of which is acknowledged hereby, Executive and the Company agree that the term "competing business", as used in the Employment Agreement, shall be amended and restated in its entirety such that the term "competing business" as used in the Employment Agreement shall mean: "a business that engages in the production, sale, or marketing of a product or service that is substantially similar to, or serves the same purpose as, any product or service produced, sold or marketed by the Company or any parent, subsidiary or affiliate of the Company with which Executive interacted or about which Executive gained Confidential Information and/or trade secrets during his employment with the Company" and (ii) the non-competition covenant in Paragraph 10 of the Employment Agreement shall apply for 12 months following the Termination Date. Executive agrees that he will not make any statements, written or verbal, that are detrimental, derogatory or disparaging concerning the Company or any member of the Company Group, or concerning any current or former directors, officers, or employees of the Company or any member of the Company Group.

9. Entire Agreement; Assignment. This Agreement, together with the Employment Agreement, sets forth the entire agreement and understanding between the parties as to the subject matter hereof and supersedes all prior and contemporaneous oral and/or written discussions, agreements and understandings of any kind or nature. This Agreement, and all of Executive's rights and duties hereunder, shall not be assignable or delegable by Executive. Any purported assignment or delegation by Executive in violation of the foregoing shall be null and void *ab initio* and of no force and effect. This Agreement may be assigned by the Company to a person or entity which is a successor in interest to substantially all of the business operations of the Company ("Successor"). Upon such assignment, the obligations of Executive shall inure to the benefit of such Successor and the rights and obligation of the Company hereunder shall become the rights and obligations of such Successor.

10. Certain Permissible Disclosures and Communications.

(a) Securities Exchange Act Rule 21F-17. Nothing in this Agreement, including Sections 5, 7 and 8, shall prohibit or impede the Executive from communicating, cooperating or filing a complaint with any U.S. federal, state or local governmental or law enforcement branch, agency or entity (collectively, a "Governmental Entity") with respect to possible violations of any U.S. federal, state or local law or regulation, or otherwise making disclosures to any Governmental Entity, in each case, that are protected under the whistleblower provisions of any such law or regulation, provided that in each case such communications and disclosures are consistent with applicable law. Executive does not need the prior authorization of (or to give notice to) the Company regarding any such communication or disclosure.

(b) Defend Trade Secrets Act. Executive hereby confirms that Executive understands and acknowledges that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Executive understands and acknowledges further that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal; and does not disclose the trade secret, except pursuant to court order.

(c) Notwithstanding the foregoing provisions in this Section 10, under no circumstance will Executive be authorized to disclose any information covered by the Company's attorney-client privilege or the Company's attorney work product (i) without prior written consent of the Company's General Counsel or other officer designated by the Company, or (ii) unless such disclosure of that information would otherwise be permitted pursuant to 17 CFR 205.3(d)(2), applicable state attorney conduct rules, or otherwise under applicable law or court order.

11. Cooperation. You agree that you will provide reasonable cooperation to the Company and/or any other member of the Company Group and its or their respective officers, members of the board of directors and counsel in connection with any investigation, administrative proceeding or litigation relating to any matter that occurred during your employment in which you were involved or of which you have knowledge. The Company agrees to reimburse you for reasonable out-of-pocket expenses incurred at the request of the Company with respect to your compliance with this Section 11. You agree that, in the event you are subpoenaed by any person or entity (including, but not limited to, any Governmental Entity) to give testimony or provide documents (in a deposition, court proceeding or otherwise) which in any way relates to your employment by the Company and/or any other member of the Company Group, you will give prompt notice of such request to the Company's General Counsel and will make no disclosure until the Company and/or the other member of the Company Group have had a reasonable opportunity to contest the right of the requesting person or entity to such disclosure.

12. Severability. In the event that any one or more of the provisions of this Agreement or the Employment Agreement are determined to be or become invalid, illegal or unenforceable in any respect, in any jurisdiction, by a court of competent jurisdiction, in a final judgment to which no further appeal can be made, such judgment shall not affect such provisions in any other jurisdiction or any other provisions of this Agreement, the validity, legality and enforceability of which shall not be affected thereby and Executive agrees that the court making such determination shall have the power to strike or reform such provision to the maximum and/or broadest duration, scope, and/or area permissible by law, and, as so reformed, such provision shall then be enforceable.

13. Governing Law, Jurisdiction and Venue. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, AND GOVERNED BY, THE LAWS OF THE STATE OF DELAWARE WITHOUT REGARD TO THE CONFLICT OF LAWS PRINCIPLES THEREOF. EACH PARTY TO THIS AGREEMENT HEREBY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF ANY FEDERAL OR STATE COURT SITTING IN DELAWARE WITH RESPECT TO ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT AND EACH OF THE PARTIES AGREES THAT ANY ACTION RELATING IN ANY WAY TO THIS AGREEMENT MUST BE COMMENCED ONLY IN THE COURTS OF DELAWARE, FEDERAL OR STATE. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED OR NOT PROHIBITED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT AND ANY CLAIM THAT ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. EACH PARTY TO THIS AGREEMENT HEREBY IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS IN ANY SUIT, ACTION OR PROCEEDING BY SENDING THE SAME BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, OR BY RECOGNIZED OVERNIGHT COURIER SERVICE. EACH PARTY TO THIS AGREEMENT ALSO HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY SUIT, ACTION, OR PROCEEDING UNDER OR IN CONNECTION WITH THIS AGREEMENT.

14. Counterparts. This Agreement may be executed in counterparts, and each counterpart, when executed, shall have the efficacy of a signed original. Photographic copies of such signed counterparts may be used in lieu of the originals for any purpose.

15. No Waiver. No waiver of any breach of any term or provision of this Agreement shall be construed to be, or shall be, a waiver of any other breach of this Agreement. No such waiver shall be binding unless signed in writing by the party waiving the breach.

16. Withholding Taxes. The Company may withhold from any amounts payable under this Agreement such federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation.

[Signature page follows]

IN WITNESS WHEREOF, the undersigned have executed and delivered this Agreement
this 15th day of September, 2019.

/s/ Richard D. Holder

Name: Richard D. Holder

NN, INC.

By: /s/ Robert Brunner

Robert Brunner, Chairman of the Board of Directors of
NN, Inc.

news



FOR FURTHER INFORMATION:

AT ABERNATHY MACGREGOR

Claire Walsh
(General info)
(212) 371-5999

NOT FOR IMMEDIATE RELEASE

September 16, 2019

NN, Inc. Names Warren Veltman Interim President and Chief Executive Officer

Charlotte, N.C., September 16, 2019 – NN, Inc. (NASDAQ: NNBR), a diversified industrial company, today announced that its Board of Directors has appointed Warren Veltman, Executive Vice President of the Company’s Mobile Solutions group, as the Company’s interim President and Chief Executive Officer, effective immediately. He succeeds Richard Holder who, by mutual agreement with the Board, is stepping down as President and Chief Executive Officer, as well as from his role as a director.

“While NN has made progress on its strategic priorities, the Company must focus on sharpening its execution and strengthening its balance sheet in order to drive improved financial and operational performance and enhance long-term shareholder value,” said Robert Brunner, Chairman of the Board. “The Company has undergone a significant transformation over the past several years, and we now need new leadership to help guide NN through its next phase of evolution. We intend to build on the actions we have already taken to better position NN for the future. This includes the addition of Thomas DeByle as the Company’s Senior Vice President and Chief Financial Officer who brings deep financial and strong operational expertise to NN.

“We have great confidence in Warren’s leadership, and we expect to benefit from his decades of experience in senior operational and financial roles in both the Life Sciences and Automotive sectors and his long track record of excellent execution. The Board and I look forward to working alongside Warren, Tom and the rest of the NN management team during this time, and we appreciate their support in facilitating a smooth transition as the Board identifies the Company’s next Chief Executive Officer to lead NN through its next stage of growth. We thank Rich for his contributions to NN, and we wish him well in his future endeavors.”

Mr. Veltman has served as Executive Vice President of the Mobile Solutions group since 2014, when he joined the Company as part of NN's acquisition of Autocam Corporation, an automotive component manufacturer. Mr. Veltman previously served as Chief Financial Officer and Treasurer of Autocam Corporation, and of Autocam Medical, a medical device manufacturer. Earlier in his career he was an audit manager with Deloitte & Touche.

John Buchan, currently Vice President of Global Operations, will assume Mr. Veltman's duties as Executive Vice President, Mobile Solutions, on an interim basis. Mr. Buchan is a seasoned, highly qualified executive with over 20 years of experience leading Mobile Solutions' operations.

Warren Veltman, Interim President and CEO, commented, "I am committed to working closely with Bob, Tom and the Board to drive enhanced performance throughout our organization. We continue to believe NN has a solid foundation from which to grow, with valuable assets, talented employees and end markets where we see many attractive opportunities that play to our strengths in providing sophisticated technology and engineered solutions to our customers. To best position NN for the long term, my immediate priority will be to identify efficiencies and cost improvements throughout the business to enhance our margins and generate improved free cash flow to continue de-levering, while still supporting the needs of our higher growth business segments."

Thomas DeByle, Senior Vice President and Chief Financial Officer commented, "I am excited to join NN at this pivotal time, and I look forward to working hand in hand with Warren and the Board as we execute on our goals for the Company."

NN, Inc., a 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 50 facilities in North America, Europe, South America and China.

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, and similar statements, are forward-looking statements concerning matters that involve risks, uncertainties and other factors which may cause the actual performance of NN, Inc. and its subsidiaries to differ materially from those expressed or implied by this discussion. All forward-looking information is provided by the Company pursuant to the safe harbor established under the Private Securities Litigation Reform Act of 1995 and should be evaluated in the context of these factors. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "assumptions", "target", "guidance", "outlook", "plans", "projection", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "potential" or "continue" (or the negative or other derivatives of each of these terms) or similar terminology. Factors which could materially affect actual results include, but are not limited to: general economic conditions and economic conditions in the industrial sector, inventory levels, regulatory compliance costs and the Company's ability to manage these costs, start-up costs for new operations, debt reduction, competitive influences, risks that current customers will commence or increase captive production, risks of capacity underutilization, quality issues, availability and price of raw materials, currency and other risks associated with international trade, the level of the Company's indebtedness, the restrictions contained in the Company's debt agreements, the Company's ability to obtain financing at favorable rates, if at all, and to refinance existing debt as it matures, the Company's dependence on certain major customers, and the successful implementation of the global growth plan including development of new products. Similarly, statements made herein and elsewhere regarding pending and completed transactions are also forward-looking statements, including statements relating to the future performance and prospects of an acquired business, the expected benefits of an acquisition on the Company's future business and operations and the ability of the Company to successfully integrate recently acquired businesses or the possibility that the Company will be unable to execute on the intended redeployment of proceeds from a divestiture, whether due to a lack of favorable investment opportunities or otherwise.

For additional information concerning such risk factors and cautionary statements, please see the section titled "Risk Factors" in the Company's periodic reports filed with the Securities and Exchange Commission, including, but not limited to, the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018. Except as required by law, we undertake no obligation to update or revise any forward-looking statements we make in our press releases, whether as a result of new information, future events or otherwise.