
**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): June 15, 2021 (June 14, 2021)



NN, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

000-23486
(Commission File Number)

62-1096725
(I.R.S. Employer
Identification Number)

6210 Ardrey Kell Road, Suite 600
Charlotte, North Carolina
(Address of principal executive offices)

28277
(Zip Code)

(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:

Title of each class
Common Stock, par value \$0.01 per share

Trading symbol
NNBR

Name of each exchange on which registered
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.

Departure of Certain Officers

On June 15, 2021, NN, Inc. (the “Company”) announced that Thomas D. DeByle is retiring as the Company’s Senior Vice President, Chief Financial Officer and principal financial officer, effective as of June 30, 2021.

In connection with Mr. DeByle’s retirement, the Company and Mr. DeByle entered into a Separation Agreement and General Release, dated as of June 14, 2021 (the “DeByle Separation Agreement”). Under the DeByle Separation Agreement, Mr. DeByle will receive severance payments equal to \$772,500, payable in accordance with the Company’s regular payroll procedures over the 18-month period following his separation date, \$17,000, payable in a lump sum, to assist with transition from employment, and a payment equal to his target annual bonus, if any, prorated for the portion of the year during which he was employed, but only to the extent he is entitled to said bonus under the Company’s Executive Incentive Compensation Program. Further, 8,377 unvested shares of restricted stock owned by Mr. DeByle will vest. The Company will also reimburse Mr. DeByle for temporary living benefits in an amount not to exceed \$10,000 and pay the remainder of the retention bonus that Mr. DeByle was scheduled to receive in August 2021 pursuant to the previously disclosed Retention Bonus Agreement, filed as Exhibit 10.46 to the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2020.

In consideration of the payments and benefits provided under the DeByle Separation Agreement, Mr. DeByle agreed to certain confidentiality, non-disparagement, non-competition and non-solicitation restrictions, as well as other restrictive covenants, and provided a global release of all claims.

Appointment of Certain Officers

On June 14, 2021, the Board of Directors of the Company (the “Board”) appointed Michael C. Felcher, age 48, as the Company’s Senior Vice President, Chief Financial Officer and principal financial officer, effective as of July 1, 2021. Mr. Felcher has served as the Company’s Vice President, Chief Accounting Officer and principal accounting officer since June 2018. Prior to joining the Company, Mr. Felcher served as the Vice President, North America Chief Financial Officer for JELD-WEN, Inc., a publicly held, global manufacturer of doors and windows, from 2013 to 2017. Before assuming his role at JELD-WEN, Inc., Mr. Felcher served as a Director of Finance for United Technologies Corp. following its acquisition of Goodrich Corporation in 2012. Previously, Mr. Felcher served in a variety of finance roles at Goodrich. Mr. Felcher began his career at PricewaterhouseCoopers in Boston, is a licensed CPA, and holds a Bachelor of Science, Accountancy, from Bentley University, and a Master of Business Administration from Wake Forest University.

In connection with Mr. Felcher’s appointment, Mr. Felcher’s annual base salary was increased to \$355,000, and he received a one-time grant of restricted stock in the amount of \$50,000. In addition, Mr. Felcher will now be eligible to receive (i) an annual incentive award based on a target amount of 50% of his annual base salary under the Company’s Executive Incentive Compensation Program, and (ii) long-term incentive awards based on a target amount of 85% of his annual base salary under the Company’s Long-Term Incentive Program. Mr. Felcher’s long-term incentive compensation will be divided equally among performance stock units that vest based on the Company’s total shareholder return, performance stock units that vest based on the Company’s return on invested capital and restricted stock awards, which will vest over a three-year period from the time of grant.

The Company will enter into its standard form of separation agreement with Mr. Felcher (the “Felcher Separation Agreement”) as of July 1, 2021. Under the Separation Agreement, if terminated without cause, Mr. Felcher would receive: (i) his annual salary, paid on a monthly basis, for twelve months from the date of termination; (ii) a lump sum payment equal to the target annual bonus to which he would have been entitled for the year of termination, if any, pro-rated for the portion of the year during which he was employed with the Company; and (iii) a lump sum payment of \$12,000 as a transition assistance payment. The Separation Agreement also includes a non-competition term that ends twelve months after the conclusion of his employment with the Company. Further, under the Separation Agreement, if terminated within two years following a change of control (i.e., a “double-trigger”), as defined therein, he will receive: (x) a lump sum payment equal to the sum of 1.5-times his base salary (as of the date of termination) plus 0.5-times his target annual bonus; (y) a lump sum payment equal to the target annual bonus to which he would have been entitled for the year of termination, if any, pro-rated for the portion of the year during which he was employed with the Company; and (z) a lump sum payment of \$12,000 as a transition assistance payment.

The selection of Mr. Felcher to serve as the Senior Vice President, Chief Financial Officer and principal financial officer was not pursuant to any arrangement or understanding with respect to any other person. In addition, there are no family relationships between Mr. Felcher and any director or executive officer of the Company. Mr. Felcher has not been a party to

any transaction with the Company or its subsidiaries of the type required to be disclosed pursuant to Item 404(a) of Regulation S-K, and no such transaction is currently contemplated.

The foregoing descriptions of the terms of the DeByle Separation Agreement and the Felcher Separation Agreement are only summaries and are qualified in their entirety by the full text of (i) the DeByle Separation Agreement, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and (ii) the Felcher Separation Agreement, the form of which is filed as Exhibit 10.2 to this Current Report on Form 8-K, each of which are incorporated herein by reference.

ITEM 7.01 REGULATION FD DISCLOSURE.

On June 15, 2021, the Company issued a press release regarding Mr. DeByle's retirement and Mr. Felcher's appointment. A copy of this press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information, including the press release, 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 June 14, 2021, by and between NN, Inc. and Thomas D. DeByle.
10.2	Form of Separation Agreement by and between NN, Inc. and Michael C. Felcher.
99.1	Press Release issued by NN, Inc., dated June 14, 2021
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: June 15, 2021

NN, INC.

By:	<u>/s/ Matthew S. Heiter</u>
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 June 14, 2021, effective as of June 30, 2021 (the “Termination Date”) by and between Thomas D. DeByle (“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 Senior Vice President and Chief Financial Officer 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”) and (ii) Executive’s continued compliance with Paragraphs 2, 3, 4, 5 and 6 of the Separation Agreement between Executive and the Company, effective as of September 23, 2019 (the “Separation Agreement”) and Section 8 hereof, the Company shall pay to Executive as severance compensation (“Severance”), (x) \$772,500, payable in accordance with the Company’s regular payroll procedures over the 18-month period following the Termination Date, (y) \$17,000, payable in a lump sum on the first regularly scheduled payroll date following the Release Effective Date (as defined below) and (z) a payment, if any, equal to the product of (A) the annual bonus to which Executive would have been entitled under the Executive Incentive Compensation Program for NN, Inc. Executive Leadership and Other Exempt Participants, effective January 1, 2021 (the “EIC Plan”), but for the termination of Executive’s employment as of the Termination Date, in the amount of \$180,250 (the “Bonus Amount”) multiplied by (B) a fraction, the numerator of which is 6 and the denominator of which is 12. The amount payable pursuant to Section 2(a)(z), if any, will be determined in accordance with the EIC Plan and relevant Company corporate guidelines and distributed after completion of the Company’s 2021 fiscal year end audit. For the avoidance of doubt, Executive acknowledges and agrees that (1) if no payments are made under the EIC Plan, then no payment shall be made pursuant to Section 2(a)(z) of this Agreement and (2) if payments are made under the EIC Plan at any level, either below or above a 100% payout, the Company will pay Executive the Bonus Amount only, as prorated pursuant to this Section 2(a).

(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 through the Termination Date; (ii) accrued and unused vacation time through the Termination Date, prorated for the portion of the calendar year worked; (iii) accrued and vested benefits under any employee retirement plan (including 401(k)) in which the Executive participates, in accordance with applicable plan terms; and (iv) 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, you will receive accelerated vesting of 8,377 restricted shares of Company common stock. 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) Retention Bonus. In accordance with the terms of the Retention Bonus Agreement made between you and the Company as of October 6, 2020 and in exchange with your compliance with same, you will receive the remaining unpaid portion of the retention bonus in the amount of Two Hundred Thousand Dollars (\$200,000) within thirty (30) days of the Termination Date.

(f) Temporary Living Benefits. In order to assist you in your transition, the Company will pay amounts directly related to the early termination (including contractual early termination fees) of your Charlotte apartment lease arising from your separation of employment. Amounts related to rent prior to the Termination Date are ineligible for reimbursement, and the total amount reimbursed for 2021 shall not exceed Ten Thousand Dollars (\$10,000). In exchange for this benefit, you agree to work with the Company to coordinate the communication and timing of providing notice to your Landlord, so that expenses to you and to the Company arising from the termination of your lease can be minimized to the extent possible.

(g) 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 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, to 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 10 days from the date Executive receives this Agreement, provided, that, should Executive sign this Agreement within 10 days of the date that the Agreement was received by Executive, then Executive's choice not to wait for the full 10-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; and

(d) the Company's obligations under Section 2 (other than the Accrued Obligations) shall become effective on the day Executive has executed and returned this Agreement (the "Release Effective Date").

7. Remedies. Executive understands and agrees that if Executive breaches any provision of this Agreement or any provision of Separation 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. 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 2, 3, 4, 5 and 6 of the Separation Agreement (which is incorporated by reference and made a part hereof). Executive hereby acknowledges and reaffirms his obligations under Paragraphs 2, 3, 4, 5 and 6 of the Separation Agreement following the Termination Date. Subject to Paragraph 10(a) of this Agreement, 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 Separation 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. Executive agrees that he 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 his compliance with this Section 11. Executive agrees that, in the event he is 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, he 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. Indemnification. In accordance with Company policy and applicable law, the Company shall indemnify, defend, and hold harmless the Executive from and against any claims, losses, liabilities, damages, fines, penalties, costs, and expenses (including, without limitation, reasonable fees and disbursements of counsel and other professionals) brought against and/or suffered by the Executive as a result of any proceeding commenced against the Executive arising out of or in connection with any act or failure to act by the Executive within the scope of authority as provided in this Agreement, other Agreements or policies pursuant to which the Executive is acting for or on behalf of the Company.

13. Mutual Non-Disparagement. Executive agrees that during and after the final payment is made under this Agreement, Executive shall not make any negative public or private statements (through the press, or other method of publication) concerning the Company or any of its officers, employees or members. Executive further covenants and agrees that he will not engage in any conduct that is injurious to the reputation and interest of the Company, its owners, officers, business partners, or employees, including, but not limited to, disparaging, inducing or encouraging others to disparage the Company, encouraging others to terminate or alter their business dealings with the Company, or making or causing to be made any statement that is critical of or otherwise maligns the business reputation, business practices, products, management, or employment practices of the Company.

Company agrees that it will not make any negative, public or private statements concerning Executive, nor will it engage in conduct that is injurious to the reputation and interest of Executive, including but not limited to, disparaging, inducing, or encouraging others to disparage Executive or otherwise causing to be made any statement that maligns Executive's reputation.

14. Severability. In the event that any one or more of the provisions of this Agreement or the Separation 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.

15. 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.

16. 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.

17. 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.

18. 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 14th day of June, 2021.

/s/ Thomas D. DeByle
Name: Thomas D. DeByle

NN, INC.

By: /s/ Warren A. Veltman
Warren A. Veltman, President and CEO

SEPARATION AGREEMENT

THIS SEPARATION AGREEMENT (this "Agreement") is made as of this 1st day of July, 2021 (the "Effective Date") by and between NN, Inc., a Delaware Corporation with its principal place of business in Charlotte, North Carolina (the "Company"), and Michael C. Felcher (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.*** 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) In consideration of Executive's prior service to the Company an amount equal to 12 months of his annual base salary in effect on the date of his Separation from Service. These amounts shall be payable in accordance with the Company's regular payroll procedures over the 12-month period following the Executive's Separation from Service.
 - (iii) Any vested rights of Executive in accordance with the Company's plans, programs or policies. A payment equal to the target annual bonus to which the Executive would have been entitled but for the Qualifying Termination, prorated for the portion of the year during which the Executive was employed by the Company (which bonus will be determined in accordance with the Company's corporate guidelines and distributed after completion of the Company's fiscal year end audit).
 - (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) \$12,000.00 payable in a single lump sum to assist with the Executive's transition from employment.

Payments under (ii) and (v) above shall commence or shall be paid within 60 days following the Executive's receipt of, and signing and not revoking, a general release, upon terms acceptable to the Company and shall be likewise contingent on Executive's 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 by: (A) action of the Company for Cause; (B) action of the Executive without Good Reason; or (C) 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 Company's 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.

(c) Qualifying Termination Following a Change in Control.

(i) In the event that Executive has a Qualifying Termination within 24 months 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 or immediately available funds to an account designated by Executive following the date of the Separation from Service.
- (3) A payment equal to the target annual bonus to which Executive would have been entitled but for Executive's Separation from Service, for the year of Executive's termination; pro-rated for the portion of the year during which he was employed by the Company ("Pro-rated Bonus").
- (4) Any vested rights of Executive in accordance with the Company's plans, programs or policies.
- (5) Prompt reimbursement for any and all reimbursable business expenses (to the extent not already reimbursed) upon Executive's properly accounting for the same.
- (6) \$12,000.00 payable in a single lump sum to assist with the Executive's transition from employment.

Payments under (2), (3) and (6) above shall commence or shall be paid within 60 days following the Executive's receipt of, and signing and not revoking, a general release, upon terms acceptable to the Company and shall be likewise contingent on Executive's full compliance 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. 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 or her 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.

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, prior to its use or disclosure by Executive, can be shown to have been in the public domain or generally known or available to customers, suppliers or competitors of the Company through no breach of the provisions of this Agreement or other non-disclosure covenants; (ii) any such information that, prior to its disclosure by the Executive, was rightfully in the receiving third party's possession, without violation of the provisions of this Agreement or other non-disclosure covenants; and (iii) any such information that, prior to its disclosure by the Executive, was independently developed by the receiving third party without 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 unless specifically directed by the Company to do so in writing, provided that nothing herein shall prohibit the Executive from disclosing Confidential Information as required by law or pursuant to legal process. 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.

3. ***Non-Interference with Personnel Relations.*** At any time while Executive is employed by the Company and at any time during the Restrictive Period, 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 employee of the Company, and/or any then employee of an affiliate or subsidiary of the Company with which Executive interacted or about which Executive gained Confidential Information 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, affiliate, and/or subsidiary.
4. ***Non-Competition.*** While Executive is employed by the Company and for the Restrictive Period, 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 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 during his employment with the Company. The term "customer" or "supplier" means any customer or supplier (whether actual or potential) with whom Executive or any other employee of the Company or any parent, subsidiary or affiliate of the Company 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 national 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 parent, subsidiary or affiliate of the Company (collectively, "Company Intellectual Property") shall become and remain the exclusive property of the Company and/or such parent, subsidiary or affiliate, 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 should 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. Except as otherwise noted herein, 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.
6210 Ardrey Kell Road
Charlotte, NC 28277
Attn: General Counsel

To the Executive: Michael C. Felcher
6210 Ardrey Kell Road
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 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. However, the Company may unilaterally revise the provisions of this Agreement governed by the provisions of Section 409A of the Code in order to make the Agreement compliant therewith, and as necessary under any provision of the Code or any other federal or state statute or regulation to prevent the imposition of any federal or state fine, tax, or penalty upon Company or Executive that would result from the performance of any provisions of this Agreement. 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.

- 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, that certain Separation Agreement between Executive and the Company dated as of June 4, 2019 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. The fees and expenses of the arbitration panel shall be equally borne by the Company and Executive. Each party shall be liable for its own costs and expenses as a result of any dispute related to this Agreement.
- 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. This Agreement may be amended in any respect deemed necessary (including retroactively) by the Company in order to pursue compliance with Section 409A. 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.

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 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) "Cause" means any of the following:
- (i) the willful and continued failure of the Executive to substantially perform the Executive's duties to the Company (other than as a result of physical or mental illness or injury), after demand for substantial performance is delivered by the Company that specifically identifies the manner in which the Company believes the Executive has not substantially performed the Executive's duties, 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 Chief Executive Officer or the Board of Directors of the Company of such failure;
 - (ii) willful misconduct or gross negligence by the Executive in either case that results in material damage to the business of the Company, monetarily or otherwise, including any conduct that is in violation of the written workplace policies of the Company;
 - (iii) a material breach by Executive of this Agreement which, if correctable, remains uncorrected for 10 days following written notice to Executive by the Chief Executive Officer or the Board of Directors of the Company of such breach;
or
 - (iv) the Executive is convicted of a felony or any other crime (other than traffic violations) involving dishonesty or moral turpitude (whether or not in connection with the performance by Executive of his duties under this Agreement).
- For purposes of this subsection, no act, or failure to act, shall be deemed "willful" unless done, or omitted to be done, by the Executive not in good faith, and

without reasonable belief that such action or omission was in the best interest of the Company.

(b) “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); or
- (iv) Individuals who, during any 12-month period, constitute the Board (the “Incumbent Board”) cease for any reason to constitute at least seventy-five percent (75%) 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 than 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.

(c) “Code” means the Internal Revenue Code of 1986 as amended.

(d) “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.

- (e) “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) any material diminution in the Executive's position, authority, duties or responsibilities; (ii) any material failure by the Company to comply with this Agreement; (iii) any material adverse change in Executive's annual 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 60 days of the initial existence of such act. 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.

- (f) “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.

- (g) “Qualifying Termination” means a Separation from Service by action of the Company that is not for Cause, or a Separation from Service by action of the Executive that is for Good Reason.

(h) “Restrictive Period” means a period of months following the end of Executive's employment, regardless of reason, which is equal to twelve (12) months or the number of months for which Executive has received base salary payments (whether in the form of continuation payments or lump sum payment), whichever is greater.

- (i) “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: Matthew S. Heiter

Title: Senior Vice President and General Counsel

EXECUTIVE:

Name: Michael C. Felcher

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. 1.5 times Executive's base salary (as of the date of Executive's termination); plus
2. 0.5 times Executive's target bonus.



news

NN, Inc.
6210 Ardrey Kell Road
Charlotte, NC 28277

FOR IMMEDIATE RELEASE

NN, INC. NAMES MIKE FELCHER AS CHIEF FINANCIAL OFFICER

Charlotte, N.C., June 15, 2021 – NN, Inc. (NASDAQ: NNBR), a diversified industrial company, today named Mike Felcher as Senior Vice President and Chief Financial Officer effective July 1, 2021. Mr. Felcher will be assuming the CFO role from Tom DeByle, who will be retiring from his current role but will remain with the Company until June 30, 2021, to ensure a smooth transition.

"We want to thank Tom for his significant contributions to the transformation of NN and wish him well in retirement. In just two short years, he helped us through the deleveraging event that led to the divestment of the Life Sciences business, played a critical role in finalizing our recent refinancing, and led the remediation of our material weaknesses," commented Warren Veltman, NN President and Chief Executive Officer. "As Mike transitions into his new role, we have confidence in his ability to leverage the breadth of his prior experience, as well as the knowledge of our company gained during his tenure with NN as our Chief Accounting Officer."

Thomas Wilson, NN Audit Committee Chairman, added, "We would like to thank Tom for his invaluable leadership since joining the Company and wish him well in retirement. His efforts over the past two years have helped position us for future growth and success."

Tom DeByle, NN's outgoing Chief Financial Officer, said, "I am extremely proud of our team's focus and successful accomplishments since joining the Company in 2019. Collectively, we transitioned NN's business, while establishing a strong financial foundation to support the Company's long-term growth. Additionally, I want to express my confidence in Mike as my successor and overall leader within the organization. Our close working relationship will enable a seamless transition as he assumes the CFO role."

Mr. Felcher added, "I am excited to extend Tom's record of successful leadership within NN's finance team, and I look forward to working with Warren to execute on our strategic growth and financial objectives to accomplish our 2025 revenue and margin goals."

Mr. Felcher has served as NN's Chief Accounting Officer since June 2018. Prior to joining the Company, he served as the Vice President, North America Chief Financial Officer for JELD-WEN, Inc., a publicly held, global manufacturer of doors and windows, from 2013 to 2017. Before assuming his role at JELD-WEN, Inc., Mr. Felcher served as a Director of Finance for United Technologies Corp. following its acquisition of Goodrich Corporation in 2012. He also previously served in a variety of finance roles at Goodrich and began his career at PricewaterhouseCoopers in Boston. Mr. Felcher is a licensed CPA and holds a Bachelor of Science, Accountancy from Bentley University and a Master of Business Administration from Wake Forest University.

About NN, Inc.

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 32 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, the impacts of the coronavirus (COVID-19) pandemic on the Company's financial condition, business operations and liquidity, 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 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.

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, 2020, and the Company's Quarterly Report on Form 10-Q for the three months ended March 31, 2021. 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.

FOR FURTHER INFORMATION:

Mike Danehy, CPA
Investor Relations Contact
Mike.Danehy@nninc.com
(980) 264-4312