

TransDigm Group INC
Form 8-K
November 03, 2014

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): October 29, 2014

TransDigm Group Incorporated

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction

of incorporation)

001-32833
(Commission

File Number)

41-2101738
(IRS Employer

Identification No.)

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1301 East 9th Street, Suite 3000, Cleveland, Ohio
(Address of principal executive offices)

44114
(Zip Code)

(216) 706-2960

(Registrant's telephone number, including area code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General 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))

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements for Certain Officers.

Employment Agreement with Kevin Stein and Restricted Stock Grant

On October 29, 2014, TransDigm Group Incorporated (the Company) entered into an employment agreement with Kevin Stein, pursuant to which Mr. Stein will serve as an executive vice president of the Company. The employment agreement is substantially in the form as those of the Company's other executive officers. Unless earlier terminated by the Company or Mr. Stein, the term of the employment agreement expires on October 1, 2019. Under the terms of the employment agreement, Mr. Stein is entitled to receive an annual base salary of not less than \$585,000 and is eligible to participate in the Company's annual bonus plan with a bonus target set at 80% of his annual base salary. In addition, under the terms of the employment agreement, Mr. Stein is entitled to participate in employee benefit plans, programs and arrangements that the Company may maintain from time to time for its senior officers.

The employment agreement provides that if Mr. Stein is terminated for any reason, he will be entitled to payment of any accrued but unpaid base salary through the termination date, any unreimbursed expenses, an amount for accrued but unused sick and vacation days, and benefits owing to him under the benefit plans and programs sponsored by the Company. In addition, if Mr. Stein's employment is terminated without cause, if he terminates his employment for customary good reasons, or if his employment terminates due to his death or disability, the Company will pay him, in substantially equal installments over a 12-month period, an amount equal to one times his salary plus one times the greater of the all of the bonuses paid or payable to him for the prior fiscal year (excluding any extraordinary bonus) or the target bonuses for the year in which his employment terminates, determined in accordance with the Company's bonus program(s) if any. In addition to the customary good reason provision, Mr. Stein may also terminate his employment for good reason if he is not appointed Chief Executive Officer of the Company by December 31, 2017, or such later date as the Company and Mr. Stein mutually agree. In such event, Mr. Stein will receive severance in the amount of 1.5 times his salary plus target bonus.

During the term of employment and following any termination thereof, for a period of 12 or 24 months (depending on the type of termination), Mr. Stein will be prohibited from engaging in any business that competes with any business of the Company or its subsidiaries. In addition, during the term of his employment and for the two-year period following the termination of his employment for any reason, he will be prohibited from soliciting or inducing any person who is or was employed by, or providing consulting services to, the Company or any of its subsidiaries during the 12-month period prior to the date of the termination of his employment, to terminate their employment or consulting relationship with the Company or such subsidiary. Under the terms of his employment agreement, Mr. Stein is also subject to certain confidentiality and non-disclosure obligations, and the Company has agreed, so long as the applicable executive is not in breach of certain of his obligations under his employment agreement, to, among other things, indemnify him to the fullest extent permitted by Delaware law against all costs, charges and expenses incurred or sustained by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a director, officer or employee of ours or his serving or having served any other enterprise as a director, officer or employee at our request.

The foregoing description of the terms of the employment agreement is qualified in its entirety by the full text of the employment agreement, a copy of which is filed herewith as Exhibit 10.1.

In connection with his employment with the Company, Mr. Stein was also granted an award of 13,000 shares of common stock of the Company, which vest in equal one-third increments on December 31, 2015, 2016 and 2017.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The following exhibit is being filed with this Current Report on Form 8-K:

Exhibit 10.1 Employment Agreement, dated October 29, 2014, between TransDigm Group Incorporated and Kevin Stein

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.

TRANSDIGM GROUP INCORPORATED

By /s/ Gregory Rufus
Gregory Rufus
Executive Vice President, Chief Financial

Officer and Secretary

Date: November 3, 2014

Exhibit Index

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