

NN INC  
Form SC 13D/A  
February 26, 2019

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 13D**

(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT  
TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO  
§ 240.13d-2(a)

(Amendment No. 2)<sup>1</sup>

NN, Inc.

(Name of Issuer)

Common Stock, par value \$0.01 per share

(Title of Class of Securities)

629337106

(CUSIP Number)

CHRISTOPHER S. KIPER

LEGION PARTNERS ASSET MANAGEMENT, LLC

9401 Wilshire Blvd, Suite 705

Beverly Hills, CA 90212

(424) 253-1773

STEVE WOLOSKY, ESQ.

ELIZABETH GONZALEZ-SUSSMAN, ESQ.

OLSHAN FROME WOLOSKY LLP

1325 Avenue of the Americas

New York, New York 10019

(212) 451-2300

(Name, Address and Telephone Number of Person

Authorized to Receive Notices and Communications)

February 25, 2019

(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box “.”

*Note:* Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. *See* § 240.13d-7 for other parties to whom copies are to be sent.

1 The remainder of this cover page shall be filled out for a reporting person’s initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be “filed” for the purpose of Section 18 of the Securities Exchange Act of 1934 (“Act”) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, *see* the *Notes*).

CUSIP NO. 629337106

1 NAME OF REPORTING PERSON

Legion Partners, L.P. I

2 CHECK THE APPROPRIATE BOX IF A MEMBER (a) OF A GROUP

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC  
CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 NUMBER OF SOLE VOTING SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

- 0 -

8 SHARED VOTING POWER 2,590,434

9 SOLE DISPOSITIVE POWER

- 0 -

10 SHARED DISPOSITIVE POWER

2,590,434

11

AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON

2,590,434

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

13 PERCENT OF CLASS  
REPRESENTED BY  
AMOUNT IN ROW (11)

6.15%

14 TYPE OF REPORTING  
PERSON

PN

CUSIP NO. 629337106

1 NAME OF REPORTING PERSON

Legion Partners, L.P. II

2 CHECK THE APPROPRIATE BOX IF A MEMBER (a) OF A GROUP

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC  
CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF	7	SOLE VOTING POWER
SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH		
		- 0 -
	8	SHARED VOTING POWER
		156,974
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER
		156,974

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED  
BY EACH REPORTING  
PERSON

156,974

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

13 PERCENT OF CLASS  
REPRESENTED BY  
AMOUNT IN ROW (11)

Less than 1%

14 TYPE OF REPORTING  
PERSON

PN

CUSIP NO. 629337106

1	NAME OF REPORTING PERSON	
	Legion Partners Special Opportunities, L.P. XI	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a)  (b)
3	SEC USE ONLY	
4	SOURCE OF FUNDS	
	WC	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	Delaware	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER
		630,923
PERSON WITH	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE

POWER

11 630,923  
AGGREGATE AMOUNT  
BENEFICIALLY OWNED  
BY EACH REPORTING  
PERSON

12 630,923  
CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

13 PERCENT OF CLASS  
REPRESENTED BY  
AMOUNT IN ROW (11)

14 1.5%  
TYPE OF REPORTING  
PERSON

PN



CUSIP NO. 629337106

1	NAME OF REPORTING PERSON	
	Legion Partners, LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a)
		(b)
3	SEC USE ONLY	
4	SOURCE OF FUNDS	
	AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	Delaware	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
	8	SHARED VOTING POWER
		3,378,331
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER

3,378,331

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON

3,378,331

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

13 PERCENT OF CLASS  
REPRESENTED BY  
AMOUNT IN ROW (11)

8.02%

14 TYPE OF REPORTING  
PERSON

OO

CUSIP NO. 629337106

1	NAME OF REPORTING PERSON	
	Legion Partners Asset Management, LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER (a) OF A GROUP (b)	
3	SEC USE ONLY	
4	SOURCE OF FUNDS	
	AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	Delaware	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		- 0 -
	8	SHARED VOTING POWER
		3,378,331
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER

11 3,378,331  
AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON

12 3,378,331  
CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

13 PERCENT OF CLASS  
REPRESENTED BY  
AMOUNT IN ROW (11)

14 8.02%  
TYPE OF REPORTING  
PERSON

IA

CUSIP NO. 629337106

1 NAME OF REPORTING PERSON

Legion Partners Holdings,  
LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER (a) OF A GROUP

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF	7	SOLE VOTING POWER
SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH		
		- 0 -
	8	SHARED VOTING POWER
		3,378,631
	9	SOLE DISPOSITIVE POWER
		- 0 -
	10	SHARED DISPOSITIVE POWER

11 3,378,631  
AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON

12 3,378,631  
CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

13 PERCENT OF CLASS  
REPRESENTED BY  
AMOUNT IN ROW (11)

14 8.02%  
TYPE OF REPORTING  
PERSON

OO

CUSIP NO. 629337106

1	NAME OF REPORTING PERSON	
	Christopher S. Kiper	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a)
		(b)
3	SEC USE ONLY	
4	SOURCE OF FUNDS	
	AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	USA	
7	NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	SOLE VOTING POWER
		- 0 -
8		SHARED VOTING POWER
		3,378,631
9		SOLE DISPOSITIVE POWER
		- 0 -
10		SHARED DISPOSITIVE POWER

3,378,631

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON

3,378,631

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

13 PERCENT OF CLASS  
REPRESENTED BY  
AMOUNT IN ROW (11)

8.02%

14 TYPE OF REPORTING  
PERSON

IN



CUSIP NO. 629337106

1	NAME OF REPORTING PERSON	
	Raymond White	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a)
		(b)
3	SEC USE ONLY	
4	SOURCE OF FUNDS	
	AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	USA	
7	NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	SOLE VOTING POWER
		- 0 -
8	OWNED BY EACH REPORTING PERSON WITH	SHARED VOTING POWER
		3,378,631
9	PERSON WITH	SOLE DISPOSITIVE POWER
		- 0 -
10	PERSON WITH	SHARED DISPOSITIVE POWER

3,378,631

11 AGGREGATE AMOUNT  
BENEFICIALLY OWNED BY  
EACH REPORTING PERSON

3,378,631

12 CHECK BOX IF  
THE AGGREGATE  
AMOUNT IN ROW  
(11) EXCLUDES  
CERTAIN SHARES

13 PERCENT OF CLASS  
REPRESENTED BY  
AMOUNT IN ROW (11)

8.02%

14 TYPE OF REPORTING  
PERSON

IN

CUSIP NO. 629337106

The following constitutes Amendment No. 2 to the Schedule 13D filed by the undersigned (the “Amendment No. 2”). This Amendment No. 2 amends and restates the Schedule 13D as specifically set forth herein.

Item 4.

Purpose of Transaction.

Item 4 is hereby amended to add the following:

On February 25, 2019, the Reporting Persons and the Issuer entered into a cooperation agreement (the “Cooperation Agreement”). Pursuant to the Cooperation Agreement, the Issuer increased the size of its Board of Directors (the “Board”) by two and immediately appointed (i) Janice Stipp as a Class III director with a term expiring at the Issuer’s 2019 annual meeting of stockholders and (ii) Jeri Harman as a Class I director with a term expiring at the Issuer’s 2020 annual meeting of stockholders (the “2020 Annual Meeting”). The Issuer has agreed to nominate Ms. Stipp for election to the Board at the 2019 Annual Meeting and reduce the size of the Board by one director effective as of the 2019 Annual Meeting, so that immediately following the 2019 Annual Meeting, the Board will be fixed at eight directors and may not be further expanded without the Reporting Persons’ consent, provided that they continue to beneficially own at least the lesser of (i) 4.0% of the outstanding Shares and (ii) 1,684,168 Shares (the “Ownership Threshold”).

Pursuant to the Cooperation Agreement, the Issuer also agreed to seek stockholder approval at the 2019 Annual Meeting to amend its Restated Certificate of Incorporation to provide for the annual election of directors such that, if passed, directors elected at the 2019 Annual Meeting will serve one-year terms and the Board will be fully declassified at the time of the 2021 annual meeting of stockholders.

The Cooperation Agreement further provides that during the Standstill Period (as defined below) if Ms. Stipp or Ms. Harman cease to serve on the Board and at that time the Reporting Persons continue to meet the Ownership Threshold, the Reporting Persons shall have the right to privately propose a replacement who satisfies certain conditions set forth therein.

The terms of the Cooperation Agreement provide that the Reporting Persons are subject to customary standstill obligations from the date of the Cooperation Agreement until fifteen days prior to the deadline for the submission of stockholder nominations of directors for the 2020 Annual Meeting (the “Standstill Period”). During the Standstill Period, the Reporting Persons agreed not to acquire ownership of more than 9.9% of the outstanding Shares. The Reporting Persons have also agreed to vote in a manner consistent with the recommendation of the Board, subject to certain exceptions specified in the Cooperation Agreement, during the Standstill Period.

The foregoing description of the Cooperation Agreement is qualified in its entirety by reference to the full text of the Cooperation Agreement, which is referenced as Exhibit 99.1 hereto and is incorporated herein by reference.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

Item 6 is hereby amended to add the following:

On February 25, 2019, the Reporting Persons and the Issuer entered into the Cooperation Agreement as defined and described in Item 4, which is incorporated herein by reference.

CUSIP NO. 629337106

Item 7.

Material to be Filed as Exhibits

Item 7 is hereby amended to add the following exhibit:

99.1 Cooperation Agreement, dated February 25, 2019, by and among the Reporting Persons and the Issuer.

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CUSIP NO. 629337106

SIGNATURES

After reasonable inquiry and to the best of his knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: February 26, 2019

Legion Partners, L.P. I

By: Legion Partners Asset  
Management, LLC  
Investment Advisor

By: /s/ Christopher S. Kiper  
Name: Christopher S. Kiper  
Title: Managing Director

Legion Partners, L.P. II

By: Legion Partners Asset  
Management, LLC  
Investment Advisor

By: /s/ Christopher S. Kiper  
Name: Christopher S. Kiper  
Title: Managing Director

Legion Partners Special  
Opportunities, L.P. XI

By: Legion Partners Asset  
Management, LLC  
Investment Advisor

By: /s/ Christopher S. Kiper  
Name: Christopher S. Kiper  
Title: Managing Director

Legion Partners, LLC

By: Legion Partners Holdings,  
LLC  
Managing Member

By: /s/ Christopher S. Kiper  
Name: Christopher S. Kiper

Title: Managing Member

Legion Partners Asset  
Management, LLC

By: /s/ Christopher S. Kiper  
Name: Christopher S. Kiper  
Title: Managing Director

CUSIP NO. 629337106

Legion Partners Holdings, LLC

By: /s/ Christopher S. Kiper  
Name: Christopher S. Kiper  
Title: Managing Member

/s/ Christopher S. Kiper  
Christopher S. Kiper

/s/ Raymond White  
Raymond White

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