

# LEAR CORP

## **FORM 8-K** (Current report filing)

Filed 11/16/17 for the Period Ending 11/15/17

Address	21557 TELEGRAPH ROAD SOUTHFIELD, MI, 48033
Telephone	2484471500
CIK	0000842162
Symbol	LEA
SIC Code	3714 - Motor Vehicle Parts and Accessories
Industry	Auto, Truck & Motorcycle Parts
Sector	Consumer Cyclical
Fiscal Year	12/31

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

**Date of Report (Date of earliest event reported): November 15, 2017**

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**LEAR CORPORATION**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**1-11311**  
(Commission  
File Number)

**13-3386776**  
(IRS Employer  
Identification Number)

**21557 Telegraph Road, Southfield, MI**  
(Address of principal executive offices)

**48033**  
(Zip Code)

**(248) 447-1500**  
(Registrant's telephone number, including area code)

**N/A**  
(Former name or former address, if changed since last report)

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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:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

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(e) of the Exchange Act

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

*(b), (c), (d) and (e)*

On November 16, 2017, Lear Corporation (the “Company”) announced that Matthew J. Simoncini tendered to the Board of Directors of the Company (the “Board”) on November 15, 2017 written notice of his resignation as President and Chief Executive Officer of the Company and as a member of the Board, effective February 28, 2018. Thereafter, Mr. Simoncini will continue to serve as a non-executive employee of the Company, in a transition and advisory role, until his retirement from the Company on January 4, 2019. The Board has elected Raymond E. Scott to serve as Mr. Simoncini’s replacement in the role of President and Chief Executive Officer of the Company, effective February 28, 2018, and has also appointed Mr. Scott as a member of the Board, for a term beginning on February 28, 2018 and ending on the date of the 2018 annual meeting of stockholders of the Company.

Mr. Scott, age 52, currently serves as the Company’s Executive Vice President and President, Seating, a position he has held since November 2011. Previously, he served in other positions at the Company, including as Senior Vice President and President, North American Seat Systems Group since August 2006, Senior Vice President and President, North American Customer Group since June 2005, President, European Customer Focused Division since June 2004 and President, General Motors Division since November 2000.

In connection with the transition, the Company and Mr. Simoncini entered into a Second Amended and Restated Employment Agreement (the “Simoncini Agreement”), effective February 28, 2018. Under the Simoncini Agreement, Mr. Simoncini will serve as a non-executive employee of the Company in a consulting and advisory role, from the effective date thereof through Mr. Simoncini’s retirement from the Company on January 4, 2019 (or his earlier termination in accordance with the Simoncini Agreement) (the “Term”). During the Term, Mr. Simoncini will assist with the leadership transition as reasonably requested by Mr. Scott, including working on special projects and community relations efforts. In exchange for providing such transition services during the Term, Mr. Simoncini will receive a base salary of \$15,000 per month, continue to participate in the Company’s employee benefit plans, as in effect from time to time, and be eligible to receive a cash performance bonus solely with respect to the two months in the 2018 performance year during which he will serve as President and Chief Executive Officer of the Company (determined based on Mr. Simoncini’s base salary in effect during those two months).

In the event that Mr. Simoncini’s employment terminates for any reason during the Term, Mr. Simoncini will not be entitled to receive any cash severance benefits. However, if Mr. Simoncini’s employment terminates prior to January 4, 2019 due to Mr. Simoncini’s incapacity, without “cause,” for “good reason,” or due to Mr. Simoncini’s death, (i) his outstanding and unvested time-based equity awards under the Company’s 2009 Long-Term Stock Incentive Plan, as amended (the “LTSIP”), will vest in full and (ii) Mr. Simoncini will be entitled to receive vesting of any performance-based awards under the LTSIP through January 4, 2019. The Simoncini Agreement otherwise contains terms substantially similar to those of Mr. Simoncini’s employment agreement in effect prior to the amendment and restatement, including restrictive covenants relating to non-competition, confidential information, and non-solicitation of the Company’s employees and customers.

A copy of the press release announcing Mr. Scott’s appointment President and Chief Executive Officer of the Company and as a member of the Board and Mr. Simoncini’s concurrent transition to a non-executive employee role, in each case, effective February 28, 2018, is filed as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

*(d) Exhibits:*

<u>Exhibit No.</u>	<u>Description</u>
99.1	<a href="#">Press release, dated November 16, 2017, announcing the appointment of a new President and Chief Executive Officer</a>

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**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 thereunto duly authorized.

Date: November 16, 2017

**Lear Corporation**

By: /s/ Jeffrey H. Vanneste

Name: Jeffrey H. Vanneste

Title: Senior Vice President and Chief Financial Officer



FOR IMMEDIATE RELEASE

**Lear Contact :**  
**Mel Stephens**  
**(248) 447-1624**

**Lear President and CEO Matt Simoncini**  
**Announces Retirement Date**

**Ray Scott to Succeed Matt as CEO Effective February 28, 2018;**  
**Matt to Remain as an Advisor to Company Through the end of 2018**

**SOUTHFIELD, Michigan, November 16, 2017** — Lear Corporation [NYSE: LEA], a leading global supplier of automotive seating and electrical systems, today announced that Matt Simoncini has elected to retire as president, CEO and a director of Lear Corporation effective February 28, 2018. Upon Mr. Simoncini's retirement, Ray Scott (52), executive vice president and president of Seating, will be appointed president and chief executive officer as well as a member of Lear's Board of Directors. To assist in the transition following Matt Simoncini's retirement, he has agreed to remain with Lear in an advisory role through the end of 2018.

"Ray is the perfect choice to succeed Matt, having successfully led both of Lear's business segments. Ray was instrumental in developing Lear's strategy which has re-focused our E-Systems business for profitable growth and transformed the Seating business into a world leader. The Board looks forward to a very smooth CEO transition, and to continued operational and financial success under Ray's leadership," said Henry D. G. Wallace, non-executive chairman.

"Thanks to Matt's exceptional leadership, the Company has achieved industry-leading financial results and the best total shareholder returns among its peers. He has also assembled the best management team in the industry. In all regards, the Company has never been in a stronger competitive position. On behalf of Lear's Board of Directors, I want to sincerely thank Matt for his dedicated service," Wallace continued.

"It has been an honor to serve and lead this great company. I am extremely proud of everything we have accomplished together. Given Ray's extensive leadership experience and the overall strength of the Lear management team, now is the perfect time to implement our succession plan. I am confident that the Company's best days are in front of us under Ray's leadership," said Matt Simoncini.

"Ray has worked at Lear for 29 years in positions of increasing responsibility, including a tour of duty in Europe (biography and picture are attached). He is passionate about the business and is an inspirational leader. Ray is very knowledgeable about Lear's global operations, customers, products and employees, and he exemplifies the Company's core values of integrity, diversity, quality, innovation, operational excellence

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and customer service. He has successfully led both the Company's business segments, and has been instrumental in positioning the Company's product portfolio for long-term success. The Board has full confidence that Ray is ready to assume the role as president and chief executive officer," added Mr. Wallace.

"Lear is an outstanding company with a history of industry leadership, and I am honored to have been appointed as president and CEO. With a low-cost manufacturing and engineering footprint, unique product capabilities in both segments and significant financial resources, Lear is extremely well positioned for future profitable growth. I look forward to continuing to deliver superior quality and customer service and to sustaining Lear's positive momentum," commented Mr. Scott.

Lear Corporation was founded in Detroit in 1917 as American Metal Products. In 2017, the Company is celebrating its 100th year anniversary. Lear is one of the world's leading suppliers of automotive seating systems and electrical distribution systems (E-Systems). Lear serves every major automaker in the world, and Lear content can be found on more than 400 vehicle nameplates. Lear's world-class products are designed, engineered and manufactured by a diverse team of approximately 156,000 employees located in 38 countries. Lear currently ranks #151 on the Fortune 500. Lear's headquarters are in Southfield, Michigan. Further information about Lear is available at [lear.com](http://lear.com) or follow us on Twitter @LearCorporation.

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