

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): November 4, 2020

MERITOR, INC.

(Exact name of registrant as specified in its charter)

Indiana

(State or other jurisdiction
of incorporation)

1-15983

(Commission
File No.)

38-3354643

(IRS Employer
Identification No.)

2135 West Maple Road

Troy, Michigan

(Address of principal executive offices)

48084-7186

(Zip code)

Registrant's telephone number, including area code: (248) 435-1000

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

| Title of each class | Trading Symbol(s) | Name of exchange on which registered |
|-----------------------------|-------------------|--------------------------------------|
| Common Stock, \$1 Par Value | MTOR | New York Stock Exchange |

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

Emerging Growth Company

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

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

On November 4, 2020, the Compensation and Management Development Committee of the Board of Directors of Meritor, Inc. (the “Company”) approved a special retention award payable to Carl D. Anderson II, Senior Vice President and Chief Financial Officer, upon satisfaction of specified conditions. Pursuant to the special retention letter granting the award (the “Special Retention Letter”), Mr. Anderson will be entitled to a one-time cash payment of \$287,500 provided he continues to be employed by the Company through December 15, 2021. The Special Retention Letter also provides for the award’s payment or forfeiture under certain other circumstances.

The foregoing description of the special retention award is qualified in its entirety by reference to the full text of the Special Retention Letter filed as Exhibit 10-a to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

| Exhibit Number | Description |
|-----------------------|---|
| 10-a | Special Retention Letter dated November 4, 2020. |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document) |

SIGNATURE

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.

MERITOR, INC.
(Registrant)

Date: November 9, 2020

By: /s/ Hannah S. Lim-Johnson
Hannah S. Lim-Johnson
Senior Vice President, Chief Legal Officer &
Corporate Secretary



Date: November 4, 2020
To: Carl Anderson
CC: Meghan Pierce
Subject: Special Retention Arrangement

From: Jay Craig

Dear Carl,

Your past contributions have been key to the success of Meritor. The future holds both significant challenges and opportunities. In order to reach our potential, I consider it essential to retain key contributors. As a result, Meritor has determined that appropriate steps should be taken to reinforce and encourage your continued employment with Meritor and any successor companies (the "Company"). Accordingly, this letter of understanding ("Letter") to be effective November 4, 2020 ("Effective Date") outlines a retention payment to which you will be entitled provided that the terms and conditions set forth below are met.

I. Retention Award

Subject to the provisions of Part II of the Letter, an award in the form of a retention payment, shall be made as follows subject to the provisions outlined below:

| <u>Payment Date*</u> | <u>Payment</u> |
|----------------------|----------------|
| December 15, 2021 | \$287,500 |

**payments will be made on the next possible paycheck following the payment date*

II. Terms and Conditions

By this Letter, the Company is by no way offering a permanent contract or guarantee of future employment with the Company. It is our expectation that in order to be eligible to receive this payment you will be employed through the payment date set forth in this Letter. Except as provided in the schedule below, the award described in Part I of this Letter is conditioned upon and subject to your continuous and uninterrupted employment with the Company described above. Should your employment with the Company terminate prior to the payment date, the following rules shall apply:

Voluntary Termination In the event you voluntarily terminate your employment from the Company and/or any of its subsidiaries prior to the payment date, this Letter and associated payment shall be forfeited.

Termination for Cause In the event your employment is terminated for Cause, defined as continued and willful failure to perform duties; gross misconduct which is materially and demonstrably injurious to the Company; or conviction of or pleading guilty or no contest to a (a) felony or (b) other crime which materially and adversely affects the Company, the payment contemplated by this Letter shall be forfeited.

Death In the event of your death prior to the payment date, the retention payment will be paid on a prorated basis based on active time worked.
