

TWIN DISC INC  
Form 10-K/A  
August 31, 2018

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D. C. 20549**

**FORM 10-K/A**

**(Amendment No. 1)**

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)**

**OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Fiscal Year Ended June 30, 2018

Commission File Number 1-7635

**TWIN DISC, INCORPORATED**

(Exact Name of Registrant as Specified in its Charter)

|                                                                |                                         |
|----------------------------------------------------------------|-----------------------------------------|
| <u>Wisconsin</u>                                               | <u>39-0667110</u>                       |
| (State or Other Jurisdiction of Incorporation or Organization) | (I.R.S. Employer Identification Number) |

|                                              |              |
|----------------------------------------------|--------------|
| <u>1328 Racine Street, Racine, Wisconsin</u> | <u>53403</u> |
| (Address of Principal Executive Office)      | (Zip Code)   |

|                                                     |                       |
|-----------------------------------------------------|-----------------------|
| Registrant's Telephone Number, including area code: | <u>(262) 638-4000</u> |
|-----------------------------------------------------|-----------------------|

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

|                             |                                            |
|-----------------------------|--------------------------------------------|
| Title of each class         | Name of each exchange on which registered: |
| <u>Common stock, no par</u> | <u>The NASDAQ Stock Market LLC</u>         |

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

None

(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

YES [ ☐ ] NO [ ☒ ]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

YES [ ☐ ] NO [ ☒ ]

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES [ ☒ ] NO [ ☐ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files)

YES [ ☒ ] NO [ ☐ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K [ ☒ ].

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer [ ☐ ]      Accelerated Filer [ ☒ ]

Non-accelerated Filer ☐ Smaller reporting company ☐ 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 ☐.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

YES ☐ NO ☒

At December 29, 2017, the last business day of the registrant's most recently completed second fiscal quarter, the aggregate market value of the common stock held by non-affiliates of the registrant was \$223,519,036. Determination of stock ownership by affiliates was made solely for the purpose of responding to this requirement and registrant is not bound by this determination for any other purpose.

At August 20, 2018, the registrant had 11,534,978 shares of its common stock outstanding.

**DOCUMENTS INCORPORATED BY REFERENCE:**

Portions of the Proxy Statement for the Annual Meeting of Shareholders to be held October 25, 2018, which will be filed pursuant to Regulation 14A not later than 120 days after the end of the fiscal year covered by this report, are incorporated by reference into Part III.

**EXPLANATORY NOTE**

This Amendment No. 1 to the Annual Report on Form 10-K (the "Form 10-K") of Twin Disc, Incorporated for the fiscal year ended June 30, 2018, filed with the Securities and Exchange Commission on August 27, 2018, is being filed to provide a hyperlink to each exhibit that is incorporated by reference to an exhibit separately filed on the SEC's EDGAR system, in accordance with Rule 102 of Regulation S-T. In addition, the cover page of this Form 10-K/A revises the number of outstanding shares of common stock as of August 20, 2018 from 11,523,273 to 11,534,978.

No other changes have been made to the Form 10-K. This Form 10-K/A does not reflect events that may have occurred subsequent to the original filing date, and does not modify or update any related disclosures made in the Form 10-K.

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) 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.

August 31, 2018 TWIN DISC, INCORPORATED

By: /s/ Jeffrey S. Knutson

Jeffrey S. Knutson  
Vice President - Finance, Chief Financial Officer,  
Treasurer and Secretary

## EXHIBIT INDEX

### TWIN DISC, INCORPORATED

10-K/A for Year Ended June 30, 2018

#### Exhibit Description

- 3a) Restated Articles of Incorporation of Twin Disc, Incorporated (Incorporated by reference to Exhibit 3.1 of the Company's Form 8-K dated December 6, 2007). File No. 001-07635.
- 3b) Restated Bylaws of Twin Disc, Incorporated, as amended through December 13, 2013 (Incorporated by reference to Exhibit 3.1 of the Company's Form 8-K dated December 17, 2013). File No. 001-07635.

#### Exhibit 10 Material Contracts

- a) Director Tenure and Retirement Policy (Incorporated by reference to Exhibit 10a) of the Company's June 30, 2016 Form 10-K dated September 13, 2016). File No. 001-07635.
- b) The 2004 Stock Incentive Plan as amended (Incorporated by reference to Exhibit B of the Proxy Statement for the Annual Meeting of Shareholders held on October 20, 2006). File No. 001-07635.
- c) The 2004 Stock Incentive Plan for Non-Employee Directors as amended (Incorporated by reference to Exhibit 99 of the Company's Form 10-K for the year ended June 30, 2007). File No. 001-07635.
- d) The Amended and Restated Twin Disc, Incorporated 2010 Long-Term Incentive Compensation Plan (Incorporated by reference to Exhibit 10.1 of the Company's Form 8-K dated August 5, 2015). File No. 001-07635.
- e) The 2010 Stock Incentive Plan for Non-Employee Directors (Incorporated by reference to Appendix B of the Proxy Statement for the Annual Meeting of Shareholders held on October 15, 2010). File No. 001-07635.
- f) The Twin Disc, Incorporated 2018 Long-Term Incentive Compensation Plan (Incorporated by reference to Exhibit 10.1 of the Company's Form 8-K dated August 6, 2018). File No. 001-07635.
- g) Form of Performance Stock Award Grant Agreement for award of performance shares on July 28, 2016 (Incorporated by reference to Exhibit 10.1 of the Company's Form 8-K dated August 3, 2016). File No. 001-07635.
- h) Form of Restricted Stock Award Grant Agreement for restricted stock grants on July 28, 2016 (Incorporated by reference to Exhibit 10.2 of the Company's Form 8-K dated August 3, 2016). File No. 001-07635.
- i) Form of Performance Stock Award Grant Agreement for award of performance shares on August 2, 2017 (Incorporated by reference to Exhibit 10.1 of the Company's Form 8-K dated August 8, 2017). File No. 001-07635.
- j) Form of Restricted Stock Award Grant Agreement for restricted stock grants on August 2, 2017 (Incorporated by reference to Exhibit 10.2 of the Company's Form 8-K dated August 8, 2017). File No. 001-07635.
- k) Form of Performance Stock Award Grant Agreement for award of performance shares on August 1, 2018 (Incorporated by reference to Exhibit 10.2 of the Company's Form 8-K dated August 6, 2018). File No. 001-07635.
- l) Form of Restricted Stock Unit Grant Agreement for restricted stock grants on August 1, 2018 (Incorporated by reference to Exhibit 10.3 of the Company's Form 8-K dated August 6, 2018). File No. 001-07635.



- m) Twin Disc, Incorporated Supplemental Executive Retirement Plan, amended and restated as of July 29, 2010 (Incorporated by reference to Exhibit 10.4 of the Company's Form 8-K dated August 4, 2010). File No. 001-07635.
- n) Forms of Change in Control Severance Agreements (Incorporated by reference to Exhibits 10.4, 10.5 and 10.6 of the Company's Form 8-K dated August 6, 2018). File No. 001-07635.
- o) Form of Indemnity Agreement (Incorporated by reference to Exhibit 10.5 of the Company's Form 8-K dated August 2, 2005). File No. 001-07635.
- p) Credit Agreement Between Twin Disc, Incorporated and BMO Harris Bank, dated June 29, 2018 (Incorporated by reference to Exhibit 10.1 of the Company's Form 8-K dated July 3, 2018). File No. 001-07635.  
Amendment and Assignment of Revolving Loan Note between Bank of Montreal and BMO Harris Bank, N.A.,
- q) dated June 29, 2018. (Incorporated by reference to Exhibit 10.2 of the Company's Form 8-K dated July 3, 2018). File No. 001-07635.  
Assignment of and Amendment to Security Agreement By and Among Bank of Montreal, BMO Harris Bank,
- r) N.A., and Twin Disc, Incorporated, dated June 29, 2018. (Incorporated by reference to Exhibit 10.3 of the Company's Form 8-K dated July 3, 2018). File No. 001-07635.  
Assignment of and Amendment to IP Security Agreement By and Among Bank of Montreal, BMO Harris Bank,
- s) N.A., and Twin Disc, Incorporated, dated June 29, 2018. (Incorporated by reference to Exhibit 10.4 of the Company's Form 8-K dated July 3, 2018). File No. 001-07635.  
Assignment of and Amendment to Pledge Agreement By and Among Bank of Montreal, BMO Harris Bank, N.A.,
- t) Twin Disc, Incorporated, and Mill-Log Equipment Co., Inc., dated June 29, 2018. (Incorporated by reference to Exhibit 10.5 of the Company's Form 8-K dated July 3, 2018). File No. 001-07635.  
Assignment of and Amendment to the Guaranty Agreement By and Among Bank of Montreal, BMO Harris Bank,
- u) N.A., and Mill-Log Equipment Co., Inc., dated June 29, 2018. (Incorporated by reference to Exhibit 10.6 of the Company's Form 8-K dated July 3, 2018). File No. 001-07635.  
Assignment of and Amendment to Guarantor Security Agreement By and Among Bank of Montreal, BMO Harris
- v) Bank, N.A., and Mill-Log Equipment Co., Inc., dated June 29, 2018. (Incorporated by reference to Exhibit 10.7 of the Company's Form 8-K dated July 3, 2018). File No. 001-07635.  
Assignment of and Amendment to Negative Pledge Agreement By and Among Twin Disc, Incorporated, Bank of
- w) Montreal, and BMO Harris Bank N.A., dated June 29, 2018. (Incorporated by reference to Exhibit 10.8 of the Company's Form 8-K dated July 3, 2018). File No. 001-07635.  
Collateral Assignment of Rights under Purchase Agreement from Twin Disc, Incorporated and Twin Disc NL
- x) Holding, B.V. in favor of BMO Harris Bank N.A., dated July 2, 2018. (Incorporated by reference to Exhibit 10.9 of the Company's Form 8-K dated July 3, 2018). File No. 001-07635.

| <b>Exhibit</b> | <b>Description</b>                                      | <b>Included<br/>Herewith</b> |
|----------------|---------------------------------------------------------|------------------------------|
| 31a            | <u>Certification</u>                                    | X                            |
| 31b            | <u>Certification</u>                                    | X                            |
| 32a            | <u>Certification pursuant to 18 U.S.C. Section 1350</u> | X                            |
| 32b            | <u>Certification pursuant to 18 U.S.C. Section 1350</u> | X                            |