

Altra Industrial Motion Corp.
Form 10-K/A
March 06, 2017

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

Form 10-K/A
(Amendment No. 1)

(Mark One)

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934**

For the fiscal year ended December 31, 2016

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934**

For the transition period from to

Commission file number: 001-33209

ALTRA INDUSTRIAL MOTION CORP.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

61-1478870
(I.R.S. Employer
Identification No.)

300 Granite Street, Suite 201 Braintree, MA
(Address of principal executive offices)

02184
(Zip Code)

Registrant's telephone number, including area code:
(781) 917-0600

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

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock, \$0.001 par value	NASDAQ Global Market

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

NONE

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 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 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, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the voting and non-voting common stock held by non-affiliates of the registrant based on the closing price (as reported by the NASDAQ Global Market) of such common stock on the last business day of the registrant's most recently completed second fiscal quarter (June 30, 2016) was approximately \$668.4 million.

As of February 24, 2017, there were 29,174,922 shares of Common Stock, \$0.001 par value per share, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE:

Portions of the following document are incorporated herein by reference into the Part of the Form 10-K indicated.

Document
Altra Industrial Motion Corp. Proxy Statement
for the 2017 Annual Meeting of Stockholders

Part of Form 10-K into

which Incorporated
Part III

EXPLANATORY NOTE

Altra Industrial Motion Corp. (the Company) is filing this Amendment No. 1 to its Annual Report on Form 10-K (this Form 10-K/A) to amend its Annual Report on Form 10-K for the fiscal year ended December 31, 2016, as filed with the Securities and Exchange Commission (SEC) on February 27, 2017 (the Original Form 10-K). This amendment is being filed solely to file an amended Item 5 to correct errors that appeared in the table and text under the heading Securities Authorized for Issuance Under Equity Compensation Plans filed with the Original Form 10-K. This Form 10-K/A amends and restates in its entirety Item 5 of the Original Form 10-K. Except as noted above, this Form 10-K/A does not update or modify any disclosures in or reflect any events occurring after the filing of the Original Form 10-K. Accordingly, this Form 10-K/A should be read in conjunction with the Original Form 10-K.

PART II

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information

Our common stock trades on the NASDAQ Global Market under the symbol AIMC. As of February 24, 2017, the number of holders of record of our common stock was approximately 65.

The following table sets forth, for the periods indicated, the high and low sales price for our common stock as reported on The NASDAQ Global Market. Our common stock commenced trading on the NASDAQ Global Market on December 15, 2006.

	U.S. Dollars	
	High	Low
Fiscal year ended December 31, 2016		
Fourth Quarter	\$ 39.85	\$ 27.35
Third Quarter	\$ 29.23	\$ 26.24
Second Quarter	\$ 30.00	\$ 25.77
First Quarter	\$ 28.08	\$ 20.55
Fiscal year ended December 31, 2015		
Fourth Quarter	\$ 28.63	\$ 22.36
Third Quarter	\$ 27.63	\$ 22.58
Second Quarter	\$ 29.51	\$ 25.34
First Quarter	\$ 28.67	\$ 22.73

Dividends

The Company declared and paid dividends of \$0.60 per share of common stock for the year ended December 31, 2016. The Company declared and paid dividends of \$0.57 per share for the year ended December 31, 2015.

On February 8, 2017, the Company declared a dividend of \$0.15 per share for the quarter ended March 31, 2017, payable on April 4, 2017 to shareholders of record as of March 17, 2017. See note 17 to the consolidated financial statements.

Future declarations of quarterly cash dividends are subject to approval by the Board of Directors and to the Board's continuing determination that the declaration of dividends are in the best interest of the Company's stockholders and are in compliance with all laws and agreements of the Company applicable to the declaration and payment of cash dividends.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table presents information concerning our equity compensation plans:

Plan category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights		Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))
	(a)	(b)		
Equity compensation plans approved by security holders ⁽¹⁾	178,943 ⁽²⁾	\$	396,851	
Equity compensation plans not approved by security holders	n/a	n/a	n/a	
Total	178,943	\$	396,851	

(1) The 2014 Omnibus Incentive Plan was approved by the Company's shareholders at its 2014 annual meeting.

(2) Represents the maximum number of shares that may be issued under performance share awards that are outstanding as of December 31, 2016 based on achievement of the highest level of each applicable performance objective. On February 27, 2017, based upon actual return on invested capital (the ROIC portion of the award) for the one-year measurement period ended December 31, 2016, the Compensation Committee fixed the award of shares for the return on invested capital performance objective (weighted 50% of the total performance share award) at 164.17% of target. As a result, 63,037 performance shares were earned as of December 31, 2016, and the number of shares subject to the ROIC portion of the awards in the table overstates expected dilution with respect to the difference between the maximum potential award and the actual shares earned, a total of 12,651 shares. The remaining portion of the performance share awards (weighted 50% of the total performance share award) measures the Company's total shareholder return (TSR) against the TSR for a peer group of companies over each of the three-year measurement periods ending on December 31, 2018 and December 31, 2019. As a result, the payout for the TSR portions of the awards has not yet been fixed and 103,255 shares subject to these awards, which is based on the achievement of the highest applicable performance objective, are not yet earned and may therefore overstate expected dilution. The weighted average exercise price set forth in column (b) does not take these performance share awards into account.

Issuer Repurchases of Equity Securities

The following table summarizes our share repurchase activity by month for the quarter ended December 31, 2016.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly	Approximate Dollar Value of Shares That May Yet be
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	Announced Plans or Programs ⁽¹⁾	Purchased Under The Plans or Programs
<i>October 1, 2016 to October 31, 2016</i>	\$	\$ 30,000,000
<i>November 1, 2016 to November 30, 2016</i>	\$	\$
<i>December 1, 2016 to December 31, 2016</i>	\$	\$

- (1) On October 19, 2016, our board of directors approved a new share repurchase program authorizing the buyback of up to \$30.0 million of the Company's common stock through December 31, 2019. This plan, which was announced on October 21, 2016, replaces the previous share repurchase program which was terminated. The Company expects to purchase shares on the open market, through block trades, in privately negotiated transactions, in compliance with SEC Rule 10b-18 (including through Rule 10b5-1 plans), or in any other appropriate manner. The timing of the shares repurchased will be at the discretion of management and will depend on a number of factors, including price, market conditions and regulatory requirements. Shares acquired through the repurchase program will be retired. The Company retains the right to limit, terminate or extend the share repurchase program at any time without prior notice. The Company expects to fund any further repurchases of its common stock through a combination of cash on hand and cash generated by operations.

Performance Graph

The following graph compares the cumulative total stockholder return on our common stock for the 5-year period from December 31, 2011, through December 31, 2016, with the cumulative total return on shares of companies comprising the S&P Small Cap 600 Index, a special Peer Group Index (the Old Peer Group) and the newly-added S&P Small Cap 600 Capped Industrials Index (the New Peer Group) in each case assuming an initial investment of \$100, assuming dividend reinvestment. The Old Peer Group consists of the following publicly traded companies: Franklin Electric Co. Inc., RBC Bearings, Inc., and Regal Beloit Corp. Going forward, the Old Peer Group will be excluded from this performance graph, and the Company's total stockholder return will be compared only against the S&P Small Cap 600 Index and the New Peer Group. The New Peer Group was selected to provide a broader representation of the Company's comparative businesses.

Recent Sales of Unregistered Securities

From December 2016 to January 9, 2017, the Company converted an aggregate principal amount of \$84,082,000 of the Company's 2.75% Convertible Senior Notes due 2031 (the Convertible Notes) and issued approximately 3,272,000 shares of the Company's common stock to the holders of the Convertible Notes, which Convertible Notes were surrendered for conversion pursuant to the terms of the indenture governing the Convertible Notes (the Indenture), at the option of the holders of the Convertible Notes in lieu of redemption of the Convertible Notes pursuant to the redemption provisions of the Indenture.

The issuance of the Company's common stock was made pursuant to the exemption from the registration requirements of the Securities Act of 1933, as amended (the Securities Act), provided by Section 3(a)(9) of the Securities Act.

On January 12, 2017, the Convertible Notes had a remaining balance of \$918,000, which balance was redeemed, in cash, pursuant to the terms of the Indenture.

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a) List of documents filed as part of this report:

(3) Exhibits

Number	Description
31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

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.

ALTRA INDUSTRIAL MOTION CORP.

March 6, 2017

By: /s/ Carl R. Christenson
Name: Carl R. Christenson
Title: Chief Executive Officer & Director

Exhibit Index

Number	Description
31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002