
**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): June 28, 2017

Kennametal Inc.

(Exact Name of Registrant as Specified in Its Charter)

Pennsylvania

(State or Other Jurisdiction of Incorporation)

1-5318

(Commission File Number)

25-0900168

(IRS Employer Identification No.)

**600 Grant Street
Suite 5100
Pittsburgh, Pennsylvania**

(Address of Principal Executive Offices)

15219-2706

(Zip Code)

Registrant's telephone number, including area code: **(412) 248-8000**

(Former Name or Former Address, if Changed Since Last Report)

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 (see General Instruction A.2. below):

- 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 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2). 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.

Appointment of Christopher Rossi as President and Chief Executive Officer; Election of Director

On June 29, 2017, Kennametal Inc. (“Kennametal” or the “Company”) announced the appointment of Mr. Christopher Rossi to serve as Kennametal’s President and Chief Executive Officer starting on August 1, 2017. Mr. Rossi has also been appointed to serve as a member of the Board of Directors to hold office from August 1, 2017 until the Annual Meeting of Shareowners in October 2017 and until a successor shall have been elected and qualified or until his earlier death, resignation or removal.

Mr. Rossi, age 51, previously served as the Chief Executive Officer of Dresser-Rand at Siemens Aktiengesellschaft, from September 2015 through May 2017. From September 2012 to August 2015, Mr. Rossi served as Executive Vice President of Global Operations at Dresser-Rand Group Inc., where he was responsible for Product Manufacturing Operations and certain related functions. Mr. Rossi held various leadership positions with Dresser-Rand Group Inc., its affiliates and predecessor companies since he joined in 1987, having been responsible for the areas of Engineering, Production, Supply Chain Management, Sales and Business Development. From January 2009 to September 2012, he served as Vice President, Technology and Business Development. Prior to that, Mr. Rossi was the Executive Vice President of Product Services Worldwide, where he served from February 2007 to December 2008. In that capacity, Mr. Rossi assumed worldwide responsibility for sales of the aftermarket parts and services business. From October 2003 to February 2007, Mr. Rossi served as the Vice President and General Manager of North American Operations, where he was responsible for all U.S. plants and worldwide development engineering. Mr. Rossi was a Vice President and General Manager, Painted Post Operation from February 2001 to October 2003, and a Vice President, Supply Chain Management Worldwide, from March 1998 to January 2001. Mr. Rossi holds a Bachelor of Science in Mechanical Engineering from Virginia Tech, and an M.B.A. in Corporate Finance and Operations Management from the University of Rochester’s Simon School of Business.

In connection with his appointment as President and Chief Executive Officer, Mr. Rossi will be entitled to the following:

- Annual base salary of \$850,000
- Cash signing bonus of \$500,000, to be repaid in full if Mr. Rossi voluntarily resigns or is terminated for cause from the Company on or before August 1, 2018.
- Participation in the Company’s Annual Incentive Plan with a target bonus for fiscal year 2018 of 120% of annual base salary.
- On August 1, 2017, subject to Board approval, Mr. Rossi will be eligible to receive a long-term incentive grant of \$2,700,000, consisting of 60% Performance Stock Units (PSU’s) and 40% Time Vesting Restricted Stock Units (RSU’s). PSU’s cliff vest after 3 years and are subject to achievement of company performance goals in each of the 3 fiscal years in the term, and RSU’s vest over a three-year period, with one-third vesting on each anniversary date of the grant. Long term incentive grants will be made under the terms of the Kennametal Inc. 2016 Stock and Incentive Plan.
- Relocation assistance under the Company’s relocation policy.
- Participation in all general employee benefit plans and programs as well as participation in any plans and programs for executives.
- While Mr. Rossi serves as President and Chief Executive Officer, he will not sit on any Board committees or receive any additional compensation for his Board service.

At the time that Mr. Rossi starts his service with Kennametal on August 1, 2017, he will also enter into an officer’s employment agreement with Kennametal. Generally, the officer’s employment agreement will provide:

- *General.* Mr. Rossi will be required to devote his entire time and attention to the business and affairs of Kennametal while he is employed.
- *Term.* There is no predetermined term.

- *Non-competition/non-disclosure.* Unless Kennametal provides prior consent in writing, if Mr. Rossi voluntarily terminates his employment or if Kennametal terminates his employment for cause, then for two years after the date of termination, Mr. Rossi cannot, in any geographic area in which Kennametal is offering its services and products: (a) directly or indirectly engage in; or (b) assist or have an active interest in; or (c) enter the employ of, or act as agent for, or advisor or consultant to, any entity which is or is about to become directly or indirectly engaged in any business that is competitive with any business of the Company or any of its subsidiaries or affiliates in which the executive is or was engaged. The non-competition provisions do not apply if Kennametal terminates Mr. Rossi without cause. However, in case of termination for any reason, Mr. Rossi cannot disclose any of Kennametal's confidential or trade secret information.
- *Assignment of Inventions.* Mr. Rossi must assign to Kennametal all inventions conceived or made during his employment with Kennametal.
- *Termination.* Mr. Rossi's employment may be terminated by either party at any time, for any reason or no reason at all; provided, that the Company may only terminate Mr. Rossi's employment with the approval and authorization of the Board.
- *Severance.* If, with Board authorization, Kennametal involuntarily terminates Mr. Rossi's employment prior to a change in control and not for cause, he will be entitled to 24 months of severance in the form of salary continuation.
- *Change in Control.* The agreement provides for payments to Mr. Rossi if he resigns for good reason or if he is terminated by the Company without cause within six months prior to a change in control of the Company, or within 24 months following a change in control of the Company. In this event, he will receive a payment equal to two times his base salary and two times his target bonus.

There are no related-party transactions with respect to Mr. Rossi required to be disclosed pursuant to Item 404(a) of Regulation S-K.

Transition of Ronald De Feo into Role of Executive Chairman

When Mr. Rossi starts his service with the Company as President and Chief Executive Officer in August 2017, Kennametal's current President and Chief Executive Officer Ron De Feo will transition to the role of Executive Chairman of the Board of Directors. As part of the transition, Mr. De Feo will enter into a new letter agreement with Kennametal, effective as of August 1, 2017 to establish Mr. De Feo's compensation under his new role with Kennametal. Under the terms of the letter agreement, Mr. De Feo will be entitled:

- Annual base salary of \$700,000, to be prorated based on actual days served in his new position.
- Participation in the Company's Annual Incentive Plan with a target bonus of 140% of annual base salary, to be prorated based on time in position.
- Upon his termination, vesting of all grants awarded as to him for his service as President and Chief Executive Officer.
- Upon his retirement from the board, vesting of all equity awarded to him for his service as a Director.

A copy of Mr. De Feo's letter agreement is being filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated by reference into this Item. The description of the letter agreement is not complete and is qualified in its entirety by reference to the agreement filed as an exhibit to this Current Report on Form 8-K.

Item 8.01 Other Events.

On June 29, 2017, the Company issued a press release announcing Mr. Rossi's appointment as President and Chief Executive Officer and Mr. De Feo's appointment as Executive Chairman. A copy of this press release is attached hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

10.1 Form of Letter Agreement with Mr. De Feo dated August 1, 2017
99.1 Press Release dated June 29, 2017

Filed herewith.
Filed herewith.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

KENNAMETAL INC.

Date: June 29, 2017

By:

/s/ Michelle R. Keating

Michelle R. Keating

Vice President, Secretary and General Counsel



August 1, 2017

Ronald M. DeFeo

Dear Ron:

You have agreed to serve as Executive Chairman of Kennametal Inc. (the "**Company**"). This letter agreement (the "**Agreement**") sets forth the terms of your employment as the Company's Executive Chairman and is effective as of August 1, 2017 (the "**Effective Date**").

1. Position. In your position as Executive Chairman, you will report to the Company's Board of Directors (the "**Board**"). The Company expects that you will remain on the Board as a director during your Term, as defined below. While you render services to the Company as Executive Chairman, you will not engage in any other employment, consulting or other business activity (whether full-time or part-time) that would create a conflict of interest with the Company; provided, however, that you may continue to serve on any boards of directors or committees thereof on which you served as of the Effective Date, so long as such service does not materially interfere with your duties hereunder. By signing this Agreement, you confirm to the Company that you have no contractual commitments or other legal obligations that would prohibit you from performing your duties for the Company.

2. Term and Termination. From the Effective Date, your position as Executive Chairman shall continue until June 30, 2018, or until earlier termination of your employment by you or the Company (the "**Term**"). Your employment is "at will," and may be terminated by the Company at any time without cause on 60 days written notice to you, or immediately on written notice should you breach this Agreement and fail to cure such breach within 30 days of your receipt of written notice thereof. Your employment hereunder may be terminated by you at any time for any or no reason upon no less than sixty (60) days prior written notice to the Board or immediately on written notice to the Board should Company breach this Agreement and fail to cure such breach within 30 days of its receipt of written notice thereof. You and the Company agree that there will be no termination, severance or similar cash payments payable under this Agreement for any termination of your employment, and you will be due all compensation earned through the date of termination. In the event of a termination for any reason, you will promptly return to the Company all materials in any form acquired by you as a result of employment with the Company, and all property of the Company.

3. Board Service; Director Equity Awards.

3.1 While you serve as Executive Chairman, you will also continue to serve on the Board, but will not sit on any Board committees during your service as Executive Chairman. You will not receive any non-employee director cash retainers, equity grants or other compensation under the Company's Director Compensation Program for your services as a director.

3.2 Upon your separation from service from the Company, your outstanding, unvested equity awards granted to you prior to February 3, 2016 for your prior service as a director ("Director Awards") will vest consistent with equity awards granted to other directors who have retired from the Board.

4. Compensation and Benefits.

4.1 *Salary and Annual Bonus.* The Company will pay you at the annualized salary rate of Seven Hundred Thousand Dollars (\$700,000) per year, payable in accordance with the Company's normal payroll schedule and subject to required withholdings. You will be eligible to participate in the Company's annual cash incentive plan for Fiscal 2018 (July 1, 2017 to June 30, 2018) with a target bonus of 140% of annual base salary (pro-rated for your months of service as Executive Chairman in Fiscal 2018)), of which 120% will be based on the Company's financial performance goals and 20% will be based on individual performance goals, in each case as determined by the Board.

4.2 *Long Term Incentive.* You will not be eligible to receive any future long-term incentive awards. Upon your separation from service from the Company, your outstanding, unvested equity awards previously granted to you while you were President and Chief Executive Officer of the Company shall automatically vest with Performance Service Units vesting at actual for FY17 performance goals and at target for subsequent years under the FY17 PSU grant. The settlement or exercise of such awards following vesting shall be subject to the terms and conditions of such awards, including any delay in settlement required by Internal Revenue Code Section 409A if you are a "specified employee" as of your separation date.

4.3 *Employee Benefit Programs.* As Executive Chairman of the Company, you will be eligible to participate in the savings, and health and welfare benefit plans, that are sponsored by the Company and generally available to our executive employees for the time which you are employed. Your participation in the benefit plans and programs is determined by the terms and provisions of those plans and programs, as they may be amended from time to time.

5. Indemnification. The Company shall continue to indemnify you with respect to activities in connection with your employment hereunder in accordance with the terms of the separate indemnification agreement previously executed between you and the Company on February 4, 2016.

6. Company Policies. You recognize the necessity for established policies and procedures pertaining to Company's business operations, and the Company's right to change, revoke or supplement such policies and procedures at any time, in Company's sole discretion. You agree to comply with such policies and procedures, including those contained in any manuals or handbooks, as may be amended from time to time in the sole discretion of the Company.

7. Non-Competition and Non-Solicitation Agreement.

7.1 During your employment as Executive Chairman by the Company and for one year thereafter, you will not, in any geographic area in which the Company is offering its services and products, without the prior written consent of Company:

- a. directly or indirectly engage in, or
- b. assist or have an active interest in (whether as proprietor, partner, investor, shareholder, officer, director or any type of principal whatsoever), or
- c. enter the employ of, or act as agent for, or advisor or consultant to, any person, firm, partnership, association, corporation or business organization, entity or enterprise which is or is about to become directly or indirectly engaged in, any business which is competitive with any business of the Company or any subsidiary or affiliate thereof in which you are or were engaged during your term of employment by the Company; provided, however, that the foregoing provisions of this Section 8 are not intended to prohibit and shall not prohibit you from purchasing, for investment, not in excess of 1% of any class of stock or other corporate security of any company which is registered pursuant to Section 12 of the Securities Exchange Act of 1934.

7.2 During the period of your employment by the Company and for one year thereafter, you will not, without the prior written consent of the Company (i) solicit or attempt to hire or assist any other person in any solicitation or attempt to hire any employee of the Company, its subsidiaries or affiliates, or (ii) encourage any such employee to terminate his employment with the Company, its subsidiaries or affiliates; provided you will not be in breach of this Section 7.2 should the employee of the Company or its subsidiaries or affiliates respond to a general advertisement.

7.3 You acknowledge that the breach of the provisions of this Section 7 by you would cause irreparable injury to the Company, and you acknowledge and agree that remedies at law for any such breach will be inadequate and you consent and agree that the Company shall be entitled, without the necessity of proof of actual damage, to injunctive relief in any proceedings which may be brought to enforce the provisions of this Section 7. You specifically agree that the limitations as to periods of time and geographic area, as well as all other restrictions on his activities specified in Section 7, are reasonable and necessary for the protection of the Company, its employees and its affiliates. You acknowledge and warrant that you will be fully able to earn an adequate livelihood for yourself and your dependents if this Section 7 should be specifically enforced against you and that such enforcement will not impair your ability to obtain employment commensurate with your abilities and fully acceptable to you.

7.4 If the scope of any restriction contained in this Section 7 is too broad to permit enforcement of such restriction to its full extent, then such restriction shall be enforced to the maximum extent permitted by law and you and the Company hereby consent and agree that such scope may be judicially modified in any proceeding brought to enforce such restriction. Your obligations under this Section 7 are subject to Company not being in breach of its obligations under this Agreement.

8. Confidentiality

8.1 You acknowledge and agree that in the course of your employment by the Company, you may work with, add to, create or acquire trade secrets and confidential information ("Confidential Information") of the Company which could include, in whole or in part, information:

- a. of a technical nature such as, but not limited to, the Company's manuals, methods, know-how, formulae, shapes, designs, compositions, processes, applications, ideas, improvements, discoveries, inventions, research and development projects, equipment, apparatus, appliances, computer programs, software, systems documentation, special hardware, software development and similar items; or
- b. of a business nature such as, but not limited to, information about business plans, sources of supply, cost, purchasing, profits, markets, sales, sales volume, sales methods, sales proposals, identity of customers and prospective customers, identity of customers' key purchasing personnel, amount or kind of customers' purchases and other information about customers; or
- c. pertaining to future developments such as, but not limited to, research and development or future marketing or merchandising.

You further acknowledge and agree that (i) all Confidential Information is the property of the Company; (ii) the unauthorized use, misappropriation or disclosure of any Confidential Information would constitute a breach of trust and could cause irreparable injury to the Company; and (iii) it is essential to the protection of the Company's goodwill and to the maintenance of its competitive position that all Confidential Information be kept secret and that you will not disclose any Confidential Information to others or use any Confidential Information to the detriment of the Company.

You agree to hold and safeguard all Confidential Information in trust for the Company, its successors and assigns and you shall not (except as required in the performance of your duties), use or disclose or make available to anyone for use outside the Company's organization at any time, either during employment with the Company or subsequent thereto, any of the Confidential Information, whether or not developed by you, without the prior written consent of the Company; provided you may disclose Confidential Information to your legal and other advisors with a need to know, provided they are advised of your confidentiality obligations hereunder and they are required by you or by ethical obligation to keep such information confidential. Confidential Information will not include, and you will have no obligations with respect to (i) information made public other than by reason of your breach of this Agreement, or (ii) information provided to you by a third party with the right to provide the same without any obligation of confidentiality. Further, nothing herein will prevent you from disclosing Confidential Information to the extent required by law, so long as you provide Company with prior written notice thereof.

8.2 You agree that:

- a. you will promptly and fully disclose to the Company or such officer or other agent as may be designated by the Company any and all inventions made or conceived by you (whether made solely by you or jointly with others) during employment with the Company (1) which are along the line of the business, work or investigations of the Company, or (2) which result from or are suggested by any work which you may do for or on behalf of the Company; and
- b. you will assist the Company and its nominees during and subsequent to such employment in every proper way (entirely at its or their expense) to obtain for its or their own benefit patents for such inventions in any and all countries; the said inventions, without further consideration other than such salary as from time to time may be paid to you by the Company as compensation for your services in any capacity, shall be and remain the sole and exclusive property of the Company or its nominee whether patented or not; and
- c. you will, during the term of your employment by the Company and for one year thereafter, keep and maintain adequate and current written records of all such inventions, in the form of but not necessarily limited to notes, sketches, drawings, or reports relating thereto, which records shall be and remain the property of and available to the Company at all times.

8.3 You agree that, promptly upon termination of your employment, you will disclose to the Company, or to such officer or other agent as may be designated by the Company, all inventions which have been partly or wholly conceived, invented or developed by you as described in clause 8.2 (a) above for which applications for patents have not been made and shall thereafter execute all such instruments of the character hereinbefore referred to, and will take such steps as may be necessary to secure and assign to the Company the exclusive rights in and to such inventions and any patents that may be issued thereon any expense therefor to be borne by the Company.

8.4 You agree that you will not at any time aid in attacking the patentability, scope, or validity of any invention to which the provisions of subparagraphs 8.2 and 8.3, above apply.

9. Tax Matters. All forms of compensation referred to in this Agreement are subject to applicable withholding and payroll taxes and other deductions required by law.

10. Entire Agreement. This Agreement supersedes and replaces any prior agreements, representations or understandings (whether written, oral, implied or otherwise) between you and the Company, and constitutes the complete agreement between you and the Company, regarding your position as Executive Chairman. This Agreement may not be amended or modified, except by an express written agreement signed by both you and the lead independent director of the Board. The terms of this Agreement and the resolution of any disputes as to the meaning, effect, performance or validity of this Agreement or arising out of, related to, or in any way connected with, this Agreement, your employment with the Company or any other relationship between you and the Company will be governed by Pennsylvania law, excluding laws relating to conflicts or choice of law. In any action between the parties arising out of or relating to any such disputes, each of the parties irrevocably and unconditionally consents and submits to the exclusive jurisdiction and venue of the state and federal courts located in Allegheny County, Pennsylvania. This Agreement may be signed in counterparts and the counterparts taken together will constitute one agreement.

Very truly yours,
Kennametal Inc.

By: _____

Title: Lead Independent Director

ACCEPTED AND AGREED:

By: Ronald M. DeFeo

Date:

PRESS RELEASE

**FOR IMMEDIATE RELEASE:**

DATE: June 29, 2017

Media Relations
CONTACT: Christina Sutter
PHONE: 724-539-5708

Investor Relations
CONTACT: Kelly Boyer
PHONE: 412-248-8287

**Kennametal Board Names Christopher Rossi Chief Executive Officer;
De Feo Appointed Executive Chairman**

PITTSBURGH, Pa., June 29, 2017 - Kennametal Inc. (NYSE: KMT) announced today that its board of directors has appointed Christopher (Chris) Rossi as president and chief executive officer and has named him a director. Chris succeeds Ron De Feo whom the board has appointed executive chairman of the board. Both appointments are effective August 1, 2017.

“With more than 30 years of leadership experience, Chris has delivered sustainable results across a breadth of functions including operations, marketing and sales, R&D, product management, supply chain and technology innovation,” said Lawrence W. Stranghoener, Kennametal chairman of the board of directors. “We expect Chris will bring continuity to the transformation presently underway at the company while evolving a strategy and vision for the future that will continue to deliver results for our customers, team members and shareholders.”

“We want to thank Ron De Feo for the dramatic progress he has made to reposition Kennametal over the past 18 months,” Stranghoener continued. “Ron will work closely with Chris to ensure a smooth transition for all our stakeholders and we appreciate his continuing leadership.”

Kennametal Inc. | 600 Grant Street, Suite 5100 | Pittsburgh, PA 15219 | www.kennametal.com

Rossi previously served as the chief executive officer of Dresser-Rand at Siemens from September 2015 through May 2017. Prior to that, Rossi held numerous leadership positions at Dresser-Rand Group Inc., its affiliates and predecessor companies since he joined in 1987, including executive vice president of global operations, vice president of technology and business development and executive vice president of global aftermarket sales. Rossi holds a bachelor of science in mechanical engineering from Virginia Tech and an MBA in corporate finance and operations management from the University of Rochester's Simon School of Business.

"I am excited to join a company with such well-respected brands and a legacy of continuous innovation and customer commitment," commented Rossi. "I look forward to working together with the Kennametal team across the globe to continue building a strong future for the company, our customers, its shareholders and our communities."

"We look forward to the perspective Chris' experience will bring to lead Kennametal into the next chapter of its transformation," commented Ron De Feo, current Kennametal president and CEO. "It has been my pleasure to lead the Kennametal team over the past 18 months and together we have made great strides in positioning the company for a successful future."

At the forefront of advanced materials innovation for more than 75 years, Kennametal Inc. is a global industrial technology leader delivering productivity to customers through materials science, tooling and wear-resistant solutions. Customers across aerospace, earthworks, energy, general engineering and transportation turn to Kennametal to help them manufacture with precision and efficiency. Every nearly 11,000 employees are helping customers in more than 60 countries stay competitive. Kennametal generated nearly \$2.1 billion in revenues in fiscal 2016. Learn more at www.kennametal.com

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