

**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: February 5, 2018
(Date of earliest event reported)

ALBANY INTERNATIONAL CORP.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

1-10026

(Commission
File Number)

14-0462060

(I.R.S Employer
Identification No.)

216 Airport Drive, Rochester, New Hampshire 03867

(Address and telephone number of the registrant's principal executive offices)

(Former name or former address, if changed since last report.)

Registrant's telephone number, including area code (603) 330-5850

None

(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:

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)) of 1934 (240.12b-2 of this chapter).

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 February 5, 2018, Albany International Corp. (“the Company”) announced that Olivier Jarrault has been named President and Chief Executive Officer of the Company to succeed Dr. Joseph G. Morone, effective March 2, 2018. Mr. Jarrault will also become a member of the Company’s Board of Directors on that date. He will not serve on any Board committees. Also on February 5, Dr. Joseph G. Morone notified the Company’s Board of Directors of his intention to resign from the Board effective upon his previously announced retirement as President and Chief Executive Officer on March 2, 2018.

A copy of the Company’s press release, dated February 5, 2018, which sets forth other information required to be disclosed by this Item and is incorporated by reference herein, is attached as Exhibit 99.1.

A summary of Mr. Jarrault’s employment agreement and material compensation terms is attached as Exhibit 99.2, which is incorporated by reference herein.

Item 9.01 Exhibits

[Exhibit 99.1](#) [Press release dated February 5, 2018](#)

[Exhibit 99.2](#) [Summary of Jarrault compensation terms.](#)

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.

ALBANY INTERNATIONAL CORP.

By: /s/ John B. Cozzolino

Name: John B. Cozzolino
Title: Chief Financial Officer and Treasurer
(Principal Financial Officer)

Date: February 5, 2018

Albany International Announces New CEO

ROCHESTER, N.H.--(BUSINESS WIRE)--February 5, 2018--Albany International Corp. (NYSE:AIN) announced today its Board of Directors has appointed Olivier Jarrault as President, Chief Executive Officer and a member of the Board to succeed Joseph G. Morone, effective March 2.

Mr. Jarrault, 56, is a 14-year veteran of Alcoa, where his career culminated in his appointment in 2011 as Executive Vice President and Group President of Alcoa Engineered Products and Solutions ("EPS"), leading a portfolio of global advanced-technology components manufacturing businesses serving a number of markets, including aerospace, industrial gas turbines, commercial transportation, and building and construction. At the helm of EPS until 2016, Jarrault drove, through a combination of organic growth and several acquisitions of high performance materials companies, the transformation of the EPS value-add portfolio into a global multi-material aerospace product and solutions leader. Under Jarrault's leadership, focused on growth, disciplined execution and operational excellence, all of Alcoa's downstream businesses successfully increased their financial performance. EPS aerospace customers include Safran, GE, United Technologies, Boeing and Airbus. In his role as EVP and Group President of EPS, Mr. Jarrault had extensive interactions with Alcoa's investors and Board of Directors.

Mr. Jarrault brings 26 years of aerospace and industrial experience to Albany. Prior to being named Group President of EPS, he served in a number of senior management positions at Alcoa - including as Chief Operating Officer of EPS in 2010 and President of Alcoa Fastening Systems from 2003 to 2009 - as well as at Fairchild Fasteners and LISI Aerospace. Born in Lille, France, Mr. Jarrault earned an MS in mechanical engineering from the California Institute of Technology and an MBA from UCLA, and is a dual citizen of the U.S. and France.

Erkie Kailbourne, Chairman of Albany's Board of Directors, said, "The Board of Directors is very pleased to welcome Olivier Jarrault as our next President and CEO. Olivier's experience leading a portfolio of manufacturing businesses across a broad market spectrum – including aerospace, industrial gas turbines, commercial transportation and construction - and his demonstrated talent for organizational leadership, make us confident of his ability to lead Albany's Machine Clothing and AEC businesses. And given his particular experience in aerospace - addressing the same markets and working with the same customers as Albany's AEC business segment - combined with his proven track record of leading a global Tier 1 aerospace supplier through a period of significant growth, both organically and through acquisition, he is the ideal person to build upon what Joe Morone has already accomplished, and lead AEC through its next stages of growth and maturity."

Dr. Joseph G. Morone, Albany's outgoing President and CEO, added, "In a very short time, I have developed a deep respect for Olivier. He is a strategist, but also hands-on. He is a technology-driven, growth-oriented builder of businesses, but also pays strict attention to financial discipline. He has extensive experience with boards and investors, but stays close to operations, and has extensive experience negotiating long-term, high-value agreements with aerospace customers. In my opinion, he is superbly qualified to lead Albany. I have no doubt that building on Albany's strengths in both businesses, he'll take the Company to an entirely new level of capability and performance."

Mr. Jarrault said, "I am privileged to have the opportunity to lead Albany - a company with such a proud and compelling history, with significant strengths and exceptional growth potential. I am excited to engage with the customers, the entire Albany organization and the Board, to continue and further expand the efforts already underway to provide greater value to our customers, and to deliver increased returns for our shareholders."

About Albany International Corp.

Albany International is a global advanced textiles and materials processing company, with two core businesses. Machine Clothing is the world's leading producer of custom-designed fabrics and belts essential to production in the paper, nonwovens, and other process industries. Albany Engineered Composites is a rapidly growing supplier of highly engineered composite parts for the aerospace industry. Albany International is headquartered in Rochester, New Hampshire, operates 22 plants in 10 countries, employs 4,400 people worldwide, and is listed on the New York Stock Exchange (Symbol AIN). Additional information about the Company and its products and services can be found at www.albint.com.

CONTACT:

Albany International Corp.

Investors

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or

Media

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Summary of Jarrault Compensation Terms

Position	President and Chief Executive Officer, effective March 2, 2018 (the "Effective Date").
Term	Employment at will. Employment may be terminated by Mr. Jarrault or Albany International Corp. ("the Company") at any time.
Base Salary	Initial base salary at the rate of \$775,000 per year. Salary shall be subject to adjustment from time-to-time in the same manner as for other executive officers. Salaries of executive officers are customarily adjusted in April of each year.
Annual Bonus	Mr. Jarrault will be granted an Annual Performance Period ("APP") award for service performed in 2018 under the Company's 2017 Incentive Plan, to be determined and paid in cash during early 2019. Under this award, he will be entitled to receive between 0% and 200% of a target award, equal to his Base Salary (pro-rated for his actual period of employment), based on performance goal attainment during 2018. For 2018, the performance goal will be a specified level of Company Adjusted EBITDA (as defined in the award agreement). Mr. Jarrault will be eligible in 2019 and thereafter to participate in the 2019 APP award or any other annual executive bonus program, as the same may be adopted, amended, modified or terminated by the Company, in accordance with its terms.
Long-Term Incentive	Mr. Jarrault will be granted a Multi-year Performance Period ("MPP") award for service performed in 2018, 2019 and 2020 under the Company's 2017 Incentive Plan, to be determined and paid in shares of Company stock during early 2021. Under this award, he will be entitled to receive between 0% and 200% of his target award, equal to twice his Base Salary (pro-rated for his actual period of employment), based on performance goal attainment during the three-year performance period. For this award, the performance goal will be a specified level of Company Adjusted EBITDA (as defined in the award agreement). Mr. Jarrault will be eligible in 2019 and thereafter to participate in the 2019 MPP award or any other annual executive bonus program, as the same may be adopted, amended, modified or terminated by the Company, in accordance with its terms.
Restricted Stock Units	Mr. Jarrault will receive, as of the Effective Date, a grant of stock units under the Company's Restricted Stock Unit Plan with a grant date value of \$1,500,000. Pursuant to the Plan, each unit vests (and is immediately paid in cash) as to one-third of the units awarded on each of the first three (3) anniversaries of the date of grant, if he remains employed by the Company. In the event of termination of employment after age 62 or upon death, disability or involuntary termination, one-half of all unvested units automatically vest and are paid. These units will otherwise be subject to the terms of the Restricted Stock Unit Plan.
Other Benefits	Mr. Jarrault will be entitled to four weeks of vacation with pay per year unless the Company's vacation policy applicable to executive officers provides for a greater period. Mr. Jarrault will otherwise be eligible to participate in all of the Company's employee benefit plans, policies and arrangements applicable to other executive officers generally, including, without limitation, relocation, 401(k), health-care, vision, dental, life insurance and disability; in each case, as the same may exist from time to time. The Company has also agreed to reimburse certain relocation and legal expenses related to Mr. Jarrault's transition.
Severance	In the event that his employment is terminated by the Company without Cause (as defined in his Employment Agreement), or by Mr. Jarrault for Good Cause (as defined), Mr. Jarrault shall be entitled to an amount equal to twice his Base Salary, plus twice is APP award target (or other annual cash incentive target) at the time of termination, payable over a period of 24 months. "Good Cause" is defined generally as a material adverse change in Mr. Jarrault responsibilities without his consent, a material reduction in his compensation, the Company's failure to honor the terms of any agreements with Mr. Jarrault, or a Change in Control (as defined).