

**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): April 16, 2020

Dana Incorporated
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-1063
(Commission
File Number)

26-1531856
(IRS Employer
Identification Number)

3939 Technology Drive, Maumee, Ohio 43537
(Address of principal executive offices) (Zip Code)

(419) 887-3000
(Registrant's telephone number, including area code)

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))

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

Title of each class:	Trading Symbol(s)	Name of each exchange on which registered:
Common Stock, \$.01 par value	DAN	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 1.01 Entry into a Material Definitive Agreement.

Bridge Facility

On April 16, 2020, Dana Incorporated, a Delaware corporation (“Dana”), entered into a 364-Day Bridge Facility and Guaranty Agreement, among Dana, as borrower, certain domestic subsidiaries of Dana party thereto (the “Bridge Facility Guarantors”), Citibank, N.A., as administrative agent and collateral agent (the “Bridge Facility Agent”), and a syndicate of other banks party thereto as joint lead arrangers, joint bookrunners and lenders (the “Bridge Facility”).

The Bridge Facility has a term of 364 days and matures in April 2022. Availability under the Bridge Facility will be in an aggregate amount of \$500.0 million, drawable in up to three tranches. The Bridge Facility is guaranteed by the Bridge Facility Guarantors, which consist of all of Dana’s restricted wholly owned domestic subsidiaries, subject to certain exceptions, including exceptions for Dana Credit Corporation and its subsidiaries. The Bridge Facility is secured on a first-priority lien basis on substantially all of the assets of Dana and the Bridge Facility Guarantors, subject to certain exceptions. As of the date of this report, there are no amounts outstanding under the Bridge Facility.

The Bridge Facility bears interest at a floating rate based on, at Dana’s option, (A) a Eurodollar rate plus an applicable margin equal to 4.50% per annum or (B) a Base Rate plus an applicable margin equal to 3.50%, which applicable margin in each case increases 0.50% every 90 days after the closing date. In addition to paying interest on outstanding principal under the Bridge Facility, Dana is required to pay a commitment fee to the lenders in respect of the unutilized commitments at a rate of 0.50% per annum and a duration fee to the lenders every 90 days following the closing date equal to 0.50% of the total commitments. The lenders under the Bridge Facility will also be paid an upfront fee at closing and a funding fee upon the funding of each advance under the Bridge Facility.

The lenders have the ability, subject to certain cure rights of Dana, to accelerate loan payment dates and charge default interest rates for certain breaches by Dana and the Bridge Facility Guarantors of their covenants and other obligations under the Bridge Facility.

The Bridge Facility contains restrictive covenants that, among other things, limit the ability of Dana and the Bridge Facility Guarantors to: (i) incur additional debt, (ii) pay dividends and make other restricted payments, (iii) create or permit certain liens, (iv) use the proceeds from sales of assets and subsidiary stock, (v) enter into transactions with affiliates and (vi) consolidate or merge or sell all or substantially all of Dana’s assets. The Bridge Facility does not have any financial maintenance covenants, other than a first lien net leverage ratio not to exceed 2.50 to 1.00 for the fiscal quarter ending June 30, 2020, 3.00 to 1.00 for the fiscal quarter ending September 30, 2020 and 4.00 to 1.00 thereafter.

Security Agreement

On April 16, 2020, Dana entered into a Security Agreement among Dana, the Bridge Facility Guarantors (together with Dana, the “Pledgors”) and the Bridge Facility Agent, pursuant to which the Pledgors granted a security interest in certain collateral to the Bridge Facility Agent for the benefit of the secured party under the Bridge Facility (the “Security Agreement”).

The collateral securing the Bridge Facility, pursuant to the Security Agreement, consists of substantially all assets of the Pledgors, subject to certain exceptions set forth in the Security Agreement.

Credit Agreement Amendment

On April 16, 2020, Dana entered into Amendment No. 4 to Credit and Guaranty Agreement and Amendment No. 2 to Security Agreement (the “Amendment”), among Dana, as a borrower, Dana International Luxembourg S.à r.l., a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of the Grand Duchy of Luxembourg (“DIL”), as a borrower, certain domestic subsidiaries of Dana party thereto (the “Guarantors”), the lenders party thereto and Citibank, N.A., as administrative agent and collateral agent (in such capacities, the “Agent”). The Amendment amends (i) the Credit and Guaranty Agreement, dated as of June 9, 2016 (as amended from time to time, the “Credit Agreement”), among Dana and DIL, as borrowers, the Guarantors from time to time party thereto, the lenders from time to time party thereto and the Agent and (ii) the Security Agreement, dated as of June 9, 2016, among Dana, Guarantors and the Agent.

The Amendment amends, among other things, the first lien net leverage ratio to increase the ratio quarterly to a maximum of 4.00 to 1.00 for the quarter ending December 31, 2020 and then, starting with the quarter ending December 31, 2021, decrease the ratio quarterly until it returns to its prior level at 2.00 to 1.00 for and after the quarter ending September 30, 2022, unless Dana in its sole discretion elects to return the first lien net leverage ratio to its prior level earlier than such date. The Amendment also amends certain restrictive covenants to provide additional limitations that are the same as under Bridge Facility until such time as the Bridge Facility is terminated and repaid in full and the first lien net leverage ratio covenant decreases to 3.00 to 1.00. Additionally, the Amendment provides that certain mandatory prepayments required under the Credit Facility for the incurrence of debt and asset sale proceeds will not be paid to the term loan lenders under the Credit Facility while the Bridge Facility is outstanding.

Intercreditor Agreement

On April 16, 2020, in connection with the Bridge Facility, Citibank, N.A., as administrative agent and collateral agent under the Bridge Facility and the Credit Agreement, entered into a Pari Passu Intercreditor Agreement (the “Intercreditor Agreement”) that, among other things, sets forth the relative rights of the secured parties under the Bridge Facility and Credit Agreement, and certain other matters relating to the administration and enforcement of security interests.

The description above is a summary of each of the Bridge Facility, the Security Agreement, the Amendment and the Intercreditor Agreement, and is qualified in its entirety by the complete text of each agreement, which will be filed as exhibits to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth above, under Item 1.01, is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On April 16, 2020, Dana issued a news release announcing operating cost reductions and the entry into the Bridge Facility. A copy of the news release is attached to this report as Exhibit 99.1 and is incorporated by reference herein.

The information under Items 7.01 of this report (including Exhibit 99.1 hereto) is being “furnished” and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, is not subject to the liabilities of that section and is not deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits. The following exhibits are filed and furnished with this report.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Dana Incorporated News Release dated April 16, 2020.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

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.

DANA INCORPORATED

Date: April 16, 2020

By: /s/ Douglas H. Liedberg

Name: Douglas H. Liedberg

Title: Senior Vice President, General Counsel and Secretary

News Release



IMMEDIATE

Dana Incorporated Significantly Reduces Operating Costs, Secures \$500 Million of Incremental Liquidity, and Temporarily Suspends Quarterly Dividend

MAUMEE, Ohio, Apr. 16, 2020 – Dana Incorporated (NYSE: DAN) announced today that it continues to achieve significant operation cost reductions and working capital improvements. In response to ongoing lower customer demand, the company has taken additional cost actions such as the aggressive elimination of discretionary spending and intense flexing of conversion costs across its global manufacturing facilities, including its dedicated aftermarket locations. These cost actions are in addition to compensation reductions that were enacted in April for all salaried associates and its board of directors from 20 percent up to a 50 percent reduction in the chief executive officer’s compensation.

“These additional cost-flexing actions are aiding us in aligning our cost structure with the reduced production volumes across the mobility markets,” said James Kamsickas, chairman and CEO of Dana. “We continue to prioritize the safety of our employees and service to our customers, and we have the operational flexibility needed to be responsive during this difficult situation.”

The company also announced today that it has entered into a new credit facility (“Bridge Facility”) and amended its existing senior credit facility (“Senior Credit Facility”), which includes its existing revolving credit facility and term loan facilities. The Bridge Facility has a 364-day term and is intended to provide access to additional liquidity should the company need it and can be terminated at the company’s option at any time. The amended Senior Credit Facility includes a temporary progressive alleviation of its sole financial maintenance covenant. The first lien net leverage ratio covenant will increase quarterly to a maximum of 4x at the end of 2020 and then decrease quarterly until it returns to 2x at the end of the third quarter of 2022. The Bridge Facility is in addition to the company’s Senior Credit Facility, which includes a \$1 billion revolving credit facility under which the company has drawn \$300 million as of March 31.

The company also announced that it will temporarily suspend its common stock dividend.

Jonathan Collins, executive vice president and CFO of Dana, stated, “We have taken these actions out of an abundance of caution to guarantee our access to liquidity. The strength of our balance sheet and capital structure offers us flexibility and security as we navigate through these challenging times.”

The company had approximately \$650 million in cash and marketable securities as of March 31, and currently has \$679 million available on its committed revolving credit facility, as well as \$500 million on its new Bridge Facility for total liquidity of more than \$1.8 billion. The company notes that it has no meaningful debt maturities before 2024.

Dana will provide an update on market conditions on its first-quarter earnings call.

Citibank, Barclays, BMO Capital Markets, BofA Securities, Credit Suisse, Goldman Sachs, JP Morgan Chase, and RBC Capital Markets acted as joint lead arrangers and joint book-runners.

Forward-Looking Statements

Certain statements and projections contained in this news release are, by their nature, forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on our current expectations, estimates, and projections about our industry and business, management’s beliefs, and certain assumptions made by us, all of which are subject to change. Forward-looking statements can often be identified by words such as

“anticipates,” “expects,” “intends,” “plans,” “predicts,” “believes,” “seeks,” “estimates,” “may,” “will,” “should,” “would,” “could,” “potential,” “continue,” “ongoing,” and similar expressions, and variations or negatives of these words. These forward-looking statements are not guarantees of future results and are subject to risks, uncertainties, and assumptions that could cause our actual results to differ materially and adversely from those expressed in any forward-looking statement.

Dana’s Annual Report on Form 10-K, subsequent Quarterly Reports on Form 10-Q, recent Current Reports on Form 8-K, and other Securities and Exchange Commission filings discuss important risk factors that could affect our business, results of operations and financial condition. The forward-looking statements in this news release speak only as of this date. Dana does not undertake any obligation to revise or update publicly any forward-looking statement for any reason.

About Dana Incorporated

Dana is a world leader in providing power-conveyance and energy-management solutions that are engineered to improve the efficiency, performance, and sustainability of light vehicles, commercial vehicles, and off-highway equipment. Enabling the propulsion of conventional, hybrid, and electric-powered vehicles, Dana equips its customers with critical drive and motion systems; electrodynamic technologies; and thermal, sealing, and digital solutions.

Founded in 1904, Dana employs more than 36,000 people who are committed to delivering long-term value to their customers, which include nearly every vehicle manufacturer in the world. Based in Maumee, Ohio, USA, and with locations in 34 countries across six continents, the company reported sales of \$8.6 billion in 2019. Having established a high-performance culture that focuses on its people, the company has earned recognition around the world as a top employer. Learn more at dana.com.

###

Media Contact: Jeff Cole
+1-419-887-3535
jeff.cole@dana.com

Investor Contact: Craig Barber
+1-419-887-5166
craig.barber@dana.com