

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): February 10, 2015

WESTELL TECHNOLOGIES, INC.

(Exact name of registrant as specified in charter)

Delaware

(State of other jurisdiction
of incorporation)

0-27266

(Commission File Number)

36-3154957

(IRS Employer
Identification No.)

750 North Commons Drive, Aurora, Illinois

(Address of principal executive offices)

60504

(Zip Code)

Registrant's telephone number, including area code: **(630) 898-2500**

N/A

(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))
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Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On February 11, 2015, Westell Technologies, Inc. (the “Company”) issued a press release announcing the appointment of J. Thomas Gruenwald as the Company’s President and Chief Executive Officer, effective February 10, 2015. Mr. Gruenwald succeeds Richard S. Gilbert who is leaving the Company as President and Chief Executive Officer and a member of the Board of Directors effective as of February 10, 2015. Mr. Gilbert’s departure is not the result of any disagreement with the Company or the Board of Directors on any matter relating to the Company’s operations, policies or practices.

Mr. Gruenwald, age 66, has served as a member of the Company’s Board of Directors since October 2013 and as Lead Independent Director since December 2014. Mr. Gruenwald has three decades of experience leading technology-based growth businesses and in the global telecommunications market. Mr. Gruenwald, who earned a Ph.D. in Theoretical Elementary Particle Physics from Purdue University, taught Physics and Astronomy at the University of Portland, Oregon. He then began his business career as a software developer at AT&T Bell Laboratories before moving to Tellabs, a multi-billion dollar designer and manufacturer of telecommunications systems. During his 16-year tenure at Tellabs, he served in a number of senior executive roles including CTO, Executive Vice President of the Broadband Networking Division, CIO, and Vice President of Human Resources and Quality Systems. After leaving Tellabs in 2007, he was managing director at the Global Sentry Group, LLC, a strategic advisory and turnaround firm specializing in small and mid-sized high tech corporations from 2008 to 2012. Following Global Sentry Group, Mr. Gruenwald served as the Managing Partner at Alliant Formulations, LLC, a leading manufacturer of personal care products requiring complex chemistry and manufacturing processes from July 2013 until February 2015. He also served on the Board of Spectrum Control (SPEC) from 1999 until 2011 when it was acquired. Additionally, he was Board Chairman for Edward Hospital, a billion-dollar regional health care facility, and served on other not-for-profit boards including Iowa State’s Engineering Advisory Council, Illinois Institute of Technology Board, North Central College Board of Trustees and Girl Scouts of DuPage County Board. Mr. Gruenwald will continue as a director of the Company but will no longer serve as a member of the Company’s Compensation Committee. Eileen A. Kamerick, a member of Westell’s Board of Directors, will join the Compensation Committee, serving as its chair.

Under the terms of an offer letter dated February 10, 2015 (the “Offer Letter”), Mr. Gruenwald will receive an annual base salary of \$450,000 per year.

Beginning in fiscal 2016, Mr. Gruenwald is eligible to receive an incentive bonus annual target of 65% of base salary (\$292,500) based upon the achievement of performance goals developed for each year by the Company’s Board and Compensation Committee.

Mr. Gruenwald will also receive the following grants pursuant to the Company’s 2004 Stock Incentive Plan (the “2004 Stock Incentive Plan”):

| Restricted Stock Units (RSUs) (#) | Options (#) |
|---|----------------|
| 250,000 | 250,000 |

The RSUs and stock options (of the Company’s Class A Common Stock) will vest 25% per annum on the anniversary of the grant date, based upon continued employment. Upon vesting, the RSUs convert into shares of Class A Common Stock of the Company on a one-for-one basis.

The foregoing description of the Offer Letter does not purport to be complete and is qualified in its entirety by reference to the complete text of the Offer Letter, a copy of which is attached as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference in its entirety. Additionally, a copy of the press release announcing Mr. Gruenwald’s appointment is attached hereto as Exhibit 99.1 and incorporated herein by reference in its entirety.

Mr. Gilbert’s separation from the Company is a termination “without Cause” within the meaning of the employment agreement, entered into as of January 18, 2011, between the Company and Mr. Gilbert (which agreement has previously been filed with the SEC). As a condition to receiving severance benefits under the employment agreement, Mr. Gilbert is required to sign a waiver and release of all claims arising from his employment with the Company. The severance benefits include a lump-sum payment equal to \$1,750,000 (which is equal to two years base salary plus two times target bonus), continued health benefits at employee rates for two years, and a pro rata portion of his fiscal 2015 bonus based upon the actual bonus that would have been earned. In addition, unvested outstanding equity awards (which includes 150,000 stock options with an exercise price of \$2.425 per share, 220,747 restricted stock/performance

units, and 88,170 performance stock units (at target)) will vest on the date of termination, unless such awards are based upon the satisfaction of performance criteria, in which case they will only vest pursuant to their express terms. For additional information regarding Mr. Gilbert's employment arrangement (including severance provisions), please review the relevant disclosures in the Company's 2014 Annual Meeting Proxy Statement.

Item 9.01 Financial Statement and Exhibits.

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|---------------------------------------|
| 10.1 | Offer Letter for J. Thomas Gruenwald |
| 99.1 | Press release dated February 11, 2015 |

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.

WESTELL TECHNOLOGIES, INC.

Date: February 11, 2015

By: /s/ Thomas P. Minichiello

Thomas P. Minichiello
Senior Vice President, Chief Financial Officer, Treasurer and
Secretary

Exhibit Index

| Exhibit No. | Description |
|--------------------|---------------------------------------|
| 10.1 | Offer Letter for J. Thomas Gruenwald |
| 99.1 | Press release dated February 11, 2015 |



February 10, 2015

J. Thomas Gruenwald

Dear Tom,

On behalf of the Board of Directors, I am very pleased to offer you the position of President and Chief Executive Officer of Westell Technologies, Inc. ("Company") and President and Chief Executive Officer of Westell, Inc. ("Operating Subsidiary"). Your position will primarily be located at the Company's headquarters in Aurora, Illinois. You will report to the Board of Directors for the Company and the Operating Subsidiary. Subject to your meeting the below requirements, your expected start date is February 10, 2015.

Your starting salary for this position will be \$450,000 annually ("Base Salary"), less all legally required withholdings and deductions, paid in accordance with the Company's customary payroll practices. Five (5) percent of the first three (3) months of this Base Salary shall constitute consideration for the Confidential Information, Invention Assignment, and Non-Solicitation Agreement referenced below. You will not receive a separate or additional payment in this amount. Instead, it is simply an allocation of a portion of the Base Salary noted above. Your Base Salary shall not be decreased without your consent.

You will also be eligible for incentive compensation, paid annually, subject to the terms and conditions of the applicable plan. You will not be eligible to participate in the Westell Technologies, Inc. and Subsidiaries Performance Bonus Plan, Consolidated Company Plan ("Bonus Plan") for fiscal year 2015. However, you will be eligible to participate in the Bonus Plan for the fiscal year which begins on April 1, 2015 and ends March 31, 2016 ("Fiscal Year 2016"). Your target variable compensation for Fiscal Year 2016 will be 65% of your Base Salary, with a maximum of 150% of the target (or 97.5% of the Base Salary). Any Bonus Plan payments are scheduled to be distributed in May 2016, subject to final approvals by the Board of Directors and the Audit Committee and Compensation Committee. The Company reserves the right to change, alter, or terminate any bonus plan or payment in its sole discretion.

In addition to the compensation noted above, and after your start date and upon final approval of the Company's Compensation Committee, you will be awarded a grant of Restricted Stock Units (RSU's) for the equivalent of 250,000 shares of Company Class A common stock. Please note that the RSU's will vest at 25% each year upon the anniversary of their grant. You will also be granted 250,000 options which will vest at 25% each year upon the anniversary of their grant. These options shall have a five (5) year term and will expire at the end of that term. The options will be exercisable at the price of the average of the open and close as of the grant date. Any grants issued will follow the customary grant terms and the terms set forth in the Westell Technologies, Inc. 2004 Stock Incentive Plan. Equity awards will vest upon termination without Cause (as defined below) or following a termination by the Company within six (6) months of a change in control (as defined by the applicable grant documents) in the year in which the event triggering vesting occurs. The Board reserves the right to accelerate the vesting of RSU's and options in its discretion. No RSU's or shares held upon exercise of the options may be sold, except to cover taxes or exercise price for the first three (3) years.

For purposes of accelerating equity awards, "Cause" shall mean: (i) theft, dishonesty, fraudulent misconduct, unauthorized disclosure of trade secrets, gross dereliction of duty or other grave misconduct on the part of you that is substantially injurious to the Company or the Operating Subsidiary; (ii) your willful act or omission that you knew would have the effect of materially injuring the reputation, business or prospects of the Company or Operating Subsidiary; (iii) the failure by you to comply with a particular directive or request from the Board of either the Company or the Operating Subsidiary regarding a matter material to either company, and the failure thereafter by you to reasonably address and remedy such noncompliance within thirty (30) days (or such shorter period as shall be reasonable or necessary under the circumstances) following your receipt of written notice from such Board confirming your noncompliance; (iv) the taking of an action by you regarding a matter material to either the Company or the Operating Subsidiary, which action you knew at the time the action was taken to be specifically contrary to a particular directive or request from the Board of either the Company or the Operating Subsidiary, (v) the failure by you to comply with the written policies of the Company or the Operating Subsidiary regarding a matter material to the Company or the Operating Subsidiary, including expenditure authority, and the failure thereafter by you to reasonably address and remedy such noncompliance within thirty (30) days (or such shorter period as shall be reasonable or necessary under the circumstances) following your receipt of written notice from such Board confirming your noncompliance, but such opportunity to cure shall not apply if the failure is not curable; (vi) your engaging in willful, reckless or grossly negligent conduct or misconduct which, in the good faith determination of the Company's Board or the Operating Subsidiary's Board, is materially injurious to the Company, the Operating Subsidiary, or one or more of the Company's or Operating Subsidiary's direct and indirect subsidiary companies ("Westell Companies"), monetarily or otherwise; (vii) the aiding or abetting a competitor or other breach by you of your fiduciary duties to the Company, the Operating

Subsidiary or the Westell Companies for which you serve as officer or director; (viii) a material breach by you of your obligations of confidentiality or nondisclosure or (if applicable) any breach of your obligations of noncompetition or nonsolicitation under the Confidential Information, Invention Assignment, and Non-Solicitation Agreement; (ix) the use or knowing possession by you of illegal drugs on the premises of any of the Company, Operating Subsidiary or the Westell Companies; (x) your being convicted of, or pleading guilty or no contest to, a felony or a crime involving moral turpitude; or (xi) your consent to an order of the Securities and Exchange Commission for your violation of the federal securities laws.

We also would like to offer you four (4) weeks of Paid Time Off (PTO), which accrues ratably over the calendar year. You will also be eligible to participate in the Company's benefits package on the same terms as other similarly situated employees, in accordance with plan guidelines and policies. In addition, you may receive up to \$15,000 per fiscal year to use for financial and tax planning assistance. All matters of eligibility for coverage or benefits under any benefit plan shall be determined in accordance with the provisions of such plan. The Company reserves the right to change, alter, or terminate any benefit plan in its sole discretion. We will provide you advance information on Westell's other employee benefits, which will be reviewed with you during Orientation. Eligibility for the benefits program begins the first of the month after your date of hire.

On your start date, we will also ask you to sign the attached Confidential Information, Invention Assignment, and Non-Solicitation Agreement. Please let us know in advance any questions that you may have on this agreement.

This offer is contingent upon the satisfactory completion of reference checks and a criminal background check. This offer of employment is not a contract for employment for any set period of time. Instead either you or the Company or Operating Subsidiary may terminate your employment at any time, for any reason, with 30 (thirty) days notice. All of the compensation and benefit items that make up your terms and conditions of employment are extended with the rights as well as customary conditions of the Westell policies that govern them. If you have any questions regarding benefits, please contact me or our Director of Human Resources, Sharon Hintz, at 630-375-4160 or SHintz@westell.com.

Please note that the Company and Operating Subsidiary are not interested in any confidential information, documents, or trade secrets that you may have acquired while employed elsewhere. You should not bring any such items with you to, or use any such items on behalf of, the Company or Operating Subsidiary. In addition, to the extent you are party to any restrictive covenant that prohibits you from contacting or soliciting certain customers, you are expected to adhere to any such agreements.

We are very excited about the prospect of you joining the Westell team. We are confident that you will bring a wealth of capabilities and values that are consistent with our plans to establish, develop and grow a world-class company.

By signing this letter, you acknowledge that the terms described in this letter, together with the Confidential Information, Invention Assignment, and Non-Solicitation Agreement, set forth the entire agreement between us and supersedes any prior representations or agreements, whether written or oral; there are no terms, conditions, representations, warranties, or covenants other than those contained herein. No term or provision of this letter may be amended, waived, released, discharged, or modified except in writing signed by you and an authorized officer of the Company except that the Company may, in its sole discretion, adjust incentive or variable compensation, stock plans and benefits.

If the above is acceptable to you, please indicate your acceptance by signing below and returning a scanned or facsimile copy to me.

Welcome to Westell!

Sincerely,

/s/ Thomas P. Minichiello

Thomas P. Minichiello
Senior Vice President and CFO

Accepted:

/s/ J. Thomas Gruenwald

J. Thomas Gruenwald 02/10/2015

**NEWS RELEASE****WESTELL TECHNOLOGIES APPOINTS J. THOMAS GRUENWALD
AS CHIEF EXECUTIVE OFFICER**

AURORA, IL, February 11, 2015 - Westell Technologies, Inc. (NASDAQ: WSTL), a leading provider of in-building wireless, intelligent site management, cell site optimization, and outside plant solutions, today announced that its Board of Directors has appointed J. Thomas Gruenwald as the Company's President and Chief Executive Officer, effective immediately. He succeeds Rick Gilbert, who has left the Company and board.

Mr. Gruenwald, 66, has served as a member of the Company's Board of Directors since October 2013 and as Lead Independent Director since December 2014. He has three decades of experience leading dynamic, technology-based growth businesses in the global telecommunications market.

Mr. Gruenwald will continue as a director of the Company, but will no longer serve as a member of the Company's Compensation Committee.

Mr. Gruenwald said, "Westell has all the ingredients for long-term, sustainable growth - great people, quality products and valued customers. Our opportunity now is to shape our business to better leverage these strengths through a renewed focus on execution, operations and expanding our market presence. As we begin the next chapter of our business story, Westell is committed to growing revenue, driving operational excellence, investing in quality products, and serving as a trusted partner to both domestic and international service providers."

Mr. Gruenwald, who earned a Ph.D. in Theoretical Elementary Particle Physics from Purdue University, taught Physics and Astronomy at the University of Portland, Oregon. He then began his business career in switching systems development at AT&T Bell Laboratories before moving to Tellabs, a multi-billion dollar designer and manufacturer of telecommunications systems. There, he held successive senior executive positions during his 16-year tenure including CTO, Executive Vice President of the Broadband Networking division, CIO, and Vice President of Human Resources and Quality Systems.

Eileen Kamerick, a member of Westell's Board of Directors, said, "As a proven business leader, telecommunications veteran and operating strategist with deep turnaround experience and technical expertise, our board believes Tom is the right person, with the right experience and vision to drive Westell's future success."

"Our Board of Directors would like to thank Rick Gilbert for his leadership, guidance and contributions over the last five years, and wish him the very best in his future endeavors," Ms. Kamerick added.

After leaving Tellabs in 2007, Mr. Gruenwald served as the Managing Partner at the Global Sentry Group, LLC, a strategic advisory and turnaround firm specializing in small and mid-sized companies.

Mr. Gruenwald served on the Board of Spectrum Control (SPEC) from 1999 until 2011 when it was acquired. He was also Board Chairman for Edward Hospital, a billion-dollar regional health care facility, and served on other not-for-profit boards including Iowa State's Engineering Advisory Council, Illinois Institute of Technology Board, North Central College Board of Trustees and Girl Scouts of DuPage County Board.

Conference Call with Investors

The Company will hold a conference call at 9 a.m. CT today - Wednesday, February 11 - to discuss the announcement with investors and analysts. Participants can register online in advance of the conference call by going to the URL: <http://www.conferenceplus.com/westell>. After registering, participants receive dial-in numbers, a passcode, and a personal identification number (PIN) that is used to uniquely identify their presence and automatically join them into the audio conference. If a participant does not wish to register, he or she can participate in the call on February 11, by dialing 1-888-206-4064 no later than 8:45 a.m. CT (9:45 a.m. ET) and using confirmation number 38990854.

This news release and related information that may be discussed on the conference call will be posted on the Press Releases section of Westell's website: www.westell.com. An archive of the entire call will be available on the site via Digital Audio Replay by approximately 1:00 PM Eastern Time after the call ends. The replay of the conference also may be accessed by dialing +1 (888) 843-7419 or +1 (630) 652-3042 and entering 8865 834#.

About Westell Technologies

Westell Technologies, Inc., headquartered in Aurora, Illinois, is a leading provider of in-building wireless, intelligent site management, cell site optimization, and outside plant solutions focused on innovation and differentiation at the edge of telecommunication networks, where end users connect. The Company's comprehensive set of products and solutions enable telecommunication service providers, cell tower operators, and other network operators to reduce operating costs and improve network performance. With millions of products successfully deployed worldwide, Westell is a trusted partner for transforming networks into high quality, reliable systems. For more information, please visit www.westell.com.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995

Certain statements contained herein that are not historical facts or that contain the words "believe," "expect," "intend," "anticipate," "estimate," "may," "will," "plan," "should," or derivatives thereof and other words of similar meaning are forward-looking statements that involve risks and uncertainties. Actual results may differ materially from those expressed in or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, product demand and market acceptance risks, customer spending patterns, need for financing and capital, economic weakness in the United States ("U.S.") economy and telecommunications market, the effect of international economic conditions and trade, legal, social and economic risks (such as import, licensing and trade restrictions), the impact of competitive products or technologies, competitive pricing pressures, customer product selection decisions, product cost increases, component supply shortages, new product development, excess and obsolete inventory, commercialization and technological delays or difficulties (including delays or difficulties in developing, producing, testing and selling new products and technologies), the ability to successfully consolidate and rationalize operations, the ability to successfully identify, acquire and integrate acquisitions, the effect of the Company's accounting policies, retention of key personnel and other risks more fully described in the Company's SEC filings, including the

Form 10-K for the fiscal year ended March 31, 2014, under Item 1A - Risk Factors. The Company undertakes no obligation to publicly update these forward-looking statements to reflect current events or circumstances after the date hereof, or to reflect the occurrence of unanticipated events, or otherwise.

For additional information, contact:

Investors:

Tom Minichiello

Chief Financial Officer

Westell Technologies, Inc.

+1 (630) 375 4740 tminichiello@westell.com