

CARDIONET INC
Form 8-K
February 03, 2010

**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): **January 28, 2010**

CardioNet, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-33993
(Commission
File Number)

33-0604557
(I.R.S. Employer
Identification No.)

227 Washington Street #300
Conshohocken, PA
(Address of principal executive offices)

19428
(Zip Code)

Registrant's telephone number, including area code: **(610) 729-7000**

Not Applicable

Former name or former address, if changed since last report

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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))
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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.

As previously disclosed, on January 15, 2010, CardioNet, Inc. (the Company) announced that Heather Getz was appointed the Company's Chief Financial Officer, effective January 15, 2010. On January 28, 2010, we entered into an employment agreement (the Employment Agreement) with Ms. Getz. The term of the Employment Agreement is effective as of January 15, 2010, and continues until terminated in accordance with its terms.

Pursuant to the Employment Agreement, Ms. Getz is entitled to a base salary of \$235,000, which shall be prorated for the remainder of 2010. Ms. Getz is eligible to receive an annual discretionary bonus under our Management Incentive Plan. The bonus amount she may receive, if any, will be based upon the criteria determined by our Board of Directors in accordance with our Management Incentive Plan.

The Employment Agreement provides that in the event we terminate Ms. Getz without cause or Ms. Getz resigns for good reason (each as defined in the Employment Agreement), we will pay to Ms. Getz severance benefits that consist of the following: (i) base salary and accrued and unused vacation earned through the date of her termination; and (ii) an amount equal to one times (1.0x) base salary in effect at the time of termination plus one times (1.0x) on-target annual performance incentive bonus in effect at the time of termination, paid in 12 monthly installments. Ms. Getz will also be eligible for continued participation in our medical, dental and vision plans for a period of up to 12 months. Ms. Getz's receipt of the amount described in clause (ii) above and the continued participation in our medical, dental and vision plans are contingent upon her execution and non-revocation of a release of claims in the form attached to the Employment Agreement.

If the date of Ms. Getz's termination is within 30 days immediately preceding or the 12 months immediately following a Corporate Transaction (as defined in the Employment Agreement), vesting of all equity awards made to her prior to the date of termination will accelerate and the equity awards will be deemed fully vested and immediately exercisable.

If an excise tax under sections 280G and 4999 of Internal Revenue Code is triggered by any payment upon a Corporate Transaction, Ms. Getz will receive a modified amount which will be either: (i) the largest portion of the payment that would result in no portion of the payment being subject to the excise tax; or (ii) the largest portion of the payment, which such amount, after taking into account all applicable federal, state and local employment taxes, income taxes, and the excise tax (all computed at the highest applicable marginal rate), results in Ms. Getz's receipt, on an after-tax basis, of the greatest amount of the payment notwithstanding that all or some portion of the payment may be subject to the excise tax.

Under the Employment Agreement Ms. Getz will be subject to non-competition restrictions for the term of her employment and during any period thereafter in which she is receiving severance benefits. Ms. Getz's employment with us is at will and may be terminated by us at any time and for any reason, or for no reason.

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.

CardioNet, Inc.

February 3, 2010

By:

/s/ Randy H. Thurman

Name: Randy H. Thurman

Title: President and Chief Executive Officer