

IRIDEX CORP
Form 8-K
December 19, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 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)

December 13, 2012

IRIDEX CORPORATION

(Exact name of registrant as specified in its charter)

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(State or other jurisdiction
of incorporation)

(Commission
File Number)
1212 Terra Bella Avenue

(IRS Employer
Identification No.)

Mountain View, California 94043

(Address of principal executive offices, including zip code)

(650) 940-4700

(Registrant's telephone number, including area code)

(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))

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

(e) On December 13, 2012, the Board of Directors of IRIDEX Corporation (the "Company") adopted a 2013 executive management bonus plan (the "2013 Bonus Plan"). The 2013 Bonus Plan was adopted to provide cash incentive payouts to all eligible senior staff-level employees based upon Company and individual performance. All vice presidents, corporate officers and other specified senior employees, in good standing, are eligible to participate in the 2013 Bonus Plan.

Target payouts for each participant under the 2013 Bonus Plan will be based on a specified percentage of annual base salary and are triggered upon the achievement of both corporate performance objectives determined by the Company's Board of Directors and individual performance objectives determined by the Compensation Committee.

Funding for the 2013 Bonus Plan is triggered when the Company achieves a minimum threshold of annual Operating Income, as determined by the Company's Board of Directors and before accounting for the cost of the 2013 Bonus Plan (the "Targeted Operating Income"). For purposes of the 2013 Bonus Plan, the Company's annual Operating Income is defined as gross profits less operating expenses and unusual items excluded by the Company's Board of Directors, and therefore does not include other income or expenses or taxes.

If the 2013 Bonus Plan is funded, a portion of the Company's net Operating Income, before accounting for the cost of the 2013 Bonus Plan, ranging from 1.0% of net Operating Income, in the event 100% of the Targeted Operating Income and 100% of all target individual performance objectives are achieved, to 14.0% of net Operating Income, in the event 150% of the Targeted Operating Income and 100% of all target individual performance objectives are achieved, will be allocated to fund the 2013 Bonus Plan.

The Company intends to fully distribute the amount of Operating Income funded under the 2013 Bonus Plan. The Compensation Committee, taking into account the recommendations of management regarding achievement of individual performance objectives, will approve all payouts under the 2013 Bonus Plan. Payouts under the 2013 Bonus Plan will be paid following the end of the fiscal year through profit sharing/bonus payouts by March 15 of the following year.

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.

IRIDEX CORPORATION

By: /s/ WILLIAM M. MOORE
William M. Moore

President and Chief Executive Officer

Date: December 19, 2012