

ADVANCED MICRO DEVICES INC
Form 8-K
July 19, 2013

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

July 16, 2013

Date of Report (Date of earliest event reported)

ADVANCED MICRO DEVICES, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State of Incorporation)

001-07882
(Commission

File Number)

94-1692300
(IRS Employer

Identification Number)

Edgar Filing: ADVANCED MICRO DEVICES INC - Form 8-K

One AMD Place

P.O. Box 3453

Sunnyvale, California 94088-3453

(Address of principal executive offices) (Zip Code)

(408) 749-4000

(Registrant's telephone number, including area code)

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:

- .. 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.

On July 16, 2013, the Compensation Committee of the Board of Directors of Advanced Micro Devices, Inc. (the Company) approved the aggregate grant date fair value of equity awards (the Award Value) for the following Named Executive Officers of the Company (as set forth in the Company's most recent proxy statement filed with the Securities and Exchange Commission on March 25, 2013):

| Name Executive Officer | Award Value |
|---|--------------------|
| Rory P. Read, President and Chief Executive Officer | \$ 6,500,000 |
| Devinder Kumar, Senior Vice President and Chief Financial Officer | \$ 1,700,000 |
| John Byrne, Senior Vice President and Chief Sales Officer | \$ 1,800,000 |
| Mark D. Papermaster, Senior Vice President and Chief Technology Officer | \$ 1,800,000 |
| Lisa Su, Senior Vice President and General Manager, Global Business Units | \$ 2,000,000 |

On the grant date, each of the above Named Executive Officer's Award Value will be converted into a mix of time-based stock options (with a grant date fair value equal to 25% of the Award Value), time-based restricted stock units (with a grant date fair value equal to 25% of the Award Value) and performance-based restricted stock units (with a grant date fair value equal to 50% of the Award Value) using a \$4.00 share price for the time-based stock options, time-based restricted stock units and performance-based restricted stock units and also a 41.59% binominal factor for the time-based stock options. These awards will be granted on July 22, 2013 under the Company's 2004 Equity Incentive Plan, as amended and restated.

Time-Based Stock Options. The time-based stock options will have an exercise price equal to 100% of the fair market value of the Company's common stock on the grant date, and will vest 33 1/3% on June 17, 2014 and 8.33% per quarter over the next eight following quarters.

Time-Based RSUs. The time-based restricted stock units will vest 1/3 on each of August 9, 2014, August 9, 2015 and August 9, 2016.

Performance-Based RSUs. The initial number of performance-based restricted stock units that may be earned will be based upon the Company achieving certain pre-established target levels of Non-GAAP operating income plus interest expense over an 18-month performance period commencing on July 1, 2013 and ending on December 31, 2014 (the Performance Period). Once the initial award amount is determined, the performance-based restricted stock units will then be subject to adjustment based upon a second metric, the Company's total shareholder return (TSR) relative to the TSR of the S&P 500 IT Sector over the Performance Period, with a maximum negative adjustment of 25% at the 25th percentile, no adjustment at the 50th percentile and a maximum positive adjustment of 125% at the 75th percentile.

The earned restricted stock units vest 50% upon completion of the Performance Period and 50% on the one-year anniversary of the completion of the Performance Period.

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.

Date: July 19, 2013

ADVANCED MICRO DEVICES, INC.

By: */s/ Harry A. Wolin*

Name: Harry A. Wolin

Title: Senior Vice President, General Counsel and Secretary