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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of  
The Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): June 21, 2012**

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**SANGAMO BIOSCIENCES, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
Of incorporation)

**000-30171**  
(Commission  
File Number)

**68-0359556**  
(IRS Employer  
Identification No.)

**501 Canal Blvd, Suite A100,  
Richmond, California**  
(Address of principal executive offices)

**94804**  
(Zip Code)

**Registrant's telephone number, including area code: (510) 970-6000**

**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.**

*Adoption of Incentive Compensation Plan*

On June 21, 2012, the Compensation Committee of the Board of Directors of Sangamo BioSciences, Inc. (the “Company”) adopted the Sangamo BioSciences, Inc. Incentive Compensation Plan (the “Plan”) as a performance-based cash bonus program for the Company’s executive officers. The Compensation Committee will have discretion to implement one or more performance periods under the Plan, each of a duration determined by the Compensation Committee.

Except for the initial performance period occurring in the 2012 year, within the first ninety (90) days of each performance period, the Compensation Committee will establish the specific performance and individual objectives which must be attained in order for Plan participants to receive a bonus for that performance period. For each performance and individual objective, the Compensation Committee may set threshold, target and above-target levels of attainment. The Compensation Committee will then establish for each participant dollar levels for the bonus to which he may become entitled for that performance period based on the level at which the performance and individual objectives are actually attained.

Performance objectives established under the Plan will be based on one or more of the following criteria: (i) revenue, organic revenue, net sales, or new-product revenue or net sales, (ii) achievement of specified objectives in the discovery and development of the Company’s technology or of one or more of the Company’s products, (iii) achievement of specified objectives in the commercialization of one or more of the Company’s products, (iv) achievement of specified objectives in the manufacturing of one or more of the Company’s products, (v) expense targets, (vi) share price, (vii) total shareholder return, (viii) earnings per share, (ix) operating margin, (x) gross margin, (xi) return measures (including, but not limited to, return on assets, capital, equity, or sales), (xii) productivity ratios, (xiii) operating income, (xiv) net operating profit, (xv) net earnings or net income (before or after taxes), (xvi) cash flow (including, but not limited to, operating cash flow, free cash flow and cash flow return on capital), (xvii) earnings before or after interest, taxes, depreciation, amortization and/or stock-based compensation expense, (xviii) economic value added, (xix) market share, (xx) working capital targets, (xxi) achievement of specified objectives relating to corporate partnerships, collaborations, license transactions, distribution arrangements, mergers, acquisitions, dispositions or similar business transactions, and (xxii) employee retention and recruiting and human resources management.

Individual performance objectives established under the Plan will be based on one or more of the following criteria: (i) the participant’s contribution toward the achievement of a specific Company performance objective, (ii) the contribution of the business unit or division supervised by the participant toward the achievement of a specific Company performance objective, and (iii) the Participant’s development of professional skills.

A participant will not become entitled to a bonus under the Plan for a particular performance period unless the participant remains employed by the Company through the date bonuses are paid to each participant following completion of that performance period. Following the close of the applicable performance period, the Compensation Committee will determine the actual bonus amount for each participant based on the actual levels at which the actual performance objectives are attained, and bonuses will be paid promptly following the end of the applicable performance period.

Should a change in control transaction be consummated prior to the completion of that performance period, then the performance period will terminate upon the consummation of that change in control and each participant in the Plan will receive a bonus in the dollar amount previously set by the Compensation Committee at target level attainment of each performance objective, however such bonus will be pro-rated to reflect each participant’s actual period of service from the start date of the performance period through the effective date of the change in control. In the event a participant becomes eligible to receive a severance payment, the amount of which is based in part on the Participant’s target bonus under the Plan, in connection with the participant’s cessation of service in the year in which such change in control transaction is consummated, the pro-rated bonus paid pursuant to the terms of the Plan will reduce the amount of severance payable to the participant pursuant to the terms of such employment agreement.

In the event any payment to which a participant becomes entitled under the Plan would otherwise constitute a parachute payment under Section 280G of the Internal Revenue Code (the "Code"), then that payment will be subject to reduction to the extent necessary to assure that such payment will be limited to the greater of (i) the dollar amount which can be paid to the participant without triggering a parachute payment under Code Section 280G or (ii) the dollar amount of that payment which provides the participant with the greatest after-tax amount after taking into account any excise tax the participant may incur under Code Section 4999 with respect to such payment and any other benefits or payments to which the participant may be entitled in connection with any change in control of the Company or the subsequent termination of the participant's employment.

The foregoing summary does not purport to be a complete description of the Plan and is qualified in its entirety by reference to such Plan, which is filed as Exhibit 10.1 to this Current Report on Form 8-K.

Adoption of Fiscal Year 2012 Bonus Program

Upon adoption of the Plan, the Compensation Committee re-approved the bonus program previously established by the Compensation Committee for the 2012 year and brought such bonus program under the terms and conditions of the Plan. In connection with such re-approval, the corporate performance objectives previously approved by the Compensation Committee were not changed. In addition, the amount of each executive officer's target bonus was not changed; however, the Compensation Committee modified the bonus program for Philip Gregory, our Vice President, Research and Chief Scientific Officer and Dale Ando, our Vice President, Therapeutic Development and Chief Medical Officer in order to condition 20% of the target bonus payable to Dr. Gregory and Dr. Ando upon the achievement of the individual performance objectives.

For the performance period under the Plan coincident with the 2012 calendar year, the target cash bonus for our executive officers is as follows: Edward Lanphier II, our Chief Executive Officer, 50% of base salary; Ward Wolff, our Executive Vice President and Chief Financial Officer and Geoffrey Nichol, our Executive Vice President, Research and Development, 40% of base salary; Dr. Gregory and Dr. Ando, 30% of base salary.

For Mr. Lanphier, Mr. Wolff and Dr. Nichol, 100% of the target bonus will be earned on the basis of pre-established corporate performance objectives; for Drs. Gregory and Ando, 80% of the target bonus will be earned on the basis of corporate performance objectives and 20% of the target bonus will be earned on the basis of individual performance objectives. The Company must achieve a minimum of 70% of the corporate performance objectives for any bonuses to become payable. There is an opportunity for achievement of the corporate performance objective at a level above 100% in the event of exceptional performance; in particular, the weighting of the research objectives and corporate development objectives will exceed the indicated weighting in the event particular corporate objectives are achieved.

The corporate performance objectives and weighting for the 2012 year are as follows:

<u>Corporate Performance Objectives</u>	<u>Weighting</u>
Clinical Objectives:	30%
<ul style="list-style-type: none"> <li>Advance clinical trials of SB-728-T program in HIV/ AIDS</li> </ul>	
Development Objectives:	10%
<ul style="list-style-type: none"> <li>Advance development pipeline of preclinical ZFP Therapeutic® candidates</li> </ul>	
Business/Corporate Development Objectives:	30%
<ul style="list-style-type: none"> <li>Complete at least one ZFP Therapeutic corporate partnership</li> <li>Other organization and business development goals</li> </ul>	
Research Objectives:	25%
<ul style="list-style-type: none"> <li>Initiate and advance prioritized ZFP Therapeutic research programs</li> </ul>	
Finance Objectives:	5%
<ul style="list-style-type: none"> <li>Conclude 2012 with approximately \$60 million in cash and cash equivalents excluding cash from new corporate partnerships or financing activities</li> </ul>	
Total	100%

The principal individual performance objective for Dr. Gregory is to achieve the research component of the corporate performance objectives. In addition, Dr. Gregory's individual performance objectives relate to implementation of organizational enhancements in the Company's research group and support of the Company's business development group. The principal individual performance objective for Dr. Ando is to achieve the development component of the corporate performance objectives. In addition, Dr. Ando's individual performance objectives relate to implementation of organizational enhancements in the Company's development group and expanding technical expertise and leadership in relevant industry organizations and committees. Maximum achievement for individual performance objectives is 125% of target.

**Item 5.07. Submission of Matters to a Vote of Security Holders.**

The annual meeting of the Company's stockholders (the "Annual Meeting") was held on Thursday, June 21, 2012 for the purposes of (i) electing seven directors to serve on the board of directors of the Company for a one-year term; and (ii) ratifying the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2012. There were present at the meeting, in person or represented by proxy, the holders of 42,520,565 shares of common stock, constituting a quorum. At the Annual Meeting, the stockholders elected the nominees for director listed in the proxy statement for the Annual Meeting and ratified the appointment of Ernst & Young LLP. The final vote on the proposals was recorded as follows:

Proposal No. 1: Election of Directors

Each of the nominees for director listed in the proxy statement for the Annual Meeting was elected by the votes set forth in the table below:

<u>Director Nominees</u>	<u>Votes For</u>	<u>Votes Withheld</u>	<u>Broker Non-Votes</u>
Edward O. Lanphier	17,145,461	230,122	25,144,782
Paul B. Cleveland	16,927,890	447,693	25,144,782
Stephen G. Dilly, M.B.B.S., Ph.D.	17,184,955	190,628	25,144,782
John W. Larson	16,776,449	599,134	25,144,782
Steven J. Mento, Ph.D.	17,097,502	278,081	25,144,782
Saira Ramasastry	16,891,204	484,379	25,144,782
William R. Ringo	17,092,087	283,496	25,144,782

Proposal No. 2: Ratification of Appointment of Ernst & Young LLP

The appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2012 was ratified by the votes set forth in the table below:

<u>Votes For</u>	<u>Votes Against</u>	<u>Abstentions</u>	<u>Broker Non-Votes</u>
41,468,178	914,179	138,208	0

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibit.

<u>Exhibit Number</u>	<u>Description</u>
Exhibit 10.1	Sangamo BioSciences, Inc. Incentive Compensation Plan

**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, thereunto duly authorized.

Dated: June 27, 2012

SANGAMO BIOSCIENCES, INC.

By: /s/ EDWARD O. LANPHIER II

Edward O. Lanphier II

President, Chief Executive Officer

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**EXHIBIT INDEX**

**Exhibit  
Number**

**Description**

Exhibit 10.1      Sangamo BioSciences, Inc. Incentive Compensation Plan

## SANGAMO BIOSCIENCES, INC.

## INCENTIVE COMPENSATION PLAN

## ARTICLE I

NAME AND PURPOSE

**1.01 Purpose.** Sangamo BioSciences, Inc., a corporation duly organized and existing under the laws of the State of Delaware (the "Corporation"), hereby establishes the Sangamo BioSciences, Inc. Incentive Compensation Plan (the "Plan") in order to (i) provide the Corporation's executive officers with the opportunity to earn incentive compensation contingent upon the Corporation's attainment of pre-established Corporate Objectives, achievement of any Individual Objectives and completion of designated service periods, (ii) attract and retain high quality executive officers, and (iii) provide an incentive to the Corporation's executive officers to achieve the Corporate Objectives and Individual Objectives.

**1.02 General.** The benefits provided under the Plan shall be paid, as they become due, from the Corporation's general assets. The interest of each participant (and his or her beneficiary) in any benefits that become payable under the Plan shall be no greater than that of an unsecured creditor of the Corporation.

## ARTICLE II

ADMINISTRATION OF THE PLAN

**2.01 Plan Administrator.** The Plan shall be administered by the Compensation Committee of the Board, and the Compensation Committee acting in such capacity shall hereinafter be referred to as the Plan Administrator. As Plan Administrator, the Compensation Committee shall have full power and authority to administer the Plan, establish each Performance Period and select the Eligible Employees who are to participate in the Plan for each Performance Period. Notwithstanding the foregoing, the Board shall determine the Corporate Objectives for each Performance Period and the Plan Administrator shall determine the Individual Objectives, if any, to be achieved by each Participant for each Performance Period and the level at which the applicable Corporate Objectives and any Individual Objectives were achieved for each Performance Period.

**2.02 Authority.** The interpretation and construction of any provision of the Plan and the adoption of rules and regulations for Plan administration shall be made by the Plan Administrator. Decisions of the Plan Administrator shall be final and binding on all parties who have an interest in the Plan, including (without limitation) all decisions relating to an individual's eligibility for participation in the Plan, his or her entitlement to benefits hereunder and the amount of any such benefit entitlement.



**ARTICLE III**

**DEFINITIONS**

3.01 “**Board**” shall mean the Corporation’s Board of Directors.

3.02 “**Change in Control**” shall have the meaning assigned to such term in the Corporation’s 2004 Stock Incentive Plan, or any successor plan.

3.03 “**Code**” shall mean the Internal Revenue Code of 1986, as amended from time to time.

3.04 “**Corporation**” shall mean Sangamo BioSciences, Inc. and any successor or assignee corporation, whether by way of merger, acquisition or other reorganization.

3.05 “**Eligible Employee**” shall mean each executive officer of the Corporation.

3.06 “**Employee**” shall mean any person in the employ of the Corporation or any Subsidiary, subject to control and direction of the employer entity as to both the work to be performed and the manner and method of performance.

3.07 “**Employment Agreement**” shall mean an employment agreement by and between the Participant and the Corporation.

3.08 “**Incentive Bonus**” shall mean the cash bonus to which the Participant may become entitled with respect to a particular Performance Period on the basis of the Corporation’s attainment of the Corporate Objectives and the Participant’s attainment of Individual Objectives, if any, which the Plan Administrator establishes for that Performance Period.

3.09 “**Individual Objectives**” shall mean one or more specific performance objectives which the Plan Administrator designates for a Participant to attain in a particular Performance Period in order for such Participant to become entitled to a Incentive Bonus for that Performance Period. Individual Objectives shall be based on one or more of the following criteria: (i) the Participant’s contribution toward the achievement of a specific Corporate Objective, (ii) the contribution of the business unit or division supervised by the Participant toward the achievement of a specific Corporate Objective, and (iii) the Participant’s development of professional skills.

3.10 “**1934 Act**” shall mean the Securities Exchange of 1934, as amended.

3.11 “**Participant**” shall mean each Eligible Employee who participates in the Plan.

**3.12 “Corporate Objectives”** shall mean one or more specific performance objectives which the Board designates for the Corporation to attain in a particular Performance Period in order for each Participant to become entitled to an Incentive Bonus for that Performance Period. Corporate Objectives shall be based on one or more of the following criteria: (i) revenue, organic revenue, net sales, or new-product revenue or net sales, (ii) achievement of specified milestones in the discovery and development of the Company’s technology or of one or more of the Company’s products, (iii) achievement of specified milestones in the commercialization of one or more of the Company’s products, (iv) achievement of specified milestones in the manufacturing of one or more of the Company’s products, (v) expense targets, (vi) share price, (vii) total shareholder return, (viii) earnings per share, (ix) operating margin, (x) gross margin, (xi) return measures (including, but not limited to, return on assets, capital, equity, or sales), (xii) productivity ratios, (xiii) operating income, (xiv) net operating profit, (xv) net earnings or net income (before or after taxes), (xvi) cash flow (including, but not limited to, operating cash flow, free cash flow and cash flow return on capital), (xvii) earnings before or after interest, taxes, depreciation, amortization and/or stock-based compensation expense, (xviii) economic value added, (xix) market share, (xx) working capital targets, (xxi) achievement of specified milestones relating to corporate partnerships, collaborations, license transactions, distribution arrangements, mergers, acquisitions, dispositions or similar business transactions, and (xxii) employee retention and recruiting and human resources management. Such Corporate Objectives may be measured not only in terms of the Company’s performance but also in terms of its performance relative to the performance of other entities or may be measured on the basis of the performance of any of the Company’s business units or divisions or any parent or subsidiary entity. Performance may also be measured on an absolute basis, relative to internal business plans, or based on growth. As may be applicable, they may also be measured in aggregate or on a per-share basis.

**3.13 “Performance Period”** shall mean the period over which the Corporation must attain the Corporate Objectives and the Participant must attain the Individual Objectives, if any, which the Plan Administrator has established for that period. Unless the Plan Administrator determines otherwise, each Performance Period shall be coincident with the calendar year.

**3.14 “Service”** shall mean Participant’s performance of services for the Corporation (or any Subsidiary) in the capacity of an Employee. For purposes of this Agreement, Participant shall be deemed to cease Service immediately upon the occurrence of either of the following events: (i) Participant no longer performs services in the foregoing capacity for the Corporation (or any Subsidiary) or (ii) the entity for which Participant performs such services ceases to remain a Subsidiary of the Corporation, even though Participant may subsequently continue to perform services for that entity.

**3.15 “Subsidiary”** shall mean any corporation (other than the Corporation) in an unbroken chain of corporations beginning with the Corporation, provided each corporation (other than the last corporation) in the unbroken chain owns, at the time of the determination, stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

ARTICLE IV

**PARTICIPATION**

**4.01 Eligibility Rules.** The Plan Administrator shall have absolute discretion in selecting the Eligible Employees who are to participate in each Performance Period implemented under the Plan. The initial Participants for each Performance Period shall be selected not later than the ninetieth (90th) day after the commencement date of that Performance Period. The Plan Administrator may select additional Participants for the Performance Period after such ninetieth (90th) day; **provided, however**, that the Plan Administrator may, in its sole discretion, pro-rate the Incentive Bonus which the Participant may earn for that Performance Period to reflect his or her actual period of Service during that Performance Period.

**4.02 Cessation of Participation.** The Plan Administrator shall have complete discretion to exclude one or more individuals from Participant status for one or more subsequent Performance Periods implemented under the Plan. If any individual is excluded from Participant status for one or more Performance Periods, then such individual shall not be entitled to any Incentive Bonus for those Performance Periods.

ARTICLE V

**INCENTIVE BONUSES**

**5.01 Timing and Nature of Awards.** The Plan Administrator shall have complete discretion to implement one or more Performance Periods under the Plan. Except with respect to the initial Performance Period for the 2012 year, within the first ninety (90) days of each Performance Period, the Board shall establish the specific Corporate Objectives which must be attained for that Performance Period and the Plan Administrator shall establish the specific Individual Objectives which must be attained by each Participant, if any, for that Performance Period. For each Corporate Objective and Individual Objective, the Plan Administrator may set threshold, target and above-target levels of attainment. The Plan Administrator shall establish for each Participant dollar levels for the Incentive Bonus to which he or she may become entitled for that Performance Period based on the level at which the Corporate Objectives and the Individual Objectives, if any, are actually attained. Such dollar levels may be a specified dollar amount or tied to a percentage or multiple of the annual rate of base salary in effect for the Participant for the applicable Performance Period.

**5.02 Service Requirement.** A Participant shall not become entitled to a Incentive Bonus for a particular Performance Period unless the Participant continues in Service through the date the actual Incentive Bonus is paid to each Participant following the completion of that Performance Period.

**5.03 Determination of Bonus Amount.** As soon as practicable, but not later than forty-five (45) days following the completion of the Performance Period, the Plan Administrator shall determine the actual level of attainment of each Corporate Objective and

Individual Objective established for that Performance Period and shall then measure and certify that level of attainment against the levels of attainment established for that Corporate Objective and Individual Objective. On the basis of the foregoing measurements and certification, the Plan Administrator shall determine the actual Incentive Bonus for each Participant entitled to a Incentive Bonus for the Performance Period.

**5.04 Change in Control.** Should a Change in Control transaction be consummated prior to the completion of that Performance Period, then the Performance Period shall terminate upon the consummation of that Change in Control. In such event, the actual Incentive Bonus for each Participant entitled under Section 5.01 to a bonus for that Performance Period shall be in the dollar amount previously set by the Plan Administrator at target level attainment of each Corporate Objective and any Individual Objective, however, the Plan Administrator shall pro-rate such bonus to reflect the Participant's actual period of Service from the start date of the Performance Period through the effective date of the Change in Control. Notwithstanding the terms of any Employment Agreement to the contrary, in the event a Participant becomes eligible to receive a severance payment under his or her Employment Agreement in connection with the Participant's cessation of Service in the year in which such Change in Control transaction is consummated, the amount of which is based in whole or in part on the amount of Participant's target bonus under this Plan, the pro-rated bonus paid pursuant to the terms of this Plan shall reduce the amount of severance payable to the Participant based on the amount of the Participant's target bonus pursuant to the terms of such Employment Agreement.

## ARTICLE VI

### **PAYMENT OF INCENTIVE BONUSES**

**6.01 Payment.** The Participant's Incentive Bonus shall be paid to the Participant in cash in accordance with the following requirements:

- (i) for a full Performance Period, the payment shall be made within sixty (60) days after the last day of the Performance Period.
- (ii) for an abbreviated Performance Period under Section 5.04, the payment shall be made within sixty (60) days after the effective date of the Change in Control transaction triggering that abbreviated Performance Period.

**6.02 Withholding Taxes.** The Corporation shall collect all federal, state and local income, employment and other payroll taxes (including FICA taxes) required to be withheld from the Participant's Incentive Bonus, as and when those taxes become due under applicable law. The Corporation shall collect such taxes through tax withholdings from the Incentive Bonus or other wages and earnings payable to the Participant or by any other means acceptable to the Corporation.

**ARTICLE VII**

**MISCELLANEOUS**

**7.01 Plan Effective Date.** The Plan shall become effective immediately upon approval by the Plan Administrator.

**7.02 Benefit Limit.** In the event any payment to which Participant becomes entitled under the Plan would otherwise constitute a parachute payment under Code Section 280G, then that payment shall be subject to reduction to the extent necessary to assure that such payment will be limited to the *greater* of (i) the dollar amount which can be paid to the Participant without triggering a parachute payment under Code Section 280G or (ii) the dollar amount of that payment which provides the Participant with the greatest after-tax amount after taking into account any excise tax the Participant may incur under Code Section 4999 with respect to such payment and any other benefits or payments to which the Participant may be entitled in connection with any change in control or ownership of the Corporation or the subsequent termination of the Participant's Service.

**7.03 Benefits Not Funded.** The obligation to pay each Participant's Incentive Bonus shall at all times be an unfunded and unsecured obligation of the Corporation. The Corporation shall not have any obligation to establish any trust, escrow arrangement or other fiduciary relationship for the purpose of segregating funds for the payment of the Incentive Bonus Incentives Bonuses which become payable under the Plan, nor shall the Corporation be under any obligation to invest any portion of its general assets in mutual funds, stocks, bonds, securities or other similar investments in order to accumulate funds for the satisfaction of its respective obligations under the Plan. The Participant (or his or her beneficiary) shall look solely and exclusively to the general assets of the Corporation for the payment of his or her Incentive Bonus.

**7.04 No Employment Right.** Neither the action of the Corporation in establishing or maintaining the Plan, nor any action taken under the Plan by the Plan Administrator, nor any provision of the Plan itself shall be construed so as to grant any person the right to remain in the Service of the Corporation for any period of specific duration, and the Participant shall at all times remain an Employee at will and may accordingly be discharged at any time, with or without cause and with or without advance notice of such discharge.

**7.05 Amendment/Termination.** The Plan Administrator may at any time amend, suspend or terminate the Plan.

**7.06 Applicable Law.** The provisions of the Plan shall also be construed, administered and governed by the laws of the State of Delaware without resort to its conflict-of-laws provisions. If any provision of this Plan shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions of the Plan shall continue in full force and effect.

**7.07 Satisfaction of Claims.** Any payment made to a Participant or his or her legal representative, beneficiary or estate in accordance with the terms of this Plan shall to the extent thereof be in full satisfaction of all claims with respect to that payment which such person may have against the Plan, the Plan Administrator (or its designate) or the Corporation (or any parent or Subsidiary), any of whom may require the Participant or his or her legal representative, beneficiary or estate, as a condition precedent to such payment, to execute a receipt and release in such form as shall be determined by the Plan Administrator.

**7.08 Alienation of Benefits.** No person entitled to benefits under the Plan shall have any right to transfer, assign, alienate, pledge, hypothecate or otherwise encumber his or her interest in such benefits prior to actual receipt of those benefits. The benefits payable under the Plan shall not, prior to actual payment, be subject to seizure or sequestration for the payment of any debts, judgments, alimony or separate maintenance owed by a Participant or any other person and shall not, to the maximum extent permitted by law, be transferable by operation of law in the event of the bankruptcy or insolvency of the Participant or any other person.

**7.09 Successors and Assigns.** The obligation of the Corporation to make the payments required hereunder shall be binding upon the successors and assigns of the Corporation, whether by merger, consolidation, acquisition or other reorganization.

**7.10 Construction and Interpretation.** The Plan shall be administered, operated and construed in compliance with the requirements of the short-term deferral exception to Internal Revenue Code Section 409A of and Treasury Regulations Section 1.409A-1(b)(4). Accordingly, to the extent there is any ambiguity as to whether one or more provisions of the Plan would otherwise contravene the requirements or limitations of Internal Revenue Code Section 409A applicable to such short-term deferral exception, then those provisions shall be interpreted and applied in a manner that does not result in a violation of the requirements or limitations of Internal Revenue Code Section 409A and the Treasury Regulations thereunder that apply to such exception.