

ASPEN TECHNOLOGY INC /DE/
Form 8-K
July 20, 2011

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): **July 14, 2011**

ASPEN TECHNOLOGY, INC.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

0-24786
(Commission
File Number)

04-2739697
(IRS Employer
Identification No.)

200 Wheeler Road, Burlington MA
(Address of Principal Executive Offices)

01803
(Zip Code)

Registrant's telephone number, including area code: **(781) 221-6400**

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):

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- o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - o 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 July 14, 2011, the board of directors approved, upon the recommendation of its compensation committee, an Executive Annual Incentive Bonus Plan (Fiscal Year 2012) for Mark Fusco, our President and Chief Executive Officer, and the compensation committee approved an Executive Annual Incentive Bonus Plan (Fiscal Year 2012) for certain other members of our senior management, including each of our other executive officers: Mark P. Sullivan, our Executive Vice President and Chief Financial Officer; Antonio J. Pietri, our Executive Vice President, Field Operations; Manolis E. Kotzabasakis, our Executive Vice President, Products; and Frederic G. Hammond, our Senior Vice President and General Counsel. Each such plan is identical, except for the amount of the executive's target award and the executive's individual performance goals.

The purpose of these plans is to motivate and reward performance for the achievement of corporate and individual objectives for fiscal 2012. Payments under each plan are based upon the achievement of corporate financial metrics and of individual performance metrics.

- The corporate financial metrics consist of target amounts for cash flow from operations and growth in total license contract value. Each of the target amounts is established by the board and is weighted at 50% for purposes of determining each executive's bonus. In order for any bonus to be payable under a plan, we must achieve at least 70% of each of the target amounts. Each corporate financial metric is measured and funded individually.

- The individual performance metrics for Mr. Fusco are approved, and his compliance is assessed, by the compensation committee. The individual performance metrics for each other executive are approved, and compliance is assessed, by Mr. Fusco. The individual performance metrics for each executive are discussed with the board. Each executive will receive a performance achievement rating between 80% and 100%, and this rating will be used as a multiplier against the funded level of each corporate financial metric to determine the executive's final earned bonus under each corporate financial metric.

Performance against the corporate financial metrics will be evaluated mid-year and at year end, and compliance with individual performance metrics will be assessed at year end. Each executive has the potential for a mid-year payment, in an amount not to exceed 25% of the executive's annual bonus target, based on performance against mid-year target amounts for the corporate performance metrics. Year-end calculations will be weighted by the executive's individual performance assessment rating. If an executive's employment terminates prior to the end of the performance period, eligibility for any payment will be subject to the retention agreement then in effect between us and the executive.

Under the plan, the compensation committee may make a discretionary award to an executive in such amount as the compensation committee determines to be appropriate and in the best interests of our company.

A copy of the form of the Executive Annual Incentive Bonus Plan (Fiscal Year 2012) is included as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1	Aspen Technology, Inc. Executive Annual Incentive Bonus Plan (Fiscal Year 2012)

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.

ASPEN TECHNOLOGY, INC.

Date: July 20, 2011

By:

/s/ Frederic G. Hammond
Frederic G. Hammond
Senior Vice President and General Counsel

EXHIBIT INDEX

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