

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): **September 28, 2009**

Simpson Manufacturing Co., Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

1-13429

(Commission
file number)

94-3196943

(I.R.S. Employer
Identification No.)

5956 W. Las Positas Boulevard, Pleasanton, CA 94588

(Address of principal executive offices)

(Registrant's telephone number, including area code): **(925) 560-9000**

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-2)
- ☐ 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 Directors; Compensatory Arrangements of Certain Officers

On September 28, 2009, the Compensation and Leadership Development Committee of our Board of Directors approved a change to our Executive Officer Cash Profit Sharing Plan to phase in the inclusion of the acquired assets in the average asset base that is used in the computation of the qualifying level. The phase-in period is as follows:

Year 1	0%
Year 2	33%
Year 3	66%
Year 4	100%

There were no changes to the computation of the operating profit. The effect of this change is to lower the return on assets that is required to be met for qualifying income to be allocated to the incentive pool, thereby increasing potential payouts. An identical change was also made to our Cash Profit Sharing Plan which is available to our other qualified employees. The estimated effect on the 2009 compensation of our Named Executive Officers is illustrated in Exhibit 10, Compensation of Named Executive Officers of Simpson Manufacturing Co., Inc.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits:

<u>Exhibit Number</u>	<u>Description</u>
10	Compensation of Named Executive Officers of Simpson Manufacturing Co., Inc.

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.

Simpson Manufacturing Co., Inc.

(Registrant)

DATE: October 2, 2009

By /s/ KAREN COLONIAS

Karen Colonias
Chief Financial Officer

Exhibit 10 Compensation of Named Executive Officers of Simpson Manufacturing Co., Inc.

Our executive officers are at-will employees. We do not have a written employment contract with any of them. We or the officer can terminate the employment relationship at any time, for any reason, with or without cause. For 2009, we have set the following officers' annual salaries and expect to contribute to their defined contribution profit sharing trust accounts, as follows:

	<u>2009 Salary</u>	<u>Estimated Profit Sharing Trust Con- tribution{1}</u>
Thomas J Fitzmyers President and Chief Executive Officer	\$ 336,036	\$ 24,500
Barclay Simpson Chairman of the Board	150,000	15,000
Phillip Terry Kingsfather President and Chief Executive Officer of Simpson Strong-Tie Company Inc.	275,000	24,500
Michael J. Herbert Vice President	262,119	24,500
Karen W. Colonias Chief Financial Officer, Treasurer and Secretary	262,119	24,500

{1} If we employ the officer on December 31, 2009, we will (in 2010) contribute to his or her profit sharing trust account 10% of his or her annual salary, with a contribution limit of \$24,500 for 2009, plus a pro rata share of forfeitures by other participants.

Those officers participate in our Executive Officer Cash Profit Sharing Plan, which is designed to reward them with quarterly cash bonuses based on operating profit for their respective profit centers less a return on assets, as established by our Board of Directors. For this purpose, we generally define operating profit as:

Income from operations of Simpson Manufacturing Co., Inc. or relevant subsidiary

Plus: Stock compensation charges
Certain bonuses and commissions
Salaried pension contributions
Self-insured workers' compensation costs

Equals: Operating profit

Once we determine the operating profit, we subtract qualifying levels based on a specified return on assets (also as established by our Board of Directors) to determine the pool of profit available to our participating employees. We generally determine the return on assets as follows:

Average assets of Simpson Manufacturing Co., Inc. or relevant subsidiary, net of specified liabilities, for the 3 months ended on the last day of the month prior to the end of the quarter

Less: Cash
Real estate
Acquired assets (excluding cash, real estate, goodwill and
indefinite lived intangible assets) based on tiered phase-in schedule
Goodwill and indefinite lived intangible assets
Self-Insured workers' compensation reserves

Multiplied by: Specified return percentage for Simpson Manufacturing Co., Inc. or relevant subsidiary

Equals: Qualifying level

Based on our operating profit for each of the 4 quarters of 2009, our officers may receive a payout after our quarterly earnings are announced to the public. Whether or not we pay amounts in any quarter under the Executive Officer Cash Profit Sharing Plan does not affect our officers' ability to earn amounts in any other quarter. If the operating profit is lower or higher than the targeted operating profit, the payout will be correspondingly lower or higher, but we generally do not make any payment when the operating profit for the quarter is less than the qualifying level for the quarter.

For the full year 2009, the annual operating profit goals, qualifying levels and targeted payouts for each of the following executive officers are as follows:

	<u>Operating Profit Goal</u>	<u>Qualifying Level{1}</u>	<u>Targeted Payout{1}</u>
Thomas J Fitzmyers	\$ 66,205,000	\$ 66,069,000	\$ 271,000
Barclay Simpson	66,205,000	66,069,000	78,000
Phillip Terry Kingsfather	62,497,000	60,819,000	118,000
Michael J. Herbert	66,205,000	66,069,000	85,000
Karen W. Colonias	66,205,000	66,069,000	85,000

{ 1 } Amounts represent actual qualifying level and payout for the first two quarters of 2009 plus the expected qualifying level and the expected payout for the last two quarters of 2009 if operating profit goals established at the beginning of the year are met and qualifying levels are as projected at the beginning of the year.

We use these parameters only to provide incentive to our officers and employees who participate in our Executive Officer Cash Profit Sharing Plan and our Cash Profit Sharing Plan. You should not draw any inference whatsoever from these parameters about our future financial performance. You should not take these parameters as projections or guidance of any kind.

Each of our officers participates in our 1994 Stock Option Plan. Whether we grant stock options under our 1994 Stock Option Plan each year depends on whether we or our relevant subsidiary or branch meets the applicable operating profit goal for the preceding year. If we or the relevant subsidiary or branch does not achieve the applicable operating profit goal for a year, we do not grant stock options to the affected officer(s) for that year. If we meet all applicable operating profit goals for 2009, computed as income from operations of the relevant business plus stock option charges, certain incentive compensation and commissions, salaried pension contributions and self-insured workers' compensation costs, we anticipate granting stock options to the following executive officers for the following numbers of shares of our common stock:

	<u>Operating Profit Goal{1}</u>	<u>Option Grant</u>
Thomas J Fitzmyers	\$ 65,578,000	18,000 shares
Barclay Simpson	65,578,000	2,000 shares
Phillip Terry Kingsfather	61,876,000	106,000 shares
Michael J. Herbert	65,578,000	40,000 shares
Karen W. Colonias	61,876,000	2,000 shares
	19,245,000	4,000 shares

{1} Each Operating Profit Goal relates to Simpson Manufacturing Co., Inc., except that the \$61,876,000 Operating Profit Goal for each of Phillip Terry Kingsfather and Karen W. Colonias relates to Simpson Strong-Tie Company Inc., and the \$19,245,000 Operating Profit Goal for Karen W. Colonias relates to the Simpson Strong-Tie Company Inc. branch in Stockton, California.

We also pay allowances for travel costs. Mr. Fitzmyers receives compensation for the cost to hire an airplane for travel between his home and our offices or for business travel. We compute the cost of the use of airplanes using the Standard Industrial Fare Level tables in the applicable Internal Revenue Service Regulations. We estimate our cost for this allowance for 2009 will be approximately \$400,000, although the amount of compensation to be recognized by Mr. Fitzmyers under the Internal Revenue Service Regulations may be less, depending on the extent of the use of the airplane for business travel.

The Compensation Committee renewed the housing allowance for Mr. Kingsfather for an additional 2 years, through 2011. We estimate our cost for this allowance for 2009 will be approximately \$130,000.

Compensation of Directors

We pay each of our directors whom we do not compensate as an officer or employee –

- an annual retainer of \$32,000,
- a fee of \$2,000 for attending a scheduled meeting of our Board of Directors, whether he or she attends in person or by telephone,
- a fee of \$2,000 for attending a scheduled committee meeting held on a day when our Board of Directors does not meet, whether he or she attends in person or by telephone,
- a fee of \$1,000 for attending a committee meeting on the same day as a scheduled meeting of our Board of Directors or another committee, whether he or she attends in person or by telephone, and
- a fee of half the normal meeting fee for attending an unscheduled Board of Directors or committee meeting held by telephone.

We pay the Chair of the Audit Committee an additional annual fee of \$8,000. We pay the Chair of each of the Compensation and Leadership Development Committee, the Governance and Nominating Committee, and the Acquisition and Strategy Committee an additional annual fee of \$4,000. We reimburse outside directors for expenses that they incur in attending Board of Directors and committee meetings and educational programs. We pay each outside director \$3,000 per day and reimburse his or her expenses when he or she visits our facilities to observe operations.

Each of our independent directors is eligible to receive stock options under our 1995 Independent Director Stock Option Plan for each year that we meet our annual operating profit goal. The operating profit goal for stock option grants for our independent directors is the same as the operating profit goal for stock option grants to Messrs. Fitzmyers, Simpson and Herbert. We grant each independent director an option to purchase 4,000 shares of our common stock in the first year we make our operating profit goal after he or she is appointed to our Board of Directors and an option to purchase 5,000 shares of our common stock for each subsequent year that we make our operating profit goal.