

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): **December 17, 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 December 17, 2009, the Compensation and Leadership Development Committee of our Board of Directors approved the matters set forth on Exhibit 10 attached hereto and incorporated herein by this reference.

Item 8.01 Other Events.

On December 17, 2009, our Board of Directors authorized the Company to repurchase up to \$50.0 million of the Company's common stock. The authorization will remain in effect through the end of 2010.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits:

<u>Exhibit Number</u>	<u>Description</u>
10	Compensation of Named Executive Officers

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: December 18, 2009

By /s/ Karen Colonias
Karen Colonias
Chief Financial Officer

Exhibit 10 Compensation of Named Executive Officers

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 2010, we have set the following officers' annual salaries and expect to contribute to their defined contribution profit sharing trust accounts, as follows:

	<u>2010 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
Jeffrey E. Mackenzie Vice President	160,000	16,000
Stephen P. Eberhard President and Chief Executive Officer of Simpson Dura-Vent Company, Inc.	250,985	24,500

{1} If we employ the officer on December 31, 2010, we will (in 2011) contribute to his or her profit sharing trust account 10% of his or her annual salary, with a contribution limit of \$24,500 for 2010, plus a pro rata share of forfeitures by other participants.

The 2010 salary for all of the officers listed above did not increase from their 2009 salary.

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 2010, 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 2010, 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</u>	<u>Targeted Payout{1}</u>
Thomas J Fitzmyers	\$ 58,601,000	\$ 49,107,000	\$ 443,000
Barclay Simpson	58,601,000	49,107,000	127,000
Phillip Terry Kingsfather	56,708,000	46,532,000	147,000
Michael J. Herbert	58,601,000	49,107,000	156,000
Karen W. Colonias	58,601,000	49,107,000	156,000
Jeffrey E. Mackenzie	58,601,000	49,107,000	70,000
Stephen P. Eberhard	1,893,000	2,575,000	45,000

{1} Amounts expected to be paid for the full year of 2010 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 2010, computed as income from operations of the relevant business plus stock compensation charges, certain bonuses 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	\$ 58,601,000	18,000 shares
Barclay Simpson	58,601,000	2,000 shares
Phillip Terry Kingsfather	56,708,000	106,000 shares
Michael J. Herbert	58,601,000	40,000 shares
Karen W. Colonias	58,601,000	50,000 shares
Jeffrey E. Mackenzie	58,601,000	40,000 shares
Stephen P. Eberhard	1,893,000	32,000 shares

{1} Each Operating Profit Goal relates to Simpson Manufacturing Co., Inc., except that the Operating Profit Goal for Phillip Terry Kingsfather relates to Simpson Strong-Tie Company Inc. and the Operating Profit Goal for Stephen P. Eberhard relates to Simpson Dura-Vent Company, Inc.

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 2010 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.

We pay Mr. Eberhard an allowance for an automobile for business use and for his personal use. We estimate our cost for this allowance for 2010 will be approximately \$16,000.

The Compensation and Leadership Development Committee renewed the housing allowance for Mr. Kingsfather for an additional 2 years, through 2011. We estimate our cost for this allowance for 2010 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 Committee and the Governance and Nominating 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, Herbert and Mackenzie and Ms. Colonias. We grant each independent director an option to purchase 5,000 shares of our common stock for each year that we make our operating profit goal.