

Noble Corp / Switzerland
Form 8-K
January 13, 2012

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): January 9, 2012

NOBLE CORPORATION

(Exact name of Registrant as specified in its charter)

Switzerland
(State or other jurisdiction

of incorporation or organization)

000-53604
(Commission

file number)

98-0619597
(I.R.S. employer

identification number)

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Dorfstrasse 19A

Baar, Switzerland

(Address of principal executive offices)

6340

(Zip code)

Registrant's telephone number, including area code: 41 (41) 761-65-55

(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-2(c))

ITEM 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(e) As previously announced, on January 9, 2012, James A. MacLennan commenced his employment as Senior Vice President, Chief Financial Officer and Controller of Noble Corporation, a Swiss company (the Company).

In October 2011, the Compensation Committee of the Board of Directors approved a new form of change of control employment agreement for executive officers employed after such time. Mr. MacLennan and Noble Drilling Services Inc. have entered into a change of control employment agreement substantially in the new form, effective as of January 9, 2012, that is guaranteed by the Company. The agreement becomes effective only upon a change of control (within the meaning set forth in the agreement) and remains effective for three years thereafter. Under the new form of employment agreement, if a defined change of control occurs and the employment of the officer is terminated either by the Company (for reasons other than death, disability or cause) or by the officer for good reason, which requirements can be referred to as a double trigger, the officer will receive or be entitled to the following benefits:

a lump sum amount equal to the sum of (i) the prorated portion of the officer's highest bonus paid either in the last three years before the change of control or for the last completed fiscal year after the change of control (the Highest Bonus), (ii) an amount equal to 18 times the highest monthly COBRA premium (within the meaning of Section 4980B of the Internal Revenue Code (the Code)) during the 12-month period preceding the termination of the officer's employment, and (iii) any accrued vacation pay, in each case to the extent not theretofore paid (collectively, the Accrued Obligations);

a lump sum payment equal to three times the sum of the officer's annual base salary (based on the highest monthly salary paid in the 12 months prior to the change of control) and the officer's Highest Bonus (the Severance Amount);

welfare benefits for an 18-month period to the officer and the officer's family at least equal to those that would have been provided had the officer's employment been continued. If, however, the officer becomes reemployed with another employer and is eligible to receive welfare benefits under another employer provided plan, the welfare benefits provided by the Company and its affiliates would be secondary to those provided by the new employer (Welfare Benefit Continuation);

a lump sum amount equal to the excess of (i) the actuarial equivalent of the benefit under the qualified and nonqualified defined benefit retirement plans of the Company and its affiliated companies in which the officer would have been eligible to participate had the officer's employment continued for three years after termination over (ii) the actuarial equivalent of the officer's actual benefit under such plans (the Supplemental Retirement Amount);

outplacement services for six months (not to exceed \$50,000); and

the 100 percent vesting of all benefits under the Noble Corporation 1991 Stock Option and Restricted Stock Plan, as amended (the 1991 Plan), and any other similar plan to the extent such vesting is permitted under the Code.

A change of control is defined in the new form of employment agreement to mean:

the acquisition by any individual, entity or group of 15 percent or more of the Company's outstanding shares, but excluding any acquisition directly from the Company or by the Company, or any acquisition by any corporation under a reorganization, merger, amalgamation or consolidation if the conditions described below in the third bullet point of this definition are satisfied;

individuals who constitute the incumbent board of directors (as defined in the agreement) of the Company cease for any reason to constitute a majority of the board of directors;

consummation of a reorganization, merger, amalgamation or consolidation of the Company, unless following such a reorganization, merger, amalgamation or consolidation (i) more than 50 percent of the then outstanding shares of common stock (or equivalent security) of the company resulting from such transaction and the combined voting power of the then outstanding voting securities of such company entitled to vote generally in the election of directors are then beneficially owned by all or substantially all of the persons who were the beneficial owners of the outstanding shares immediately prior to such transaction, (ii) no person, other than the Company or any person beneficially owning immediately prior to such transaction 15 percent or more of the outstanding shares, beneficially owns 15 percent or more of the then outstanding shares of common stock (or equivalent security) of the company resulting from such transaction or the combined voting power of the then outstanding voting securities of such company entitled to vote generally in the election of directors, and (iii) a majority of the members of the board of directors of the company resulting from such transaction were members of the incumbent board of directors of the Company at the time of the execution of the initial agreement providing for such transaction;

consummation of a sale or other disposition of all or substantially all of the assets of the Company, other than to a company, for which following such sale or other disposition, (i) more than 50 percent of the then outstanding shares of common stock (or equivalent security) of such company and the combined voting power of the then outstanding voting securities of such company entitled to vote generally in the election of directors are then beneficially owned by all or substantially all of the persons who were the beneficial owners of the outstanding shares immediately prior to such sale or other disposition of assets, (ii) no person, other than the Company or any person beneficially owning immediately prior to such transaction 15 percent or more of the outstanding shares, beneficially owns 15 percent or more of the then outstanding shares of common stock (or equivalent security) of such company or the combined voting power of the then outstanding voting securities of such company entitled to vote generally in the election of directors, and (iii) a majority of the members of the board of directors of such company were members of the incumbent board of directors of the Company at the time of the execution of the initial agreement providing for such sale or other disposition of assets; or

approval by the shareholders of the Company of a complete liquidation or dissolution of the Company.

However, a change of control will not occur as a result of a transaction if (i) the Company becomes a direct or indirect wholly owned subsidiary of a holding company and (ii) either (A) the shareholdings for such holding company immediately following such transaction are the same as the shareholdings immediately prior to such transaction or (B) the shares of the Company's voting securities outstanding immediately prior to such transaction constitute, or are converted into or exchanged for, a majority of the outstanding voting securities of such holding company immediately after giving effect to such transaction.

Under the agreement, cause means (i) the willful and continued failure by the officer to substantially perform his duties or (ii) the willful engaging by the officer in illegal conduct or gross misconduct that is materially detrimental to the Company or its affiliates.

Payments to specified employees under Section 409A of the Code may be delayed until six months after the termination of the officer's employment.

The agreement provides that if the officer's employment is terminated within three years after a change of control by reason of disability or death, the agreement will terminate without further obligation to the officer or the officer's estate or beneficiary, other than for the payment of Accrued Obligations, the Severance Amount, the Supplemental Retirement Amount and the timely provision of the Welfare Benefit Continuation. If the officer's employment is terminated for cause within the three years after a change of control, the agreement will terminate

without further obligation to the officer other than for payment of the officer's base salary through the date of termination, to the extent unpaid, and the timely payment when otherwise due of any compensation previously deferred by the officer. If the officer voluntarily terminates the officer's employment within the three years after a change of control, excluding a termination for good reason, the agreement will terminate without further obligation to the officer other than for payment of the officer's base salary through the date of termination, to the extent unpaid, the payment of the Accrued Obligations, and the timely payment when otherwise due of any compensation previously deferred by the officer.

The agreement provides that payments thereunder do not reduce any amounts otherwise payable to the officer, or in any way diminish the officer's rights as an employee, under any employee benefit plan, program or arrangement or other contract or agreement of the Company or any of its affiliated companies providing benefits to the officer.

The agreement also contains a confidentiality provision obligating the officer to hold in strict confidence and not to disclose or reveal, directly or indirectly, to any person, or use for the officer's own personal benefit or for the benefit of anyone else, any trade secrets, confidential dealings or other confidential or proprietary information belonging to or concerning the Company or any of its affiliated companies, with certain exceptions set forth expressly in the provision.

Any term or condition of the agreement may be waived at any time by the party entitled to have the benefit thereof (whether the subsidiary of the Company party to the agreement or the officer) if evidenced by a writing signed by such party.

The foregoing description of the new form of change of control employment agreement and guaranty is qualified in its entirety by reference to the Form of Employment Agreement and Guaranty, a copy of which is filed as Exhibit 10.1 to this Form 8-K and is incorporated by reference herein.

In October 2011, the Compensation Committee of the Board of Directors approved new form agreements for awards of time-vested restricted stock units and nonqualified stock options under the 1991 Plan, which has previously been approved by the shareholders of the Company. In connection with Mr. MacLennan's appointment as an officer of the Company, the Compensation Committee authorized and approved the issuance on January 9, 2012 of awards of 49,052 time-vested restricted stock units and 44,803 stock options under the new form agreements. These awards vest one-third per year over three years commencing on the first anniversary of the award. The new forms of time-vested restricted stock unit award agreement and nonqualified stock option award agreement are attached hereto as Exhibits 10.2 and 10.3, respectively, and are incorporated by reference herein.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
10.1	Form of Employment Agreement and Guaranty
10.2	Form of Noble Corporation Time-Vested Restricted Stock Unit Agreement under the Noble Corporation 1991 Stock Option and Restricted Stock Plan
10.3	Form of Noble Corporation Nonqualified Stock Option Agreement under the Noble Corporation 1991 Stock Option and Restricted Stock Plan

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, thereunto duly authorized.

Noble Corporation, a Swiss corporation

Date: January 13, 2012

By: /s/ Julie J. Robertson
Julie J. Robertson
Executive Vice President and Corporate Secretary

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