

NETFLIX INC
Form 8-K
January 02, 2009

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 1, 2009

NETFLIX, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction

of incorporation)

000-49802
(Commission

File Number)
100 Winchester Circle

Los Gatos, CA

95032

(Address of principal executive offices)

(Zip Code)

(408) 540-3700

(Registrant's telephone number, including area code)

77-0467272
(I.R.S. Employer

Identification No.)

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(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-4(c))

Item 5.02 (e) Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.
Annual Salaries and Equity Compensation for Named Executive Officers

The Board of Directors of the Registrant established the annual salaries and monthly stock option allowances for 2009 for the Registrant's Named Executive Officers as follows:

NAME AND POSITION	ANNUAL SALARY	MONTHLY STOCK OPTION ALLOWANCE
Reed Hastings, Chief Executive Officer and Chairman of the Board	\$ 1,000,000	83,333
Barry McCarthy, Chief Financial Officer	600,000	66,667
Leslie Kilgore, Chief Marketing Officer	750,000	62,500
Neil Hunt, Chief Product Officer	800,000	33,333
Ted Sarandos, Chief Content Officer	900,000	8,333

Each Named Executive Officer, like all of Registrant's employees who receive stock options as part of his or her compensation package, may request that a portion of their annual salary be awarded in equity; provided however, they are not able to receive more than 60% of their total compensation in equity awards. The number of options to be granted is determined by the following formula: the monthly dollar amount of the stock option allowance / ([Fair Market Value on the date of grant] * 0.25). Each monthly grant shall be made on the first trading day of the month, shall be fully vested upon grant and shall be exercisable at a strike price equal to the Fair Market Value (as defined in the Registrant's 2002 Stock Plan) on the date of grant. The options will be subject to the terms and conditions of the 2002 Stock Plan and will be administered on a non-discretionary basis without further action by the Registrant's Board of Directors, provided that only the Board may change the amount or terms of future grants. Vested stock options granted on or after January 1, 2007 can be exercised up to ten (10) years following termination of employment. Registrant does not currently provide a program of performance bonuses for its 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.

Date: January 2, 2009

NETFLIX, INC.

/s/ David Hyman
David Hyman
General Counsel and Secretary