

STARRETT L S CO
Form 8-K
June 10, 2008

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):

June 4, 2008

THE L.S. STARRETT COMPANY
(Exact name of registrant as specified in its charter)

Massachusetts (State or Other Jurisdiction of Incorporation)	1-367 (Commission File Number)	04-1866480 (IRS Employer Identification No.)
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121 CRESCENT STREET, ATHOL, MASSACHUSETTS (Address of principal executive offices)	01331 (Zip Code)
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Registrant's telephone number: 978-249-3551

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

On June 4, 2008, the Board of Directors of The L.S. Starrett Company (the "Company"), upon the recommendation of the Compensation Committee of the Board of Directors, voted to adopt a new cash bonus plan for Anthony M. Aspin, executive officer and Vice President Sales of the Company. The new cash bonus plan is effective for the fiscal year ending June 28, 2008. The new plan bases awards on sales and income before tax as a percentage of net sales and replaces the previous cash bonus plan. The Board of Directors administers the new plan.

Awards under the new plan will be paid once per year following the release of the Company's audited financial statements. The new plan consists of two components: sales and income before tax ("IBT"). Mr. Aspin's cash bonus is based on the combination of the sales bonus component and the IBT bonus component of the new plan. The performance minimum for the sales component is 80% of the sales target, and opportunity for increased sales bonus is earned over the minimum. Mr. Aspin, under his IBT bonus component, earns 10% of his base salary once the minimum 4% of IBT is achieved by the Company, Mr. Aspin's IBT bonus increases by 2% of his base salary for each 1% of IBT over the 4% minimum. There is no cap on this plan.

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.

THE L.S. STARRETT COMPANY

Date: June 10, 2008

By: /s/ Randall J. Hylek
Name: Randall J. Hylek
Title: Treasurer and
Chief Financial Officer

