

MCDONALDS CORP  
Form 8-K  
January 23, 2009

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

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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 21, 2009

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McDONALD'S CORPORATION  
(Exact Name of Registrant as Specified in Its Charter)

Delaware  
(State or Other Jurisdiction  
of Incorporation)

1-5231  
(Commission  
File Number)

36-2361282  
(IRS Employer  
Identification No.)

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One McDonald's Plaza  
Oak Brook, Illinois  
(Address of Principal Executive Offices)

60523  
(Zip Code)

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(630) 623-3000  
(Registrant's Telephone Number, Including Area Code)

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Not Applicable  
(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 (see General Instruction A.2. below):

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)

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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))

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

Approval of Payout Structure for 2009 Target Incentive Plan (TIP) Awards

On January 21, 2009, the Compensation Committee of the Board of Directors of McDonald's Corporation (the "Company") approved the payout structure for TIP for 2009, as well as the parameters for determining final awards. For employees at the level of Senior Vice President and above, these awards are granted subject to the terms of the Company's Target Incentive Plan, which was filed as an exhibit to Form 8-K, dated January 23, 2008.

The target 2009 TIP awards for the Company's principal executive officer, principal financial officer and "named executive officers" for whom disclosure was required in the Company's most recent proxy statement are as shown in the table below.

Named Executive Officer	Position	Target TIP Award as Percentage of Base Salary
James A. Skinner	Chief Executive Officer	150%
Ralph Alvarez	President / Chief Operating Officer	125%
Peter J. Bensen	Corporate Executive Vice President and Chief Financial Officer	100%
Denis Hennequin	President of McDonald's Europe	75%
Timothy J. Fenton	President of McDonald's Asia, Pacific, Middle East, Africa ("APMEA")	75%

TIP payouts are determined by a combination of a team performance factor and an individual performance factor.

For Messrs. Skinner, Alvarez and Bensen, the team factor measures corporate performance. For Messrs. Hennequin and Fenton, the team factor is based on a combination of corporate performance and the performance of McDonald's Europe and McDonald's APMEA, respectively, reflecting their responsibilities.

The team factor is determined primarily by growth in operating income over the Company's 2008 operating income, measured in constant currency. The named executive officers listed above, like all other employees, are generally not eligible to receive a TIP payout if the Company does not achieve growth in operating income in 2009. Operating income is measured on a consolidated or geographic business unit level, as applicable.

Individual performance is measured against various qualitative performance factors, including setting and achieving goals that are in line with the Company's strategic focus.

The maximum TIP award that any of the named executive officers can earn in 2009 is 250% of the target award.

Item 7.01. Regulation FD Disclosure.

On January 22, 2009, the Company issued an Investor Release announcing that on January 22, 2009 the Board of Directors declared a quarterly cash dividend. A copy of the Investor Release is attached as Exhibit 99 to this Form 8-K.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

- 99 Investor Release of McDonald's Corporation issued January 22, 2009:  
McDonald's Announces Quarterly Cash Dividend

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.

McDONALD'S CORPORATION  
(Registrant)

Date: January 23, 2009

By: /s/ Denise A. Horne  
Denise A. Horne  
Corporate Vice President -  
Associate General Counsel and  
Assistant Secretary

Exhibit Index

Exhibit No. 99      Investor Release of McDonald's Corporation issued January 22, 2009:  
McDonald's Announces Quarterly Cash Dividend