

AMERICAN SUPERCONDUCTOR CORP /DE/
Form 8-K
May 10, 2005

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): 05/04/2005

AMERICAN SUPERCONDUCTOR CORP /DE/

(Exact Name of Registrant as Specified in its Charter)

Commission File Number: 0-19672

DE
(State or Other Jurisdiction of
Incorporation or Organization)

04-2959321
(I.R.S. Employer
Identification No.)

Two Technology Drive, Westborough, MA 01581

(Address of Principal Executive Offices, Including Zip Code)

508-836-4200

(Registrant's Telephone Number, Including Area Code)

(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 (17CFR240.14a-12)**
 - .. **Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17CFR240.14d-2(b))**
 - .. **Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17CFR240.13e-4(c))**
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Item 1.01. Entry into a Material Definitive Agreement

Executive Incentive Plan for Fiscal 2006

On May 4 and 5, 2005, the Compensation Committee (the Committee) of the Board of Directors, as well as the Board of Directors, of American Superconductor Corporation (the Company) approved an executive incentive plan for the Company's fiscal year ending March 31, 2006. Participants in the plan include the Company's Chief Executive Officer and all other executive officers. The Committee is responsible for determining the payout under the plan to each executive officer except the Chief Executive Officer. The Board of Directors of the Company determines the payout under the plan for the Chief Executive Officer, taking into account the recommendation received from the Committee.

Pursuant to the plan, the Committee designated for each executive officer a target cash incentive amount, expressed as a percentage of the officer's base salary. In establishing these targets, the Committee based its decision for each officer on the level of total compensation including base salary, cash incentive and equity paid by similar companies for comparable positions based on market data compiled by external consulting firms.

The amount of the incentive award actually paid to each executive officer may be less than or greater than the executive's target cash incentive with the amount capped at 156% of the target incentive. Individual incentive awards will be determined following the end of fiscal 2006 based on the following factors and their corresponding weightings:

the Company's net income for fiscal 2006 as compared to the target established by the Committee 40%

the executive's achievement of individual, measurable objectives during fiscal 2006, as determined by the Committee for all executives with the exception of the Chief Executive Officer, who is evaluated by the Board of Directors 40%

the executive's overall contribution during fiscal 2006 towards the achievement of the Company's financial and non-financial objectives 20%

The following table sets forth each current officer's target cash incentive for fiscal 2006.

<u>Executive Officer</u>	<u>Title</u>	<u>Target Incentive</u>
Gregory J. Yurek	Chief Executive Officer	\$202,500
David Paratore	President and Chief Operating Officer	\$120,000
Kevin M. Bisson	Senior VP, Chief Financial Officer and Treasurer	\$ 92,840
Alexis P. Malozemoff	Executive VP and Chief Technical Officer	\$ 73,438
Stuart C. Karon	VP, Business Development	\$ 59,500
Thomas M. Rosa	VP, Finance and Accounting	\$ 37,125

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.

Date: May 10, 2005

American Superconductor Corporation

By: /s/ KEVIN M. BISSON
Kevin M. Bisson

Senior Vice President and

Chief Financial Officer