

PDL BIOPHARMA, INC.  
Form 8-K  
July 24, 2013

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

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): July 24, 2013

**PDL BioPharma, Inc.**

(Exact name of Company as specified in its charter)

000-19756  
(Commission File Number)

Delaware 94-3023969  
(State or Other Jurisdiction of (I.R.S. Employer Identification No.)

Incorporation)

**932 Southwood Boulevard  
Incline Village, Nevada 89451**

(Address of principal executive offices, with zip code)

**(775) 832-8500**

(Company's telephone number, including area code)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Company 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))

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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.**

*Appointment of David Montez, Controller and Chief Accounting Officer*

On July 24, 2013, PDL BioPharma, Inc. (the Company) announced its appointment of David Montez as Controller and Chief Accounting Officer, effective July 24, 2013. Mr. Montez will replace Mr. Garcia in his temporary role as Acting Chief Accounting Officer.

Mr. Montez, age 40, brings more than a decade of accounting experience to the role. Before joining PDL, Mr. Montez served as the Director of Finance and Corporate Controller at GlassPoint Solar, Inc., the leader in solar enhanced oil recovery, where he managed multiple functions including global finance, accounting, IT and human resources. From 2005 to 2011, Mr. Montez was an Audit Senior Manager with Moss Adams. Mr. Montez has also served as Revenue Controller for Harmonic Inc. and began his accounting career at PricewaterhouseCoopers, LLP. Mr. Montez received a B.A. from the University of Utah and is a certified public accountant.

In connection with joining the Company, Mr. Montez entered into an employment offer letter with the Company (the Offer Letter). Pursuant to the Offer Letter, Mr. Montez is an at-will employee. Mr. Montez's base salary will be \$240,000 and his annual target bonus opportunity is equal to 30% of his annual base salary, with the actual bonus amount earned dependent upon Company and individual performance. The Company extended Mr. Montez a housing allowance of \$1,500 per month for five years and will reimburse Mr. Montez up to \$10,000 for his actual moving expenses, transportation and incidental expenses related to moving proximate to our headquarters in Incline Village, Nevada.

On August 5, 2013, the Company will grant Mr. Montez a long-term incentive award under our 2014 Long-Term Incentive Plan (a description of the plan was filed with the Securities and Exchange Commission in a Current Report on Form 8-K on January 29, 2013) comprised of two components: (i) the right to receive \$70,400 in cash and (ii) a number of unvested restricted shares of PDL common stock with a value equal to \$30,200 (based on the closing price of our common stock on August 5, 2013). Pursuant to the terms of the 2014 Long-Term Incentive Plan and subject to Mr. Montez's continued employment through December 12, 2014, the long-term incentive award will vest and become payable upon December 12, 2014.

In connection with his employment, Mr. Montez will enter into our standard form of severance agreement (filed with the Securities and Exchange Commission as Exhibit 10.1 to Current Report on Form 8-K on May 26, 2011) (the Severance Agreement). If Mr. Montez's employment is terminated by the Company without "Cause" or he resigns for "Good Reason," as those terms are defined in the Severance Agreement, Mr. Montez will receive (a)(i) a lump sum cash payment equal to 100% of the sum of his annual base salary, (ii) 75% of his annual target bonus for the year in which separation occurs and (iii) 12 months of COBRA benefits and (b)(i) any unvested cash payments and equity awards under any long-term incentive plan in effect at the date of separation shall ratably accelerate, vest and pay in proportion to the time lapsed during the vesting period, as increased by any adjustments and milestones earned by the

time of payment, and (ii) any accrued and unpaid dividends and interest on the then unvested equity awards shall vest and pay; provided that such payments will be contingent upon his signing a release of all claims against the Company.

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The Offer Letter is attached as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference. The foregoing description of the Offer Letter is qualified in its entirety by reference to Exhibit 10.1.

**Item 8.01 Other Events.**

On July 24, 2013, the Company issued a press release announcing Mr. Montez's appointment. The press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.**

<b>Exhibit No.</b>	<b>Description</b>
10.1	Offer Letter between the Company and David Montez, executed July 4, 2013
99.1	Press Release

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PDL BioPharma, inc.  
(Company)

By: */s/ Peter S. Garcia*  
Peter S. Garcia  
Vice President and Chief Financial  
Officer

Dated: July 24, 2013

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**Exhibit Index**

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