Guidewire Software, Inc.
Form 4
December 08, 2015

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL
OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
Ryu Marcus

(Last) (First) (Middle)

1001 E. HILLSDALE BLVD., SUITE 800

(Street)

FOSTER CITY, CA 94404

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
Guidewire Software, Inc. [GWRE]

3. Date of Earliest Transaction (Month/Day/Year)
12/07/2015

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
CEO and President

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	12/07/2015		M		20,000	A	$ 8.65	28,844	D	
Common Stock	12/07/2015		S (1)		10,000	D	$ 59.383 (2)	18,844	D	
Common Stock	12/07/2015		S (1)		5,000	D	$ 59.3593 (3)	13,844	D	
Common Stock	12/07/2015		S (1)		5,000	D	$ 59.3759 (4)	8,844	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amoun Underlying Securit (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amo or Num of Sh
Non-Qualified Stock Option (right to buy)	$ 8.65	12/07/2015		M			20,000	(5)	09/14/2021	Common Stock	20,0

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Ryu Marcus 1001 E. HILLSDALE BLVD., SUITE 800 FOSTER CITY, CA 94404	X		CEO and President	

Signatures

By: Winston King Attorney in Fact For: Marcus Ryu	12/08/2015
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Automatic stock option exercise and same-day sale pursuant to a Rule 10b5-1 trading plan adopted by the Reporting Person on April 14, 2015.

(2) The sale price reported in column 4 of Table 1 represents the average sale price of the shares sold ranging from $59 to $59.89 per share. The Reporting Person will provide, upon request by the Commission staff, the Issuer, or a security holder of the Issuer, full information regarding the number of share sold at each separate price.

(3) The sale price reported in column 4 of Table 1 represents the average sale price of the shares sold ranging from $59.07 to $59.87 per share. The Reporting Person will provide, upon request by the Commission staff, the Issuer, or a security holder of the Issuer, full information regarding the number of share sold at each separate price.

(4) The sale price reported in column 4 of Table 1 represents the average sale price of the shares sold ranging from $59.07 to $59.89 per share. The Reporting Person will provide, upon request by the Commission staff, the Issuer, or a security holder of the Issuer, full information regarding the number of share sold at each separate price.

(5) This Stock Option vests as follows: 50% of the shares vest on September 14, 2013 and the remaining 50% vests monthly over the next two years, as long as the Reporting Person provides continuous service as the Issuer's chief executive officer.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. FONT>**Non-Equity**
Incentive Plan
Compensation
($)(2) All Other
Compensation ($) Total ($)

Chane Graziano

2006 $486,000 $ $464,447 $282,000 $14,591(3) $1,247,038

Chairman and Chief Executive Officer

Bryce A. Chicoyne

2006 200,000 148,115 59,000 7,500(4) 414,615

Chief Financial Officer and Treasurer

David Green

2006 400,000 355,364 233,000 22,040(5) 1,010,404

President

Susan M. Luscinski

2006 250,000 169,492 73,000 10,751(6) 503,243

Chief Operating Officer

Mark A. Norige

2006 190,000 95,000 112,352 8,885(7) 406,237

President, Harvard Apparatus Business Unit

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(1) Based on the dollar amount recognized for financial statement reporting purposes with respect to the year ended December 31, 2006 in accordance with SFAS No. 123(R), disregarding the estimate of forfeitures. Assumptions used in the calculation of this amount are included in Note 15 to the Company s audited financial statements for the fiscal year ended December 31, 2006, included in the Company s Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 15, 2007.

(2) These amounts reflect the cash awards to the named individuals under the 2006 Corporate Bonus Plan, which is discussed in further detail on page 11.

(3) Includes $2,578 for personal usage of Company owned automobile (as calculated in accordance with Internal Revenue Service guidelines and included as compensation on the W-2) and $12,013 in matching contributions made by the Company to Mr. Graziano s tax-qualified 401(k) Savings Plan account.

(4) Amount represents matching contributions made by the Company to Mr. Chicoyne s tax-qualified 401(k) Savings Plan account.

(5) Includes $8,864 for personal usage of Company owned automobile (as calculated in accordance with Internal Revenue Service guidelines and included as compensation on the W-2), $11,308 in matching contributions made by the Company to Mr. Green s tax qualified 401(k) Savings Plan account and $1,868 representing life insurance purchased for Mr. Green s benefit.

(6) Amount represents matching contributions made by the Company to Ms. Luscinski s tax-qualified 401(k) Savings Plan account.

(7) Amount represents matching contributions made by the Company to Mr. Norige s tax-qualified 401(k) Savings Plan account.

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GRANTS OF PLAN-BASED AWARDS 2006

The following table sets forth certain information concerning the individual grant of options to purchase Common Stock to the named executive officer who received such grants during the fiscal year ended December 31, 2006. The exercise price for each stock option equals the closing market price on the date of grant as reported on the NASDAQ Global Market. The option awards identified in the table below are also reported in the Outstanding Equity Awards at Fiscal 2006 Year-End Table on the following page.

Name	Grant Date	Estimated Potential Payouts Under Non-Equity Incentive Plan Awards ($)(1) Target	All Other Option Awards; Number of Securities Underlying Options (#)(2)	Exercise or Base Price of Option Awards ($)	Grant Date Fair Value of Stock and Option Awards ($)(3)
Chane Graziano	8/9/2006		300,000	$ 4.28	$ 907,350
		$ 364,623			
Bryce A. Chicoyne	8/9/2006		100,000	$ 4.28	$ 302,450
		$ 75,025			
David Green	8/9/2006		200,000	$ 4.28	$ 604,900
		$ 300,101			
Susan M. Luscinski	8/9/2006		100,000	$ 4.28	$ 302,450
		$ 93,782			
Mark A. Norige	8/9/2006		75,000	$ 4.28	$ 226,838

(1) Represents awards made under the 2006 Corporate Bonus Plan. As described above under Compensation Discussion and Analysis Annual Cash Incentive Bonuses, awards under this plan are based on the Company s actual non-GAAP adjusted operating income for the year ended December 31, 2006 in excess of a certain amount and, accordingly, this plan did not provide for a minimum or maximum payout. Also, because there is no established target amount under this program, the amount reported under the Target sub-column represents the amount that the executives would have earned under the this plan based on the Company s performance during the fiscal year ended December 31, 2006, if these amounts had not be reduced by the Compensation Committee.

(2) The options become exercisable in four equal annual installments on each of the first four anniversaries of January 1, 2006. All options are subject to the employee s continued employment.

(3) Based on the aggregate grant date fair value computed in accordance with SFAS No. 123(R). Assumptions used in the calculation of this amount are included in Note 15 to the Company s audited financial statements for the fiscal year ended December 31, 2006, included in the Company s Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 15, 2007.

Discussion of Summary Compensation and Grants of Plan-Based Awards Tables

The Company s executive compensation policies and practices, pursuant to which the compensation set forth in the Summary Compensation Table and the Grants of Plan Based Awards Table was paid or awarded, are described above under Compensation Discussion and Analysis. A summary of certain material terms of our compensation plans and arrangements is set forth below. The terms of employment agreements that we have entered into with our executives are described below under Potential Payments Upon Termination or Change-in-Control.

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Annual Cash Incentive Bonuses

In 2006, the Company adopted the 2006 Corporate Bonus Plan. The terms of the Company s 2006 Corporate Bonus Plan are described above under Compensation Discussion and Analysis Annual Cash Incentive Bonuses. The bonuses paid upon this plan are reported as Non-Equity Incentive Plan Compensation in the Summary Compensation Table. Additionally, in the 2006 Grants of Plan-Based Awards table, the Estimated Possible Payouts under Non-Equity Incentive Plan Awards column for each of the executives relates to the bonuses that were payable under this plan.

2006 Stock Option Grants

In 2006, the Company granted stock options to the named executive officers under the Company s Amended and Restated 2000 Stock Option and Incentive Plan, as described in the tables above. Each stock option granted has a term of ten years and may be exercised at any time and from time to time prior to its expiration for all or a portion of such option shares that have vested. Each stock option vests in four equal installments on each of the first four anniversaries of January 1, 2006, subject to continued employment. Generally, to the extent vested, each stock option is exercisable during the term of the option while the grantee is employed by us and for a period of 30 days thereafter, unless such termination is upon death or disability, in which the grantee may continue to exercise the option for a period of three months, or for cause, in which case the option terminates immediately. Vesting of this stock option is also subject to acceleration in connection with a change-in-control as described in Potential Payments Upon Termination or Change-in-Control.

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OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END 2006

The following table sets forth information concerning the number and value of exercisable and unexercisable options to purchase Common Stock held by the named executive officers who held such options as of December 31, 2006.

	Option Awards			
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date
Chane Graziano		300,000(1)	$ 4.28	8/9/2016
	31,250	93,750(2)	$ 2.98	5/25/2015
	62,500	62,500(3)	$ 4.01	8/4/2014
	100,000	100,000(4)	$ 8.79	3/25/2014
	150,000	50,000(5)	$ 3.48	4/8/2013
	200,000		$ 7.92	1/7/2012
	543,750	606,250		
Bryce A. Chicoyne		100,000(1)	$ 4.28	8/9/2016
	12,500	37,500(2)	$ 2.98	5/25/2015
	50,000	50,000(6)	$ 4.96	8/30/2014
	62,500	187,500		
David Green		200,000(1)	$ 4.28	8/9/2016
	31,250	93,750(2)	$ 2.98	5/25/2015
	100,000	100,000(4)	$ 7.99	3/25/2014
	150,000	50,000(5)	$ 3.16	4/8/2013
	200,000		$ 7.92	1/7/2012
	481,250	443,750		
Susan M. Luscinski		100,000(1)	$ 4.28	8/9/2016
	12,500	37,500(2)	$ 2.98	5/25/2015
	50,000	50,000(4)	$ 7.99	3/25/2014
	75,000	25,000(5)	$ 3.16	4/8/2013
	100,000		$ 7.92	1/7/2012
	98,550		$ 1.05	2/29/2009
	336,050	212,500		
Mark A. Norige		75,000(1)	$ 4.28	8/9/2016
	6,250	18,750(2)	$ 2.98	5/25/2015
	25,000	25,000(4)	$ 7.99	3/25/2014
	37,500	12,500(5)	$ 3.16	4/8/2013
	98,550		$ 1.05	2/29/2009
	167,300	131,250		

(1) The option, also reported in the Grants of Plan-Based Awards Table on the previous page, was granted on August 9, 2006 and, assuming continued employment with the Company, the shares become exercisable on January 1 of each of 2007, 2008, 2009 and 2010.

(2) The option was granted on May 25, 2005 and, assuming continued employment with the Company, the shares become exercisable on January 1 of each of 2007, 2008 and 2009.

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(3) The option was granted on August 4, 2004 and, assuming continued employment with the Company, the shares become exercisable on August 4 of each of 2007 and 2008.

(4) The option was granted on March 25, 2004 and, assuming continued employment with the Company, the shares become exercisable on January 2 of each of 2007 and 2008.

(5) The option was granted on April 8, 2003 and, assuming continued employment with the Company, the shares become exercisable on January 1, 2007.

(6) The option was granted on August 30, 2004 and, assuming continued employment with the Company, the shares become exercisable on August 30 of each of 2007 and 2008.

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE-IN-CONTROL

In December 2000, the Company entered into employment agreements with each of Messrs. Graziano and Green. Each agreement was initially for a period of two years; however, the agreements automatically extend for two additional years on each second anniversary date unless either party has given notice that they do not wish to extend the agreement. The current terms of these agreements will expire in December 2007, unless extended automatically or otherwise. Each agreement provides for the payment of base salary and incentive compensation and for the provision of certain fringe benefits to the executive officer. Under their respective employment agreements, the initial annual salary for Mr. Graziano was $275,000 and the initial annual salary for Mr. Green was $225,000. These salary amounts are subject to review annually by the Compensation Committee. Mr. Graziano s and Mr. Green s current annual salaries for fiscal year 2007 are $486,000 and $400,000, respectively. The agreements require these executives to refrain from competing with the Company and from soliciting Company employees for a period of 12 months following termination for any reason. Each agreement also provides for certain payments and benefits for an executive upon a change-in-control or if his employment with the Company is terminated because of death or disability, by the executive for good reason or by the Company without cause. The events constituting cause, good reason and a change-in-control are specified in the agreement. In general, in the case of a termination by the executive for good reason, or by the Company without cause, the executive will receive: (1) cash severance payments, payable in a lump sum upon termination or over 12 months, at the option of the Company, equal to two times the sum of (A) his average annual base salary for the three preceding years or, if higher, his base salary for the prior fiscal year and (B) his average annual incentive cash compensation for the three preceding years or, if higher, his annual incentive cash compensation for the prior fiscal year, (2) an extension of health insurance coverage for one year and (3) an acceleration of vesting for stock options and stock-based awards which otherwise would vest during the next 24 months. In the event that such a termination occurs within 18 months following a change-in-control of the Company, then, in lieu of the cash severance payment described in the foregoing sentence, the executive will receive a cash severance payment, in a lump sum upon termination, equal to three times the sum of (A) his current annual base salary and (B) his annual incentive cash compensation for the most recent fiscal year. The executive s receipt of payment and benefits in connection with such a termination by the executive for good reason or by the Company without cause is subject to the executive signing a general release of claims in a form and manner satisfactory to the Company. Additionally, the executive s receipt of the cash severance payments is subject to his continued compliance with the confidentiality and non-compete obligations contained in the agreement. In the case of termination by reason of the executive s death or disability, the executive or, in the event of his death, his spouse and dependents shall receive health insurance coverage for one year and the vesting for all of executive s outstanding stock options shall fully accelerate. Additionally, upon a change-in-control, the vesting for all outstanding stock options and other stock-based awards will fully accelerate. Each employment agreement also provides that if any payment under the agreement, including compensation triggered by a change-in-control, constitutes a parachute payment under the Internal Revenue Code, such that an excise tax is imposed, the executive is generally entitled to receive a gross-up payment equal to the amount of such excise tax owed (including any penalties and interest for underpayments) plus the amount necessary to put the executive in the same after-tax position as if no excise tax had been imposed.

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In December 2005, the Company entered into employment agreements with Mr. Chicoyne and Ms. Luscinski. Each agreement was initially for a period of one year; however the agreement automatically extends for an additional year on each anniversary date unless either party has given notice, not less than 90 days prior to such date, that such party does not wish to extend the agreement. The current terms of these agreements will expire in November 2007 unless extended automatically or otherwise. Each agreement provides for the payment of base salary and incentive compensation and for the provision of certain fringe benefits to the executive. Under their respective employment agreements, the initial annual salary for Mr. Chicoyne was $175,000 and the initial salary for Ms. Luscinski was $235,000. These salary amounts are subject to review annually by the Compensation Committee. Mr. Chicoyne and Ms. Luscinski s current salary under these agreements are $200,000 and $250,000, respectively. The agreements require our executive officers to refrain from competing with the Company and from soliciting Company employees for a period of 12 months following termination for any reason. Each agreement also provides for certain payments and benefits for an executive upon a change-in-control or if his employment with the Company is terminated because of death or disability, by the executive for good reason or by the Company without cause. The events constituting cause, good reason and a change-in-control are specified in the agreement. The payments and benefits under the agreement with Ms. Luscinski and Mr. Chicoyne, in each of these circumstances (including the tax gross-up payment), are the same as those provided for Messrs. Graziano and Green in each of their employment agreements, except that (1) the cash severance payments to be made upon a termination by the executive for good reason, or by the Company without cause, whether before or after a change-in-control, is one times the relevant sum (as opposed to two and three times) and (2) the accelerated vesting for stock options and stock-based awards upon a termination by the executive for good reason, or by the Company without cause, is 12 months (as opposed to 24 months).

The Company has not entered into an employment agreement with Mr. Norige.

Under the Company s Amended and Restated 2000 Stock Option and Incentive Plan, the stock options that the Company awarded to Messrs. Graziano, Green, Chicoyne, Luscinski and Norige on August 9, 2006 included a term providing for the full acceleration of the unvested portion of such options upon a change-in-control of the Company. Additionally, all of the stock options awarded to these executives prior to August 9, 2006 that were not fully vested as of December 31, 2006 included a term providing for the full acceleration of the unvested portion of such options in the event that the executive s employment is terminated by the Company without cause or by the executive for good reason within 24 months after certain changes-in-control of the Company. The events constituting cause, good reason and a change-in-control are specified in the stock option agreements.

The tables below reflect the estimated amount of payments and benefits that would have been provided by the Company to each of the named executive officers upon the termination of such executive s employment with the Company as of December 31, 2006 in each of the following circumstances: termination by the Company without cause, termination by the executive for good reason, termination upon death, termination by the Company upon disability and termination by the Company without cause or by the executive for good reason following a change-in-control. The tables also reflect the estimated amount of payments and benefits that would have been provided by the Company to each of the named executive officers upon a change-in-control of the Company occurring as of December 31, 2006. The types of events constituting cause, good reason, disability and a change-in-control may differ in some respects among the different arrangements providing for benefits to the named executive officers; however, for consistency in presentation, the tables below have grouped these arrangements together based on these concepts without regard for any such differences.

The amounts described in the tables above do not include payments and benefits to the extent they have been earned prior to the termination of employment or change-in-control or are provided on a non-discriminatory basis to salaried employees upon termination of employment. These include:

Accrued salary, bonus and vacation pay;

Distribution of plan balances under our 401(k) plan;

Life insurance proceeds in the event of death; and

Disability insurance payouts in the event of disability.

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Chane Graziano

The following table shows the estimated payments upon termination or a change-in-control of the Company for Chane Graziano, the Company s Chairman and Chief Executive Officer.

Executive Benefits and Payments Upon Separation	Termination Without Cause or For Good Reason	Termination Upon Death	Termination Upon Disability	Termination After Change-in-Control (1)	Change-in-Control
Cash Severance	$ 910,000	$	$	$ 2,304,000	$
Vesting of Stock Options (2)	414,375	609,063	609,063	609,063	609,063
Health Care Benefits (3)	8,845	4,206	8,845	8,845	
Tax Gross-up				973,366	
Total	$ 1,333,220	$ 613,269	$ 617,908	$ 3,895,274	$ 609,063

(1) This column assumes a change-in-control occurs on December 31, 2006 followed immediately thereafter by a termination of the executive s employment on the same date by the Company without cause or by the executive for good reason.
(2) Based on the difference between the exercise price of unvested stock options that accelerate upon the relevant event and the closing price of the Company s common stock on the Nasdaq Global Market on December 31, 2006, which was $5.13.
(3) Reflects the amount of future premiums, which would be paid on behalf of the named executive officer under the Company s health and dental plans, based on the premiums in effect as of December 31, 2006.

Bryce A. Chicoyne

The following table shows the estimated payments upon termination or a change-in-control of the Company for Bryce A. Chicoyne, the Company s Chief Financial Officer.

Executive Benefits and Payments Upon Separation	Termination Without Cause or For Good Reason	Termination Upon Death	Termination Upon Disability	Termination After Change-in-Control (1)	Change-in-Control
Cash Severance	$ 175,000	$	$	$ 259,000	$
Vesting of Stock Options (2)	104,750	174,125	174,125	174,125	174,125
Health Care Benefits (3)	12,487	8,845	12,487	12,487	
Total	$ 292,237	$ 182,970	$ 186,612	$ 445,612	$ 174,125

(1) This column assumes a change-in-control occurs on December 31, 2006 followed immediately thereafter by a termination of the executive s employment on the same date by the Company without cause or by the executive for good reason.
(2) Based on the difference between the exercise price of unvested stock options that accelerate upon the relevant event and the closing price of the Company s common stock on the Nasdaq Global Market on December 31, 2006, which was $5.13.
(3) Reflects the amount of future premiums, which would be paid on behalf of the named executive officer under the Company s health and dental plans, based on the premiums in effect as of December 31, 2006.

David Green

The following table shows the estimated payments upon termination or a change-in-control of the Company for David Green, the Company s President.

Executive Benefits and Payments Upon Separation	Termination Without Cause or For Good Reason	Termination Upon Death	Termination Upon Disability	Termination After Change-in-Control (1)	Change-in-Control
Cash Severance	$ 750,000	$	$	$ 1,899,000	$
Vesting of Stock Options (2)	317,875	470,063	470,063	470,063	470,063
Health Care Benefits (3)	12,487	12,487	12,487	12,487	
Tax Gross-up				786,727	
Total	$ 1,080,362	$ 482,550	$ 482,550	$ 3,168,277	$ 470,063

(1) This column assumes a change-in-control occurs on December 31, 2006 followed immediately thereafter by a termination of the executive s employment on the same date by the Company without cause or by the executive for good reason.

(2) Based on the difference between the exercise price of unvested stock options that accelerate upon the relevant event and the closing price of the Company s common stock on the Nasdaq Global Market on December 31, 2006, which was $5.13.

(3) Reflects the amount of future premiums, which would be paid on behalf of the named executive officer under the Company s health and dental plans, based on the premiums in effect as of December 31, 2006.

Susan M. Luscinski

The following table shows the estimated payments upon termination or a change-in-control of the Company for Susan M. Luscinski, the Company s Chief Operating Officer.

Executive Benefits and Payments Upon Separation	Termination Without Cause or For Good Reason	Termination Upon Death	Termination Upon Disability	Termination After Change-in-Control (1)	Change-in-Control
Cash Severance	$ 235,000	$	$	$ 323,000	$
Vesting of Stock Options (2)	145,500	214,875	214,875	214,875	214,875
Health Care Benefits (3)	4,206		4,206	4,206	
Total	$ 384,706	$ 214,875	$ 219,081	$ 542,081	$ 214,875

(1) This column assumes a change-in-control occurs on December 31, 2006 followed immediately thereafter by a termination of the executive s employment on the same date by the Company without cause or by the executive for good reason.

(2) Based on the difference between the exercise price of unvested stock options that accelerate upon the relevant event and the closing price of the Company s common stock on the Nasdaq Global Market on December 31, 2006, which was $5.13.

(3) Reflects the amount of future premiums, which would be paid on behalf of the named executive officer under the Company s health and dental plans, based on the premiums in effect as of December 31, 2006.

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Mark A. Norige

The following table shows the estimated payments upon termination or a change-in-control of the Company for Mark A. Norige, the Company s President, Harvard Apparatus Business Unit.

Executive Benefits and Payments Upon Separation	Termination After Change-in-Control (1)	Change-in-Control
Vesting of Stock Options (2)	$ 128,688	$ 63,750

(1) This column assumes a change-in-control occurs on December 31, 2006 followed immediately thereafter by a termination of the executive s employment on the same date by the Company without cause or by the executive for good reason.
(2) Based on the difference between the exercise price of unvested stock options that accelerate upon the relevant event and the closing price of the Company s common stock on the Nasdaq Global Market on December 31, 2006, which was $5.13.

EQUITY COMPENSATION PLAN INFORMATION.

The following table sets forth information as of December 31, 2006 concerning the number of shares of common stock issuable under our existing equity compensation plans.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted Average Exercise Price of Outstanding Options, Warrants And Rights	Number of Securities Remaining Available For Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected In Column (a))
Equity compensation plans approved by security holders (1)	5,246,399	$ 5.09	1,618,587(2)
Equity compensation plans not approved by security holders			
Total	5,246,399	$ 5.09	1,618,587

(1) Consists of the Harvard Apparatus, Inc. 1996 Stock Option and Grant Plan (the 1996 Stock Plan); the Harvard Bioscience, Inc. Amended and Restated 2000 Stock Option and Incentive Plan (the 2000 Plan) and the Harvard Bioscience, Inc. Employee Stock Purchase Plan (the Stock Purchase Plan).
(2) Represents 1,336,829 shares available for future issuance under the 2000 Plan and 281,758 shares available for future issuance under the Stock Purchase Plan.

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SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information regarding the beneficial ownership of the Company s outstanding Common Stock as of February 28, 2007 by: (i) all persons known by the Company to own beneficially more than 5% of the Company s Common Stock; (ii) each of the Company s Directors and nominees for Director; (iii) each of the named executive officers; and (iv) all of the Directors and executive officers of the Company as a group.

The number of shares beneficially owned by each stockholder is determined under rules issued by the Securities and Exchange Commission and includes voting or investment power with respect to securities. Under these rules, beneficial ownership includes any shares as to which the individual or entity has sole or shared voting power or investment power and includes any shares as to which the individual or entity has the right to acquire beneficial ownership within 60 days after February 28, 2007 through the exercise of any warrant, stock option or other right. The inclusion in this Proxy Statement of such shares, however, does not constitute an admission that the named stockholder is a direct or indirect beneficial owner of such shares. Unless otherwise indicated below, to our knowledge, all persons named in the table have sole voting and investment power with respect to their shares of Common Stock, except to the extent spouses share authority under community property laws.

	Common Stock Beneficially Owned	
Name and Address of Beneficial Owner (1)	**Shares**	**Percent (2)**
Skystone Advisors LLC	4,498,416	14.7%(3)
Kerry Nelson		
Two International Place, Suite 1800		
Boston, MA 02110		
Chane Graziano	4,448,882	14.2%(4)
HSO Limited Partnership	3,313,493	10.8%(3)
The Caymean Corporate Centre, 4th Floo		
27 Hospital Road		
Georgetown, Grand Cayman		
Cayman Islands, British West Indies		
FMR Corp.	2,717,810	8.9%(5)
Edward C. Johnson 3d		
82 Devonshire Street		
Boston, MA 02109		
David Green	2,037,574	6.5%(6)
LeRoy C. Kopp	1,540,030	5.0%(7)
7701 France Avenue South, Suite 500		
Edina, MN 55435		
Dimensional Fund Advisors LP	1,782,256	5.8%(8)
1299 Ocean Avenue, 11th Floor		
Santa Monica, CA 90401		
Susan M. Luscinski	542,045	1.7%(9)
Mark Norige	324,364	1.1%(10)
Bryce Chicoyne	100,000	*(11)
John F. Kennedy	62,501	*(12)
Robert Dishman	55,834	*(13)
Earl R. Lewis	50,834	*(14)
Neal J. Harte	34,668	*(15)
George Uveges	8,334	*(16)
All Executive Officers and Directors, as a group (11 persons)	7,872,536	23.8%(17)

* Represents less than 1% of all of the outstanding shares of Common Stock.

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(1) Unless otherwise indicated, the address for all persons shown is c/o Harvard Bioscience, Inc., 84 October Hill Road, Holliston, Massachusetts 01746.
(2) Based on 30,568,408 shares outstanding on February 28, 2007.
(3) This information is based solely on a Schedule 13G filed jointly by Skystone Advisors LLC, Kerry Nelson and HSO Limited Partnership with the Securities and Exchange Commission on February 13, 2007 reporting beneficial ownership as of December 31, 2006. Skystone Advisors LLC, Kerry Nelson and HSO Limited Partnership each reported shared investment power with respect to all shares. Shares reported herein for Skystone Advisors LLC and Kerry Nelson represent shares held by HSO Limited Partnership and HSE Masterfund Limited Partnership. Ms. Nelson is the managing member of Skystone Advisors LLC.
(4) Includes options to acquire 750,000 shares that are exercisable within 60 days of February 28, 2007.
(5) This information is based solely upon a Schedule 13G filed jointly by FMR Corp. and Edward C. Johnson 3d with the Securities and Exchange Commission on February 14, 2007 reporting beneficial ownership as of December 31, 2006. FMR Corp. reported sole voting power with respect to 456,865 shares and each reported sole investment power with respect to the same 2,717,810 shares. Edward C. Johnson 3d reported beneficial ownership of the shares beneficially owned by FMR Corp. as result his relationship as Chairman and a stockholder of FMR Corp.
(6) Includes options to acquire 662,500 shares that are exercisable within 60 days of February 28, 2007.
(7) This information is based solely on a Schedule 13G filed jointly by Kopp Investment Advisors, LLC, Kopp Holding Company, LLC, Kopp Holding Company and LeRoy C. Kopp with the Securities and Exchange Commission on January 19, 2007 reporting beneficial ownership as of December 31, 2006. Kopp Investment Advisors, LLC reported sole voting power with respect to 986,980 shares, sole investment power with respect to 30,000 shares and shared investment power with respect to 1,087,530 shares. Kopp Investment Advisors, LLC is wholly-owned by Kopp Holding Company, LLC that is controlled by LeRoy C. Kopp through Kopp Holding Company. Mr. Kopp reported sole voting and dispositive power with respect to 422,500 shares.
(8) This information is based solely upon a Schedule 13G filed by Dimensional Fund Advisors LP. with the Securities and Exchange Commission on February 2, 2007 reporting beneficial ownership as of December 31, 2006. Dimensional Fund Advisors LP. reported having sole voting and investment power of all shares and denied beneficial ownership of such shares.
(9) Includes options to acquire 423,550 shares that are exercisable within 60 days of February 28, 2007.
(10) Includes options to acquire 217,300 shares that are exercisable within 60 days of February 28, 2007.
(11) Includes options to acquire 100,000 shares that are exercisable within 60 days of February 28, 2007.
(12) Includes options to acquire 57,501 shares that are exercisable within 60 days of February 28, 2007.
(13) Includes options to acquire 55,834 shares that are exercisable within 60 days of February 28, 2007.
(14) Includes options to acquire 50,834 shares that are exercisable within 60 days of February 28, 2007.
(15) Includes options to acquire 31,668 shares that are exercisable within 60 days of February 28, 2007.
(16) Includes options to acquire 8,334 shares that are exercisable within 60 days of February 28, 2007.
(17) Includes options to acquire 2,565,023 shares that are exercisable within 60 days of February 28, 2007.

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SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

The Company s executive officers, Directors and beneficial owners of more than 10% of its Common Stock are required under Section 16(a) of the Securities Exchange Act of 1934 to file reports of ownership and changes in ownership with the Securities and Exchange Commission. Copies of those reports must also be furnished to the Company.

Based solely on a review of the copies of the reports furnished to the Company, and written representations from certain reporting persons that no other reports were required, the Company believes that during the year ended December 31, 2006, the reporting persons complied with all Section 16(a) filing requirements applicable to them.

EXPENSES OF SOLICITATION

The Company will pay the entire expense of soliciting proxies for the Annual Meeting. In addition to solicitations by mail, certain Directors, officers and regular employees of the Company (who will receive no compensation for their services other than their regular compensation) may solicit proxies by telephone, telegram, personal interview, facsimile, e-mail or other means of electronic communication. Banks, brokerage houses, custodians, nominees and other fiduciaries have been requested to forward proxy materials to the beneficial owners of shares held of record by them and such custodians will be reimbursed for their expenses.

SUBMISSION OF STOCKHOLDER PROPOSALS FOR THE 2008 ANNUAL MEETING

Stockholder proposals intended to be presented at the Company s 2008 annual meeting of stockholders must be received by the Company on or before December 18, 2007 in order to be considered for inclusion in the Company s proxy statement and form of proxy for that meeting. These proposals must also comply with the rules of the Securities and Exchange Commission governing the form and content of proposals in order to be included in the Company s proxy statement and form of proxy and should be mailed to: Secretary, Harvard Bioscience, Inc., 84 October Hill Road, Holliston, Massachusetts 01746.

The Company s By-laws provide that any stockholder of record wishing to have a stockholder proposal that is not included in the Company s proxy statement considered at an annual meeting must provide written notice of such proposal and appropriate supporting documentation, as set forth in the By-laws, to the Company s Secretary at its principal executive office not less than 90 days or not more than 120 days prior to the first anniversary of the date of the preceding year s annual meeting. In the event, however, that the annual meeting is scheduled to be held more than 30 days before such anniversary date or more than 60 days after such anniversary date, notice must be delivered not earlier than 120 days prior to the date of such meeting and not later than the later of (i) 10 days following the date of public announcement of the date of such meeting or (ii) 90 days prior to the date of such meeting. Proxies solicited by the Board of Directors will confer discretionary voting authority on the proxy holders with respect to these proposals, subject to rules of the Securities and Exchange Commission governing the exercise of this authority.

SUBMISSION OF SECURITYHOLDER RECOMMENDATIONS FOR DIRECTOR CANDIDATES

All securityholder recommendations for Director candidates must be submitted in writing to the Chief Financial Officer of the Company at 84 October Hill Road, Holliston, Massachusetts 01746, who will forward all recommendations to the Governance Committee. All securityholder recommendations for Director candidates must be submitted to the Company not less than 120 calendar days prior to the anniversary of the date on which the Company s proxy statement was released to securityholder in connection with the previous year s annual meeting. All securityholder recommendations for Director candidates must include:

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the name and address of record of the securityholder,

a representation that the securityholder is a record holder of the Company s securities, or if the securityholder is not a record holder, evidence of ownership in accordance with Rule 14a-8(b)(2) of the Securities Exchange Act of 1934,

the name, age, business and residential address, educational background, public company directorships, current principal occupation or employment, and principal occupation or employment for the preceding five full fiscal years of the proposed Director candidate,

a description of the qualifications and background of the proposed director candidate which addresses the minimum qualifications and other criteria for Board membership approved by the Board of Directors and set forth in the Governance Committee Charter,

a description of all arrangements or understandings between the securityholder and the proposed Director candidate,

the consent of the proposed Director candidate to be named in the proxy statement, to have all required information regarding such Director candidate included in the proxy statement, and to serve as a Director if elected, and

any other information regarding the proposed Director candidate that is required to be included in a proxy statement filed pursuant to the rules of the Securities and Exchange Commission.

STOCKHOLDER COMMUNICATIONS WITH THE BOARD OF DIRECTORS

Stockholders wishing to communicate with the Board of Directors may do so by sending a written communication to any Director at the following address: Harvard Bioscience, Inc., 84 October Hill Road, Holliston, Massachusetts 01746. The mailing envelope should contain a notation indicating that the enclosed letter is a Stockholder-Board Communication . All such letters should clearly state whether the intended recipients are all members of the Board of Directors or certain specified individual Directors. The Secretary of the Company or his designee will make a copy of any stockholder communication so received and promptly forward it to the Director or Directors to whom it is addressed.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee has selected KPMG LLP to serve as the Company s independent auditors for the year ending December 31, 2007. Representatives of KPMG LLP are expected to be present at the Annual Meeting and will have the opportunity to make a statement if they desire to do so. The representatives are also expected to be available to respond to appropriate questions.

Fees for professional services provided by KPMG LLP in each of the last two fiscal years, in each of the following categories are as set forth in the table below.

	2006	**2005**
Audit Fees (1)	$ 1,439,150	$ 1,629,532
Audit-Related Fees (2)		
Tax Fees (3)	239,538	134,172
Total Fees	$ 1,678,688	$ 1,763,704

(1) Audit Fees included fees associated with the annual audit of the Company s consolidated financial statements and internal controls over financial reporting, the reviews of the Company s quarterly reports on Form 10-Q and statutory audits for certain international subsidiaries.

(2) Audit-Related Fees includes fees, other than audit fees, for assurance and related services that are reasonably related to the performance of the audit or review of the Company s consolidated financial statements.

(3) Tax Fees included domestic and international tax compliance, tax advice and tax planning.

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All of the services performed in the year ended December 31, 2006 were pre-approved by the Audit Committee. It is the Audit Committee s policy to pre-approve all audit and permitted non-audit services to be provided to the Company by the independent registered public accounting firm. The Audit Committee s authority to pre-approve services may be delegated to one or more members of the Audit Committee, who shall present all decisions to pre-approve an activity to the full Audit Committee at its first meeting following such decision. In February 2004, the Audit Committee delegated this pre-approval authority to its Chairman, John F. Kennedy, for services with aggregate fees of $30,000 or less. In addition, the Audit Committee has considered whether the provision of the non-audit services above is compatible with maintaining the independent registered public accounting firm s independence.

CODE OF BUSINESS CONDUCT AND ETHICS

The Board of Directors has adopted a Code of Business Conduct and Ethics, which applies to all Directors, officers and employees of the Company and its subsidiaries including the Chairman and Chief Executive Officer, the Chief Financial Officer and Controller. The Code of Business Conduct and Ethics is available on the Corporate Governance page in the Investor Relations section of the Company s website at www.harvardbioscience.com. The Company intends to post any amendments to or waivers from this Code of Business Conduct and Ethics at this location on its website. Please note, however, that the information contained on the website is not incorporated by reference in, or considered to be a part of, this Proxy Statement.

MULTIPLE STOCKHOLDERS SHARING THE SAME ADDRESS

Owners of common stock in street name may receive a notice from their broker or bank stating that only one annual report or proxy statement will be delivered to multiple stockholders sharing an address. This practice, known as householding, is designed to reduce printing and postage costs. However, if any stockholder residing at such an address wishes to receive a separate annual report or proxy statement, the Company will promptly deliver a separate copy to any stockholder upon written or oral request to the Company s investor relations department at Harvard Bioscience, Inc., 84 October Hill Road, Holliston, Massachusetts 01746-1371 or by telephone at 508-893-8999 or by e-mail at IR@harvardbioscience.com.

OTHER MATTERS

The Board of Directors does not know of any matters, other than those described in this Proxy Statement that will be presented for action at the Annual Meeting. If other matters are duly presented, proxies will be voted in accordance with the best judgment of the proxy holders.

YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, PLEASE COMPLETE, SIGN, DATE AND RETURN THE ENCLOSED PROXY CARD IN THE ENCLOSED POSTAGE-PAID ENVELOPE AS PROMPTLY AS POSSIBLE. IF YOU ATTEND THE MEETING, YOU MAY DECIDE TO CONTINUE TO HAVE YOUR SHARES VOTED AS YOU INSTRUCTED IN THE PROXY CARD OR YOU MAY WITHDRAW YOUR PREVIOUSLY COMPLETED PROXY AND VOTE YOUR SHARES IN PERSON.

THIS PROXY STATEMENT IS ACCOMPANIED BY THE COMPANY S ANNUAL REPORT TO SHAREHOLDERS FOR THE YEAR ENDED DECEMBER 31, 2006. THE COMPANY WILL FURNISH, WITHOUT CHARGE, A COPY OF ITS ANNUAL REPORT ON FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2006 AND ANY EXHIBITS THEREOF TO ANY STOCKHOLDER, UPON WRITTEN REQUEST TO HARVARD BIOSCIENCE, INC., 84 OCTOBER HILL ROAD, HOLLISTON, MASSACHUSETTS 01746-1371.

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PLEASE MARK VOTES

AS IN THIS EXAMPLE x

SOLICITED BY THE BOARD OF DIRECTORS THE 2007ANNUAL MEETING OF STOCKHOLDERS

REVOCABLE PROXY

HARVARD BIOSCIENCE, INC.

For	With-hold	For All Except
..	..	..

PROPOSAL 1

1. To elect as Class I Directors for three-year terms, such terms to continue until the annual meeting of stockholders in 2010 and until such Directors successors are duly elected and qualified or until their earlier resignation or removal:

Robert Dishman and Neal J. Harte

The undersigned stockholder of Harvard Bioscience, Inc. (the Company) hereby constitutes and appoints Chane Graziano, David Green and Bryce Chicoyne, and each of them acting singly and each with the power to appoint his substitute, and authorizes each of them to represent and to vote all shares of the common stock of the Company held by the undersigned at the close of business on March 30, 2007, at the Annual Meeting of Stockholders to be held at the offices of Goodwin Procter LLP, Exchange Place, 53 State Street, Boston, Massachusetts 02109, on Thursday, May 17, 2007 at 11:00 a.m., local time, and at any adjournment or postponements thereof (the Annual Meeting). The undersigned hereby acknowledges receipt of the Notice of Annual Meeting of Stockholders, the Proxy Statement and the 2006 Annual Report and revokes any proxy heretofore given with respect to the Annual Meeting.

INSTRUCTION: To withhold authority to vote for any individual nominee, mark For All Except and write that nominee s name in the space provided below.

PLEASE MARK, DATE, SIGN AND RETURN THIS PROXY CARD PROMPTLY, USING THE ENCLOSED ENVELOPE. NO POSTAGE IS NEEDED IF MAILED IN THE UNITED STATES.

Please sign exactly as your name appears hereon. Joint owners should each sign. Executors, administrators, trustees, guardians or other fiduciaries should give full title as such. If signing for a corporation, please sign in full corporate name by a duly authorized officer.

Please be sure to sign and date

this Proxy in the box below.

Date

Stockholder sign above

Co-holder (if any) sign above

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Detach above card, sign, date and mail in postage paid envelope provided.

HARVARD BIOSCIENCE, INC.

PLEASE ACT PROMPTLY

SIGN, DATE & MAIL YOUR PROXY CARD TODAY

IF YOUR ADDRESS HAS CHANGED, PLEASE CORRECT THE ADDRESS IN THE SPACE PROVIDED BELOW AND RETURN THIS PORTION WITH THE PROXY IN THE ENVELOPE PROVIDED.

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