

PENTAIR INC
Form 8-K
January 08, 2009

**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): January 2, 2009
Commission file number 000-04689
Pentair, Inc.**

(Exact name of Registrant as specified in its charter)

Minnesota

41-0907434

**(State or other jurisdiction of incorporation or
organization)**

(I.R.S. Employer Identification number)

**5500 Wayzata Blvd, Suite 800, Golden Valley,
Minnesota**

55416

(Address of principal executive offices)

(Zip code)

Registrant's telephone number, including area code: (763) 545-1730

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))
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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

On January 2, 2009, the Compensation Committee (the "Committee") of the Board of Directors of Pentair, Inc. (the "Company") approved a form of award letter for grants of restricted stock units, stock options and performance units under the Company's 2008 Omnibus Stock Incentive Plan, as amended (the "Plan"), and approved annual awards to executive officers of the Company under the Plan of restricted stock units, stock options and performance units as well as a special incentive award of restricted stock units to the Company's Executive Vice President and Chief Financial Officer, John L. Stauch. The form of award letter is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated by reference herein.

Each restricted stock unit represents the right to receive one share of the Company's common stock upon vesting. The restricted stock units vest one-half on each of the third and fourth anniversaries of the grant date, except for the restricted stock units granted to Mr. Stauch for his special incentive award, which vest 100% on the fourth anniversary of the grant date. Each restricted stock unit includes one dividend equivalent unit, which entitles the holder to a cash payment upon vesting equal to the cash dividends declared on a share of the Company's common stock. Except with respect to Mr. Stauch's special incentive award, an executive officer may elect to defer receipt of the restricted stock units and dividend equivalent units upon vesting under the Company's Non-Qualified Deferred Compensation Plan. Each stock option is exercisable for one share of the Company's common stock upon vesting. The stock options vest one-third on each of the first, second and third anniversaries of the grant date. The stock options have an exercise price equal to the fair market value of the Company's common stock on the grant date and expire ten years after the grant date.

Each performance unit entitles the holder to a cash payment following the end of a three year performance period if the Company achieves specified threshold, target or maximum levels of one or more Company performance goals set forth in the Plan selected by the Committee during such period. An executive officer may elect to defer receipt of the cash payment upon vesting under the Company's Non-Qualified Deferred Compensation Plan.

The number of restricted stock units and stock options and the dollar value of performance units at threshold, target and maximum granted to each of the Company's named executive officers are set forth in the table below. The amounts payable to these executive officers are not determinable because the awards of restricted stock units and stock options are subject to the Company's future stock price and awards of performance units are subject to the Company's future performance.

| Officer | Title | Restricted | | Performance | Performance | Performance |
|--------------------|--|------------|-------------|-------------------------|----------------|-----------------|
| | | Stock | Stock | Units | Units Value | Units Value |
| | | Units (#) | Options (#) | Value at Threshold (\$) | at Target (\$) | at Maximum (\$) |
| Randall J. Hogan | Chairman and Chief Executive Officer | 63,791 | 309,288 | 978,027 | 1,956,054 | 2,934,081 |
| Michael V. Schrock | President and Chief Operating Officer | 25,700 | 125,000 | 482,225 | 964,450 | 1,446,675 |
| John L. Stauch | Executive Vice President and Chief Financial Officer | 61,667(1) | 95,000 | 324,875 | 649,750 | 974,625 |
| Louis L. Ainsworth | Senior Vice President, General Counsel and Secretary | 10,000 | 50,000 | 256,250 | 512,500 | 768,750 |
| Frederick S. Koury | Senior Vice President, Human Resources | 12,000 | 60,000 | 207,500 | 415,000 | 622,500 |

(1)

41,667 of the
restricted stock
units constitute
a special
incentive award
to Mr. Stauch.

ITEM 9.01 Financial Statements and Exhibits

(a) Financial Statements of Businesses Acquired

Not applicable.

(b) Pro Forma Financial Information

Not applicable.

(c) Shell Company Transactions

Not applicable.

(d) Exhibits

The following exhibit is provided as part of the information filed under Item 5.02 of this Current Report on Form 8-K:

| Exhibit | Description |
|---------|-------------|
|---------|-------------|

| | |
|------|---|
| 10.1 | Form of award letter under the Pentair, Inc. 2008 Omnibus Stock Incentive Plan, as amended. |
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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, thereunto duly authorized, on January 8, 2008.

PENTAIR, INC.

Registrant

By /s/ Louis L. Ainsworth

Louis L. Ainsworth

Senior Vice President, General Counsel
and Secretary

PENTAIR, INC.

Exhibit Index to Current Report on Form 8-K

Dated January 2, 2009

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