

ANCESTRY.COM INC.

FORM 8-K (Current report filing)

Filed 02/03/11 for the Period Ending 02/03/11

Address	360 WEST 4800 NORTH PROVO, UT 84604
Telephone	801-705-7000
CIK	0001469433
Symbol	ACOM
SIC Code	7374 - Computer Processing and Data Preparation and Processing Services
Industry	Computer Services
Sector	Technology
Fiscal Year	12/31

**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): February 3, 2011 (January 31, 2011)

ANCESTRY.COM INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other Jurisdiction of
Incorporation)

001-34518

(Commission File Number)

26-1235962

(IRS Employer Identification No.)

360 West 4800 North, Provo, UT

(Address of Principal Executive Offices)

84604

(Zip Code)

Registrant's telephone number, including area code: **(801) 705-7000**

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:

- 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 31, 2011, the Compensation Committee of the Board of Directors of Ancestry.com Inc (the “Company”) approved financial performance objectives under the Company’s Performance Incentive Program to serve as the basis for determining the Company-wide bonus pool to be paid under the program for 2011.

The Compensation Committee confirmed that two corporate performance measures are to be used in calculating the pool for awards for 2011: revenue and adjusted EBITDA. Both measures will be weighted equally.

For revenue, no pool funding occurs below 98% of target revenue; at 100% of target revenue, the pool is funded at 100% of the target bonus pool attributable to revenue. The maximum funding of 120% of the target bonus pool attributable to revenue occurs at 103.3% of target revenue. Results between 98% and 100% of target revenues, and between 100% and 103.3% of target revenues, are interpolated.

For adjusted EBITDA, no pool funding occurs below 95% of target adjusted EBITDA, the pool is funded at 80% of the target bonus pool attributable to adjusted EBITDA at 95% of target adjusted EBITDA. The maximum funding of 120% of the target bonus pool attributable to adjusted EBITDA occurs at 106.1% of target adjusted EBITDA. Results between 95% and 100% of target adjusted EBITDA, and between 100% and 106.1% of target adjusted EBITDA, are interpolated. The Company defines adjusted EBITDA as net income (loss) plus net interest (income) expense; income tax expense; non-cash charges including depreciation, amortization, impairment of intangible assets and stock-based compensation expense; and other (income) expense.

Under the Performance Incentive Program for 2011, each of the two performance measures are reviewed separately in determining the funding of the bonus pool. For example, if the Company achieves less than 98% of target revenues but achieves 95% of target adjusted EBITDA, then employees will be eligible for a pool funded with zero allocation from the revenue target, but 80% of the adjusted EBITDA target (or 40% of the target bonus pool).

Individual payments made from the pool to each participant in the Performance Incentive Program, including the Chief Executive Officer (“CEO”), the Chief Financial Officer (“CFO”), and the other executive officers, will be based on each executive officer’s target bonus percentage of salary, as such amount may be adjusted by (1) the achievement of individual performance goals, (2) individual performance ratings, (3) business unit performance, and (4) such other factors as the Board of Directors or Compensation Committee may determine.

The current target bonus percentages of salary for each executive officer assuming 100% payout for each performance measure under the 2011 Performance Incentive Program are as follows: Mr. Sullivan, 100%, Mr. Hochhauser, 75%, Mr. Hanna, 60%, Mr. Rinn, 50%; Mr. Wolfgramm 40%; Mr. Stern, 40%, Mr. Tracy 40% and Mr. Shoup 40%.

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.

ANCESTRY.COM INC.
(Registrant)

Date: February 3, 2011

By: /s/ William C. Stern
William C. Stern
General Counsel