
**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

April 10, 2016
Date of Report (Date of earliest event reported)

Yahoo! Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

000-28018
(Commission
File Number)

77-0398689
(I.R.S. Employer
Identification No.)

701 First Avenue
Sunnyvale, California
(Address of principal executive offices)

94089
(Zip Code)

Registrant's telephone number, including area code: (408) 349-3300

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.

(e) Compensatory Arrangements of Certain Officers

Amendments to Definition of “Change in Control” in Change in Control Severance Plans

On April 10, 2016, the Board of Directors (the “Board”) of Yahoo! Inc. (the “Company”) amended the Company’s change in control employee severance plans that, together, cover all full time employees of the Company, including the Company’s Amended and Restated Change in Control Employee Severance Plan for Level I and Level II Employees (the “Level I and Level II Change-in-Control Severance Plan”).

The amendments to the change in control severance plans modify the definition of “Change in Control” to clarify that a sale of all or substantially all of the Company’s operating business would constitute a Change in Control for purposes of the plans. The amendments are not applicable to employees in certain jurisdictions outside the United States where country-specific sub-plans were adopted in accordance with applicable law and where such amendments are prohibited by applicable law or compliance requirements.

In addition, effective April 10, 2016, the Compensation and Leadership Development Committee of the Board (the “Compensation Committee”) approved conforming amendments to the definition of “Change in Control” in the equity award agreements of certain executives including its executive officers.

The foregoing description of the Level I and Level II Change-in-Control Severance Plan amendment is qualified in its entirety by reference to the full text of the plan amendment, which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated by reference herein.

Amendments to Executive Severance Agreements

On April 13, 2016, the Compensation Committee also approved amendments to the severance agreements of certain executives including its executive officers (the “Severance Agreements”). The existing Severance Agreements provided that, in the event the executive was terminated without cause, any annual vesting installment (a “cliff vesting”) scheduled within six months following the termination date would accelerate. Subsequent to the approval of the form of Severance Agreement, the Company generally moved to monthly vesting rather than cliff vesting for new equity awards. The current amendments provide that the six-month acceleration provision in the existing Severance Agreements will apply to all time-based vesting events scheduled during that six-month period.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number

Description

| | |
|------|---|
| 10.1 | Amendment to Amended and Restated Yahoo! Inc. Change in Control Employee Severance Plan for Level I and Level II Employees. |
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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 hereunto duly authorized.

YAHOO! INC.

By: /s/ Ronald S. Bell
Ronald S. Bell
General Counsel and Secretary

Date: April 14, 2016

EXHIBIT INDEX

Exhibit Number

Description

10.1

Amendment to Amended and Restated Yahoo! Inc. Change in Control Employee Severance Plan for Level I and Level II Employees.

**AMENDMENT TO
AMENDED AND RESTATED YAHOO! INC.
CHANGE IN CONTROL EMPLOYEE SEVERANCE PLAN
FOR
LEVEL I AND LEVEL II EMPLOYEES**

WHEREAS, Yahoo, Inc. (the "Company") maintains the Amended and Restated Yahoo! Inc. Change in Control Employee Severance Plan for Level I and Level II Employees (the "Executive CIC Plan");

WHEREAS, the Board of Directors of the Company (the "Board") has the authority under Section 5.1 of the Executive CIC Plan to amend the Executive CIC Plan; and

WHEREAS, the Board has determined that it is in the best interests of the Company to amend the Executive CIC Plan as set forth herein.

NOW, THEREFORE, notwithstanding anything to the contrary in the Executive CIC Plan, the Executive CIC Plan is hereby amended as follows effective as of the date set forth below:

1. Section 1.4 of the Executive CIC Plan is hereby amended and restated in its entirety to read as follows:

“A "Change in Control” shall be deemed to mean the first of the following events to occur after the Effective Date:

- (a) any person or group of persons (as defined in Section 13(d) and 14(d) of the Exchange Act) together with its affiliates, but excluding (i) the Company or any of its subsidiaries, (ii) any employee benefit plans of the Company or (iii) a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company (individually a "Person" and collectively, "Persons"), is or becomes, directly or indirectly, the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act) of securities of the Company representing 40% or more of the combined voting power of the Company's then outstanding securities (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its Affiliates);
- (b) the consummation of a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any other corporation or entity regardless of which entity is the survivor, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or being converted into voting securities of the surviving entity) more than 50% of the combined voting power of the voting securities of the Company, such surviving entity or any parent thereof outstanding immediately after such merger or consolidation;

- (c) the stockholders of the Company approve a plan of complete liquidation or winding-up of the Company; or
 - (d) the consummation of a sale or disposition (whether directly or by merger or other business combination) of all or substantially all of the assets of the Company to a Person or Persons in one or a series of related transactions; provided, however, that, for purposes of this paragraph (d), the assets of the Company shall not include the Company's direct and indirect equity interests in Alibaba Group Holding Limited and Yahoo Japan Corporation."
2. Section 6.11 of the Executive CIC Plan is hereby amended and restated in its entirety to read as follows:

"The amendments made to this Plan in December 2008 and April 2016 (including, but not limited to, amendments to the definition of Change in Control in Section 1.4, Change in Control Protection Period in Section 1.5, Good Reason in Section 1.14, and Potential Change in Control in Section 1.19, the provisions with regard to Plan Modifications or Termination in Section 5 and the Binding Arbitration provisions in Section 7.7) were not and are not applicable in certain jurisdictions outside the United States where (i) country-specific definitions or terms and conditions were adopted in a sub-plan to the Plan in accordance with applicable law, (ii) the amendments to the Plan would modify or otherwise alter the country-specific definitions or terms and conditions as adopted in a sub-plan to the Plan in accordance with applicable law, (iii) such changes to the Plan are prohibited by applicable law, or (iv) applicable law requires the Company or its affiliates to provide notice, obtain approval or obtain consent for such amendments to the sub-plan and/or the Plan to or by local labor courts, tribunals, governmental entities, works councils, unions, employee representatives or similar bodies or employees of the Company. (For the avoidance of doubt, the December 2008 and April 2016 amendments were and are applicable for purposes of the acceleration of vesting benefit in Section 2.5, which is administered by the Company in the United States.)"

3. Miscellaneous

(a) Full Force and Effect. Except as expressly amended by this Amendment, all terms and conditions of the Executive CIC Plan shall remain in full force and effect.

(b) Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of Delaware to the extent not preempted by federal law or other applicable local law, which shall otherwise control.

(c) Severability. If any provision of this Amendment shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions herein or in the Executive CIC Plan, and this Amendment shall be construed and enforced as if such provisions had not been included.

IN WITNESS WHEREOF, this Amendment to the Executive CIC Plan is adopted as of as of this 10th day of April, 2016.

YAHOO! INC.

By: /s/ Ronald S. Bell

Name: Ronald S. Bell

Title: General Counsel and Secretary