

LYDALL INC /DE/  
Form 8-K  
March 02, 2011

**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): March 2, 2011 (February 24, 2011)**

**LYDALL, INC.**

**(Exact name of registrant as specified in its charter)**

**Commission file number: 1-7665**

**Delaware**  
**(State or Other Jurisdiction of**

**06-0865505**  
**(I.R.S. Employer**

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Incorporation or Organization)

Identification No.)

**One Colonial Road, Manchester,**

**Connecticut**

(Address of principal executive offices)

**06042**

(zip code)

**Registrant's telephone number, including area code: (860) 646-1233**

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))

**Section 8 Other Events**

**Item 8.01 Other Events**

On February 24, 2011, the Board of Directors (the Board ) of Lydall, Inc. (the Company ), following a review of director compensation, changed the form and amount of compensation that the Company pays to its non-employee directors, effective as of January 1, 2011. Specifically, the Board:

Suspended the automatic annual grants to non-employee directors of non-qualified stock options covering 325 and 3,000 shares of common stock;

Replaced the one-time automatic grant to newly elected non-employee directors of non-qualified stock options covering the lesser of 9,000 shares of common stock or a number of shares of common stock having an aggregate fair market value on the date of grant equal to \$100,000, with an one-time automatic grant of 6,000 restricted shares of common stock, vesting in three annual installments commencing one year after the date of grant;

Implemented a \$25,000 annual cash fee payable to non-employee directors in arrears in two equal installments on each of June 30 and December 31; and

Increased the annual retainer from \$6,000 to \$7,500 payable to the Chairperson of the Audit Review Committee in arrears in two equal installments on each of June 30 and December 31.

**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.**

LYDALL, INC.

March 2, 2011

By:

/s/ JAMES V. LAUGHLAN  
James V. Laughlan  
Chief Accounting Officer and Controller

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