
**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 26, 2016 (January 20, 2016)

National CineMedia, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-33296
(Commission
file number)

20-5665602
(IRS employer
identification no.)

National CineMedia, LLC

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

333-176056
(Commission
file number)

20-2632505
(IRS employer
identification no.)

9110 E. Nichols Ave., Suite 200
Centennial, Colorado 80112-3405
(Address of principal executive offices, including zip code)

(303) 792-3600
(Registrant's telephone number, including area code)

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 (see General Instruction A.2 below):

- 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 210.14d-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

Compensation for Chairman of the Board

On January 20, 2016, the Board of Directors of National CineMedia, Inc. (the “Company”) appointed Scott N. Schneider, currently Chairman of the Company’s Board of Directors, as the Non-employee Executive Chairman of the Board of Directors of the Company. The term of his appointment (the “Chairmanship Term”) is from January 4, 2016 through the earliest of (1) December 31, 2016, (2) the death of Mr. Schneider or (3) the removal of Mr. Schneider from the Board of Directors of the Company.

In connection with Mr. Schneider’s new position, the Company, National CineMedia, LLC and Mr. Schneider entered into a Director Service Agreement, dated January 22, 2016, with a term ending at the end of the Chairmanship Term. Under the terms of the Director Service Agreement, the Company will pay Mr. Schneider \$675,000 for his services, \$405,000 of which is payable in cash. The remainder of the compensation is a grant of restricted stock units (“RSU”) of 17,988 shares of Company stock (\$270,000 divided by \$15.01, the closing price of the Company’s common stock on January 20, 2016). This RSU award vests in full on January 20, 2017. This compensation to Mr. Schneider is in lieu of other Board of Director and Board Committee compensation otherwise payable in 2016.

The Company’s Compensation Committee also awarded Mr. Schneider a one-time payment in consideration for extraordinary services during 2015 undertaken in his role as the Company’s lead director, including for work in connection with the succession of the Company’s past chief executive officer to the Company’s new chief executive officer on January 1, 2016. This one-time payment was \$1,000,000, \$600,000 of which is payable in cash. The remaining portion was a fully-vested RSU award of 26,648 shares of Company stock (\$400,000 divided by \$15.01, the closing price of the Company’s common stock on January 20, 2016).

A copy of the Director Service Agreement is included as Exhibit 10.1.

2016 Restricted Stock Awards to Executive Officers

The Compensation Committee of the Board of Directors of the Company granted performance-based and time-based restricted stock awards to each of the Company’s executive officers effective January 20, 2016, as described in greater detail below.

The following table shows the target number of Performance-Based Restricted Stock and Time-Based Restricted Stock for each executive officer:

<u>Name and Position</u>	<u>Number of Target Shares of Performance - Based Restricted Stock (1)</u>	<u>Number of Shares of Time - Based Restricted Stock</u>	<u>Total Number of Shares of Restricted Stock</u>
Andrew J. England Chief Executive Officer & Director	74,950	24,983	99,933
Clifford E. Marks President of Sales & Marketing	92,503	61,669	154,172
Alfonso P. Rosabal, Jr. EVP, Chief Operations Officer & Chief Technology Officer	32,778	21,852	54,630
Ralph E. Hardy Executive Vice President & General Counsel	21,279	14,186	35,465
David J. Oddo Senior Vice President, Finance & Interim Co-Chief Financial Officer	4,582	13,745	18,327
Jeffrey T. Cabot Senior Vice President, Controller & Interim Co-Chief Financial Officer	5,126	15,379	20,505
Executive Officers as a Group	231,218	151,814	383,032

(1) Reflects the target number of shares that will vest if actual cumulative Free Cash Flow equals 100% of the three-year cumulative Free Cash Flow target. The performance-based restricted stock awards are scheduled to vest based on the scale shown below. The Compensation Committee may apply other pre-determined adjustments to the definition of Free Cash Flow under the plan. The performance-based restricted shares are scheduled to vest on the 60th day following the last day of the three-year measurement period (the “Vesting Date”) and include the right to receive regular and special cash dividends accrued over the vesting period, if and when the underlying shares vest. Below is a summary of how the number of vested shares of restricted stock will be determined based on the level of achievement of actual cumulative Free Cash Flow.

Free Cash Flow - % of Target	Award Vesting % of Target Shares
<80%	None
80%	25%
95%	90%
100%	100%
³ 110%	150%

If actual cumulative Free Cash Flow is between 80% and 110% of the target, the award will be determined by interpolation according to the scale above.

The time-based restricted shares are scheduled to vest 33.33% on the first, second and third anniversaries of the grant date, subject to continuous service. The time-based restricted shares include the right to receive regular and special cash dividends, if and when the underlying shares vest.

Upon vesting of the restricted stock described above, National CineMedia, LLC ("NCM LLC") will issue common membership units to the Company equal to the number of shares of the Company's common stock represented by such restricted stock.

2016 Base Salaries for Executive Officers

The Compensation Committee approved the following 2016 base salaries effective January 20, 2016. Mr. England's base salary is \$750,000 as of January 1, 2016 per the terms of his previously disclosed employment agreement.

<u>Name and Position</u>	<u>2016 Base Salary</u>	<u>2015 Base Salary</u>	<u>Percentage Increase</u>
	<u>(in thousands)</u>		
Clifford E. Marks President of Sales & Marketing	\$ 842	\$ 825	2%
Alfonso P. Rosabal, Jr. EVP, Chief Operations Officer & Chief Technology Officer	\$ 410	\$ 341	20% (1)
Ralph E. Hardy Executive Vice President & General Counsel	\$ 304	\$ 298	2%
David J. Oddo Senior Vice President, Finance & Interim Co-Chief Financial Officer	\$ 183	\$ 180	2%
Jeffrey T. Cabot Senior Vice President, Controller & Interim Co-Chief Financial Officer	\$ 205	\$ 201	2%

- (1) Mr. Rosabal received a 2% increase in total direct compensation (salary, bonus and restricted stock), with a shift in pay mix from restricted stock to salary to better align his compensation with the compensation of other executives at our peer companies. Specifically, Mr. Rosabal received a 20% increase in salary and a 10% reduction in restricted stock grant value.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit
Number

Description

10.1	Director Service Agreement dated January 22, 2016, among National CineMedia, Inc., National CineMedia, LLC and Scott Schneider.
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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, each of NCM, Inc. and NCM LLC has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: January 26, 2016

NATIONAL CINEMEDIA, INC.

By: /s/ Ralph E. Hardy
Ralph E. Hardy
Executive Vice President, General Counsel and Secretary

Dated: January 26, 2016

NATIONAL CINEMEDIA, LLC

By: National CineMedia, Inc., its manager

By: /s/ Ralph E. Hardy
Ralph E. Hardy
Executive Vice President, General Counsel and Secretary

Exhibit Index

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10.1 Director Service Agreement dated January 22, 2016, among National CineMedia, Inc., National CineMedia, LLC and Scott Schneider.

DIRECTOR SERVICE AGREEMENT

THIS DIRECTOR SERVICE AGREEMENT (this "Agreement") is made this 22, day of January 2016, by and among National CineMedia, Inc. ("NCM Inc." or the "Company") and National CineMedia, LLC ("NCM LLC") and Scott Schneider (the "Director").

WHEREAS, each of the Company and NCM LLC desires to retain the services of the Director as the Non-Employee Executive Chairman of Board of Directors of the Company for the benefit of the Company, NCM LLC and their respective equityholders; and

WHEREAS, the Director desires to serve as the Non-Employee Executive Chairman of the Board of Directors of the Company;

NOW, THEREFORE, in consideration of the foregoing recitations, the mutual promises hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are acknowledged hereby, the parties hereto, intending legally to be bound, hereby covenant and agree as follows:

SECTION 1. DUTIES. During the Chairmanship Term (as hereinafter defined), the Director will fulfill his fiduciary duties, make commercially reasonable efforts to attend all prescheduled Board meetings, serve on appropriate committees as reasonably requested and agreed upon by the Board, make himself available to the Company or NCM LLC at mutually convenient times and places and perform such duties, services and responsibilities, and have the authority commensurate to his position as Non-Employee Executive Chairman of the Board, including serving as a liaison between the Board, on the one hand, and the Chief Executive Officer and management, on the other hand. For the avoidance of doubt, the Director will not serve in a policy-making function.

SECTION 2. TERM. The "Chairmanship Term," as used in this Agreement, shall mean the period of time commencing on January 4, 2016 and terminating on the earliest of (i) December 31, 2016, (ii) the death of the Director or (iii) the removal of the Director from the Board.

SECTION 3. COMPENSATION.

- a. **Fees.** In consideration for the services (described in Section 1 hereto) to be provided by Director during the Chairmanship Term, the Company shall pay to the Director an amount equal to \$675,000 ("Chairman Fee"); provided, however, that if, prior to the expiration of the Chairmanship Term, the Director voluntarily resigns from his position as Non-Employee Executive Chairman of the Board of the Directors of the Company, the aggregate amount payable by the Company to the Director pursuant to this Section 3(a) shall be only that portion of the Chairman Fee earned as of the Director's

resignation date. A portion of the Director Fee (\$405,000) will be paid in a single cash payment, promptly, but in any event not later than the Company pays Board/Committee cash retainers for 2016 to certain other Board members. The Company anticipates that the payment will occur on or before January 31, 2016. The remainder of the Chairman Fee will be comprised of that number of shares of NCM time-based restricted stock (to vest 12 months after the grant date) equal to (a) \$270,000 divided by (b) the closing price of one share of NCM common stock on January 20, 2016; provided, however, that no fractional shares shall be issued.

- b. **Expense Reimbursement.** During the Chairmanship Term, the Company shall reimburse Director for all reasonable business expenses actually paid or incurred by Director in the course of, pursuant to and in furtherance of providing the services hereunder, and such reimbursement of expenses shall be made no later than thirty (30) days following such submission of supporting documentation.

SECTION 4. TERMINATION. Notwithstanding anything to the contrary contained in this Agreement, this Agreement shall terminate on the earlier of the following to occur:

(i) the expiration of the Chairmanship Term; or

(ii) upon the payment by the Company of all amounts due to the Director (including the earned portion of the Chairman Fee) in the event of the Director's voluntary resignation from his position as Non-Employee Executive Chairman of the Board of the Directors of the Company.

SECTION 5. MISCELLANEOUS.

- a. **Entire Agreement; Amendment.** This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, both written and oral, among the parties hereto. This Agreement may not be amended or modified in any way except by a written instrument executed by each of the parties hereto.

- g. **Counterparts; Facsimile.** This Agreement may be executed in multiple counterparts, any one of which need not contain the signatures of more than one party, but all such counterparts taken together shall constitute one and the same instrument. Any signature page delivered by facsimile or PDF signature shall be binding to the same extent as an original signature page with regard to any agreement subject to the terms hereof or any amendment thereto.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

Dated:1/22/2016

/s/ Scott Schneider

Scott Schneider (Director)

National CineMedia, Inc.

Dated:1/22/2016

/s/ Ralph E. Hardy

By: Ralph E. Hardy
Executive Vice President and
General Counsel

National CineMedia, LLC

By: National CineMedia, Inc.,
Its Manager

Dated:1/22/2016

/s/ Ralph E. Hardy

By: Ralph E. Hardy
Executive Vice President and
General Counsel