

BLUE NILE INC
Form 8-K
January 23, 2015

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
January 19, 2015
DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED)
BLUE NILE, INC.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE (STATE OR OTHER JURISDICTION OF INCORPORATION)	000-50763 (COMMISSION FILE NUMBER)	91-1963165 (I.R.S. EMPLOYER IDENTIFICATION NO.)
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411 FIRST AVENUE SOUTH, SUITE 700, SEATTLE, WASHINGTON, 98104
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES, INCLUDING ZIP CODE)
(206) 336-6700
REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE
N/A
(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

Change of Control Severance Plan

On January 19, 2015, the Compensation Committee of the Board of Directors of Blue Nile, Inc. (“Blue Nile” or the “Company”) approved the 2015 Change of Control Severance Plan (the “Severance Plan”) for the Company’s executive officers, including the Company’s chief executive officer. The Severance Plan provides for the payment of severance benefits to designated executive employees whose employment is terminated within a specified period (not to exceed 2 years) following a Change of Control of the Company (as defined in the Severance Plan), either due to a termination without “Cause” or a resignation for “Good Reason”, as each term is defined in the Severance Plan. The Severance Plan supersedes and replaces the Blue Nile, Inc. 2012 Amended & Restated Change of Control Severance Plan established on January 20, 2012. The Compensation Committee designates which employees are eligible to participate in the Severance Plan. Currently, each of the Company’s executive officers is eligible to participate.

The Severance Plan provides that upon a Qualifying Termination (as defined in the Severance Plan) following a Change of Control, and provided the employee signs the Company’s standard form of release, he or she will be entitled to receive as severance: (1) a lump sum cash payment equal to a multiple of such employee’s base salary and target annual incentive bonus, (2) Company-paid premiums for continued health insurance for a period of time equal to the period of base salary being provided (but not more than 18 months and in no event for longer than such coverage is available), and (3) full vesting of all then-outstanding unvested equity awards. For Mr. Kanter, the Company’s chief executive officer, and David Binder, the Company’s chief financial officer, the Compensation Committee approved a lump sum cash multiple of 2x and approved the payment of premiums for health insurance for a period of up to 18 months. For each of the other current named executive officers, the Compensation Committee approved a lump sum cash multiple of 1x and approved the payment of premiums for health insurance for a period of up to 12 months. The foregoing description is qualified in its entirety by reference to the Severance Plan, which is attached to this Current Report on Form 8-K as Exhibit 10.1 and will be filed as an exhibit to our Annual Report on Form 10-K for the period ended January 4, 2015.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

EXHIBIT NUMBER	DESCRIPTION
10.1	2015 Change of Control Severance Plan

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.

BLUE NILE, INC.

Dated: January 23, 2015

By: /s/ Lauren Neiswender
Lauren Neiswender
General Counsel and Corporate Secretary