

LUNA INNOVATIONS INC  
Form 8-K  
February 26, 2016

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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FORM 8-K

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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 23, 2016

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LUNA INNOVATIONS INCORPORATED  
(Exact name of registrant as specified in its charter)

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Delaware  
(State or other jurisdiction of incorporation)

000-52008  
(Commission File No.)

54-1560050  
(IRS Employer Identification No.)

301 First Street, SW, Suite 200  
Roanoke, Virginia 24011  
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: 540-769-8400

(Former name or former address, if changed since last report.)

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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. Compensatory Arrangements of Certain Officers.

2016 Senior Management Incentive Plan

On February 23, 2015, the Compensation Committee of the Board (the “Compensation Committee”) of Luna Innovations Incorporated (the “Company”) approved a senior management incentive plan (the “2016 Incentive Compensation Plan”) for the Company’s senior management for the year ending December 31, 2016.

The Compensation Committee adopted the 2016 Incentive Compensation Plan for the Company’s senior management, who, among others, include My E. Chung, the Company’s Chief Executive Officer, Dale E. Messick, the Company’s Chief Financial Officer, and Scott A. Graeff, the Company’s Chief Strategy Officer (collectively, the “Named Executive Officers”), for the year ending December 31, 2016. The 2016 Incentive Compensation Plan, as applied to the Named Executive Officers, is designed to award those officers for achieving specified corporate and qualitative objectives. Pursuant to the 2016 Incentive Compensation Plan, the Compensation Committee set the target cash bonus payout for each of the Named Executive Officers at 50% of such officer’s base salary for 2016, with a minimum payout equal to 25% of such salary and a maximum payout equal to 75% of such salary. No bonuses will be paid, however, unless the Company’s operating income (loss) exceeds a specified threshold amount.

If the threshold operating loss target is achieved, bonuses under the 2016 Incentive Compensation Plan will be based upon whether the Company achieves consolidated revenue exceeding specified amounts, whether the Company achieves consolidated operating income (loss) exceeding specified amounts, and qualitative objectives.

Amounts earned under the 2016 Incentive Compensation Plan, if any, would be paid following approval by the Compensation Committee and the audit of the Company’s financial statements for the 2016 year.

The foregoing description of the 2016 Incentive Compensation Plan is not complete and is qualified in its entirety by reference to the 2016 Incentive Compensation Plan, which will be filed as an exhibit to the Company’s quarterly report on Form 10-Q for the quarter ending March 31, 2016.

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**SIGNATURES**

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

Date: February 26, 2016

LUNA INNOVATIONS INCORPORATED

By: /s/ Dale E. Messick  
Dale E. Messick  
Chief Financial Officer