

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) February 2, 2009

DUCOMMUN INCORPORATED

(Exact name of registrant as specified in its charter)

Delaware

001-08174

95-0693330

(State or other jurisdiction of
incorporation)

(Commission
File Number)

(IRS Employer
Identification No.)

23301 Wilmington Avenue, Carson, California
(Address of principal executive offices)

90745-6209
(Zip Code)

Registrant's telephone number, including area code (310) 513-7280

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))

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(d) On February 2, 2009, Jay L. Haberland was elected to the Board of Directors of Ducommun Incorporated (the “Company”).

(e) On February 2, 2009, the Compensation Committee of the Board of Directors (the “Compensation Committee”) of the Company approved the 2009 Bonus Plan (the “Plan”) in the form attached hereto as Exhibit 99.1. The Plan is an annual cash bonus plan under which a bonus pool is funded based on the Company’s net income and cash flow relative to targets. Participants in the Plan are the chief executive officer, the other officers of the Company and six other key subsidiary officers. Bonus awards under the Plan range from zero to 150% of salary based on position. Bonus awards are subject to the approval of the Compensation Committee. Bonus awards are based on a combination of the Company’s financial performance and the individual performance of the officers. The Compensation Committee, in its discretion, may award bonuses even if the Plan’s financial targets are not achieved.

On February 2, 2009, the Compensation Committee approved the form of Performance Stock Unit Agreement for use in 2009 and thereafter, which is attached hereto as Exhibit 99.2, and awarded performance stock units to the executive officers of the Company in the following target amounts:

<u>Name</u>	<u>Position</u>	<u>Target No. of Performance Stock Units</u>
Joseph C. Berenato	Chairman of the Board and Chief Executive Officer	7,500
Joseph P. Bellino	Vice President and Chief Financial Officer	5,000
James S. Heiser	Vice President, General Counsel and Secretary	5,000
Anthony J. Reardon	President and Chief Operating Officer	7,500
Rose F. Rogers	Vice President, Human Resources	2,500
Samuel D. Williams	Vice President, Controller and Assistant Treasurer	2,500

The performance stock units generally vest at the end of the three-year performance period from January 1, 2009 to December 31, 2011 (the “Performance Period”) in amounts from 0% to 200% of the target units depending on the Company’s performance relative to two performance metrics during the Performance Period. The performance metrics, which are equally weighted, are: (i) the cumulative diluted earnings per share of the Company during the Performance Period (subject to certain adjustments), and (ii) the relative total shareholder return of the Company’s common stock compared to the SPADE Defense Index during the Performance Period. Upon vesting, one share of common stock of the Company will be issued for each vested performance stock unit. In the event that a change in control (as defined in the Performance Stock Unit Agreements) of the Company occurs, the target performance stock units will be deemed to have become fully vested immediately prior to the consummation of the change in control, provided, however, that the Compensation Committee of the Board of Directors may, in its discretion, increase (but not decrease) the number of performance stock units that are deemed to vest in the event of a change in control up to a maximum of 200% of the target performance stock units.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 2009 Bonus Plan

99.2 Form of Ducommun Incorporated Performance Stock Unit Agreement for use in 2009 and thereafter

SIGNATURES

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.

DUCOMMUN INCORPORATED
(Registrant)

Date: February 5, 2009

By: /s/ James S. Heiser
James S. Heiser
Vice President and General Counsel

DUCOMMUN INCORPORATED
2009 BONUS PLAN

PURPOSE: Reward achievement of Annual Operating Plan of Ducommun Incorporated (the "Company") to build profitability and provide competitive compensation levels.

CONCEPT: Bonus pool created by the Company's net income and cash flow from operating activities compared to Target.

PARTICIPANTS: Eight corporate officers and six key operating officers as set forth on Schedule A.

INCENTIVE AWARD RANGES: 0% to 150% of salary predicated on position.

INCENTIVE AWARD: Based on combination of:

1. Company performance compared to Target.
2. Individual manager performance.

APPROVAL: All awards to eight corporate officers and six key operating officers are subject to the approval of the Compensation Committee of the Board of Directors. All other awards are subject to the approval of the CEO.

DISCRETION: The Compensation Committee, in its discretion, may award bonuses even if financial targets are not met.

DUCOMMUN INCORPORATED

2009 BONUS PLAN (in \$000s)

Definitions

- Net Income = Ducommun consolidated net income excluding the following:
- (i) the effect of any changes in accounting principles that were not contemplated in the Company's annual operating plan on which the Target is based,
 - (ii) any gain or loss on the sale of any business or product line,
 - (iii) any asset impairment write-offs or charges (whether of goodwill, intangible or tangible assets),
 - (iv) the expense of any restricted stock and restricted stock units awarded after January 1, 2009, and
 - (v) the effects of Statement of Financial Accounting Standards No. 141R (Statement of Financial Accounting Standards No. 141 shall continue to be applied)
- Cash Flow = Cashflow from operating activities (subject to the adjustment of Net Income as set forth above)

General

- No bonus will be paid to corporate or any subsidiary management unless Ducommun Net Income equals or exceeds 80% of Target.
- Bonus targets for the persons covered by this Plan are expressed as a percentage of 2009 salaries as set forth on Schedule A.
- Any person added to the Plan during the year must be approved by the CEO of Ducommun, and will be eligible to receive a pro rata bonus for the portion of the year employed.
- To be eligible to receive a bonus award, a person must be employed by Ducommun or a subsidiary on the date of payment of the 2009 bonus.
- All amounts shall be calculated after accrual of the bonuses.
- All bonus awards to the persons listed on Schedule A are subject to the approval and are at the discretion of the Compensation Committee of the Board of Directors of Ducommun. The Compensation Committee shall make all interpretations of this Plan, and shall have discretion to make exceptions or adjustments as it deems appropriate.

Bonus Pool

- A bonus pool shall be generated based one-half on the Net Income and one-half on the Cash Flow (each, a "Financial Metric") of the Company compared to Target as set forth on Schedule B.
- The bonus pool shall be calculated as follows:
 - Minimum or less = \$0
 - Target = sum of target bonus percentage multiplied by the salary* for all persons covered by this Plan ("Aggregate Target Bonuses").
 - Maximum = three times the Aggregate Target Bonuses

*Actual salary earned in 2009

- Shortfall in performance on one Financial Metric may be offset by over performance on the other Financial Metric. (For example, 90% of Target for Cash Flow and 110% of Target for Net Income creates a bonus pool equal to the Aggregate Target Bonuses.)
- All bonus pool amounts shall be calculated on a linear basis for performance between two data points.

Bonus Awards

- Individual bonus awards are based on:
 - Company Net Income and Cash Flow compared to Targets as set forth on Schedule B, and
 - Assessment of individual manager performance.
- Shortfall in performance on one Financial Metric may be offset by over performance on the other Financial Metric.
- Individual bonus awards generally are subject to adjustment based on individual manager performance so that the individual bonus award would be in the range of 80% to 150% of the amount that would have been awarded to an individual manager based on the Financial Metrics alone, provided, however, that in unusual circumstances the Compensation Committee, in its discretion, may make adjustments to individual manager awards that are greater than this range.

DUCOMMUN INCORPORATED
PERFORMANCE STOCK UNIT AGREEMENT

This performance stock unit agreement is made as of January 1, 2009 (the "Effective Date"), between Ducommun Incorporated, a Delaware corporation (the "Corporation"), and _____ ("Award Holder").

RECITALS

This performance stock unit agreement is pursuant to the [2001/2007] Stock Incentive Plan (the "Plan").

AGREEMENTS

1. Grant. The Corporation hereby grants to the Award Holder an award (the "Award") with a target (if the Corporation achieves the target level performance goals described in Exhibit A) of _____ performance stock units (the "Target Units"), and a maximum of up to two hundred percent (200%) of the Target Units (if Corporation achieves the maximum level performance goals described in Exhibit A), in each case subject to certain adjustments as described herein. Each performance stock unit represents the right to receive one share of Common Stock, subject to the conditions set forth in this performance stock unit agreement and the Plan.

2. Definitions. Unless the context clearly indicates otherwise, and subject to the terms and conditions of the Plan as the same may be amended from time to time, the following terms, when used in this performance stock unit agreement, shall have the meanings set forth in this Section 2.

"Common Stock" shall mean the Common Stock, \$.01 par value, of the Corporation or such other class of shares or other securities as may be applicable pursuant to the provisions of Section 7 of this performance stock unit agreement.

"Subsidiary" shall mean a corporation or other form of business entity more than 50% of the voting shares of which is owned or controlled, directly or indirectly, by the Corporation and which is designated by the Committee for participation in the Plan by the key employees thereof.

"Committee" shall mean the Compensation Committee of the Board of Directors of the Corporation, or if there is no such committee acting, the Board of Directors of the Corporation.

3. Vesting. The Award shall vest based on a 3-year cumulative performance cycle, beginning as of [January 1, 2009] and ending on [December 31, 2011] (the "Performance Period"). The vesting of the Award shall be subject to the Corporation achieving by the end of the Performance Period the Diluted Earnings Per Share and the Relative Total Shareholder Return, as provided in Exhibit A attached hereto. Following the end of the Performance Period and the collection of relevant data necessary to determine the extent to which the performance goals set forth in Exhibit A have been satisfied, the Committee will determine: (a) the amount of Diluted Earnings Per Share and Relative Total Shareholder Return that was achieved by the Corporation over the Performance Period, and (b) the percentage of the Target Units that become Vested Units (as defined in Exhibit A) as of the last day of the Performance Period. The Committee shall make these determinations in its sole discretion. The level of achievement of Diluted Earnings Per Share and Relative Total Shareholder Return shall be evidenced by the Committee's written certification, in accordance with Internal Revenue Code Section 162(m). For the avoidance of doubt, any performance stock units subject to this Award that do not vest in accordance with the forgoing shall expire without consideration at the end of the Performance Period.

4. Settlement of Vested Units. Upon the vesting of all or a portion of the Award, one share of Common Stock shall be issuable for each Vested Unit (as defined in Exhibit A) (the "PSU Shares"). Thereafter, the Corporation will transfer such PSU Shares to the Award Holder upon the Committee's written certification as set forth in Section 3 and the satisfaction of any required tax withholding obligations, securities law registration or other requirements, and applicable stock exchange listing. No fractional shares shall be issued with respect to the Award. The Award Holder shall not acquire or have any rights as a shareholder of the Corporation by virtue of this performance stock unit agreement (or the Award evidenced hereby) until the certificates representing shares of Common Stock issuable pursuant to this Award are actually issued and delivered to the Award Holder in accordance with the terms of the Plan and this performance stock unit agreement.

5. Change in Control.

(a) In the event that a Change in Control occurs, the Target Units shall be deemed to have become fully vested immediately prior to the consummation of the Change in Control, provided, however, that the Committee may, in its discretion, increase (but not decrease) the number of performance stock units that are deemed to vest in the event of a Change in Control up to a maximum of two hundred percent (200%) of the Target Units.

(b) For purposes of this performance stock unit agreement, a "Change in Control" of the Corporation shall mean a change in control of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"); provided that, without limitation, such a change in control shall be deemed conclusively to have occurred if (i) a tender offer shall be made and consummated for the ownership of 25% or more of the outstanding voting securities of the Corporation, (ii) the shareholders of the corporation approve that the Corporation be merged or consolidated with another corporation and as a result of such merger or consolidation less than 75% of the outstanding voting securities of the surviving or resulting corporation shall be owned in the aggregate by the former shareholders of the Corporation, other than affiliates (within the meaning of the Exchange Act) of any party to such merger or consolidation, as the same shall have existed immediately prior to such merger or consolidation, (iii) the shareholders of the Corporation approve that the Corporation sell, lease, exchange or transfer substantially all of its assets to another corporation, entity or person which is not a wholly-owned subsidiary and all government regulatory approvals necessary for the consummation of such transaction shall have been obtained, (iv) a person, as defined in Sections 13(d) and 14(d) (as in effect on the date hereof) of the Exchange Act, shall acquire 35% or more of the outstanding voting securities of the Corporation (whether directly, indirectly, beneficially or of record), (v) the shareholders of the Corporation approve a plan or proposal for the liquidation or dissolution of the Corporation and all government regulatory approvals necessary for the consummation of such transaction shall have been obtained, or (vi) during any period of two consecutive years, individuals who at the beginning of such period constitute the Board of Directors cease for any reason to constitute at least a majority thereof unless the election, or the nomination for election by the Corporation's shareholders, of each new director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of the period. For purposes hereof, ownership of voting securities shall take into account and shall include ownership as determined by applying the provisions of Rule 13d-3 (as in effect on the date hereof) under the Exchange Act. A sale or other change in control of any Subsidiary of the Corporation by which the Award Holder is employed shall not be deemed a Change in Control of the Corporation for purposes of this Agreement.

6. Termination. If the Award Holder's employment with the Corporation or a Subsidiary terminates before the end of the Performance Period for any reason, except as provided in this Section 6 or in Section 5 above, then the Award will be forfeited and cancelled and surrendered to the Corporation without payment of any consideration, effective on the date of the Award Holder's termination of employment. Upon the termination of the Award Holder's employment with the Corporation or a Subsidiary as a result of (a) death or "permanent disability" (as defined herein) or (b) "retirement" (as defined herein), the Target Units covered by the Award shall be reduced to a number of performance stock units equal to the Target Units set forth in Section 1 multiplied by a fraction, (i) the numerator of which equals the number of full calendar quarters that have elapsed between the Effective Date and the date of termination of employment and (ii) the denominator of which equals twelve (12). The performance stock units (as reduced) shall then vest as provided in Sections 3 and 5 above, provided that the Award Holder has not rendered services, directly or indirectly, to any third party engaged in competition with the Corporation or its Subsidiaries. As used herein, the term "retirement" shall mean that, on the date on which the Award Holder terminates employment with the Corporation or a Subsidiary, either (x) the Award Holder is sixty-five (65) or more years of age, or (y) the combination of the Award Holder's age plus years of service equals not less than seventy (70). As used herein, the term "permanent disability" shall mean the date on which the Award Holder has not worked or been able to work due to physical or mental incapacity for a period of one hundred eighty (180) consecutive days.

7. Adjustments

(a) If the outstanding shares of Common Stock of the Corporation are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Corporation through recapitalization (other than the conversion of convertible securities according to their terms), reclassification, stock dividend, stock split or reverse stock split, an appropriate and proportionate adjustment shall be made, or if the Corporation shall spin-off, spin-out or otherwise distribute assets with respect to the outstanding shares of Common Stock of the Corporation, an appropriate and proportionate adjustment shall be made, in the number of performance stock units subject to this Award.

(b) In the event of the dissolution or liquidation of the Corporation, or upon any merger, consolidation or reorganization of the Corporation with any other corporations or entities as a result of which the Corporation is not the surviving corporation, or upon the sale of all or substantially all of the assets of the Corporation or the acquisition of more than 80% of the stock of the Corporation by another corporation or entity, there shall be substituted for each of the shares of Common Stock then subject to this Award the number and kind of shares of stock, securities or other assets which would have been issuable or payable in respect of or in exchange for such Common Stock then subject to the Award, as if the Award Holder had been the owner of such shares as of the transaction date. Any securities so substituted shall be subject to similar successive adjustments.

8. No Right to Continued Employment. Nothing in the Plan, in this performance stock unit agreement or in any other instrument executed pursuant thereto shall confer upon the Award Holder any right to continue in the employ of the Corporation or any Subsidiary of the Corporation or shall interfere in any way with the right of the Corporation or any such Subsidiary to at any time terminate the employment of the Award Holder with or without cause.

9. Legal Requirements. No shares issuable under this Award shall be issued or delivered unless and until, in the opinion of counsel for the Corporation, all applicable requirements of federal and state law and of the Securities and Exchange Commission pertaining to the issuance and sale of such shares and any applicable listing requirements of any national securities exchange on which shares of the same class are then listed, shall have been fully complied with. In connection with any such issuance or transfer, the person acquiring the shares shall, if requested by the Corporation, give assurances satisfactory to counsel to the Corporation in respect of such matters as the Corporation or any Subsidiary of the Corporation may deem desirable to assure compliance with all applicable legal requirements.

10. No Rights as a Shareholder. Neither the Award Holder nor any beneficiary or other person claiming under or through the Award Holder shall have any right, title or interest in or to any shares of Common Stock allocated or reserved for the purpose of the Plan or subject to this Agreement except as to such shares of Common Stock, if any, as shall have been issued or transferred to such person.

11. Withholding. The Corporation or any Subsidiary of the Corporation may make such provisions as it may deem appropriate for the withholding of any taxes which the Corporation or such Subsidiary determines it is required to withhold in connection with this performance stock unit agreement and the transactions contemplated hereby, and the Corporation or any such Subsidiary may require the Award Holder to pay to the Corporation or such Subsidiary in cash any amount or amounts which may be required to be paid as withheld taxes in connection with any issuance of Common Stock pursuant to this Award or any other transaction contemplated hereby as a condition to the issuance of shares of the Common Stock, provided, however, that any amount withheld for taxes in connection with this Award may, at the election of the Award Holder, be paid with previously issued shares of Common Stock or the deduction of shares of Common Stock to be issued in connection with this Award.

12. No Assignments. Neither this performance stock unit agreement, nor this Award nor any other rights and privileges granted hereby shall be transferred, assigned, pledged or hypothecated in any way, whether by operation of law of descent and distribution. Upon any attempt to so transfer, assign, pledge, hypothecate or otherwise dispose of this performance stock unit agreement, this Award or any other right or privilege granted hereby contrary to the provisions hereof, this performance stock unit agreement, this Award and all of such rights and privileges shall immediately become null and void.

13. Other Programs. Nothing contained in this performance stock unit agreement shall affect the right of the Award Holder to participate in and receive benefits under and in accordance with the then current provisions of any pension, insurance, profit-sharing or other employee benefit plan or program of the Corporation or of any Subsidiary of the Corporation.

14. The Plan. The Award hereby granted is subject to, and the Corporation and Award Holder agree to be bound by all of the terms and conditions of the Plan as the same may be amended from time to time in accordance with the terms thereof, but no such amendment may adversely affect the Award Holder's rights under this performance stock unit agreement. Award Holder acknowledges receipt of a complete copy of the Plan.

15. Committee Authority. All questions arising under the Plan or under this performance stock unit agreement shall be decided by the Committee in its total and absolute discretion. It is expressly understood that the Committee is authorized to administer, construe and make all determinations necessary or appropriate to the administration of the Plan and this performance stock unit agreement, all of which shall be binding upon the Award Holder to the maximum extent permitted by the Plan.

16. Consideration. The consideration for the rights and benefits conferred on Award Holder by this Award are the services rendered by the Award Holder after and not before the grant of this Award.

17. Applicable Law. This Award has been granted as of the effective date set forth above at Los Angeles, California, and the interpretation, performance and enforcement of this Agreement shall be governed by the laws of the State of California.

DUCOMMUN INCORPORATED

By: _____
Chief Executive Officer

By: _____
Secretary

Award Holder

By his or her signature, the spouse of the Award Holder hereby agrees to be bound by all the terms and conditions of this written performance stock unit agreement.

Spouse of Award Holder

PERFORMANCE STOCK UNIT AGREEMENT

Dated as of [January 1, 2009]

Exhibit A

For purposes of this performance stock unit agreement, the “Diluted Earnings Per Share” means the sum of the diluted earnings per share of the Corporation for the Corporation’s fiscal years ending [December 31, 2009, December 31, 2010 and December 31, 2011] as included in the Corporation’s audited financial statements, subject to adjustment as provided herein. The Diluted Earnings Per Share shall be adjusted (as determined by the Committee) (i) for changes in accounting principles, (ii) for discontinued operations, (iii) to exclude gain or loss on the sale of any business or product line, (iv) to exclude any asset impairment write-offs or charges (whether of goodwill, intangible or tangible assets) (v) to exclude the expense of restricted stock and restricted stock units, and (vi) to exclude the effects of Statement of Financial Accounting Standards No. 141(R) (Statement of Financial Accounting Standards No. 141 shall continue to be applied). An appropriate adjustment in the Diluted Earnings Per Share amounts in the table below also shall be made for any of the events described in Section 7(a) above.

For purposes of this performance stock unit agreement, the “Relative Total Shareholder Return” means the Corporation’s annualized total shareholder return (as determined by the Committee) over the Performance Period as compared to the annualized total shareholder return of the SPADE Defense Index (as determined by the Committee) over the Performance Period, and expressed as the compound annual percentage by which the Corporation’s total shareholder return exceeds or is exceeded by that of the SPADE Defense Index. The determination of the annualized total shareholder return for the Corporation and the SPADE Defense Index shall include the appreciation or depreciation of stock prices plus dividends paid as if reinvested. If an annualized total shareholder return (including the reinvestment of dividends) is not published for the SPADE Defense Index, then the annualized total shareholder return (including the reinvestment of dividends) for the SPADE Defense Index shall be calculated using such methods as the Committee shall determine. If the SPADE Defense Index ceases to be published, the Committee shall, in its discretion, substitute another broad-based stock index that it determines is appropriate.

If the Diluted Earnings Per Share does not equal or exceed the threshold in the table below and the Relative Total Shareholder Return does not equal or exceed the threshold in the table below, the Award shall expire without consideration. In addition, notwithstanding anything herein to the contrary, none of the performance stock units will vest based on the Corporation's Relative Total Shareholder Return achievement unless the Corporation's Total Shareholder Return over the Performance Period is equal to or greater than zero. Subject to the foregoing paragraphs and provided that the Award Holder has remained in the employment or service of the Corporation over the Performance Period, (except in the event of death, permanent disability or retirement as provided above), the number of performance stock units that will vest under this performance stock unit agreement shall be determined in accordance with the following table:

Diluted Earnings Per Share*	Vesting Percentage of Target Units	Relative Total Shareholder Return	Vesting Percentage of Target Units
[6%] (threshold)	15%	-5.0% (threshold)	15%
[9%]	33%	-2.5%	33%
[12%] (target)	50%	0% (target)	50%
[15%]	67%	2.5%	67%
[18%]	83%	5.0%	83%
[21%]	100%	7.5%	100%

*Actual cumulative three-year Diluted Earnings Per Share target amounts will be inserted. Percentages reflect the Compound annual growth rates from year prior to Performance Period that will be used to determine the actual Diluted Earnings Per Share target amounts. For example, the 6% threshold cumulative three-year Diluted Earnings Per Share target amount would be calculated as follows:

$$6\% \text{ Threshold} = 1.06 X + (1.06^2) X + (1.06^3) X$$

Where X = Diluted EPS in year prior to Performance Period

In the event that the Corporation's Diluted Earnings Per Share and/or Relative Total Shareholder Return for the Performance Period falls between two of the percentages listed in the table above, the applicable percentage of Target Units based on such achievement shall be determined by linear interpolation. The total number of performance stock units subject to the Award that vest based upon the Corporation's achievement over the Performance Period (as determined by the Committee) will be equal to the sum of (i) the Vesting Percentage determined by reference to the table above with respect to the Corporation's Diluted Earnings Per Share over the Performance Period multiplied by the number of Target Units set forth in Section 1 above, plus (ii) the Vesting Percentage determined by reference to the table above with respect to the Corporation's Relative Total Shareholder Return over the Performance Period multiplied by the number of Target Units set forth in Section 1 above (such units, the "Vested Units"). Notwithstanding anything herein to the contrary, in no event will more than two hundred percent (200%) of the number of Target Units become vested hereunder. Performance stock units granted under this Award that are not vested and remain subject to forfeiture are referred to herein as "Unvested Units."