

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

FORM S-8
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Warner Music Group Corp.
(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

13-4271875
(I.R.S. Employer
Identification Number)

75 Rockefeller Plaza
New York, NY 10019
Telephone: (212) 275-2000
(Address of principal executive offices) (Zip code)

WARNER MUSIC GROUP CORP. DEFERRED COMPENSATION PLAN
(Full title of the plan)

Paul M. Robinson, Esq.
Warner Music Group Corp.
75 Rockefeller Plaza
New York, NY 10019
(Name and address of agent for service)
(212) 275-2000
(Telephone number, including area code, of agent for service)

With copies to:
Edward P. Tolley III, Esq.
Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, New York 10017
(212) 455-2000

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee(2)
Deferred Compensation Obligations (1)	\$20,000,000.00	N/A	\$20,000,000.00	\$1,426.00

- (1) The deferred compensation obligations are unsecured obligations of the Registrant to pay deferred compensation in the future in accordance with the terms of the Warner Music Group Corp. Deferred Compensation Plan.
- (2) The proposed maximum aggregate offering price was estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(h) under the Securities Act of 1933, as amended.

PART I INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

The documents containing the information specified in this Part I will be sent or given to the participants in the Warner Music Group Corp. Deferred Compensation Plan (the "Plan") covered by this Registration Statement as specified by Rule 428(b)(1) of the Securities Act of 1933, as amended (the "Securities Act"). Such documents need not be filed with the Securities and Exchange Commission (the "Commission") either as part of this Registration Statement or as prospectuses or prospectus supplements pursuant to Rule 424 of the Securities Act. These documents and the documents incorporated by reference in the Registration Statement pursuant to Item 3 of Part II of this Registration Statement, taken together, constitute a prospectus that meets the requirements of Section 10(a) of the Securities Act.

PART II INFORMATION REQUIRED IN REGISTRATION STATEMENT

ITEM 3. INCORPORATION OF DOCUMENTS BY REFERENCE.

The following documents, which have been filed by Warner Music Group Corp. (the "Company" or the "Registrant") with the Commission, are hereby incorporated by reference in this Registration Statement:

1. The Registrant's Annual Report on Form 10-K for the fiscal year ended September 30, 2010, filed on November 17, 2010; and
2. The Registrant's Current Report on Form 8-K filed on November 19, 2010.

All documents subsequently filed by the Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, prior to the filing of a post-effective amendment to this Registration Statement which indicates that all securities offered have been sold or which deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference in this Registration Statement and to be a part hereof from the date of filing of such documents. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

ITEM 4. DESCRIPTION OF SECURITIES.

This Registration Statement covers deferred compensation obligations ("Obligations") that may be offered under the Warner Music Group Corp. Deferred Compensation Plan (the "Plan"), which is filed as Exhibit 99.1 hereto. The following summary is qualified in its entirety by reference to the Plan.

The Obligations represent obligations of the Company to pay to participants certain compensation amounts that the participants have elected to defer. The Plan is intended to allow certain highly compensated employees to defer the payment of current compensation to future years for tax and financial planning purposes. The Plan became effective on November 16, 2010. The Plan is nonqualified and is intended to be considered unfunded for tax purposes.

Subject to the terms and conditions set forth in the Plan, every year each participating employee may elect to defer all or a portion of his or her bonus to be earned in the next year, and such deferred amounts, if any, will be credited to such participant's account. Amounts in a participant's account will be indexed to one or more deemed investment funds chosen by each participant from a range of such alternatives available under the Plan. Each participant's account will be adjusted to reflect the investment performance of the selected investment fund(s), including any appreciation or depreciation.

The Obligations are generally payable upon a date or dates selected by a participant under the Plan or following the participant's termination of employment, subject to exceptions for in-service withdrawals for an unforeseeable emergency. The Obligations generally are payable in cash in the form of a lump-sum distribution or in installments, at the election of participants.

The obligation to pay the balance of each participant's account will at all times be an unsecured obligation of the Company. Benefits are payable solely from the Company's general funds (or from a "rabbi trust" as described below) and are subject to the risk of corporate insolvency. The Company intends to establish a "rabbi trust" (the assets of which will remain subject to the claims of the Company's general creditors) for the purpose of assisting the Company in meeting its obligations under the Plan. In the event of a change of control, the Company shall cause such trust to be fully funded with amounts necessary to cover all accrued benefits under the Plan through the date of such change of control.

A participant may designate one or more beneficiaries to receive any portion of the Obligations payable in the event of death. Participants or beneficiaries generally may not alienate, sell, transfer, assign or otherwise dispose of any right or interest in the Plan. The Company reserves the right to amend or terminate the Plan at any time.

ITEM 5. INTERESTS OF NAMED EXPERTS AND COUNSEL.

Paul M. Robinson, Esq., Executive Vice President, General Counsel of the Company, whose legal opinion with respect to the securities registered hereunder is filed as Exhibit 5.1 hereto, is an employee of the Company and is eligible to participate in the Plan. Mr. Robinson owns or has the right to acquire an aggregate of less than 1% of the Registrant's outstanding common stock.

ITEM 6. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 145 of the Delaware General Corporation Law, as amended (the "DGCL"), provides, among other things, that a corporation may indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding (other than an action by or in the right of the corporation) by reason of the fact that the person is or was a director, officer, agent or employee of the corporation or is or was serving at the corporation's request as a director, officer, agent or employee of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding. The power to indemnify applies if such person acted in good faith and in a manner he or she reasonably believed to be in the best interests, or not opposed to the best interests, of the corporation, and with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The power to indemnify applies to actions brought by or in the right of the corporation as well, and a corporation may indemnify any of the persons described above against expenses (including attorneys' fees), actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation. However, in actions brought by or in the right of the corporation no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation, unless the Delaware Court of Chancery or the court in which such action was brought believes that in light of all the circumstances indemnification should apply. The DGCL mandates indemnification to the extent that a present or former director or officer of a corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding of the type referred to above or in defense of any claim, issue or matter therein.

Section 102 of the DGCL allows a corporation to include in its certificate of incorporation a provision that eliminates or limits the personal liability of a director to the corporation or its stockholders for monetary damages for a breach of fiduciary duty as a director, except where the director (i) breached his duty of loyalty, (ii) failed to act in good faith or engaged in intentional misconduct or knowingly violated a law, (iii) authorized a payment in violation of Section 174 of the DGCL (unlawful dividends or stock repurchases or redemptions) or (iv) obtained an improper personal benefit. Article VIII, paragraph A of the Company's Amended and Restated Certificate of Incorporation (the "Charter") provides for such eliminations and limitations on the liability of directors of the Company.

Article VIII of the Company's Charter provides that the Company shall indemnify, in a manner and to the fullest extent permitted by the DGCL, each person who is or was a party to or subject to, or is threatened to be made

a party to or to be the subject of, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative in nature, by reason of the fact that he or she is or was, or had agreed to become or is alleged to have been, a director, officer or employee of the Company or is or was serving, or had agreed to serve or is alleged to have served, at the request of or to further the interests of the Company as a director, officer, employee, manager, partner or trustee of, or in a similar capacity for any other entity, or by reason of any action taken or omitted or alleged to have been taken or omitted by any such person in any such capacity, against, in the case of any action, suit or proceeding other than an action or suit by or in the right of the Company, all expenses (including court costs and attorneys' fees) and amounts paid in settlement actually and reasonably incurred by him or her or on his or her behalf and all judgments, damages, fines, penalties and other liabilities actually sustained by him or her in connection with such action, suit or proceeding and any appeal therefrom and, in the case of an action or suit by or in the right of the Company, against all expenses (including court costs and attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit, if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his or her conduct was unlawful; provided, however, that in an action or suit by or in the right of the Corporation no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Company unless and then only to the extent that the Court of Chancery of Delaware or the court in which such action or suit was brought shall determine that such person is fairly and reasonably entitled to indemnity for such expenses. The Company shall indemnify directors and officers for expenses (including court costs and attorneys' fees) reasonably incurred in connection with a proceeding successfully establishing a right to indemnification, in whole or in part, pursuant to Article VIII of the Charter. However, the Company shall not be required to indemnify directors and officers against expenses incurred in connection with a proceeding (or part thereof) initiated a director or officer against the Company or any other person who is entitled to indemnification under Article VIII, unless the initiation of the proceeding was approved by the Board of Directors of the Company, which approval shall not be unreasonably withheld.

The Company shall, in advance of the final disposition of the matter and subject to certain conditions, pay or promptly reimburse any expenses reasonably incurred in investigating and defending or responding to any action, suit, proceeding, investigation or appeal. The right to indemnification and advancement of expenses shall continue as to any person who formerly was an officer, director or employee of the Company in respect of acts or omissions occurring or alleged to have occurred while he or she was an officer, director or employee of the Company and shall inure to the benefit of their estate, heirs, executors and administrators. Unless otherwise required by the DGCL, the burden of proving that a person is not entitled to indemnification or advancement of expenses under Article VIII of the Company's Charter is on the Company. Any repeal or modification of the foregoing provisions shall not adversely affect any right or protection of a director or officer of the Company with respect to any acts or omissions of such director or officer occurring prior to such amendment or repeal.

Article VIII of the Company's Charter also provides that the Company shall have the power to purchase and maintain, at its expense, insurance on behalf of any person who is or was a director, officer, employee or agent of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, limited liability company, partnership, joint venture, trust or other enterprise, against any expense, liability or loss asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Company would have the power to indemnify such person against such expense, liability or loss.

The Company has obtained officers' and directors' liability insurance which insures against liabilities that officers and directors of the Company may, in such capacities, incur.

ITEM 7. EXEMPTION FROM REGISTRATION CLAIMED.

Not applicable.

ITEM 8. EXHIBITS.

For a list of exhibits, see the Exhibit Index in this Registration Statement, which is incorporated into this Item by reference.

ITEM 9. UNDERTAKINGS.

(a) The Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933.

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement.

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement.

Provided, however, that paragraphs (1)(i) and (1)(ii) of this section do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the Registrant pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in this Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(h) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such

director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, State of New York, on November 23, 2010.

WARNER MUSIC GROUP CORP.

By: /s/ EDGAR BRONFMAN, JR.
Name: Edgar Bronfman, Jr.
Title: Chief Executive Officer and Chairman of the Board of Directors

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints Paul M. Robinson and Trent N. Tappe, and each of them, as the undersigned's true and lawful attorneys-in-fact and agents, with full power of substitution and re-substitution, for the undersigned in the undersigned's name, place and stead, in any and all capacity, in connection with this Registration Statement, including to sign and file in the name and on behalf of the undersigned as director or officer of the Registrant any and all amendments or supplements (including any and all stickers and post-effective amendments) to this Registration Statement, with all exhibits thereto, and other documents in connection therewith with the Securities and Exchange Commission and any applicable securities exchange or securities self-regulatory body, granting unto said attorney-in-fact and agents, and each of them full power and authority to do and perform each and every act and things requisite or necessary to be done in and about the premises, as fully to all intents and purposes as the undersigned might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the date indicated.

Signature	Title	Date
<u>/S/ EDGAR BRONFMAN, JR.</u> Edgar Bronfman, Jr.	Chief Executive Officer and Chairman of the Board of Directors (Principal Executive Officer)	November 23, 2010
<u>/S/ STEVEN MACRI</u> Steven Macri	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	November 23, 2010
<u>/S/ SHELBY W. BONNIE</u> Shelby W. Bonnie	Director	November 23, 2010
<u>/S/ RICHARD J. BRESSLER</u> Richard J. Bressler	Director	November 23, 2010
<u>/S/ JOHN P. CONNAUGHTON</u> John P. Connaughton	Director	November 23, 2010
<u>/S/ PHYLLIS E. GRANN</u> Phyllis E. Grann	Director	November 23, 2010

<u>/S/ MICHELE J. HOOPER</u> Michele J. Hooper	Director	November 23, 2010
<u>/S/ SCOTT L. JAECKEL</u> Scott L. Jaeckel	Director	November 23, 2010
<u>/S/ SETH W. LAWRY</u> Seth W. Lawry	Director	November 23, 2010
<u>/S/ THOMAS H. LEE</u> Thomas H. Lee	Director	November 23, 2010
<u>/S/ IAN LORING</u> Ian Loring	Director	November 23, 2010
<u>/S/ MARK E. NUNNELLY</u> Mark E. Nunnely	Director	November 23, 2010
<u>/S/ SCOTT M. SPERLING</u> Scott M. Sperling	Director	November 23, 2010

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
5.1	Opinion of Paul M. Robinson, Esq., Executive Vice President and General Counsel of the Company (filed herewith)
23.1	Consent of Paul M. Robinson, Esq., Executive Vice President and General Counsel of the Company (reference is made to Exhibit 5.1 filed herewith)
23.2	Consent of Ernst & Young LLP (filed herewith)
24.1	Power of Attorney (included on signature page of the Registration Statement)
99.1	Warner Music Group Corp. Deferred Compensation Plan (filed herewith)

[WMG Letterhead]

November 23, 2010

Warner Music Group Corp.
75 Rockefeller Plaza
New York, New York 10019

Ladies and Gentlemen:

I am the Executive Vice President, General Counsel to Warner Music Group Corp., a Delaware corporation (the "Company"), and as such I have acted as counsel to the Company in connection with the Registration Statement on Form S-8 (the "Registration Statement") filed by the Company with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Act"), relating to the registration by the Company of \$20,000,000.00 of deferred compensation obligations ("Obligations"), which represent unsecured obligations of the Company to pay deferred compensation to eligible participants in the future in accordance with the terms of the Warner Music Group Corp. Deferred Compensation Plan (the "Plan").

I have examined the Registration Statement, the Plan, the Company's Amended and Restated Certificate of Incorporation and the Company's Amended and Restated Bylaws. I have also examined the originals, or duplicates or certified or conformed copies, of such corporate records, agreements, documents and other instruments and have made such other investigations as I have deemed relevant and necessary in connection with the opinions hereinafter set forth. As to questions of fact material to this opinion, I have relied upon certificates or comparable documents of public officials and of officers and representatives of the Company. In rendering the opinion set forth below, I have assumed the genuineness of all signatures, the legal capacity of natural persons, the authenticity of all documents submitted to me as originals, the conformity of original documents submitted to me as duplicates or certified or conformed copies and the authenticity of the originals of such latter documents. For the purpose of this opinion, I have assumed that the Plan has been established and is intended to be maintained as a "top-hat" plan under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), which is a plan that is unfunded and maintained by an employer primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees.

Based upon the foregoing, and subject to the qualifications, assumptions and limitations stated herein, I am of the opinion that, (i) if and when the Obligations are issued in accordance with the terms and conditions of the Plan, the Obligations will be valid and binding obligations of the Company, enforceable in accordance with their terms, except as enforcement thereof may be limited by the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally or by general equitable principles (whether considered in a proceeding in equity or at law) and (ii) the provisions of the Plan document comply with the requirements of ERISA applicable to "top-hat" plans.

I do not express any opinion herein concerning any law other than the law of the State of New York, the federal law of the United States and the Delaware General Corporation Law (including the statutory provisions, all applicable provisions of the Delaware Constitution and related judicial decisions interpreting the foregoing).

I consent to the filing of this opinion as an exhibit to the Registration Statement. I also consent to the reference to me under the caption "Interests of Named Experts and Counsel" contained in the Registration Statement without implying or admitting that I am an "expert" within the meaning of the Securities Act, or other rules or regulations of the Commission issued thereunder, with respect to any part of the Registration Statement, including this exhibit.

Very truly yours,

/s/ Paul M. Robinson

PAUL M. ROBINSON, ESQ.

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement (Form S-8 No. 333-) pertaining to the Deferred Compensation Plan of Warner Music Group Corp. of our reports dated November 17, 2010, with respect to the consolidated financial statements and schedule of Warner Music Group Corp. and the effectiveness of internal control over financial reporting of Warner Music Group Corp. included in its Annual Report (Form 10-K) for the year ended September 30, 2010, filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP

Ernst & Young LLP
November 17, 2010
New York, New York



**WARNER MUSIC GROUP CORP.
DEFERRED COMPENSATION PLAN**

WARNER MUSIC GROUP CORP. DEFERRED COMPENSATION PLAN

Warner Music Group Corp., a Delaware corporation (the “Company”), hereby establishes this Warner Music Group Corp. Deferred Compensation Plan (the “**Plan**”), effective November 16, 2010 (the “**Effective Date**”), for the purpose of attracting and retaining high quality executives and promoting in them increased efficiency and an interest in the successful operation of the Company. The Plan is intended to, and shall be interpreted to, comply in all respects with Code Section 409A and those provisions of ERISA applicable to an unfunded plan maintained primarily to provide deferred compensation benefits for a select group of “management or highly compensated employees.”

ARTICLE I
TITLE AND DEFINITIONS

- 1.1 “**Account**” or “**Accounts**” shall mean the bookkeeping account or accounts established under this Plan pursuant to Article 4.
- 1.2 “**Base Salary**” shall mean a Participant’s annual base salary, excluding incentive and discretionary bonuses, commissions, reimbursements and other non-regular remuneration, received from the Company prior to reduction for any salary deferrals under benefit plans sponsored by the Company, including but not limited to, plans established pursuant to Code Section 125 or qualified pursuant to Code Section 401(k).
- 1.3 “**Beneficiary**” or “**Beneficiaries**” shall mean the person, persons or entity designated as such pursuant to Section 7.1.
- 1.4 “**Board**” shall mean the Board of Directors of Company.
- 1.5 “**Bonus(es)**” shall mean amounts paid to the Participant by the Company annually in the form of discretionary or incentive compensation to the extent such amounts qualify as “fiscal year compensation” within the meaning of Treas. Reg. § 1.409A-2(a)(6).
- 1.6 “**Change in Control**” shall mean a “Change in Control” as defined under the Company’s 2005 Omnibus Award Plan, as amended from time to time (or any successor plan thereto).
- 1.7 “**Code**” shall mean the Internal Revenue Code of 1986, as amended, as interpreted by Treasury regulations and applicable authorities promulgated thereunder.
- 1.8 “**Committee**” shall mean the person or persons appointed by the Board to administer the Plan in accordance with Article 8.
- 1.9 “**Compensation**” shall mean all amounts eligible for deferral for a particular Plan Year under Section 3.1(a).

1.10 “**Crediting Rate**” shall mean the notional gains and losses credited on the Participant’s Account balance which are based on the Participant’s choice among the investment alternatives made available by the Committee pursuant to Section 3.3 of the Plan.

1.11 “**Deferral Account**” shall mean the Account maintained for each Participant which is credited with Participant deferrals pursuant to Section 4.1

1.12 “**Disability**” shall mean (consistent with the requirements of Section 409A) that the Participant (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Company. The Committee may require that the Participant submit evidence of such qualification for disability benefits in order to determine that the Participant is disabled under this Plan.

1.13 “**Distributable Amount**” shall mean the vested balance in the applicable Account as determined under Article 4.

1.14 “**Eligible Employee**” shall mean a highly compensated or management level employee of the Company selected by the Committee to be eligible to participate in the Plan. The Committee shall, from time to time, designate minimum Base Salary or Compensation levels for eligibility to participate in the Plan.

1.15 “**ERISA**” shall mean the Employee Retirement Income Security Act of 1974, as amended, including Department of Labor and Treasury regulations and applicable authorities promulgated thereunder.

1.16 “**Financial Hardship**” shall mean a severe financial hardship to the Participant resulting from an illness or accident of the Participant, the Participant’s spouse, or a dependent (as defined in IRC Section 152(a)) of the Participant, loss of the Participant’s property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant, (but shall in all events correspond to the meaning of the term “unforeseeable emergency” under Code Section 409A(a)(2)(B)(ii)).

1.17 “**Fund**” or “**Funds**” shall mean one or more of the investment funds selected by the Committee pursuant to Section 3.2 of the Plan.

1.18 “**Hardship Distribution**” shall mean an accelerated distribution of benefits or a reduction or cessation of current deferrals pursuant to Section 6.5 to a Participant who has suffered a Financial Hardship.

1.19 “**Interest Rate**” shall mean, for each Fund, an amount equal to the net gain or loss on the assets of such Fund during each month, as determined by the Committee.

1.20 “**Participant**” shall mean any Eligible Employee who becomes a Participant in this Plan in accordance with Article 2.

1.21 “**Participant Election(s)**” shall mean the forms or procedures by which a Participant makes elections with respect to (1) voluntary deferrals of his/her Compensation, (2) the investment Funds which shall act as the basis for crediting of interest on Account balances, and (3) the form and timing of distributions from Accounts. Participant Elections may take the form of an electronic communication followed by appropriate confirmation according to specifications established by the Committee.

1.22 “**Payment Date**” shall mean the date upon which a lump sum payment shall be made or the date upon which installment payments shall commence. Unless otherwise specified at the time a deferral election is made, the Payment Date shall be the last day of the sixth (6th) month commencing after the event triggering the payout occurs. Subsequent installments shall be made in March of each succeeding Plan Year. In the case of death, the Committee shall be provided with documentation reasonably necessary to establish the fact of the Participant’s death. The Payment Date of a Scheduled Distribution shall be March of the Plan Year in which the distribution is scheduled to commence. Notwithstanding the foregoing, the Payment Date shall not be before the earliest date on which benefits may be distributed under Code Section 409A without violation of the provisions thereof as reasonably determined by the Committee.

1.23 “**Plan Year**” shall mean each fiscal year of the Company, commencing October 1 and ending September 30, except that the first Plan Year shall begin on the Effective Date and end on September 30, 2011.

1.24 “**Retirement**” shall mean Termination of Service after having attained age 62 and completed at least 10 Years of Service.

1.25 “**Scheduled Distribution**” shall mean a scheduled distribution date elected by the Participant for distribution of amounts from a specified Deferral Account, including notional earnings thereon, as provided under Section 6.4.

1.26 “**Termination of Service**” shall mean the date of the Participant’s from service with the Company as defined under Code Section 409A for any reason whatsoever, whether voluntary or involuntary, including as a result of the Participant’s Retirement, death or Disability.

1.27 “**Years of Service**” shall mean the cumulative consecutive years of continuous full-time employment with the Company (including approved leaves of absence of six months or less or legally protected leaves of absence), beginning on the date the Participant first began service with the Company, and counting each anniversary thereof.

ARTICLE II **PARTICIPATION**

An Eligible Employee shall become a Participant in the Plan by completing and submitting to the Committee the appropriate Participant Elections, including such other documentation and information as the Committee may reasonably request, during the enrollment period established by the Committee prior to the beginning of the first Plan Year in which the Eligible Employee shall be eligible to participate in the Plan.

ARTICLE III
CONTRIBUTIONS & DEFERRAL ELECTIONS

3.1 Elections to Defer Compensation.

(a) Form of Elections. Unless otherwise determined by the Committee in accordance with Section 409A of the Code, a Participant may only elect to defer Compensation attributable to services provided after the time an election is made. Elections shall take the form of a flat dollar amount or a whole percentage (less applicable payroll withholding requirements for Social Security and income taxes and employee benefit plans as determined in the sole and absolute discretion of the Committee) of up to 100% of Bonuses (or such lesser percentage as determined by the Committee from time to time). Unless otherwise determined by the Committee in accordance with Section 409A of the Code (or except as otherwise set forth herein), Participants shall make their deferral elections prior to the beginning of each Plan Year (or within 30 days following the Effective Date, in the case of the first Plan Year) with respect to Bonuses to be earned in respect of such Plan Year. In the case of newly hired Eligible Employees, a deferral election may be made within 30 days following such Eligible Employee's date of hire.

(b) Duration of Compensation Deferral Election. An Eligible Employee's initial election to defer Compensation shall be made during the enrollment period established by the Committee prior to the Effective Date and shall apply only to Compensation for services performed after such deferral election is processed. A Participant may increase, decrease, terminate or recommence a deferral election with respect to Compensation for any subsequent Plan Year by filing a Participant Election during the enrollment period established by the Committee prior to the beginning of such Plan Year, which election shall be effective on the first day of the next following Plan Year. In the absence of an affirmative election by the Participant to the contrary, the deferral election for the prior Plan Year shall not continue in effect for future Plan Years, and in the absence of a deferral election, no portion of the Participant's Bonus shall be deferred for such future Plan Years. After the beginning of the Plan Year, deferral elections with respect to Compensation for services performed during such Plan Year shall be irrevocable except in the event of Financial Hardship.

3.2 Investment Elections.

(a) Participant Direction. At the time of entering the Plan and/or of making the deferral election under the Plan, the Participant shall designate, on a Participant Election provided by the Committee, the investment Funds in which the Participant's Account or Accounts shall be deemed to be invested for purposes of determining the amount of earnings and losses to be credited to each Account. The Participant may specify that all or any percentage of his or her Account or Accounts shall be deemed to be invested, in whole percentage increments, in one or more of the types of investment Funds selected as alternative investments under the Plan from time to time by the Committee pursuant to subsection (b) of this Section. A Participant may change the designation made under this Section at least monthly by filing a

revised election, on a Participant Election provided by the Committee. During payout, the Participant's Account shall continue to be credited at the Crediting Rate selected by the Participant from among the investment alternatives or rates made available by the Committee for such purpose until all amounts have been distributed from the Account. If a Participant fails to make an investment election under this Section for a particular Account, such Account shall be invested in the default investment Fund selected by the Committee for such purpose.

(b) Investment Alternatives. Prior to the beginning of each Plan Year, the Committee shall select, in its sole and absolute discretion, commercially available investment Funds for the applicable Plan Year and shall communicate each of the alternative types of investment Funds to the Participant pursuant to subsection (a) of this Section. The Interest Rate of each such commercially available investment fund shall be used to determine the amount of earnings or losses to be credited to Participant's Account under Article IV. The Participant's choice among investments shall be solely for purposes of calculation of the Crediting Rate on Accounts. The Company shall have no obligation to set aside or invest amounts as directed by the Participant and, if the Company elects to invest amounts as directed by the Participant, the Participant shall have no more right to such investments than any other unsecured general creditor.

3.3 Distribution Elections.

(a) Initial Election. At the time of making a deferral election under the Plan, the Participant shall designate the time and form of distribution of deferrals made pursuant to such election (together with any earnings credited thereon) from among the alternatives specified in Section 6.

(b) Modification of Election. A new distribution election may be made at the time of subsequent deferral elections with respect to deferrals in Plan Years beginning after the election is made. However, a distribution election with respect to previously deferred amounts may only be changed under the terms and conditions specified in Code Section 409A, and subject to such other limitations as the Committee may establish from time to time. Except as expressly provided under the Plan, no acceleration of a distribution is permitted. A subsequent election that delays payment or changes the form of payment shall be permitted if and only if all of the following requirements are met:

- (1) the new election does not take effect until at least twelve (12) months after the date on which the new election is made;
- (2) in the case of payments made on account of Termination of Service or a Scheduled Distribution, the new election delays payment for at least five (5) years from the date that payment would otherwise have been made, absent the new election; and
- (3) in the case of payments made according to a Scheduled Distribution, the new election is made not less than twelve (12) months before the date on which payment would have been made (or, in the case of installment payments, the first installment payment would have been made) absent the new election.

For purposes of application of the above change limitations, installment payments shall be treated as a single payment. Election changes made pursuant to this Section shall be made in accordance with rules established by the Committee, and shall comply with all requirements of Code Section 409A and applicable authorities.

ARTICLE IV
DEFERRAL ACCOUNTS

4.1 Deferral Accounts. The Committee shall establish and maintain Deferral Accounts for each Participant under the Plan. Each Participant's Deferral Account shall be further divided into separate subaccounts ("investment fund subaccounts"), each of which corresponds to an investment Fund elected by the Participant pursuant to Section 3.2. A Participant's Deferral Account shall be credited as follows:

(a) On or before the fifth (5th) business day after amounts are withheld and deferred from a Participant's Compensation, the Committee shall credit the investment fund subaccounts of the Participant's Deferral Account with an amount equal to Compensation deferred by the Participant in accordance with the Participant's election under Section 3.2; that is, the portion of the Participant's deferred Compensation that the Participant has elected to be deemed to be invested in a certain type of investment Fund shall be credited to the investment fund subaccount to be invested in that Fund;

(b) Each business day, each investment fund subaccount of a Participant's Deferral Account shall be credited with earnings or losses in an amount equal to that determined by multiplying the balance credited to such investment fund subaccount as of the prior day, less any distributions valued as of the end of the prior day, by the Interest Rate for the corresponding Fund as determined by the Company pursuant to Section 3.2(b); and

(c) In the event that a Participant elects for a given Plan Year's deferral of Compensation a Scheduled Distribution, all amounts attributed to the deferral of Compensation for such Plan Year shall be accounted for in a manner which allows separate accounting for the deferral of Compensation and investment gains and losses associated with amounts allocated to such each separate Scheduled Distribution.

4.2 Trust. The Company shall be responsible for the payment of all benefits under the Plan. At its discretion, the Company may establish one or more grantor trusts for the purpose of providing for payment of benefits under the Plan. Such trust or trusts may be irrevocable, but the assets thereof shall be subject to the claims of the Company's creditors. Benefits paid to the Participant from any such trust or trusts shall be considered paid by the Company for purposes of meeting the obligations of the Company under the Plan. In the event of a Change in Control, the Company shall cause the Trust to be fully funded with amounts necessary to cover all accrued benefits under the Plan through the date of such Change in Control.

4.3 Statement of Accounts. The Committee shall provide each Participant with electronic statements at least quarterly setting forth the Participant's Account balance as of the end of each calendar quarter.

ARTICLE V
VESTING

5.1 Vesting of Deferral Accounts. The Participant shall be vested at all times in amounts credited to the Participant's Deferral Account or Accounts.

ARTICLE VI
DISTRIBUTIONS

6.1 Retirement Distributions.

(a) Timing and Form of Deferral Account Distributions. Except as otherwise provided herein, in the event of a Participant's Retirement, the Distributable Amount credited to the Participant's Deferral Account shall be paid to the Participant in the form of a single lump sum, unless the Participant has made an alternative benefit election on a timely basis pursuant to Section 3.3 to receive the Retirement benefits in the form of substantially equal annual installments over up to fifteen (15) years.

(b) Small Benefit Exception. If on commencement of benefits payable from an Account upon a Retirement the Distributable Amount from such Account is less than or equal to \$25,000, the total Distributable Amount from such Account shall be paid in the form of a single lump sum distribution on the scheduled Payment Date.

6.2 Termination Distributions. In the event of a Participant's Termination of Service other than by reason of Retirement, the Distributable Amount credited to the Participant Deferral Account shall be paid in a single lump sum on the Payment Date following Termination of Service.

6.3 Accelerated Distribution upon Death. In the event that the Participant dies prior to or after commencement of benefits payable from an Account, the Company shall pay to the Participant's Beneficiary the remaining Distributable Amount of such Account in a single lump sum on the Payment Date following the Participant's death.

6.4 Scheduled Distributions.

(a) Scheduled Distribution Election. Participants shall be entitled to elect to receive a Scheduled Distribution from the Deferral Account prior to Termination of Service. In the case of a Participant who has elected to receive a Scheduled Distribution, such Participant shall receive the Distributable Amount, with respect to the specified deferrals, including earnings thereon, which have been elected by the Participant to be subject to such Scheduled Distribution election in accordance with Section 3.3 of the Plan. A Participant's Scheduled Distribution commencement date with respect to deferrals of Compensation for a given Plan Year shall be no earlier than two (2) years from the last day of the Plan Year in which the deferrals are credited to the Participant's Account. The Participant may elect to receive the Scheduled Distribution in a single lump sum or substantially equal annual installments over a period of up to five (5) years. A Participant may delay and change the form of a Scheduled Distribution, provided such extension complies with the requirements of Section 3.3.

(b) Termination of Service. In the event of a Participant's Termination of Service prior to or after commencement of a Scheduled Distribution, the remaining Scheduled Distributions shall be distributed in the form applicable to such Termination of Service under Sections 6.1, 6.2 or 6.3 above.

6.5 Hardship Distribution. Upon a finding that the Participant (or, after the Participant's death, a Beneficiary) has suffered a Financial Hardship, subject to compliance with Code Section 409A the Committee may, at the request of the Participant or Beneficiary, accelerate distribution of benefits or approve reduction or cessation of current deferrals under the Plan in the amount reasonably necessary to alleviate such Financial Hardship subject to the following conditions:

(a) The request to take a Hardship Distribution shall be made by filing a form provided by and filed with the Committee prior to the end of any calendar month.

(b) The amount distributed pursuant to this Section with respect to a Financial Hardship shall not exceed the amount necessary to satisfy such financial emergency plus amounts necessary to pay taxes reasonably anticipated as a result of the distribution, after taking into account the extent to which such hardship is or may be relieved through reimbursement or compensation by insurance or otherwise or by liquidation of the Participant's assets (to the extent the liquidation of such assets would not itself cause severe financial hardship).

(c) The amount determined by the Committee as a Hardship Distribution shall be paid in a single cash lump sum as soon as practicable after the end of the calendar month in which the Hardship Distribution election is made and approved by the Committee.

(d) Upon a finding that the Participant has suffered a Financial Hardship, subject to Treasury Regulations promulgated under Code Section 409A the Administrator may at the request of the Participant, accelerate distribution of benefits or approve reduction or cessation of current deferrals under the Plan in the amount reasonably necessary to alleviate such Financial Hardship. The amount distributed pursuant to this Section with respect to an emergency shall not exceed the amount necessary to satisfy such emergency plus amounts necessary to pay taxes reasonably anticipated as a result of the distribution, after taking into account the extent to which such hardship is or may be relieved through reimbursement or compensation by insurance or otherwise or by liquidation of the Participant's assets (to the extent the liquidation of such assets would not itself cause severe financial hardship). The Participant shall not be permitted to make a deferral election with respect to his or her Bonus in respect of the Plan Year following the Plan Year during which the Participant received a Hardship Distribution.

ARTICLE VII

PAYEE DESIGNATIONS AND LIMITATIONS

7.1 Beneficiaries

(a) Beneficiary Designation. The Participant shall have the right, at any time, to designate any person or persons as Beneficiary (both primary and contingent) to whom payment under the Plan shall be made in the event of the Participant's death. The Beneficiary designation shall be effective when it is submitted to and acknowledged by the Committee during the Participant's lifetime in the format prescribed by the Committee.

(b) Absence of Valid Designation. If a Participant fails to designate a Beneficiary as provided above, or if every person designated as Beneficiary predeceases the Participant or dies prior to complete distribution of the Participant's benefits, then the Committee shall direct the distribution of such benefits to the Participant's estate.

7.2 Payments to Minors. In the event any amount is payable under the Plan to a minor, payment shall not be made to the minor, but instead be paid (a) to that person's living parent(s) to act as custodian, (b) if that person's parents are then divorced, and one parent is the sole custodial parent, to such custodial parent, to act as custodian, or (c) if no parent of that person is then living, to a custodian selected by the Committee to hold the funds for the minor under the Uniform Transfers or Gifts to Minors Act in effect in the jurisdiction in which the minor resides. If no parent is living and the Committee decides not to select another custodian to hold the funds for the minor, then payment shall be made to the duly appointed and currently acting guardian of the estate for the minor or, if no guardian of the estate for the minor is duly appointed and currently acting within sixty (60) days after the date the amount becomes payable, payment shall be deposited with the court having jurisdiction over the estate of the minor.

7.3 Payments on Behalf of Persons Under Incapacity. In the event that any amount becomes payable under the Plan to a person who, in the sole judgment of the Committee, is considered by reason of physical or mental condition to be unable to give a valid receipt therefore, the Committee may direct that such payment be made to any person found by the Committee, in its sole judgment, to have assumed the care of such person. Any payment made pursuant to such determination shall constitute a full release and discharge of any and all liability of the Committee and the Company under the Plan.

7.4 Inability to Locate Payee. In the event that the Committee is unable to locate a Participant or Beneficiary within two years following the scheduled Payment Date, the amount allocated to the Participant's Deferral Account shall be forfeited. If, after such forfeiture, the Participant or Beneficiary later claims such benefit, such benefit shall be reinstated without interest or earnings.

ARTICLE VIII ADMINISTRATION

(a) Committee. The Plan shall be administered by a Committee appointed by the Board, which shall have the exclusive right and full discretion (i) to appoint agents to act on its behalf, (ii) to select and establish Funds, (iii) to interpret the Plan, (iv) to decide any and all matters arising hereunder (including the right to remedy possible ambiguities, inconsistencies, or admissions), (v) to make, amend and rescind such rules as it deems necessary for the proper administration of the Plan and (vi) to make all other determinations and resolve all questions of fact necessary or advisable for the administration of the Plan, including determinations regarding eligibility for benefits payable under the Plan. All interpretations of the Committee with respect to any matter hereunder shall be final, conclusive and binding on all persons affected thereby. No member of the Committee or agent thereof shall be liable for any determination, decision, or

action made in good faith with respect to the Plan. The Company will indemnify and hold harmless the members of the Committee and its agents from and against any and all liabilities, costs, and expenses incurred by such persons as a result of any act, or omission, in connection with the performance of such persons' duties, responsibilities, and obligations under the Plan, other than such liabilities, costs, and expenses as may result from the bad faith, willful misconduct, or criminal acts of such persons.

8.2 Claims Procedure. Any Participant, former Participant or Beneficiary may file a written claim with the Committee setting forth the nature of the benefit claimed, the amount thereof, and the basis for claiming entitlement to such benefit. The Committee shall determine the validity of the claim and communicate a decision to the claimant promptly and, in any event, not later than ninety (90) days after the date of the claim. The claim may be deemed by the claimant to have been denied for purposes of further review described below in the event a decision is not furnished to the claimant within such ninety (90) day period. If additional information is necessary to make a determination on a claim, the claimant shall be advised of the need for such additional information within forty-five (45) days after the date of the claim. The claimant shall have up to one hundred eighty (180) days to supplement the claim information, and the claimant shall be advised of the decision on the claim within forty-five (45) days after the earlier of the date the supplemental information is supplied or the end of the one hundred eighty (180) day period. Every claim for benefits which is denied shall be denied by written notice setting forth in a manner calculated to be understood by the claimant (i) the specific reason or reasons for the denial, (ii) specific reference to any provisions of the Plan (including any internal rules, guidelines, protocols, criteria, etc.) on which the denial is based, (iii) description of any additional material or information that is necessary to process the claim, and (iv) an explanation of the procedure for further reviewing the denial of the claim and shall include an explanation of the claimant's right to submit the claim for binding arbitration in the event of an adverse determination on review.

8.3 Review Procedures. Within sixty (60) days after the receipt of a denial on a claim, a claimant or his/her authorized representative may file a written request for review of such denial. Such review shall be undertaken by the Committee and shall be a full and fair review. The claimant shall have the right to review all pertinent documents. The Committee shall issue a decision not later than sixty (60) days after receipt of a request for review from a claimant unless special circumstances, such as the need to hold a hearing, require a longer period of time, in which case a decision shall be rendered as soon as possible but not later than one hundred twenty (120) days after receipt of the claimant's request for review. The decision on review shall be in writing and shall include specific reasons for the decision written in a manner calculated to be understood by the claimant with specific reference to any provisions of the Plan on which the decision is based and shall include an explanation of the claimant's right to submit the claim for binding arbitration in the event of an adverse determination on review.

ARTICLE IX **MISCELLANEOUS**

9.1 Amendment or Termination of Plan. The Company may, at any time, direct the Committee to amend or terminate the Plan, except that no such amendment or termination may reduce a Participant's Account balances. If the Company terminates the Plan, no further

amounts shall be deferred hereunder, and amounts previously deferred or contributed to the Plan shall be fully vested and shall be paid in accordance with the provisions of the Plan as scheduled prior to the Plan termination. Notwithstanding the forgoing, to the extent permitted under Code Section 409A and applicable authorities, the Company may, in its complete and sole discretion, accelerate distributions under the Plan in the event of a “change in ownership” or “effective control” of the Company or a “change in ownership of a substantial portion of assets” or under such other terms and conditions as may be specifically authorized under Code Section 409A and applicable authorities.

9.2 Unsecured General Creditor. The benefits paid under the Plan shall be paid from the general funds of the Company, and the Participant and any Beneficiary or their heirs or successors shall be no more than unsecured general creditors of the Company with no special or prior right to any assets of the Company for payment of any obligations hereunder. It is the intention of the Company that this Plan be unfunded for purposes of ERISA and the Code.

9.3 Restriction Against Assignment. The Company shall pay all amounts payable hereunder only to the person or persons designated by the Plan and not to any other person or entity. No part of a Participant’s Accounts shall be liable for the debts, contracts, or engagements of any Participant, Beneficiary, or their successors in interest, nor shall a Participant’s Accounts be subject to execution by levy, attachment, or garnishment or by any other legal or equitable proceeding, nor shall any such person have any right to alienate, anticipate, sell, transfer, commute, pledge, encumber, or assign any benefits or payments hereunder in any manner whatsoever. No part of a Participant’s Accounts shall be subject to any right of offset against or reduction for any amount payable by the Participant or Beneficiary, whether to the Company or any other party, under any arrangement other than under the terms of this Plan.

9.4 Withholding. The Participant shall make appropriate arrangements with the Company for satisfaction of any federal, state or local income tax withholding requirements, Social Security and other employee tax or other requirements applicable to the granting, crediting or payment of benefits under the Plan. There shall be deducted from each payment made under the Plan or any other Compensation payable to the Participant (or Beneficiary) all taxes which are required to be withheld by the Company in respect to such payment or this Plan. The Company shall have the right to reduce any payment (or other Compensation) by the amount of cash sufficient to provide the amount of said taxes.

9.5 Protective Provisions. The Participant shall cooperate with the Company by furnishing any and all information requested by the Committee, in order to facilitate the payment of benefits hereunder.

9.6 Errors in Account Statements, Deferrals or Distributions. In the event an error is made in an Account statement, such error shall be corrected on the next statement following the date such error is discovered. In the event of an error in deferral amount, consistent with and as permitted by any correction procedures established under IRC Section 409A, the error shall be corrected immediately upon discovery by, in the case of an excess deferral, distribution of the excess amount to the Participant, or, in the case of an under deferral, reduction of other compensation payable to the Participant. In the event of an error in a distribution, the over or

under payment shall be corrected by payment to or collection from the Participant consistent with any correction procedures established under IRC Section 409A, immediately upon the discovery of such error. In the event of an overpayment, the Company may, at its discretion, offset other amounts payable to the Participant from the Company (including but not limited to salary, bonuses, expense reimbursements, severance benefits or other employee compensation benefit arrangements, as allowed by law and subject to compliance with IRC Section 409A) to recoup the amount of such overpayment(s).

9.7 Employment Not Guaranteed. Nothing contained in the Plan nor any action taken hereunder shall be construed as a contract of employment or as giving any Participant any right to continue the provision of services in any capacity whatsoever to the Company.

9.8 Successors of the Company. The rights and obligations of the Company under the Plan shall inure to the benefit of, and shall be binding upon, the successors and assigns of the Company.

9.9 Notice. Any notice or filing required or permitted to be given to the Company or the Participant under this Agreement shall be sufficient if in writing and hand-delivered, or sent by registered or certified mail, in the case of the Company, to the principal office of the Company, directed to the attention of the Committee, and in the case of the Participant, to the last known address of the Participant indicated on the employment records of the Company. Such notice shall be deemed given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification. Notices to the Company may be permitted by electronic communication according to specifications established by the Committee.

9.10 Headings. Headings and subheadings in this Plan are inserted for convenience of reference only and are not to be considered in the construction of the provisions hereof.

9.11 Gender, Singular and Plural. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, or neuter, as the identity of the person or persons may require. As the context may require, the singular may be read as the plural and the plural as the singular.

9.12 Governing Law. The Plan is intended to be an unfunded plan maintained primarily to provide deferred compensation benefits for a select group of "management or highly compensated employees" within the meaning of Sections 201, 301 and 401 of ERISA and therefore to be exempt from Parts 2, 3 and 4 of Title I of ERISA. In the event any provision of, or legal issue relating to, this Plan is not fully preempted by federal law, such issue or provision shall be governed by the laws of the State of New York.

9.13 Binding Arbitration. Any claim, dispute or other matter in question of any kind relating to this Plan which is not resolved by the claims procedures under this Plan shall be settled by arbitration in accordance with the applicable employment dispute resolution rules of the American Arbitration Association. Notice of demand for arbitration shall be made in writing to the opposing party and to the American Arbitration Association within a reasonable time after the claim, dispute or other matter in question has arisen. In no event shall a demand for arbitration be made after the date when the applicable statute of limitations would bar the

institution of a legal or equitable proceeding based on such claim, dispute or other matter in question. The decision of the arbitrators shall be final and may be enforced in any court of competent jurisdiction. The arbitrators may award reasonable fees and expenses to the prevailing party in any dispute hereunder and shall award reasonable fees and expenses in the event that the arbitrators find that the losing party acted in bad faith or with intent to harass, hinder or delay the prevailing party in the exercise of its rights in connection with the matter under dispute.

IN WITNESS WHEREOF, the Board of Directors of the Company has approved the adoption of this Plan as of the Effective Date and has caused the Plan to be executed by its duly authorized representative this 16th day of November, 2010.

Warner Music Group Corp.,

By /s/ Paul M. Robinson

Title EVP and General Counsel