

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): September 20, 2006

Analog Devices, Inc.

-----  
(Exact name of registrant as specified in its charter)

Massachusetts

1-7819

04-2348234

-----  
(State or other jurisdiction  
of incorporation)

-----  
(Commission  
File Number)

-----  
(IRS Employer  
Identification No.)

One Technology Way, Norwood, MA

02062

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(Address of principal executive offices)

-----  
(Zip Code)

Registrant's telephone number, including area code: (781) 329-4700

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(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 (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

Board of Directors Compensation

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On September 20, 2006, the Board of Directors of Analog Devices, Inc. (the "Registrant"), having received and considered the recommendations of the Compensation Committee of the Board of Directors, approved various matters relating to the cash and equity compensation of the non-employee members of the Board of Directors, effective October 29, 2006.

Cash Compensation - Board

On September 20, 2006, the Board increased the annual cash retainers payable to each non-employee member of the Board of Directors of the Registrant from \$40,000 to \$60,000 per fiscal year, effective October 29, 2006. Such cash retainers shall be paid in quarterly installments of \$15,000 each on the 15th day of December, March, June and September of each fiscal year.

Cash Compensation - Committee Chairpersons

On September 20, 2006, the Board increased the annual cash retainers payable to each of the Chairpersons of the Audit Committee and the Compensation Committee of the Board of Directors from \$10,000 to \$15,000 per fiscal year, effective October 29, 2006. Such cash retainers shall be paid in quarterly installments of \$3,750 each on the 15th day of December, March, June and September of each fiscal year. The annual cash retainer payable to the Chairperson of the Nominating and Corporate Governance Committee of the Board of Directors shall remain at \$10,000 per fiscal year and shall be paid in quarterly

installments of \$2,500 each on the 15th day of December, March, June and September of each fiscal year.

#### Equity Compensation

On September 20, 2006, the Board established the following stock option grant policy for non-employee members of the Board of Directors, effective October 29, 2006:

**Initial Grants.** Each newly elected non-employee Director shall automatically be granted a Non-Qualified Stock Option to purchase 15,000 shares of Common Stock of the Registrant under the Registrant's 2006 Stock Incentive Plan (the "2006 Plan") on the 15th day of the month following the date of initial election as a Director, or if the New York Stock Exchange is closed on that day, the next succeeding business day that the New York Stock Exchange is open, at an option exercise price equal to the fair market value of the Common Stock on the date of grant (which shall equal the closing price of the Common Stock on the date of grant, unless otherwise determined by the Compensation Committee), and vesting and becoming exercisable with respect to the shares covered thereby in three equal installments on each of the first, second and third anniversaries of the date of grant. Upon the occurrence of a Change in Control Event (as defined in the 2006 Plan), the vesting of each such option shall be fully accelerated and the option shall thereafter be exercisable in full over the remaining term thereof.

**Annual Grants.** On an annual basis, each incumbent non-employee Director shall automatically be granted a Non-Qualified Stock Option to purchase 15,000 shares of Common Stock of the Registrant under the 2006 Plan (with the number of shares subject to the first annual option granted to a Director to be on a pro rata basis based on the length of service during the calendar year in which such Director was elected) on the second business day following January 1 that the New York Stock Exchange is open, at an option exercise price equal to the fair market value of the Common Stock on the date of grant (which shall equal the closing price of the Common Stock on the date of grant, unless otherwise determined by the Compensation Committee), and vesting and becoming exercisable with respect to the shares covered thereby in three equal installments on each of the first, second and third anniversaries of the date of grant. Upon the occurrence of a Change in Control Event (as defined in the 2006 Plan), the vesting of each such option shall be fully accelerated and the option shall thereafter be exercisable in full over the remaining term thereof.

Forms for Usage under 2006 Stock Incentive Plan  
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The Compensation Committee administers, among other things, the 2006 Plan. The Compensation Committee has approved the following forms for usage under the 2006 Plan: (i) Confirming Memorandum for Grants of Non-Qualified Stock Options to Employees, (ii) Restricted Stock Agreement, and (iii) Restricted Stock Unit Confirming Memorandum. All of the Registrant's employees (including executive officers), directors, consultants and advisors are eligible to receive options, stock appreciation rights, restricted stock, restricted stock units and other stock-based awards under the 2006 Plan. The 2006 Plan and the forms for usage thereunder are filed or incorporated by reference as exhibits hereto and are incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

Exhibit No.	Description
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99.1	2006 Stock Incentive Plan of the Registrant, incorporated herein by reference to Appendix A of the Registrant's Definitive Proxy Statement on Schedule 14A filed with the Securities and Exchange Commission on February 8, 2006 (File No. 1-7819).
99.2	Form of Confirming Memorandum for Grants of Non-Qualified Stock Options to Employees for usage under the Registrant's 2006 Stock Incentive Plan.
99.3	Form of Restricted Stock Agreement for usage under the Registrant's 2006 Stock Incentive Plan.
99.4	Form of Restricted Stock Unit Confirming Memorandum for usage under the Registrant's 2006 Stock Incentive Plan.

SIGNATURE

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

Date: September 25, 2006

ANALOG DEVICES, INC.

By: /s/ Margaret K. Seif

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Margaret K. Seif  
Vice President, General Counsel and  
Secretary

EXHIBIT INDEX

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STOCK OPTION CONFIRMING MEMORANDUM  
GRANT OF NON-QUALIFIED STOCK OPTION  
Private & Confidential (Addressee Only)

2006 STOCK INCENTIVE PLAN: GENERAL VERSION  
Division: --- COMPANY CODE: --- VESTING CODE:  
Location: --- PLAN CODE:

We are pleased to advise you that you have been granted an option to purchase #,### shares of Analog Devices, Inc. Common Stock on the terms and conditions set forth below (the "Option"). The grant of this Option reflects Analog's confidence in your commitment and contributions to the success and continued growth of Analog Devices, Inc. (the "Company").

GRANT OF OPTION: This memorandum confirms that, subject to the terms and conditions of the Analog Devices, Inc. 2006 Stock Incentive Plan (the "Plan"), the Company has granted to you (the "Optionee"), effective on the Date of Grant set forth below, an option to purchase shares of the Company's Common Stock (the "Option Shares") as follows:

Date of Grant:	99/99/9999
Number of Option Shares Granted:	#,###
Option Exercise Price Per Share:	\$ ##.##

ALL TERMS NOT DEFINED HEREIN SHALL HAVE THE MEANINGS ASSIGNED TO SUCH TERMS IN THE PLAN.

EXERCISE OF OPTION: The Option is exercisable as follows:

EXERCISE PERIOD	NUMBER OF SHARES
-----	-----
Vesting Period #1	#,###
Vesting Period #2	#,###
Vesting Period #3	#,###

The right of exercise is cumulative, so that if the Option is not exercised to the maximum extent permissible during any period, it is exercisable, in whole or in part, with respect to all shares not so purchased at any time during any subsequent period prior to the expiration or termination of the Option.

TERM OF OPTION; TERMINATION OF EMPLOYMENT:

- The term of the Option is ten (10) years after the Date of Grant, subject, however, to the early termination provisions set forth herein.
- Except as otherwise provided herein, the Option shall be exercisable by the Optionee (or his/her successor in interest) following the termination of the Optionee's employment only to the extent that the Option was exercisable on or prior to the date of such termination.
- The Option shall terminate on the date the Optionee voluntarily terminates employment with the Company or one of its subsidiaries or on the date his/her employment is terminated by the Company without "Cause" (as defined in paragraph 4), but the Option Shares which are exercisable on the date of such termination shall continue to be exercisable for a period of three (3) months following such termination date.
- The Option shall terminate on the date the Optionee's employment with the Company or one of its subsidiaries is terminated by the Company for "Cause", and all Option Shares which are then exercisable shall forthwith cease to be exercisable. "Cause" for this purpose means unsatisfactory job performance (as determined by the Company), willful misconduct, fraud, gross negligence, disobedience or dishonesty.
- Upon the death of the Optionee while he/she is an employee of the Company or one of its subsidiaries, the Option shall become exercisable in full on the date of death and shall continue to be exercisable (by the Optionee's successor in interest) over the remaining term of the Option.
- If the employment of the Optionee terminates due to disability (as determined by the Company), the Option Shares which are not exercisable as of the date of disability shall become exercisable on the date or dates (over the remaining term of the Option) that they otherwise would have become exercisable if the Optionee's employment had not been terminated due to disability. Any Option Shares that are exercisable upon disability prior to giving effect to this provision shall continue to be exercisable over the remaining term of the

Option.

As used herein, the terms "employment" and "employee" shall mean and include any one of the following relationships with the Company: director, employee, consultant or advisor.

PAYMENT OF PURCHASE PRICE: The following payment methods may be used to purchase Option Shares:

1. A cashless exercise in a manner described in the Plan.
2. Cash or check payable to the Company.
3. Delivery by the Optionee of shares of Common Stock of the Company that have been owned by the Optionee for at least six months and subject to such other terms and conditions contained in the Plan.
4. Any combination of the above methods.

NON-TRANSFERABILITY OF OPTION: Except as provided by will or the laws of descent and distribution, this Option is personal and no rights granted hereunder shall be transferred, assigned, pledged, or hypothecated in any way (whether by operation of law or otherwise), nor shall any such rights be subject to execution, attachment or similar process.

ADJUSTMENT: This Option is subject to adjustment (including with respect to vesting of the Option Shares) upon certain changes in the Company's common stock and certain other events, including a Change in Control Event or a Reorganization Event, as provided in Section 11 of the Plan.

WITHHOLDING TAXES: As a condition to the issuance of shares upon exercise of the Option, the Company may require the Optionee to remit to the Company an amount sufficient to satisfy federal, state and local withholding tax requirements.

A copy of the Plan prospectus and brochure describing the principal features of the Plan is available on the Company's Intranet at [www.analog.com/employee](http://www.analog.com/employee) (from Signals home page, click Knowledge Centers, Employee Stock Programs. The related documents can be found in the right-hand column). If you have any questions regarding your stock option, please contact your regional stock plan administrator, Jennifer Baptiste at (781) 461-3889 or [Jennifer.Baptiste@Analog.com](mailto:Jennifer.Baptiste@Analog.com); or Fran Sarro, Assistant Treasurer, at (781) 461-3907 or email [Fran.Sarro@Analog.com](mailto:Fran.Sarro@Analog.com). If you are unable to access this information via the Intranet, your regional stock plan administrator can provide you with copies.

/s/ Ray Stata

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Ray Stata  
Chairman of the Board

/s/ Jerald G. Fishman

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Jerald G. Fishman  
President & Chief Executive Officer

## ANALOG DEVICES, INC.

Standard Terms and Conditions Relating to Restricted Stock  
Granted Under 2006 Stock Incentive Plan  
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1. Restricted Stock Grant. Analog Devices, Inc., a Massachusetts corporation (the "Company"), hereby grants to the person named on the Confirmation of Restricted Stock Grant (the "Participant") to which these Standard Terms and Conditions are appended (the "Confirmation") that number of shares of common stock, \$0.16 2/3 par value, of the Company ("Common Stock"), specified on the Confirmation (the "Shares") without the payment of any cash by the Participant. The Company shall issue to the Participant, subject to the terms and conditions set forth herein (these "Standard Terms" and, together with the Confirmation, this "Agreement") and in the Company's 2006 Stock Incentive Plan (the "Plan"), the Shares as of the date set forth on the Confirmation (the "Grant Date"). The Shares will be held in book entry by the Company's transfer agent in the name of the Participant for that number of Shares issued to the Participant. The Participant agrees that the Shares shall be subject to the forfeiture provisions set forth in Section 2 of these Standard Terms, the restrictions on transfer set forth in Section 3 of these Standard Terms and the right of the Company to retain Shares pursuant to Section 7 of these Standard Terms.

2. Vesting.

(a) Subject to the terms of the Plan and this Agreement, the Shares shall vest and become free from the forfeiture provisions in Section 2(b) hereof and become free from the transfer restrictions in Section 3 hereof in accordance with the schedule set forth in the Confirmation. For purposes of this Agreement, Shares that have not vested as of any particular time in accordance with this Section 2(a), are referred to as "Unvested Shares."

(b) In the event that the Participant's employment with the Company is terminated either by the Participant or by the Company for any reason or no reason (other than due to death or disability, each as provided below), then in each such case, all of the Unvested Shares as of the date of termination shall be forfeited immediately and automatically to the Company without any payment by the Company and the Participant shall have no further rights with respect to such Unvested Shares.

(c) In the event that the Participant's employment with the Company is terminated by reason of the Participant's death, all Unvested Shares shall vest in full as of the date of his or her death.

(d) In the event that the Participant's employment with the Company terminates due to disability (as determined by the Company), the Unvested Shares as of the date of his or her disability shall continue to vest in accordance with the original vesting schedule as if the Participant continued to be employed by the Company.

(e) For purposes of this Agreement, employment with the Company shall include employment with a parent or subsidiary of the Company, or any successor to the Company.

3. Restrictions on Transfer; Restrictive Legends.

(a) The Participant shall not sell, assign, transfer, pledge or otherwise encumber any Shares, either voluntarily or by operation of law, except by will or the laws of descent and distribution, until such Shares have vested.

(b) The Company shall not be required (i) to transfer on its books any of the Shares which have been transferred in violation of any of the provisions set forth herein or (ii) to treat as owner of such Shares or to pay dividends to any transferee to whom such Shares have been transferred in violation of any of the provisions contained herein.

(c) All Unvested Shares shall bear the following restriction, in addition to any other legends that may be required under federal or state securities laws:

"The shares of stock represented by this certificate are subject to forfeiture provisions and restrictions on transfer set forth in a certain Confirmation of Restricted Stock Grant, including the related Standard Terms and Conditions, between



the corporation and the registered owner of these shares (or his predecessor in interest), and such document is available for inspection without charge at the office of the Secretary of the corporation."

4. Waiver of Cash Dividends. The Participant hereby irrevocably waives all rights and interests in and to any and all cash dividends declared by the Company with respect to any Shares that are Unvested Shares as of the record date applicable to such cash dividend and shall have no right to receive any such declared dividends even if and when such Unvested Shares vest.

5. Provisions of the Plan. The Shares, including the grant and issuance thereof, are subject to the provisions of the Plan. A copy of the Plan prospectus and brochure describing the principal features of the Plan is available on the Company's Intranet at [www.analog.com/employee](http://www.analog.com/employee) (from Signals home page, click Knowledge Centers, Employee Stock Programs. The related documents can be found in the right-hand column).

6. Consideration. The Shares granted hereby are in consideration of the Participant's entering into employment with the Company and/or his continued employment with the Company.

7. Withholding Taxes; Section 83(b) Election.

(a) The Participant acknowledges and agrees that the Company has the right to deduct from payments of any kind otherwise due to the Participant any federal, state, local or other taxes of any kind required by law to be withheld with respect to the issuance of the Shares to the Participant or the lapse of the forfeiture provisions. The Participant hereby authorizes and instructs the Company to retain that number of fully vested whole Shares valued at their Fair Market Value on the date of the event creating such withholding obligation (which shall equal the closing price of the Common Stock on the New York Stock Exchange on such date or, if such date is not a trading date, on the next following trading date) as is sufficient in the opinion of the Company to

satisfy such tax obligations. In the event the withholding tax obligation would result in a fractional number of shares to be withheld by the Company, such number of shares to be withheld shall be rounded up to the next nearest number of whole shares. The Participant shall have no further rights with respect to any Shares that are retained by the Company pursuant to this provision. Under no circumstances will the Company be required to issue any fractional shares. If, due to rounding of Shares, the value of the number of Shares retained by the Company pursuant to this provision is more than the amount required to be withheld, then the Company may pay such excess amount to the relevant tax authority as additional withholding with respect to the Participant.

(b) Notwithstanding the provisions of Section 7(a) above, the Compensation Committee of the Board of Directors of the Company may, in its discretion, require that the Participant pay to the Company on or prior to the date of the event creating such withholding obligation an amount in cash adequate to satisfy the Company's withholding obligations described in Section 7(a) above instead of through the Company's retention of Shares in the manner provided in Section 7(a) above. Alternatively, the Compensation Committee of the Board of Directors of the Company may, in its discretion, elect to sell any such retained Shares for the account of the Participant in order to generate net proceeds that are sufficient to satisfy such tax withholding obligations and such proceeds shall be retained by the Company for such purposes. In the event of such election, the Participant hereby authorizes and instructs the Company, or its designee, to effect such sales for his account.

(c) The Participant has reviewed with the Participant's own tax advisors the federal, state, local and other tax consequences of this investment and the transactions contemplated herein. The Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents. The Participant understands that the Participant (and not the Company) shall be responsible for the Participant's own tax liability that may arise as a result of this investment or the transactions contemplated herein.

#### 8. Miscellaneous.

(a) No Rights to Employment. The Participant acknowledges and agrees that the vesting of the Shares pursuant to Section 2 hereof is earned only by satisfaction of the performance conditions, if any, and continuing service as an employee at the will of the Company (not through the act of being hired or engaged or being granted the Shares hereunder). The Participant further acknowledges and agrees that the transactions contemplated hereunder and the vesting schedule set forth herein do not constitute an express or implied promise of continued engagement as an employee or otherwise for the vesting period, for any period, or at all.

(b) Severability. The invalidity or unenforceability of any of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

(c) Waiver. Any provision for the benefit of the Company contained in this Agreement may be waived, either generally or in any particular instance, by the Board of Directors of the Company.

(d) Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Company and the Participant and their respective heirs, executors, administrators, legal representatives, successors and assigns, subject to the restrictions on transfer set forth in Section 3 of these Standard Terms.

(e) Notice. Each notice relating to this Agreement shall be in writing (which shall include electronic form) and delivered in person, electronically or by first class mail, postage prepaid, to the address as hereinafter provided. Each notice shall be deemed to have been given on the date it is received. Each notice to the Company shall be addressed to it at its offices at Analog Devices, Inc., One Technology Way, Norwood, Massachusetts, 02062, Attention: Chief Financial Officer. Each notice to the Participant shall be addressed to the Participant at the Participant's last known mailing or email address, as applicable, on the records of the Company.

(f) Pronouns. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice versa.

(g) Entire Agreement. These Standard Terms, the related Confirmation and the Plan constitute the entire agreement between the parties, and supersede all prior agreements and understandings, relating to the subject matter of these documents.

(h) Governing Law. This Agreement shall be construed, interpreted and enforced in accordance with the internal laws of the Commonwealth of Massachusetts without regard to any applicable conflicts of laws.

(i) Interpretation. The interpretation and construction of any terms or conditions of the Plan, or of these Standard Terms, including the related Confirmation, or other matters related to the Plan by the Compensation Committee of the Board of Directors of the Company shall be final and conclusive.

(j) Participant's Acknowledgments. The Participant acknowledges that he or she: (i) has read this Agreement; (ii) has been represented in the preparation, negotiation, and execution of this Agreement by legal counsel of the Participant's own choice or has voluntarily declined to seek such counsel; (iii) understands the terms and consequences of this Agreement; and (iv) is fully aware of the legal and binding effect of this Agreement.

(k) Delivery of Certificates. The Participant may request that the Company deliver the Shares in certificated form with respect to any Shares that have ceased to be subject to forfeiture pursuant to Section 2.

(l) Changes in Capitalization. In the event of any stock split, reverse stock split, stock dividend, recapitalization, combination of shares, reclassification of shares, spin-off or other similar change in capitalization or event, or any distribution to holders of Common Stock, any and all new, substituted or additional securities issued with respect to the Shares shall be subject to this Agreement in the same manner and to the same extent as the Shares, and the provisions of this Agreement shall be appropriately adjusted.

ANALOG DEVICES, INC.

Confirmation of Restricted Stock Grant  
Under 2006 Stock Incentive Plan  
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Date of Grant:

Name of Participant:

Number of Shares:

Vesting Schedule:

The undersigned Participant hereby accepts and agrees to all of the terms and conditions set forth in this Confirmation of Restricted Stock Grant and the Standard Terms and Conditions Relating to Restricted Stock Granted Under the 2006 Stock Incentive Plan, appended hereto (the "Standard Terms").

The undersigned Participant specifically acknowledges the waiver of cash dividends with respect to the Unvested Shares set forth in Section 4 of the Standard Terms.

[NOTE: This confirmation may be converted into electronic format and accepted electronically by the Participant]

PARTICIPANT

ANALOG DEVICES, INC.

-----  
(signature)

-----  
(signature)

FORM OF  
RESTRICTED STOCK UNIT CONFIRMING MEMORANDUM  
GRANT OF RESTRICTED STOCK UNIT  
Private & Confidential (Addressee Only)

Name:  
Division:  
Location:

We are pleased to advise you that Analog Devices, Inc., a Massachusetts corporation (the "Company"), has granted to you Restricted Stock Units ("RSUs") on the terms and conditions set forth below (the "Award"). This Award reflects the Company's confidence in your commitment and contributions to the success and continued growth of the Company.

1. Restricted Stock Unit Award.

This memorandum confirms that, subject to the terms and conditions of the Analog Devices, Inc. 2006 Stock Incentive Plan (the "Plan"), the Company has granted to you (the "Participant"), effective on the Date of Grant set forth below, that number of RSUs set forth below:

Date of Grant:	xx/xx/xx
Number of RSUs:	x,xxx
Vesting Schedule:	

Each one (1) RSU shall, if and when it vests in accordance with this Award, automatically convert into one (1) share of common stock, \$0.16 <sup>2</sup>/<sub>3</sub> par value, of the Company ("Common Stock") issuable as provided below. The RSUs are subject to the vesting provisions set forth in Section 2, the restrictions on transfer set forth in Section 3 and the right of the Company to retain Shares (as defined below) pursuant to Section 7.

2. Vesting and Conversion.

(a) Subject to the terms of the Plan and this Award, the RSUs shall vest in accordance with the schedule set forth in Section 1. For purposes of this Award, RSUs that have not vested as of any particular time in accordance with this Section 2(a), are referred to as "Unvested RSUs." The shares of Common Stock that are issuable upon the vesting and conversion of the RSUs are referred to in this Award as "Shares". As soon as administratively practicable after the issuance of any Shares upon the vesting and conversion of RSUs, and subject to the terms and conditions set forth herein, the Company shall deliver or cause to be delivered evidence (which may include a book entry by the Company's transfer agent) of the Shares so issued in the name of the Participant to the brokerage firm designated by the Company to maintain the brokerage account established for the Participant. Notwithstanding the foregoing, the Company shall not be obligated to issue Shares to or in the name of the Participant upon the vesting and conversion of any RSUs unless the issuance of such Shares shall comply with all relevant provisions of law and other legal requirements including, without limitation, any applicable securities laws and the requirements of any stock exchange upon which shares of Common Stock may then be listed.

(b) In the event that the Participant's employment with the Company is terminated either by the Participant or by the Company for any reason or no reason (other than due to death or disability, each as provided below), then in each such case, all of the Unvested RSUs as of the date of termination shall terminate and be cancelled immediately and automatically and the Participant shall have no further rights with respect to such Unvested RSUs.

(c) In the event that the Participant's employment with the Company is terminated by reason of the Participant's death, all Unvested RSUs shall vest in full as of the date of his or her death.

(d) In the event that the Participant's employment with the Company terminates due to disability (as determined by the Company), the Unvested RSUs as of the date of his or her disability shall continue to vest in accordance with the original vesting schedule as if the Participant continued to be employed by the Company.

(e) For purposes of this Award, employment with the Company shall include employment with any direct or indirect parent or subsidiary of the Company, or

any successor to the Company or any such parent or subsidiary of the Company.

3. Restrictions on Transfer.

(a) The Participant shall not sell, assign, transfer, pledge or otherwise encumber any RSUs, either voluntarily or by operation of law, except by will or the laws of descent and distribution.

(b) The Company shall not be required (i) to transfer on its books any of the RSUs which have been transferred in violation of any of the provisions set forth herein or (ii) to treat as the owner of such RSUs any transferee to whom such RSUs have been transferred in violation of any of the provisions contained herein.

4. Not a Shareholder.

The RSUs represent an unfunded, unsecured promise by the Company to deliver Shares upon vesting and conversion of the RSUs, and until vesting of the RSUs and issuance of the Shares, the Participant shall not have any of the rights of a shareholder with respect to the Shares underlying the RSUs. For the avoidance of doubt, the Participant shall have no right to receive any dividends with respect to the Shares underlying the RSUs for which the record date is on or before the date on which the Shares underlying the RSUs are issued to the Participant.

5. Provisions of the Plan.

The RSUs and Shares, including the grant and issuance thereof, are subject to the provisions of the Plan. A copy of the Plan prospectus and brochure describing the principal features of the Plan is available on the Company's Intranet at [www.analog.com/employee](http://www.analog.com/employee) (from Signals home page, click Knowledge Centers, Employee Stock Programs. The related documents can be found in the right-hand column).

6. Consideration. Any Shares that are issued and any cash payment that is delivered, in either case upon settlement of the RSUs pursuant to this Award, will be in consideration of the Participant's entering into employment with the Company and/or his continued employment with the Company, which consideration is deemed sufficient.

7. Withholding Taxes.

(a) The Company has the right to deduct from payments of any kind otherwise due to the Participant any federal, state, local or other taxes of any kind (including payroll and social security taxes) required by law to be withheld with respect to the award of the RSUs to the Participant, the vesting of the RSUs or the issuance of the Shares. Upon the vesting of the RSUs and issuance of the Shares, the Company may retain that number of whole Shares valued at their Fair Market Value on the date of the event creating such withholding obligation (which shall equal the closing price of the Common Stock on the New York Stock Exchange on such date or, if such date is not a trading date, on the next following trading date) as is sufficient in the opinion of the Company to satisfy such tax obligations. In the event the withholding tax obligation would result in a fractional number of shares to be withheld by the Company, such number of shares to be withheld shall be rounded up to the next nearest number of whole shares. The Participant shall have no further rights with respect to any Shares that are retained by the Company pursuant to this provision. Under no circumstances will the Company be required to issue any fractional shares. If, due to rounding of Shares, the value of the number of Shares retained by the Company pursuant to this provision is more than the amount required to be withheld, then the Company may pay such excess amount to the relevant tax authority as additional withholding with respect to the Participant.

(b) Notwithstanding the provisions of Section 7(a) above, the Compensation Committee of the Board of Directors of the Company may, in its discretion, require that the Participant pay to the Company on or prior to the date of the event creating such withholding obligation an amount in cash adequate to satisfy the Company's withholding obligations described in Section 7(a) above instead of through the Company's retention of Shares in the manner provided in Section 7(a) above. Alternatively, the Compensation Committee of the Board of Directors of the Company may, in its discretion, elect to sell any such retained Shares for the account of the Participant in order to generate net proceeds that are sufficient to satisfy such tax withholding obligations and such proceeds shall be retained by the Company for such purposes. In the event of such election, the Company, or its designee, is authorized to effect such sales for the Participant's account.

(c) The Participant is urged to review with the Participant's own legal and tax advisors the federal, state, local and other tax consequences of this grant and the transactions contemplated herein. The Participant should rely solely on such advisors and not on any statements or representations of the Company or any of its agents. The Participant (and not the Company) shall be responsible for the Participant's own tax liability that may arise as a result of this grant or the transactions contemplated herein.

8. Option of Company to Deliver Cash.

Notwithstanding any of the other provisions of this Award, at the time the RSUs vest, the Company may elect, in the sole discretion of the Compensation Committee of the Board of Directors, to deliver by wire transfer to the Participant in lieu of Shares an equivalent amount of cash (determined by reference to the closing price of the Common Stock on the New York Stock Exchange on the applicable vesting date). If the Company elects to deliver cash to the Participant, the Company is authorized to retain such amount as is sufficient in the opinion of the Company to satisfy the tax withholding obligations of the Company.

9. Miscellaneous.

(a) No Rights to Employment. The vesting of the RSUs pursuant to Section 2 hereof is earned only by satisfaction of the performance conditions, if any, and continuing service as an employee at the will of the Company (not through the act of being hired or engaged or being granted the RSUs hereunder). The transactions contemplated hereunder and the vesting schedule set forth herein do not constitute an express or implied promise of continued engagement as an employee or otherwise for the vesting period, for any period, or at all.

(b) Severability. The invalidity or unenforceability of any provision of this Award shall not affect the validity or enforceability of any other provision of this Award, and each other provision of this Award shall be severable and enforceable to the extent permitted by law.

(c) Waiver. Any provision for the benefit of the Company contained in this Award may be waived, either generally or in any particular instance, by the Compensation Committee of the Board of Directors of the Company.

(d) Binding Effect. This Award shall be binding upon and inure to the benefit of the Company and the Participant and their respective heirs, executors, administrators, legal representatives, successors and assigns, subject to the restrictions on transfer set forth in Section 3 of this Award.

(e) Notice. Each notice relating to this Award shall be in writing (which shall include electronic form) and delivered in person, electronically or by first class mail, postage prepaid, to the address as hereinafter provided. Each notice shall be deemed to have been given on the date it is received. Each notice to the Company shall be addressed to it at its offices at Analog Devices, Inc., One Technology Way, Norwood, Massachusetts, 02062, Attention: Chief Financial Officer. Each notice to the Participant shall be addressed to the Participant at the Participant's last known mailing or email address, as applicable, on the records of the Company.

(f) Pronouns. Whenever the context may require, any pronouns used in this Award shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice versa.

(g) Entire Agreement. This Award and the Plan constitute the entire understanding between the parties, and supersede all prior agreements and understandings, relating to the subject matter of these documents.



(h) Governing Law. This Award shall be construed, interpreted and enforced in accordance with the internal laws of the Commonwealth of Massachusetts without regard to any applicable conflicts of laws.

(i) Interpretation. The interpretation and construction of any terms or conditions of this Award or the Plan, or other matters related to the Plan, by the Compensation Committee of the Board of Directors of the Company shall be final and conclusive.

(j) Participant's Acceptance. The Participant is urged to read this Award carefully and to consult with his or her own legal counsel regarding the terms and consequences of this Award and the legal and binding effect of this Award. By virtue of his or her acceptance of this Award, the Participant is deemed to have accepted and agreed to all of the terms and conditions of this Award and the provisions of the Plan.

(k) Changes in Capitalization. In the event of any stock split, reverse stock split, stock dividend, recapitalization, combination of shares, reclassification of shares, spin-off or other similar change in capitalization or event, or any non-cash distribution to holders of Common Stock, the number of RSUs, and Shares issuable upon vesting and conversion thereof shall be appropriately adjusted in such manner as shall be determined by the Compensation Committee of the Board of Directors of the Company.

(l) Amendment. This Award may be amended or modified only by a written instrument executed by both the Company and the Participant.

/s/ Ray Stata  
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Ray Stata  
Chairman of the Board

/s/ Jerald Fishman  
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Jerald Fishman  
President & CEO