

**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) **June 21, 2012**

INTERNATIONAL RECTIFIER CORPORATION

(Exact Name of Registrant as Specified in Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

001-7935

(Commission File Number)

95-1528961

(IRS Employer Identification No.)

101 N. Sepulveda Blvd., El Segundo, California 90245

(Address of Principal Executive Offices) (Zip Code)

(310) 726-8000

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(e) *Compensatory Arrangements with Certain Officers.*

A. On June 21, 2012, the Compensation Committee (“Compensation Committee”) of the Board of Directors of International Rectifier Corporation (the “Company”) made restricted stock unit (“RSU”) awards to certain key employees, including the following named executive officers of the Company (“Named Officers”): President and Chief Executive Officer, Oleg Khaykin; Executive Vice President and Chief Financial Officer, Ilan Daskal; Executive Vice President and Chief Operations Officer, Michael Barrow; and Vice President, General Counsel and Secretary, Timothy E. Bixler.

The Named Officers were granted two types of RSU awards: (i) RSU awards that vest over the employee’s service with the Company (“Retention RSUs”) and (ii) RSU awards that vest on the satisfaction of a specified performance condition (“Performance RSUs”), as follows:

Named Officer	Retention RSUs	Performance	Total RSUs
		RSUs	
Oleg Khaykin	60,000	110,400	170,400
Ilan Daskal	15,000	27,600	42,600
Michael Barrow	15,000	27,600	42,600
Timothy E. Bixler	9,000	16,560	25,560

All RSU awards were made under the Company’s 2011 Performance Incentive Plan (the “Plan”).

Retention RSUs. For the Retention RSUs, one third of the RSU award vests on each of the first three anniversaries of the grant date, subject to continued service with the Company and the other terms and conditions of the Plan and applicable award agreement. The RSU award agreement (“Retention RSU Agreement”) under which the Retention RSUs were granted was in the form set forth in Exhibit 10.3 to the Company’s Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on February 3, 2012 for the Company’s fiscal quarter ended December 25, 2011.

The Retention RSU Agreement contains provisions for the forfeiture of unvested portions of the award under certain events, including termination of employment, and certain rights for the proration of vesting in the event of the death or permanent disability. Additionally, the Retention RSU Agreement provides for acceleration of vesting in the event of a Change in Control (as defined in the Retention RSU Agreement) combined with a termination of employment or resignation for Good Reason (as each of “Change in Control” and “Good Reason” are defined in the Retention RSU Agreement), all on certain terms and conditions as set forth in the Retention RSU Agreement. The description of the terms and conditions of the Retention RSU Agreement herein is qualified in its entirety by reference to the actual form of Retention RSU Agreement which is incorporated herein by this reference.

Performance RSUs. For the Performance RSUs, each RSU award is scheduled to vest or terminate, in whole or in part, as the case may be, depending on the extent to which the Company’s Final Average Share Price (as defined below) exceeds the Fair Market Value (as determined under the Plan) of a share of Company common stock on the grant date of the award (the “Base Price”).

If the Final Average Share Price is equal to or greater than one hundred and thirty three percent (133%) of the Base Price, one hundred percent (100%) of the total number of units subject to the award shall vest as of the end of the Company’s 2015 fiscal year (the “Vesting Date”). If the Final Average Share Price is less than one hundred and thirty three percent (133%) of the Base Price, the total number of units subject to the award (if any) that vest as of the Vesting Date will be reduced (but not below zero) proportionately by three percent (3%) for each percentage point (including fractional percentages) by which the percentage appreciation of the Final Average Share Price over the Base Price is less than thirty three percent (33%). Any fractional unit that results from such reduction will be rounded down to the next whole unit. *For example:* If the Final Average Share Price is 127.5% of the Base Price, eighty three and one-half percent (83.5%) of the total number of units subject to the award shall vest as of the Vesting Date.

For the purposes of the award, “Final Average Share Price” means the unweighted average of the daily closing prices of the Company’s shares of common stock on the New York Stock Exchange for all trading days in the Company’s fiscal year ending in June 2015; provided, however, that in determining the Final Average Share Price, the Compensation Committee shall add back any ordinary or extraordinary cash dividends (without interest) paid by the Company on the common stock during the Company’s fiscal year ending in June 2015.

The determination of whether, and to the extent, the vesting condition has been achieved shall be made by the Compensation Committee. Any Performance RSUs that do not vest as of the Vesting Date shall terminate.

In connection with making the awards of Performance RSUs, the Compensation Committee adopted a form of Performance RSU award agreement (“Performance RSU Agreement”), substantially in the form set forth in Exhibit 10.1 filed herewith.

The Performance RSU Agreement contains provisions for the forfeiture of the award under certain events, including termination of employment, and certain rights for the proration of vesting in the event of the death or permanent disability. Additionally, the Performance RSU Agreement provides for acceleration of the Vesting Date and determination of whether the performance condition has been met in the event of a Change in Control (as defined in the Performance RSU Agreement), on certain terms and conditions as set forth in the Performance RSU Agreement. The description of the terms and conditions of the Performance RSU Agreement herein is qualified in its entirety by reference to the actual form of Performance RSU Agreement which is attached hereto as Exhibit 10.1 and incorporated herein by this reference.

B. On June 21, 2012, the Compensation Committee established a short-term cash incentive bonus program for the Company’s 2013 fiscal year (“Program Period”) in which the executive officers of the Company including the Named Officers are eligible to participate.

Under the cash incentive bonus program, each Named Officer is eligible to receive a cash bonus for the Program Period, expressed as a target bonus percentage of the Named Officer’s annualized base salary, and determined through the achievement during the Program Period of a combination of performance goals established for such Named Officer.

The Program Period is divided into two measurement periods (each, a “Measurement Period”), comprised of the first two fiscal quarters of the Program Period (“First Half Period”) and the last two fiscal quarters of the Program Period (“Second Half Period”). On June 21, 2012, the Compensation Committee established the performance goals attributed to each Named Officer’s eligible bonus opportunity for the First Half Period. For all Named Officers, the Compensation Committee established a mix of corporate goals based upon (i) the Company’s level of achievement of certain revenue and gross margin targets, and (ii) cost control or operational achievements based on the particular Named Officer’s functions and areas of responsibility, in each case excluding extraordinary and one-time items. Each goal requires a threshold level of performance in order for a bonus to be awarded. In no event will any bonus under the program exceed 200% of the Named Officer’s applicable target bonus. The Compensation Committee intends to establish Named Officer goals for the Second Half Period near the beginning of the Second Half Period.

Set forth below for each Named Officer is a summary of: (i) the target bonus percentage (which remained unchanged from the prior fiscal year) and (ii) the portion of such percentage for which the officer is eligible based on the threshold, target and maximum corporate performance levels established by the Compensation Committee:

Named Officer	Target Bonus Percentage	Portion of Target Bonus Percentage Applicable at Performance Level		
		Threshold	Target	Maximum
Oleg Khaykin	100%	35%	100%	200%
Ilan Daskal	70%	35%	100%	200%
Michael Barrow	70%	35%	100%	200%
Timothy E. Bixler	60%	35%	100%	200%

The Compensation Committee will determine whether and the extent to which bonuses are payable pursuant to the cash incentive bonus program. The actual bonus payout is subject to the Compensation Committee’s overall subjective review of each officer’s performance against any performance goals established for such officer, with the Compensation Committee having the right to adjust the amount of bonus payable based on its assessment of performance.

C. On June 21, 2012, in connection with its review of compensation matters for the Company’s fiscal year 2013, the Compensation Committee left unchanged the annual base salaries for each of the Named Officers, with the exception of that for Mr. Bixler, whose annual base salary was increased from \$320,000 to \$330,000 for the fiscal year.

Item 9.01. Financial Statement and Exhibits

(d) Exhibits

Exhibit Number	Description
10.1	Form of Performance Stock Unit Award Agreement for Fiscal Year 2012

SIGNATURES

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

Date: June 27, 2012

INTERNATIONAL RECTIFIER CORPORATION

By: /s/ Timothy E. Bixler

Name: Timothy E. Bixler

Title: Vice President, General Counsel & Secretary

EXHIBIT INDEX

Exhibit Number

Description

10.1

Form of Performance Stock Unit Award Agreement for Fiscal Year 2012

**INTERNATIONAL RECTIFIER CORPORATION
2011 PERFORMANCE INCENTIVE PLAN
PERFORMANCE STOCK UNIT AWARD AGREEMENT**

Participant Name:

Number of Stock Units: 1

Vesting Schedule: See vesting provisions set forth in Exhibit A attached hereto¹

Award Date: *June 21, 2012*

¹ All share and unit numbers are subject to adjustment under the terms of the Plan. The Stock Units are subject to acceleration and termination prior to vesting as provided herein.

THIS AGREEMENT is among **INTERNATIONAL RECTIFIER CORPORATION**, a Delaware corporation (the “Corporation”), and the employee named above (the “Participant”), an employee of the Corporation or one of its Subsidiaries, and is delivered under the International Rectifier Corporation 2011 Performance Incentive Plan (the “Plan”).

W I T N E S S E T H

WHEREAS, the Compensation and Stock Option Committee of the Board has approved, and the Corporation has granted, effective as of the Award Date, to the Participant a restricted stock unit award under the Plan (the “Stock Unit Award” or “Award”), upon the terms and conditions set forth herein and in the Plan.

NOW THEREFORE, in consideration of services rendered by the Participant and the mutual promises made herein and the mutual benefits to be derived therefrom, the parties agree as follows:

1. Defined Terms. Capitalized terms used herein and not otherwise defined herein shall have the meaning assigned to such terms in the Plan. For purposes of this Agreement, a “Stock Unit” means a non-voting unit of measurement which is deemed for bookkeeping purposes to be equivalent to one outstanding share of Common Stock of the Corporation.

2. Grant. Subject to the terms of this Agreement and the Plan, the Corporation grants to the Participant a Stock Unit Award with respect to an aggregate number of Stock Units set forth above. The Corporation acknowledges that the consideration for the shares payable with respect to the Stock Units on the terms set forth in this Agreement shall be the services rendered to the Corporation and its Subsidiaries by the Participant prior to the applicable vesting date, the fair value of which is not less than the par value per share of the Corporation’s Common Stock.

3. **Vesting**. The Stock Units subject to the Award shall become vested as set forth in Exhibit A attached hereto and incorporated herein by reference, subject to earlier termination or acceleration and subject to adjustment as provided herein.

4. **Continuance of Employment Required**. Except as otherwise provided herein, the vesting schedule applicable to the Stock Units requires continued service through the "Vesting Date" set forth in Exhibit A attached hereto as a condition to the vesting of the award and the rights and benefits under this Agreement. Service for only a portion of the vesting period, even if a substantial portion, will not entitle the Participant to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon or following a termination of employment or service.

5. **Limitations on Rights Associated with Units**. The Participant shall have no rights as a stockholder of the Corporation, no dividend rights and no voting rights with respect to the Stock Units or any shares of Common Stock issuable in respect of such Stock Units, until shares of Common Stock are actually issued to and held of record by the Participant. No adjustments will be made for dividends or other rights of a holder for which the record date is prior to the date of issuance of the stock certificate evidencing the shares.

6. **Restrictions on Transfer**. Prior to the time the Stock Units are vested and paid, neither the Stock Units comprising the Award nor any other rights of the Participant under this Agreement or the Plan may be transferred, except as expressly provided in Section 5.7 of the Plan. No specific exception to the general transfer prohibitions set forth in Section 5.7 of the Plan has been authorized by the Administrator.

7. **Timing and Manner of Payment with Respect to Stock Units**. Stock Units subject to this Agreement will be paid in an equivalent number of shares of Common Stock promptly after (and in all events within two and one-half months after) the vesting of such Stock Units in accordance with the terms hereof, subject to adjustment as contemplated by Section 9. The Participant or other person entitled under the Plan to receive the shares shall deliver to the Corporation any representations or other documents or assurances required pursuant to Section 8.1 of the Plan.

8. **Effect of Termination of Employment or Change in Control**.

(a) **Forfeiture after Certain Events**. In the event the Participant ceases to be employed by the Corporation or one of its Subsidiaries prior to the Vesting Date, the Participant's Stock Units shall be extinguished to the extent such Stock Units have not become vested prior to such termination of employment, and regardless of the reason for such termination of employment, whether with or without cause, voluntarily or involuntarily; provided, however, that if the Participant incurs a permanent and total disability or dies while employed by the Corporation or a Subsidiary prior to the Vesting Date, then the Stock Units subject to the Award shall remain outstanding and shall be eligible to become vested on a prorated basis such that the number of such Stock Units that shall become vested as of the Vesting Date shall equal (i) the number of such Stock Units that would have vested as of the Vesting Date as set forth in Exhibit A attached hereto (or, if applicable, in connection with a Change in Control as provided in Section 8(c)), multiplied by (ii) a fraction, the numerator of which shall be the number of days during the period commencing on the Award Date and ending on the Vesting Date (the "Performance Period") that the Participant was employed by the Corporation or one of its Subsidiaries, and the denominator of which shall be the number of days in the Performance Period.

(b) **Termination of Stock Units.** If any Stock Units are extinguished hereunder, such unvested, extinguished Stock Units, without payment of any consideration by the Corporation or any Subsidiary, shall automatically terminate and be cancelled without any other action by the Participant, or the Participant's beneficiary, as the case may be.

(c) **Possible Acceleration Upon Change in Control.** Notwithstanding anything contained in Section 7.2 of the Plan to the contrary, in connection with a Change in Control (as defined below) the effective date of such Change in Control shall be considered the "Vesting Date" for purposes of determining whether any portion of the then outstanding and unvested Stock Units subject to the Award will become vested pursuant to the vesting schedule and terms set forth in Exhibit A attached hereto. In such event, the Participant shall, if the Participant is employed by the Corporation or one of its Subsidiaries immediately prior to the Change in Control, be entitled upon (or, as may be necessary to give effect to the acceleration, immediately prior to) the Change in Control to vesting of the number of Stock Units subject to the Award equal to the number of Stock Units that would have vested in accordance with the terms hereof using the performance metrics set forth in Exhibit A attached hereto and assuming that the price paid per share of Common Stock pursuant to the terms of the Change in Control (or, if there is no such price, the fair market value of a share of Common Stock (as determined under Section 5.6 of the Plan) on the date of the Change in Control) is equal to the "Final Average Share Price" (as defined in Exhibit A attached hereto) for purposes of the vesting schedule and terms set forth in Exhibit A attached hereto and any remaining unvested portion of the Award shall terminate as of the Change in Control. For purposes of this Agreement, "Change in Control" has the meaning assigned to such term in the Plan; provided, however, that for purposes of this Agreement, the percentages in paragraph (a) and in clause (2) of paragraph (c) of such definition shall be fifty percent (50%) instead of thirty percent (30%).

9. **Adjustments in Case of Changes in Common Stock.** Upon the occurrence of certain events relating to the Corporation's stock contemplated by Section 7.1 of the Plan (including, without limitation, an extraordinary cash dividend on such stock), the Administrator shall make adjustments in accordance with such section in the number of Stock Units then outstanding and the number and kind of securities that may be issued in respect of the Award.

10. **Tax Withholding.** Subject to Section 8.1 of the Plan, upon any distribution of shares of Common Stock in respect of the Stock Units, the Corporation shall automatically reduce the number of shares to be delivered by (or otherwise reacquire) the appropriate number of whole shares, valued at their then fair market value (with the "fair market value" of such shares determined in accordance with the applicable provisions of the Plan), to satisfy any withholding obligations of the Corporation or its Subsidiaries with respect to such distribution of shares at the minimum applicable withholding rates. In the event that the Corporation cannot legally satisfy such withholding obligations by such reduction of shares, or in the event of a cash payment or any other withholding event in respect of the Stock Units, the Corporation (or a Subsidiary) shall be entitled to require a cash payment by or on behalf of the Participant and/or to deduct from other compensation payable to the Participant any sums required by federal, state or local tax law to be withheld with respect to such distribution or payment.

11. Notices. Any notice to be given under the terms of this Agreement shall be in writing and addressed to the Corporation at its principal office located at 101 North Sepulveda Boulevard, El Segundo, California 90245, to the attention of the Assistant Secretary and to the Participant at the address given beneath the Participant's signature hereto, or at such other address as either party may hereafter designate in writing to the other.

12. Plan and Program. The Award and all rights of the Participant with respect thereto are subject to, and the Participant agrees to be bound by, all of the terms and conditions of the provisions of the Plan, incorporated herein by reference, to the extent such provisions are applicable to awards granted to employees. The Participant acknowledges receipt of a copy of the Plan, which is made a part hereof by this reference, and agrees to be bound by the terms thereof. Unless otherwise expressly provided in other Sections of this Agreement, provisions of the Plan that confer discretionary authority on the Administrator do not (and shall not be deemed to) create any rights in the Participant unless such rights are expressly set forth herein or are otherwise in the sole discretion of the Administrator so conferred by appropriate action of the Administrator under the Plan after the date hereof.

13. No Service Commitment by Corporation. Nothing contained in this Agreement or the Plan constitutes an employment commitment by the Corporation or any of its Subsidiaries, affects the Participant's status as an employee at-will who is subject to termination without cause, confers upon the Participant any right to remain employed by the Corporation or any Subsidiary, interferes in any way with the right of the Corporation or any Subsidiary at any time to terminate such employment, or affects the right of the Corporation or any Subsidiary to increase or decrease the Participant's other compensation.

14. Entire Agreement. This Agreement and the Plan together constitute the entire agreement and supersede all prior understandings and agreements, written or oral, of the parties hereto with respect to the subject matter hereof. The Plan and this Agreement may be amended pursuant to Section 8.6 of the Plan. Such amendment must be in writing and signed by the Corporation. The Corporation may, however, unilaterally waive any provision hereof in writing to the extent such waiver does not adversely affect the interests of the Participant hereunder, but no such waiver shall operate as or be construed to be a subsequent waiver of the same provision or a waiver of any other provision hereof.

15. Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Corporation as to amounts payable and shall not be construed as creating a trust. The Plan, in and of itself, has no assets. The Participant shall have only the rights of a general unsecured creditor of the Corporation (or applicable Subsidiary) with respect to amounts credited and benefits payable, if any, with respect to the Stock Units, and rights no greater than the right to receive the Common Stock (subject to adjustments) as a general unsecured creditor with respect to Stock Units, as and when payable hereunder.

16. Section Headings. The section headings of this Agreement are for convenience of reference only and shall not be deemed to alter or affect any provision hereof.

17. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without regard to conflict of law principles thereunder.

18. Construction. It is intended that the terms of the Award will not result in the imposition of any tax liability pursuant to Section 409A of the Code. This Agreement shall be construed and interpreted consistent with that intent.

19. Clawback Policy. The Stock Units are subject to the terms of the Corporation's recoupment, clawback or similar policy as it may be in effect from time to time, as well as any similar provisions of applicable law, any of which could in certain circumstances require repayment or forfeiture of the Stock Units or any shares of Common Stock or other cash or property received with respect to the Stock Units (including any value received from a disposition of the shares acquired upon payment of the Stock Units).

20. Electronic Signature or Acknowledgement. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original as against any party whose signature appears thereon, and all of which together shall constitute one and the same instrument. The provision of photographic or facsimile copies, or electronic signature, confirmation or acknowledgement of or by a party, shall constitute an effective original signature of a party for all purposes under this Agreement, and may be used with the same effect as manually signed originals of this Agreement for any purpose.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written. By the Participant's execution of this Agreement, the Participant agrees to the terms and conditions hereof and of the Plan.

INTERNATIONAL RECTIFIER CORPORATION, a Delaware corporation

PARTICIPANT

By: _____

Signature by Electronic Acceptance or Confirmation
Signature

Print Name:

Address

Its:

City, State, Zip Code

PERFORMANCE GOAL - VESTING

Subject to the terms of the Plan and this Agreement, up to one hundred percent (100%) of the total number of Stock Units subject to the Award are eligible to become vested on the last day of the Corporation's fiscal year that ends in June 2015 (the "Vesting Date") based on the extent to which the Corporation's "Final Average Share Price" (as defined below) exceeds the fair market value (as determined under Section 5.6 of the Plan) of a share of Common Stock on the Award Date (the "Base Price").

If the Final Average Share Price is equal to or greater than one hundred and thirty-three percent (133%) of the Base Price, one hundred percent (100%) of the total number of Stock Units subject to the Award shall vest on the Vesting Date. If the Final Average Share Price is less than one hundred and thirty-three percent (133%) of the Base Price, the total number of Stock Units subject to the Award (if any) that vest on the Vesting Date will be reduced (but not below zero) proportionately by three percent (3%) for each percentage point (including fractional percentages) by which the percentage appreciation of the Final Average Share Price over the Base Price is less than thirty-three percent (33%). Any fractional Stock Unit that results from such a reduction will be rounded down to the next whole Stock Unit.

For example: If the Final Average Share Price is 127.5% of the Base Price, eighty-three and one-half percent (83.5%) of the total number of Stock Units subject to the Award shall vest on the Vesting Date.

For purposes of this Agreement, "Final Average Share Price" means the unweighted average of the daily closing prices of the Common Stock on the New York Stock Exchange for all trading days in the Corporation's fiscal year ending in June 2015; provided, however, that in determining the Final Average Share Price, the Administrator shall add back any ordinary or extraordinary cash dividends (without interest) paid by the Corporation on the Common Stock during the Corporation's fiscal year ending in June 2015.

Whether and the extent to which the performance goal described above has been achieved will be determined by the Administrator (or, to the extent consistent with Section 162(m) of the Code, its delegate) within 60 days after the Vesting Date, and no vesting shall be deemed to have occurred absent such a determination by the Administrator (or such a delegate as the case may be). Notwithstanding anything contained herein to the contrary, any Stock Units subject to the Award that do not become vested as of the Vesting Date shall automatically terminate and be forfeited as of the Vesting Date (after giving effect to the Administrator's determination as to vesting within the 60-day period following the Vesting Date).

The performance goal and metrics set forth above shall be proportionally adjusted by the Administrator as may be necessary to mitigate the unbudgeted impact of material, unusual or nonrecurring gains and losses, and to make equitable adjustments for other extraordinary events not foreseen at the time the goal and metrics were established, as well as any stock splits, reverse stock splits and stock dividends that occur during the Performance Period. The Administrator's determination of whether such an adjustment is required, and the nature and extent of any such adjustment, shall be final and binding on all persons. Notwithstanding the foregoing, any vesting of Stock Units subject to the Award is conditioned upon the Participant being an employee of the Corporation, or one of its directly or indirectly owned subsidiaries, on the Vesting Date.