COHU INC

Form 4	2005									
October 28, 2	ГЛ								OMB AF	PROVAL
-	UNITED	STATES		RITIES A shington,			NGE C	OMMISSION	OMB Number:	3235-0287
Check thi if no long subject to Section 1 Form 4 o	IGES IN BENEFICIAL OWNERSHIP O SECURITIES				NERSHIP OF	Expires: Estimated a burden hour response				
may cont	Form 5 obligations may continue.Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,See InstructionSection 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940									
(Print or Type F	Responses)									
SCHWAN CHARLES A Symbol COHU			J INC [COHU]			5. Relationship of Issuer	Reporting Pers	on(s) to		
							(Check all applicable)			
(Last) 12367 CRO	(First) ( STHWAITE CI	(Middle)	3. Date of (Month/D 10/28/2)	•	ransaction			X Director Officer (give below)		Owner r (specify
			ndment, Date Original hth/Day/Year)			6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person				
POWAY, C	A 92064							Form filed by M Person	ore than One Re	porting
(City)	(State)	(Zip)	Tabl	e I - Non-I	Derivative	Securi	ities Acqu	uired, Disposed of	, or Beneficial	ly Owned
1.Title of Security (Instr. 3)	2. Transaction Dat (Month/Day/Year)		n Date, if	3. Transactio Code (Instr. 8) Code V	4. Securit on(A) or Dia (Instr. 3, 4)	sposed	l of (D)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common stock	10/28/2005			S	21,000	D	\$ 22.11	183,584	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

 Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned

 (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	4. Transact Code (Instr. 8)	of ) Deri Secu Acqu (A) d	vative urities uired or oosed O) tr. 3,	;	ate	Secur	unt of rlying	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr
			Code V	/ (A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

## **Reporting Owners**

Reporting Owner Name / Address	Relationships					
F8	Director	10% Owner	Officer	Other		
SCHWAN CHARLES A 12367 CROSTHWAITE CIRCLE POWAY, CA 92064	Х					
Signatures						
John H. Allen (Attorney-in-Fact)	10/28/	/2005				
**Signature of Reporting Person	Dat	e				

# **Explanation of Responses:**

\* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. d shares are restricted stock awards that vest based on attainment of certain specified performance goals during a specified performance period. With respect to performance-based shares intended to qualify as performance-based compensation for purposes of Internal Revenue Code Section 162(m), the applicable performance goals will be based on objective performance criteria established in advance by the Compensation Committee that are measured in terms of one or more of the following objectives: total shareholder return; earnings per share; stock price; return on equity; net earnings; related return ratios; cash flow; net earnings growth; earnings before interest, taxes, depreciation and amortization (EBITDA); return on assets; revenues; expenses; funds from operations (FFO); and FFO per share, as approved by the Company's shareholders.

For the 2009 fiscal year, performance-based shares shall vest upon the attainment of performance goals related to revenue and operating income and, in the case of the executive officers, earnings per share in some circumstances. If, and only if, the performance goals are attained, the shares will vest 25% on the first anniversary of the date of grant, and 25% thereafter on the second, third and fourth anniversaries of the date of grant. If the performance goals for fiscal year 2009 are not attained, then the performance-based shares will either be forfeited or the number of performance-based shares will be adjusted downward in proportion to the goals achieved. All performance-based shares are granted under the 2007 Equity Incentive Plan and are subject to the terms and conditions of the plan and the

Performance Share Agreement previously filed as Exhibit 99.5 to the Company's Form 8-K filed on March 10, 2008 and incorporated herein by reference.

### Fiscal 2009 Cash Bonus Opportunities

In March 2008, the Board adopted the Digital River, Inc. Performance Bonus Plan (the "Performance Bonus Plan"). The Performance Bonus Plan was approved by the Company's stockholders at the 2008 Annual Meeting of Stockholders. The Company's named executive officers are eligible to participate in the Performance Bonus Plan. The Performance Bonus Plan is generally administered by the Compensation Committee. A copy of the Performance Bonus Plan was filed as Exhibit 99.6 to the Company's Form 8-K filed on March 10, 2008 and is incorporated herein by reference. On March 5, 2009, pursuant to the Performance Bonus Plan, the Compensation Committee set the targets and performance criteria for the fiscal 2009 cash bonus opportunities for the named executive officers. The following table sets forth the target and maximum cash bonus opportunity for each of the named executive officers for fiscal 2009.

	Target Bonus	Maximum Bonus
Joel A. Ronning	\$562,500	\$1,125,000
Thomas M. Donnelly	\$300,000	\$ 300,000
Kevin L. Crudden	\$125,000	\$ 125,000

For fiscal 2009, each named executive officer's cash bonus opportunity is based upon the achievement of performance criteria relating to revenue and operating income, new market growth, improvement in margins, operating efficiency and strategic acquisition activity. The fiscal 2009 weightings of the performance criteria are as follows: 50% corporate financial goals (revenue and operating income), 12.5% new market growth, 12.5% operating efficiency, 12.5% cost structure efficiencies and 12.5% completion of strategic acquisitions.

### Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press release dated March 9, 2009.
99.2	Summary of Compensation Program for Executive Officers.

#### 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.

#### **DIGITAL RIVER, INC.**

By:

Date: March 9, 2009

<u>/s/ Thomas M.</u> Donnelly Thomas M. Donnelly Chief Financial Officer

## EXHIBIT INDEX

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