

**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): January 14, 2008**

**CALLAWAY GOLF COMPANY**

(Exact name of registrant as specified in its charter)

**DELAWARE**  
(State or Other Jurisdiction  
of Incorporation)

**1-10962**  
(Commission File Number)

**95-3797580**  
(IRS Employer  
Identification No.)

**2180 Rutherford Road, Carlsbad, California**  
(Address of principal executive offices)

**92008-7328**  
(Zip Code)

**Registrant's telephone number, including area code: (760) 931-1771**

**NOT APPLICABLE**  
(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))

## SECTION 5 – CORPORATE GOVERNANCE AND MANAGEMENT

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

(e) On January 14, 2008, the Compensation and Management Succession Committee (the “Committee”) of the Board of Directors of Callaway Golf Company (the “Company”) approved the 2008 annual and long-term incentive programs discussed below for the following executive officers:

George Fellows, President and Chief Executive Officer  
Bradley J. Holiday, Senior Executive Vice President and Chief Financial Officer  
Steven C. McCracken, Senior Executive Vice President, Chief Administrative Officer and Secretary  
David A. Lavery, Senior Vice President, Operations  
Thomas Yang, Senior Vice President, International

#### Annual Incentive Program

On January 14, 2008, the Committee approved and adopted the 2008 Senior Management Incentive Program (the “2008 Program”) under Section 12 of the Company’s Amended and Restated 2004 Incentive Plan (the “2004 Incentive Plan”). The 2008 Program provides for payment of cash performance awards to members of the Company’s senior management based upon the achievement of certain financial goals provided certain individual performance objectives are also achieved. It is intended that the payment of awards under the 2008 Program would qualify as performance-based compensation under Section 162(m) of the Internal Revenue Code of 1986, as amended. A copy of the 2008 Program is attached hereto as Exhibit 10.48.

On January 14, 2008, the Committee determined that each of the Company’s executive officers would be eligible to participate in the 2008 Program. On January 14, 2008, the Committee also set the financial performance goals and other program terms for the 2008 Program. These terms include a target award for each of the executive officers, which is set forth as a percentage of base salary. The target award as a percentage of base salary for each of the executive officers for 2008 is as follows: 100% for Mr. Fellows and 55% for each of Messrs. McCracken, Holiday, Lavery, and Yang. Payment of the target award is determined by the Committee based on the Company’s achievement of targeted corporate net income and corporate sales growth and provided that the officer also achieves his individual objectives for 2008 as approved by the Committee. Mr. Yang’s award under the 2008 Program is also contingent upon the contribution to profit of the Company’s international subsidiaries. Subject to certain threshold and maximum performance limits, performance above or below the targeted levels generally results in an award above or below the targeted award. At threshold and maximum performance, respectively, each executive officer could earn a percentage of the target awards as follows: 50% and 150% of base salary for Mr. Fellows and 27.5% and 82.5% of base salary for Messrs. McCracken, Holiday, Lavery and Yang. Performance below threshold would result in no payouts and performance above the maximum would result in no additional payout.

#### Long-Term Incentive Program

On January 14, 2008, the Committee approved the 2008 long-term incentive awards under the 2004 Incentive Plan for the Company’s executive officers. These grants were made consistent with the Committee’s Equity Grant Guidelines which provide that the annual equity award grants shall be approved by the Committee at its first meeting in January each year and that the awards shall be effective as of the date of approval. The awards granted for 2008 consist of the grant of stock options, restricted stock units and performance cash units and were effective as of January 14, 2008. The awards granted to each of the executive officers are set forth below:

<u>Name</u>	<u>No. Stock Options</u>	<u>No. Restricted Stock Units</u>	<u>No. Performance Cash Units</u>
George Fellows	267,805	71,493	1,066,667
Steven C. McCracken	29,292	7,820	116,667
Bradley J. Holiday	29,292	7,820	116,667
David A. Lavery	29,292	7,820	116,667
Thomas Yang	29,292	7,820	116,667

The stock options have an exercise price of \$14.92 and vest over a three year period with one-third vesting on each anniversary of the date of grant. The stock options expire no later than January 14, 2018. The Form of Notice of Grant of Stock Options and Option Agreement for the executive officers is incorporated herein by this reference to Exhibit 10.61 to the Company's Current Report on Form 8-K, as filed with the Commission on January 22, 2007.

Each restricted stock unit represents the contingent right to receive one share of the Company's common stock upon vesting. The restricted stock units are scheduled to vest on January 14, 2011. The restricted stock unit awards provide for the accrual of dividend equivalent rights in the form of additional units but the additional units do not vest unless and until the underlying awards vest. The Form of Restricted Stock Unit Grant for the executive officers is incorporated herein by this reference to Exhibit 10.62 to the Company's Current Report on Form 8-K, as filed with the Commission on January 22, 2007.

The performance cash units represent the right to receive \$1.00 for each unit if the Company achieves certain performance goals for the three year performance period from January 1, 2008 through December 31, 2010. The actual number of performance units earned is ultimately determined based on the degree to which the Company meets financial targets as of the end of the performance period. For the 2008-2010 performance period, the financial target metric is Return On Invested Capital, which is based on the Company's net operating profit after tax divided by average invested capital. Subject to certain threshold and maximum performance limits, performance above or below the target level generally results in an award above or below the target award. For performance at or below threshold, the executive officer would earn 0% of the target award; for performance at maximum or above the executive could earn 200% of the target award. Percentage payout of awards would be interpolated for performance between threshold and target levels or target and maximum levels. The Form of Performance Unit Grant for the executive officers is incorporated herein by this reference to Exhibit 10.63 to the Company's Current Report on Form 8-K, as filed with the Commission on January 22, 2007.

## **SECTION 9 – FINANCIAL STATEMENTS AND EXHIBITS**

### **Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

The following exhibits are being filed or furnished herewith:

<u>Exhibit No.</u>	<u>Description</u>
10.48	2008 Senior Management Incentive Program

**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.

**CALLAWAY GOLF COMPANY**

Dated: January 18, 2008

By: /s/ Bradley J. Holiday  
Bradley J. Holiday  
Senior Executive Vice President  
and Chief Financial Officer

**EXHIBIT INDEX**

<u>Exhibit No.</u>	<u>Description</u>
10.48	2008 Senior Management Incentive Program

CALLAWAY GOLF COMPANY  
2008 SENIOR MANAGEMENT INCENTIVE PROGRAM  
UNDER THE 2004 INCENTIVE PLAN

**1. Purposes of the Program.** This Callaway Golf Company 2008 Senior Management Incentive Program (“**Program**”), established pursuant to Section 12 of the Callaway Golf Company Amended and Restated 2004 Incentive Plan (“**Plan**”), sets forth a program for payment of performance awards subject to the provisions of Section 11 of the Plan to those Participants designated for participation and is intended to increase stockholder value and the success of the Company by attracting, retaining and motivating Participants to perform to the best of their abilities and to achieve the Company’s objectives. The Program’s goals are to be achieved by providing such Participants with performance awards based on the achievement of goals relating to the performance of the Company or one of its business units or upon the achievement of other objectively determinable performance goals. The Program is intended to permit the payment of awards under the Plan that may qualify as performance-based compensation under Section 162(m). Capitalized terms not defined herein shall have the meanings provided in the Plan.

**2. Definitions.**

(a) “**Award**” has the meaning set forth in Section 4.

(b) “**Base Salary**” means, as to any Performance Period, Participant’s salary actually earned during the portion of the Performance Period during which the individual was a Participant (including without limitation any compensation that is deferred by Participant into a Company-sponsored retirement or deferred compensation plan, but excluding any employer matching contributions by the Company associated with any such retirement or deferred compensation plan and excluding any other Company contributions) and excludes all bonuses, incentives, commissions, expatriate premiums, fringe benefits (including without limitation car allowances), relocation allowances, stock option grants, equity awards, employee benefits and other similar items of compensation. Such Base Salary shall be before both (i) deductions for taxes or benefits, and (ii) deferrals of compensation pursuant to Company-sponsored plans.

(c) “**Corporate Net Income**” means the Company’s consolidated net income as reflected in its audited financial statements for the relevant period less (i) charges for employee long-term incentive compensation, (ii) charges incurred in connection with the Company’s gross margin initiatives and (iii) other one-time charges/benefits as determined by the Committee.

(d) “**Corporate Performance Measure**” means the sum of (i) the Corporate Net Income Goal Achievement Percentage multiplied by .75, and (ii) Corporate Sales Goal Achievement Percentage multiplied by .25.

(e) “**Corporate Sales**” means the Company’s consolidated net sales as reflected in the Company’s audited financial statements for the relevant period.

(f) “**Covered Employee**” means a Participant who falls within the definition of “covered employee” under Section 162(m).

(g) “**Eligible Position**” means one of the following (i) an officer of the Company, including its Chief Executive Officer, (ii) the most senior non-officer employees (employees with job classifications of E10 or above at the Company or Callaway Golf Sales Company, (iii) the officers of each subsidiary of the Company based in the U.S., (iv) the most senior non-officer employees at Callaway Golf Ball Operations (“**CGBO**”) (with a pay grade of 13 or 14 or a pay grade of 12 and the title of Director), (v) the Vice Presidents of Callaway Golf Interactive (“**CGI**”), (vi) the most senior officer at each of the Company’s foreign subsidiaries located in Europe, Japan, Canada, Korea, Australia and China, and (vii) the Director-Level employees of the Company’s foreign subsidiaries listed in (vi) above (not to exceed 5% of the non-union population) as are recommended for participation by the most senior officer at such foreign subsidiary.

(h) “**Goal Achievement Percentage**” means the portion of the Target Goals applicable to a Participant that are actually achieved, as provided in Section 5.

(i) “**Financial Goal Achievement Percentage**” means, with respect to a Participant, the aggregate Goal Achievement Percentages for each of the Corporate Goals and for any Subsidiary/Group Goals applicable to such Participant, the Subsidiary/Group Deemed Achievement Percentage, with each multiplied by the weighting associated therewith, as provided in Section 5.

(j) “**Overall Achievement Percentage**” means, with respect to a Participant, the aggregate Financial Goal Achievement Percentage together with the MBO Goal Achievement Percentage, with each multiplied by the weighting specified in the Payout Formula provided in Section 6(c).

(k) “**Participant**,” for the 2008 Performance Period, means a regular full or part-time employee who (i) has been hired, promoted or transferred into an Eligible Position before October 1, 2008, and (ii) is an active employee or on an approved leave of absence at the Payout Date.

(l) “**Payout Date**” means the date on which Awards are paid pursuant to Section 6(f).

(m) “**Payout Determination Date**” means the date upon which the Committee or the Chief Executive Officer, as applicable, determines the amounts payable pursuant to an Award, in accordance with Section 6.

(n) “**Performance-Based Compensation**” means compensation that is intended to qualify as “performance-based compensation” within the meaning of Section 162(m).

(o) "**Performance Goals**" means the goals, based on Performance Criteria that are established by the Committee or, for Participants who are not Covered Employees, by the Chief Executive Officer, in each case as provided for in Section 11.2 of the Plan.

(p) "**Performance Period**" means any January 1 through December 31.

(q) "**Section 162(m)**" means Section 162(m) of the Internal Revenue Code of 1986, as amended, or any successor to Section 162(m), as that Section may be interpreted from time to time by the Internal Revenue Service, whether by regulation, notice or otherwise.

(r) "**Subsidiary/Group Deemed Achievement Percentage**" means the achievement percentage that is deemed to have been achieved for purposes of this Program, as provided in Section 5(c).

(s) "**Target Determination Cutoff Date**" means the latest possible date that the Committee may set the Performance Goals, Target Awards and maximum payout that will not jeopardize an Award's qualification as Performance-Based Compensation. For the 2008 Performance Period, this date will be March 30, 2008.

### **3. Program Administration.**

(a) The Committee shall be responsible for the general administration and interpretation of the Program and for carrying out its provisions. Subject to the requirements for qualifying compensation as Performance-Based Compensation, the Committee may delegate specific administrative tasks to Company employees or others as appropriate for proper administration of the Program. Subject to the limitations on Committee discretion imposed under Section 162(m), the Committee shall have such powers as may be necessary to discharge its duties hereunder, including, but not by way of limitation, the following powers and duties, but subject to the terms of the Program:

(i) discretionary authority to construe and interpret the terms of the Program, and to determine eligibility, Awards and the amount, manner and time of payment of any Awards hereunder;

(ii) to prescribe forms and procedures for purposes of Program participation and distribution of Awards; and

(iii) to adopt rules, regulations and bylaws, to formally amend the Program and to take such actions as it deems necessary or desirable for the proper administration of the Program.

(b) Any rule or decision by the Committee that is not inconsistent with the provisions of the Program shall be conclusive and binding on all persons, and shall be given the maximum deference permitted by law.

**4. Award Determinations.** Each Participant under the plan shall be granted an award of a contingent right to a future cash payment (an "**Award**"), the payment of which is contingent upon the Company's financial performance as well as the Participant's individual



performance objectives (“MBOs”). For each Participant, the Company has established a “Target Award” expressed as a percentage of a Participant’s Base Salary. The Target Award represents the amount a Participant could earn if the Company achieves its target financial performance goals and the Participant achieves 100% of the Participant’s MBOs. Performance above or below the targeted goals can result in an award above or below the Target Award. The “**Maximum Award**” a Participant can earn is equal to 150% of the Target Award and achievement of the minimum performance criteria for the payment of an Award results in a “**Threshold Award**” equal to 50% of the Target Award. The Threshold Award, Target Award and Maximum Award for each Participant is set forth below by position:

<u>Level</u>	<u>Position</u>	<u>Threshold Award</u>	<u>Target Award</u>	<u>Maximum Award</u>
1.	CEO (Chief Executive Officer - Callaway Golf)			
2.	Sr. Exec. VP (Vice President) - Callaway Golf & Sr. VP reporting to the CEO – Callaway Golf			
3.	Sr. VP – Callaway Golf and CGBO, Most senior officer of Europe & Japan, (based on size of business)			
4.	VP – Callaway Golf, CGI & CGBO; most senior officer of Canada, Korea, Australia & China			
5.	All other senior level participants			

**5. Performance Goal Determinations.** Awards under this Program are contingent upon the achievement of the Company’s threshold financial performance goals and each Participant’s Award is based on the overall achievement of these financial performance goals as well as the Participant’s MBOs. Depending on the Participant’s position, the financial performance goals will be based either (i) solely upon the Company’s performance or (ii) upon the Company’s performance and the performance of the Participant’s subsidiary or group. The Company will establish for the 2008 Performance Period the financial performance goals for this Program as well as each Participant’s MBOs prior to the Target Determination Cutoff Date as more fully set forth below.

**(a) Minimum Corporate Net Income.** A minimum level of Corporate Net Income of \$ \_\_\_\_ million is required before any Award will be paid under this Program to any Participant regardless of any other performance measure.

**(b) Corporate Goals.** All Participants’ Awards will be based, at least in part, on Performance Goals relating to Company Performance based on Corporate Net Income and Corporate Sales (“**Corporate Goals**”). For the 2008 Performance Period, the Corporate Goals are as follows (expressed in millions):

	<u>THRESHOLD GOAL</u>	<u>TARGET GOAL</u>	<u>MAXIMUM GOAL</u>
Corporate Net Income \$			
Corporate Sales \$			

For purposes of calculating the Goal Achievement Percentage with respect to the Corporate Goals, Company performance below the “**Threshold Goal**” or above the “**Maximum Goal**” in the table above will be disregarded. The Committee shall determine the Goal Achievement Percentage by reference to the “**Target Goal**.” The Goal Achievement Percentage at the Threshold Goal is 50%; the Goal Achievement Percentage at the Target Goal is 100%; and the Goal Achievement Percentage at the Maximum Goal is 150%. Performance between the Threshold Goal and the Target Goal shall be interpolated on a straight-line basis; performance between the Target Goal and the Maximum Goal shall also be interpolated on a straight-line basis.

**(c) Subsidiary/Group Goals.** Certain Participants’ Awards will be based on Corporate Goals and Performance Goals based on the financial performance of a Participant’s subsidiary or group (“**Subsidiary/Group Goals**”), established by the Committee or, for Participants who are not Covered Employees, by the Chief Executive Officer, in each case before the Target Determination Cutoff Date. In establishing the Subsidiary/Group Goals, the Committee shall set a Target Goal, and may set a Threshold Goal and a Maximum Goal. For purposes of determining the Goal Achievement Percentage with respect to the Subsidiary/Group Goals, the actual achievement percentage for such goals shall be adjusted based upon the Corporate Performance Measure (the “Subsidiary/Group Deemed Achievement Percentage”). For Participants with Subsidiary/Group Goals, the Participant’s Subsidiary/Group Deemed Achievement Percentage is determined by multiplying the applicable Goal Achievement Percentage relating to the Subsidiary/Group Goals by the Corporate Performance Measure (as illustrated in the table below); *provided, however, that* (i) the Subsidiary/Group Deemed Achievement Percentage shall be 0% unless at least 75% of the Subsidiary/Group Performance Goals have been achieved and (ii) the Subsidiary/Group Deemed Achievement Percentage shall not be less than 75% if (A) the Subsidiary/Group Goal Achievement Percentage is at least 75% and (B) the Corporate Performance Measure is at least 50%. The maximum payment relating to the Subsidiary/Group Goal is 150%. This formula is expressed in the following chart:

SUBSIDIARY/GROUP DEEMED ACHIEVEMENT PERCENTAGE

		Corporate Performance Measure						
		49%	50%	75%	90%	100%	125%	150%
Sub/Group Performance	49%	0%	0%	0%	0%	0%	0%	0%
	50%	0%	0%	0%	0%	0%	0%	0%
	75%	0%	75.00%	75.00%	75.00%	75.00%	93.75%	112.50%
	90%	0%	75.00%	75.00%	81.00%	90.00%	112.50%	135.00%
	100%	0%	75.00%	75.00%	90.00%	100.00%	125.00%	150.00%
	125%	0%	75.00%	93.75%	112.50%	125.00%	150.00%	150.00%
	150%	0%	75.00%	112.50%	135.00%	150.00%	150.00%	150.00%

**(d) Weighting.** For Participants without Subsidiary/Group Goals, Corporate Net Income shall be weighted 3x Corporate Sales. For Participants with Subsidiary/Group Goals, Corporate Net Income will be weighted 3x Corporate Sales and the Subsidiary/Group Goals will be weighted 2x Corporate Sales.

**(e) MBOs.** The Committee shall approve the MBOs for each Participant who is a Covered Employee. The Committee or the Chief Executive Officer shall approve the MBOs for all other Participants who are not Covered Employees.

## **6. Payout Determination.**

**(a) Payout Determination and Certification.** On the Payout Determination Date, (i) the Committee shall certify in writing (which may be by approval of the minutes in which the certification was made) the Financial Goal Achievement Percentage and the MBO Goal Achievement Percentage for each Covered Employee and (ii) the Committee or the Chief Executive Officer shall approve the Financial Goal Achievement Percentage and the MBO Goal Achievement Percentage for each other Participant who is not a Covered Employee.

**(b) Maximum Payout.** Subject to the maximum payout specified by Section 12 of the Plan, for the 2008 Performance Period, if the Financial Goal Achievement Percentage is not greater than 100%, then the maximum amount of a Participant's Award to be paid under this Program shall be the product of (i) the Participant's Financial Goal Achievement Percentage multiplied by (ii) the Participant's Target Award, multiplied by 1.25. If the Financial Goal Achievement Percentage applicable to a Participant is greater than 100%, then the maximum amount of a Participant's Award to be paid under this Program shall be the product of (x) the Participant's Financial Goal Achievement Percentage multiplied by (y) the Participant's Target Award.

**(c) Payout Formula.** Notwithstanding any contrary provision of the Program, the Committee shall, as appropriate, reduce the maximum amount payable to any Participant under Section 6(b) above under the following formula (the "**Payout Formula**"). For Participants without Subsidiary/Group Goals, the Corporate Goals shall constitute 75% of the Award (with Corporate Net Income accounting for 56.25% of the Award and the Corporate Sales accounting for 18.75% of the Award) and the Participant's satisfaction of his or her MBOs shall constitute 25% of the Award (based on the Committee's or Chief Executive Officer's evaluation of a Participant's satisfaction of his or her MBOs). For Participants with Subsidiary/Group Goals, the Corporate Goals shall constitute 50% of the Award (with Corporate Net Income accounting for 37.5% of the Award and Corporate Sales accounting for 12.5% of the Award), the Subsidiary/Group Goals (based on the Subsidiary/Group Deemed Achievement Percentage, as provided in Section 5(c)) shall constitute 25% of the Award and the Participant's satisfaction of his or her MBOs shall constitute 25% of the Award. Based upon this Payout Formula, the Financial Goal Achievement Percentage and the MBO Goal Achievement Percentage, an Overall Achievement Percentage shall be determined for each Participant. The amount payable to each participant under the Program shall be equal to the product of the (i) Overall Achievement Percentage, (ii) multiplied by the Participant's Target Award, and (iii) multiplied by the Participant's Base Salary. Notwithstanding the foregoing, a Participant's Award may be reduced or eliminated in its entirety based on the Committee's (or, in the case of a Participant who is not a Covered Employee, the Chief Executive Officer's) evaluation of the Participant's overall job performance.

**(d) Right to Receive Payment.** Each Award under the Program shall be paid solely from the general assets of the Company. Nothing in this Program shall be construed to create a trust or to establish or evidence any Participant's claim of any right to payment of an Award other than as an unsecured general creditor with respect to any payment to which he or she may be entitled. At no time before the actual distribution of funds to Participants under the Program shall any Participant accrue any vested interest or right whatsoever under the Program except as otherwise stated in this Program.

**(e) Form of Distributions.** The Company shall distribute all Awards to the Participant in cash, unless the Committee determines to substitute shares of the Company's Common Stock for the cash payment in accordance with Section 12 of the Plan.

**(f) Timing of Distributions.** Subject to Section 6(f) below, the Company shall distribute amounts payable to Participants as soon as is practicable following the determination and written certification of the Award for a Performance Period, but in no event later than 2 1/2 months after the end of the calendar year that includes the applicable Payout Determination Date.

**(g) Deferral.** The Committee may defer payment of Awards, or any portion thereof, to Participants as the Committee, in its discretion, determines to be necessary or desirable to preserve the deductibility of such amounts under Section 162(m). In addition, the Committee, in its sole discretion, may permit a Participant to defer receipt of the payment of Awards that would otherwise be delivered to a Participant under the Program. Any such deferral elections shall be subject to such rules and procedures as shall be determined by the Committee in its sole discretion, which shall comply with the requirements of Section 409A of the Code and the regulations and other guidance thereunder.

**(h) Withholding.** In accordance with Section 13 of the Plan, the Company may withhold from the Awards payable to Participants under this Program amounts necessary to satisfy any federal, state, local or foreign tax withholding obligation relating to such payments.

**7. Term of Program.** The Program shall become effective on January 1, 2008 and shall apply to the 2008 Program year.

**8. Amendment and Termination of the Program.** The Committee may amend, modify, suspend or terminate the Program, in whole or in part, at any time, including adopting amendments deemed necessary or desirable to correct any defect or to supply omitted data or to reconcile any inconsistency in the Program or in any Award granted hereunder; provided, however, that no amendment, alteration, suspension or discontinuation shall be made which would (i) increase the amount of compensation payable pursuant to such Award or (ii) cause compensation that is, or may become, payable hereunder to fail to qualify as Performance-Based Compensation. To the extent necessary or advisable under applicable law, including Section 162(m), Program amendments shall be subject to stockholder approval.

**9. Governing Plan Document.** The Program is subject to all the provisions of the Plan and is further subject to all interpretations, amendments, rules and regulations which may from time to time be promulgated and adopted by the Committee, the Board or the Company pursuant to the Plan. In the event of any conflict between the provisions of this Program and those of the Plan, the provisions of the Plan shall control.