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**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): February 18, 2011

**V. F. Corporation**  
(Exact Name of Registrant as Specified in Charter)

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

**1-5256**  
(Commission  
File Number)

**23-1180120**  
(IRS Employer  
Identification No.)

**105 Corporate Center Boulevard**  
**Greensboro, North Carolina**  
(Address of Principal Executive Offices)

**27408**  
(Zip Code)

Registrant's telephone number, including area code

336-424-6000

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(e). Compensatory Arrangements of Certain Officers.**

On February 16, 2011, VF Corporation awarded to Karl Heinz Salzburger, Vice President and President — VF International, 15,000 shares of restricted stock units. The restricted stock units will vest on February 16, 2015, but are subject to forfeiture if Mr. Salzburger leaves VF voluntarily or his employment is terminated by VF prior to the vesting date. The other terms of the restricted stock units are set forth on the Form of Restricted Stock Unit Award attached hereto as Exhibit 10.1.

In addition, on February 16, 2011, VF Corporation awarded restricted stock to other executive officers. The general terms of the restricted stock are set forth on the Form of Restricted Stock Award attached hereto as Exhibit 10.2.

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

(d) Exhibits.

The following are furnished as exhibits to this report:

10.1 Form of Restricted Stock Unit Award.

10.2 Form of Restricted Stock Award.

**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.

V.F. CORPORATION

(Registrant)

February 18, 2011

By: /s/ Laura C. Meagher

Laura C. Meagher

Vice President — Deputy General Counsel

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EXHIBIT INDEX

Exhibit No. Description

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(d) Exhibits.

The following are furnished as exhibits to this report:

- 10.1 Form of Restricted Stock Unit Award.
- 10.2 Form of Restricted Stock Award.

**VF CORPORATION**  
**AWARD CERTIFICATE**  
**Restricted Stock Units**  
**Number of RSUs Awarded:**

To: ("Participant")

I am pleased to advise you that you have been awarded the number of Restricted Stock Units ("RSUs") set forth above under VF Corporation's 1996 Stock Compensation Plan, as amended (the "1996 Plan"), subject to the terms and conditions set forth in the 1996 Plan and the attached Appendix.

VF CORPORATION

By: \_\_\_\_\_  
Eric C. Wiseman  
Chairman and Chief Executive Officer

Dated: \_\_\_\_\_, 201\_ ("Grant Date")

**VF CORPORATION**  
**APPENDIX TO**  
**AWARD CERTIFICATE**  
**Terms and Conditions Relating to**  
**Restricted Stock Units**

**1. Grant of RSUs.**

(a) **Grant of RSUs Under 1996 Plan.** Participant has been granted the Restricted Stock Units (“RSUs”) specified in the Award Certificate under VF Corporation’s (the “Company’s”) 1996 Plan, copies of which have been provided to Participant. All of the terms, conditions, and other provisions of the 1996 Plan are hereby incorporated by reference into this document. Capitalized terms used in this document but not defined herein shall have the same meanings as in the 1996 Plan. If there is any conflict between the provisions of this document and the mandatory provisions of the 1996 Plan, the provisions of the 1996 Plan shall govern. By accepting the grant of the RSUs, Participant agrees to be bound by all of the terms and provisions of the 1996 Plan (as presently in effect or later amended), the rules and regulations under the 1996 Plan adopted from time to time, and the decisions and determinations of the Committee made from time to time.

(b) **Certain Restrictions.** Until RSUs have become vested in accordance with Section 2(e), RSUs shall be subject to a risk of forfeiture as provided in the 1996 Plan and this document. Until such time as each RSU has become settled by delivery of a share in accordance with Section 4, such RSU will be nontransferable, as provided in the 1996 Plan and Section 2(d). Participant is subject to the VF Code of Business Conduct and related policies on insider trading restricting Participant’s ability to sell shares of the Company’s Common Stock received in settlement of RSUs, which may include “blackout” periods during which Participant may not engage in such sales.

**2. General Terms of RSUs.**

(a) **Nature of RSUs.** Each RSU represents a conditional right of Participant to receive, and a conditional obligation of the Company to deliver, one share of the Company’s Common Stock at the times specified hereunder and subject to the terms and conditions of the 1996 Plan and this document. Each RSU constitutes an award under Article IX of the 1996 Plan (including Section 9.6 thereof), representing a bookkeeping unit which is an arbitrary accounting measure created and used solely for purposes of the 1996 Plan and this Agreement. RSUs do not represent ownership rights in the Company, shares of Common Stock, or any asset of the Company.

(b) **Account.** An account will be maintained for Participant for purposes of this Award, to which the total number of RSUs granted and any RSUs resulting under Section 2(c) shall be credited. An individual statement relating to Participant’s Account will be issued not less frequently than annually. Such statement shall report the amount of RSUs credited to Participant’s Account (i.e., not yet settled), transactions in the Account during the period covered by the statement, and other information deemed relevant by the Company. Such statement may be combined with or include information regarding other plans and compensatory arrangements affecting Participant. A Participant’s statements may evidence the Company’s obligations in respect of RSUs without the need for the Company to enter into a separate agreement relating to such obligations; provided, however, that any statement containing an error shall not represent a binding obligation to the extent of such error.

(c) **Dividend Equivalents and Adjustments.** Dividend equivalents shall be paid or credited on RSUs as follows; provided, however, that the Committee may vary the manner and terms of crediting dividend equivalents, for administrative convenience or any other reason, provided that the Committee determines that any alternative manner and terms result in equitable treatment of Participant:

- (i) **Regular Cash Dividends.** At the time of settlement of RSUs under Section 4(a), the Company shall determine the aggregate amount of regular cash dividends that would have been payable to Participant, based on record dates for dividends since the Grant Date, if the vested RSUs then to be settled had been outstanding shares of Common Stock at such record dates (without compounding of dividends but adjusted to account for splits and other extraordinary corporate transactions). Such aggregate cash amount will be converted to a number of shares by dividing the amount by the Fair Market Value of a share of Common Stock at the settlement date.
- (ii) **Common Stock Dividends and Splits.** If the Company declares and pays a dividend or distribution on Common Stock in the form of additional shares of Common Stock, or there occurs a forward split of Common Stock, then the number of RSUs credited to Participant's Account as of the payment date for such dividend or distribution or forward split shall be automatically adjusted by multiplying the number of RSUs credited to the Account as of the record date for such dividend or distribution or split by the number of additional shares of Common Stock actually paid as a dividend or distribution or issued in such split in respect of each outstanding share of Common Stock.
- (iii) **Adjustments.** If the Company declares and pays a dividend or distribution on Common Stock that is not a regular cash dividend and not in the form of additional shares of Common Stock, or if there occurs any other event referred to in Article XI of the 1996 Plan, the Committee shall adjust the number of RSUs credited to Participant's Account in a manner that will prevent dilution or enlargement of Participants' rights with respect to RSUs, in an equitable manner determined by the Committee.
- (iv) **Risk of Forfeiture and Settlement of RSUs Resulting from Dividend Equivalents and Adjustments.** RSUs which directly or indirectly result from dividend equivalents on or adjustments to an RSU shall be subject to the same risk of forfeiture as applies to the granted RSU and will be settled at the same time as the granted RSU.

(d) **Non-Transferability.** Unless otherwise determined by the Committee, neither Participant nor any beneficiary shall have the right to, directly or indirectly, alienate, assign, transfer, pledge, anticipate, or encumber (except by reason of death) any RSU, Account or Account balance, or other right hereunder, nor shall any such RSU, Account or Account balance, or other right be subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of Participant or any beneficiary, or to the debts, contracts, liabilities, engagements, or torts of Participant or any beneficiary or transfer by operation of law in the event of bankruptcy or insolvency of Participant or any beneficiary, or any legal process.

(e) **Vesting and Forfeiture.** The "Stated Vesting Date" of the RSUs will be \_\_\_\_\_, 201\_, except as otherwise provided herein, if the Participant continues to be an employee of the Company or any of its subsidiaries or affiliates through the Stated Vesting Date. Except to the extent set forth herein, upon Participant's Termination of Employment prior to the vesting of the RSUs, all unvested RSUs shall be canceled and forfeited and Participant shall have no further rights hereunder. If Termination of Employment is due to Participant's death or Disability (as defined below), a Pro Rata Portion (as defined below) of the RSUs shall vest at the date of Termination of Employment, and the settlement of such RSUs shall occur as promptly as practicable following Termination, provided that, in the case of Disability, settlement shall occur at the earlier of the Stated Settlement Date (as defined below) or six months after Termination if the Disability does not meet the definition of "Disabled" in Section 409A(a)(2) (C) of the Internal Revenue Code (the "Code"), if applicable.

(f) **Certain Definitions.** The following definitions apply for purposes of this Agreement:

- (i) “Disability” means (A), if Participant has an Employment Agreement defining “Disability,” the definition under such Employment Agreement, or (B), if Participant has no Employment Agreement defining “Disability,” Participant’s incapacity due to physical or mental illness resulting in Participant’s absence from his or her duties with the Company or any of its subsidiaries or affiliates on a full-time basis for 26 consecutive weeks, and, within 30 days after written notice of termination has been given by the Company, Participant has not returned to the full-time performance of his or her duties.
- (ii) “Pro Rata Portion” means a fraction the numerator of which is the number of days that have elapsed from the Grant Date to the date of Participant’s Termination of Employment and the denominator of which is the number of days from the Grant Date to the Stated Vesting Date.
- (iii) “Termination of Employment” means Participant’s termination of employment with the Company or any of its subsidiaries or affiliates in circumstances in which, immediately thereafter, Participant is not employed by the Company or any of its subsidiaries or affiliates. Service as a non-employee director shall not be treated as employment for purposes of this Agreement.

#### 4. Settlement of RSUs.

(a) **Settlement Date.** Vested RSUs will be settled by delivery of one share of Common Stock for each RSU, together with dividend equivalent amounts payable under Section 2(c). Such settlement will occur as of earlier of (i) \_\_\_\_\_, 201\_ (the “Stated Settlement Date”), and (ii) the applicable date under Section 2(e). Delivery of shares in settlement of RSUs will take place as promptly as practicable after the settlement date.

(b) **Certain Limitations to Ensure Compliance with Code Section 409A** For purposes of this Agreement, references to a term or event (including any authority or right of the Company or Participant) being “permitted” under Code Section 409A mean that the term or event will not cause Participant to be liable for payment of interest or a tax penalty under Section 409A. The provisions of the 1996 Plan and other provisions of this Agreement notwithstanding, the terms of the RSUs, including any authority of the Company and rights of Participant, shall be limited to those terms permitted under Section 409A, and any terms not permitted under Section 409A shall be automatically modified and limited to the extent necessary to conform with Section 409A. For this purpose, the Company shall have no authority to accelerate distributions relating to RSUs in excess of the authority permitted under Section 409A, and, if the timing of any distribution in settlement of RSUs would result in Participant’s constructive receipt of income relating to the RSUs prior to such distribution, the date of distribution will be the earliest date after the specified date of distribution that distribution can be effected without resulting in such constructive receipt (thus, for example, any distribution in settlement of RSUs subject to Section 409A(a)(2)(A)(i) (separation from service) shall not occur earlier than the earliest time permitted under Section 409A(a)(2)(B)(i) and other applicable provisions of Section 409A).

(c) **Delivery of Common Stock.** Whenever Common Stock is to be delivered hereunder, the Company shall deliver to Participant or Participant’s Beneficiary one or more certificates representing the shares of Common Stock, registered in the name of Participant, the Beneficiary, or in such other form of registration as instructed by Participant, except that the Company may provide for alternative methods of delivery for administrative convenience. The obligation of the Company to deliver Common Stock hereunder is conditioned upon compliance by Participant and by the Company with all applicable federal and state securities and other laws and regulations. The Company may determine the manner in which fractional shares of Common Stock shall be dealt with upon settlement of RSUs; provided, however, that no certificate shall be issued representing a fractional share. If there occurs any delay between the settlement date and the date shares are issued or delivered to Participant, a cash amount equal to any dividends or distributions the record date for which fell between the settlement date and the date of issuance or delivery of the shares shall be paid to Participant together with the delivery of the shares.

5. **Tax Withholding.**

The Company shall withhold from the shares deliverable in settlement of RSUs (including a deferred settlement) the number of shares having an aggregate Fair Market Value equal to the mandatory withholding requirements, but rounded down to the nearest whole share, unless Participant has made other arrangements approved by the Human Resources Department in advance of settlement to make payment of such withholding amounts. Unless otherwise determined by the Company, if settlement of the RSUs does not also take place at that vesting date then no such share withholding will take place to satisfy any FICA requirements applicable at that vesting date and Participant will be required to pay any such FICA withholding in cash.

6. **Miscellaneous.**

(a) ***Binding Effect; Written Amendments.*** The terms and conditions set forth in this document shall be binding upon the heirs, executors, administrators and successors of the parties. The Award Certificate and this document constitute the entire agreement between the parties with respect to the RSUs and supersedes any prior agreements or documents with respect thereto. No amendment, alteration, suspension, discontinuation or termination of this document which may impose any additional obligation upon the Company or materially impair the rights of Participant with respect to the RSUs shall be valid unless in each instance such amendment, alteration, suspension, discontinuation or termination is expressed in a written instrument duly executed in the name and on behalf of the Company and, if Participant's rights are materially impaired thereby, by Participant.

(b) ***No Promise of Employment.*** The RSUs and the granting thereof shall not constitute or be evidence of any agreement or understanding, express or implied, that Participant has a right to continue as an officer, employee or director of the Company or its subsidiaries for any period of time, or at any particular rate of compensation.

(c) ***Governing Law.*** The validity, interpretation, construction and performance of this Agreement shall be governed by the laws (but not the law of conflicts of laws) of the State of North Carolina and applicable federal law.

(d) ***Unfunded Obligations.*** The grant of the RSUs and any provision for distribution in settlement of Participant's Account hereunder shall be by means of bookkeeping entries on the books of the Company and shall not create in Participant any right to, or claim against any, specific assets of the Company, nor result in the creation of any trust or escrow account for Participant. With respect to Participant's entitlement to any distribution hereunder, Participant shall be a general creditor of the Company.

(e) ***Notices.*** Any notice to be given the Company under this Agreement shall be addressed to the Company at its principal executive offices, in care of the Vice President — Human Resources, and any notice to Participant shall be addressed to Participant at Participant's address as then appearing in the records of the Company.

(f) ***Shareholder Rights.*** Participant and any beneficiary shall not have any rights with respect to shares (including voting rights) covered by this Agreement prior to the settlement and distribution of the shares as specified herein.

**VF CORPORATION  
AWARD CERTIFICATE  
Restricted Common Stock**

**Number of Shares of Restricted Common Stock Awarded:**

To: \_\_\_\_\_ (“Participant”)

I am pleased to advise you that you have been awarded the number of shares of Restricted Common Stock set forth above under VF Corporation’s 1996 Stock Compensation Plan, as amended (the “1996 Plan”), subject to the terms and conditions set forth in the 1996 Plan and the attached Appendix.

VF CORPORATION

By: \_\_\_\_\_  
Eric C. Wiseman  
Chairman and Chief Executive Officer

Dated: \_\_\_, 201\_ (“Grant Date”)

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**VF CORPORATION**  
**APPENDIX TO**  
**AWARD CERTIFICATE**  
**Terms and Conditions Relating to**  
**Restricted Common Stock**

**1. Grant of Restricted Stock**

(a) **Grant of Restricted Common Stock under 1996 Plan.** Participant has been granted the shares of restricted common stock (the "Restricted Stock") specified in the Award Certificate under VF Corporation's (the "Company's") 1996 Plan, copies of which have been provided to Participant. All of the terms, conditions, and other provisions of the 1996 Plan are hereby incorporated by reference into this document. Capitalized terms used in this document but not defined herein shall have the same meanings as in the 1996 Plan. If there is any conflict between the provisions of this document and the mandatory provisions of the 1996 Plan, the provisions of the 1996 Plan shall govern. By accepting the grant of the Restricted Stock, Participant agrees to be bound by all of the terms and provisions of the 1996 Plan (as presently in effect or later amended), the rules and regulations under the 1996 Plan adopted from time to time, and the decisions and determinations of the Committee made from time to time. The Restricted Stock shall be issued promptly hereafter in Participant's name but shall be subject to all provisions of this Award Certificate.

(b) **Certain Restrictions.** One or more stock certificates evidencing the Restricted Stock shall be issued in the name of Participant but shall be held and retained by the Company until the restrictions set forth herein shall have lapsed. All such stock certificates shall bear the following legend:

"The shares of Common Stock evidenced by this Certificate are subject to the terms and conditions of a Restricted Stock Award Certificate dated \_\_\_\_\_, 201\_, between the registered owner and VF Corporation; such shares are subject to forfeiture under the terms of said Award Certificate; and such shares shall not be sold, transferred, assigned, pledged, encumbered or otherwise alienated or hypothecated except pursuant to the provisions of said Agreement, a copy of which is available from VF Corporation upon request."

Until the shares of Restricted Stock have become vested in accordance with Paragraph 1(e), the Restricted Stock shall be subject to a risk of forfeiture as provided in the 1996 Plan and this document. Until vested, such Restricted Stock will be nontransferable, as provided in the 1996 Plan and Paragraph 1(d), and Participant agrees that, upon request of the Company, he will deliver to the Company stock powers or other instruments of transfer or assignment, duly endorsed in blank with signature guaranteed, corresponding to each certificate for Restricted Stock or distributions thereon. If Participant shall fail to provide the Company with any such stock power or other instrument of transfer or assignment, Participant hereby irrevocably appoints the Secretary of the Company as his attorney-in-fact to execute and deliver any such power or other instrument which may be necessary to effectuate the transfer of the Restricted Stock (or assignment of distributions thereon) on the books and records of the Company. Participant is subject to the VF Code of Business Conduct and related policies on insider trading.

(c) **Dividends and Adjustments.** Participant shall be entitled to receive with respect to the Restricted Stock all dividends and distributions payable on Common Stock (including for this purpose any forward stock split) if and to the extent that he is the record owner of such Restricted Stock on any record date

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for such a dividend or distribution and he has not forfeited such Restricted Stock on or before the payment date for such dividend or distribution, subject to the following terms and conditions:

- (i) *Regular Cash Dividends.* All cash distributions payable with respect to the Restricted Stock shall be retained by the Company and reinvested in additional shares of Common Stock to be issued in the name of Participant.
  - (ii) *Common Stock Dividends and Splits.* If the Company declares and pays a dividend or distribution on Common Stock in the form of additional shares of Common Stock, or there occurs a forward split of Common Stock, then the Common Stock issued or delivered as such dividend or distribution or resulting from such stock split will be deemed to be additional Restricted Stock.
  - (iii) *Adjustments.* If the Company declares and pays a dividend or distribution on Common Stock that is not a regular cash dividend and not in the form of additional shares of Common Stock, or if there occurs any other event referred to in Article XI of the 1996 Plan, the Company shall retain any such dividend or distribution and the Committee shall adjust the number of shares of Restricted Stock in a manner that will prevent dilution or enlargement of Participant's rights with respect to the Restricted Stock, in an equitable manner determined by the Committee. In addition, the Committee may vary the treatment of any dividend or distribution as specified under Section 1(c)(i), (ii) or (iii), in its discretion.
  - (iv) *Risk of Forfeiture of Restricted Stock Resulting from Dividends and Adjustments.* Shares of Restricted Stock that directly or indirectly result from dividends or distributions on or adjustments to a share of Restricted Stock shall be subject to the same risk of forfeiture as applies to the granted Restricted Stock.
  - (v) *Fractional Shares.* No fractional shares shall be issued under this Agreement. The Company will determine how to treat any fractional share or amounts that would be deemed invested in a fractional share hereunder.
- (d) ***Non-Transferability.*** Until the Restricted Stock has become vested, neither Participant nor any beneficiary shall have the right to, directly or indirectly, donate, sell, alienate, assign, transfer, pledge, anticipate, or encumber (except by reason of death) any shares of Restricted Stock, nor shall any such shares of Restricted Stock be subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of Participant or any beneficiary, or to the debts, contracts, liabilities, engagements, or torts of Participant or any beneficiary or transfer by operation of law in the event of bankruptcy or insolvency of Participant or any beneficiary, or any legal process.
- (e) ***Vesting and Forfeiture.*** The Restricted Stock will vest on \_\_\_\_\_, 201\_ (the "Stated Vesting Date"), except as otherwise provided herein, if the Participant continues to be an employee of the Company through the Stated Vesting Date. If the foregoing condition is met and the Restricted Stock vests, all restrictions on the Restricted Stock shall lapse and all shares of Common Stock representing the Restricted Stock shall be delivered to Participant free of restrictions. Except to the extent set forth in this Paragraph 1(e), upon Participant's Termination of Employment prior to the vesting of the Restricted Stock, all Restricted Stock shall be canceled and forfeited and Participant shall have no further rights hereunder. If Termination of Employment is due to Participant's death or Disability (as defined below), a Pro Rata Portion (as defined below) of Participant's Restricted Stock shall vest at the date of Termination of Employment, and delivery of the Pro Rata Portion of Restricted Stock free of any restrictions shall occur as promptly as practicable following Termination of Employment due to death or Disability. Certificates representing the shares of vested Restricted Stock shall be delivered promptly to Participant, or delivery of such shares shall be made to Participant's broker or in such other commercially reasonable manner as the Company may determine, within ten business days after the Restricted Stock becomes vested.
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(f) **Certain Definitions.** The following definitions apply for purposes of this Agreement:

- (i) "Disability" means (A), if Participant has an Employment Agreement defining "Disability," the definition under such Employment Agreement, or (B), if Participant has no Employment Agreement defining "Disability," Participant's incapacity due to physical or mental illness resulting in Participant's absence from his or her duties with the Company on a full-time basis for 26 consecutive weeks, and, within 30 days after written notice of termination has been given by the Company, Participant has not returned to the full-time performance of his or her duties.
- (ii) "Pro Rata Portion" means a fraction the numerator of which is the number of days that have elapsed from the Grant Date to the date of Participant's Termination of Employment and the denominator of which is the number of days from the Grant Date to the Stated Vesting Date.
- (iii) "Termination of Employment" means termination of Participant's employment with the Company or any of its subsidiaries or affiliates in circumstances in which, immediately thereafter, Participant is not employed by the Company or any of its subsidiaries or affiliates. Service as a non-employee director shall not be treated as employment for purposes of this Agreement.

(g) **Compliance with Code Section 409A.** The Restricted Stock is intended to be exempt from Section 409A of the Internal Revenue Code. The Participant will be subject to federal income taxation no later than the Stated Vesting Date, regardless of any delay in delivery of the share certificate thereafter.

## **2. Taxes.**

(a) If Participant properly elects, within thirty (30) days of the date of this Agreement, to include in gross income for federal income tax purposes an amount equal to the fair market value (as of the Grant Date) of the Restricted Stock, Participant shall make arrangements satisfactory to the Committee to pay to the Company in 201\_ any federal, state or local income taxes required to be withheld with respect to such shares. If Participant shall fail to make such tax payments as are required, the Company shall, to the extent permitted by law, have the right to deduct from any payment of any kind otherwise due to Participant any federal, state or local taxes of any kind required by law to be withheld with respect to the Restricted Stock.

(b) If Participant does not make the election described in Paragraph 2(a) above, Participant shall, no later than the date as of which the restrictions referred to in Paragraph 1(e) hereof shall lapse, pay to the Company, or make arrangements satisfactory to the Company for payment of, any federal, state or local taxes of any kind required by law to be withheld with respect to the Restricted Stock, and the Company shall, to the extent permitted by law, have the right to deduct from any payment of any kind otherwise due to Participant any federal, state, or local taxes of any kind required by law to be withheld with respect to the Restricted Stock. Unless, at least 90 days before the Stated Vesting Date or any earlier applicable vesting date, Participant has made separate arrangements satisfactory to the Company for the payment such mandatory withholding taxes, the Company will withhold from the shares to be delivered upon vesting the number of whole shares having a Fair Market Value nearest to but not exceeding the amount of such mandatory withholding taxes.

## **3. Miscellaneous.**

(a) **Binding Effect; Written Amendments.** The terms and conditions set forth in this document shall be binding upon the heirs, executors, administrators and successors of the parties. The Award Certificate and this document constitute the entire agreement between the parties with respect to the Restricted Stock and supersede any prior agreements or documents with respect thereto. No amendment, alteration, suspension, discontinuation or termination of this document which may impose any additional obligation upon the Company or materially impair the rights of Participant with respect to the Restricted Stock shall be valid unless in each instance such amendment, alteration, suspension, discontinuation or termination is expressed in a written

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instrument duly executed in the name and on behalf of the Company and, if Participant's rights are materially impaired thereby, by Participant.

(b) **No Promise of Employment.** The Restricted Stock and the granting thereof shall not constitute or be evidence of any agreement or understanding, express or implied, that Participant has a right to continue as an officer, employee or director of the Company or its subsidiaries for any period of time, or at any particular rate of compensation.

(c) **Governing Law.** The validity, interpretation, construction and performance of this Agreement shall be governed by the laws (but not the law of conflicts of laws) of the State of North Carolina, and applicable federal law.

(d) **Notices.** Any notice to be given the Company under this Agreement shall be addressed to the Company at its principal executive offices, in care of the Vice President — Human Resources, and any notice to Participant shall be addressed to Participant at Participant's address as then appearing in the records of the Company.

(e) **Shareholder Rights.** Except as otherwise provided in this Agreement, Participant shall have, with respect to all shares of Restricted Stock, all the rights of a shareholder of the Company, including the right to vote the Restricted Stock.

(f) **Voluntary Participation.** Participant's participation in the Plan is voluntary. The value of the Restricted Stock is an extraordinary item of compensation. As such, the Restricted Stock is not part of normal or expected compensation for purposes of calculating any severance, change in control payments, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.