

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**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 18, 2011**

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**Warner Music Group Corp.**

(Exact name of Co-Registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-32502**  
(Commission  
File Number)

**13-4271875**  
(IRS Employer  
Identification No.)

**75 Rockefeller Plaza, New York, New York**  
(Address of principal executive offices)

**10019**  
(Zip Code)

**Co-Registrant's telephone number, including area code: (212) 275-2000**

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**WMG Acquisition Corp.**

(Exact name of Co-Registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**333-121322**  
(Commission  
File Number)

**68-0576630**  
(IRS Employer  
Identification No.)

**75 Rockefeller Plaza, New York, New York**  
(Address of principal executive offices)

**10019**  
(Zip Code)

**Co-Registrant's telephone number, including area code: (212) 275-2000**

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Co-Registrant's 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.

Warner Music Group Corp. (the “Company”) and each of Edgar Bronfman, Jr., our Chairman and CEO, and Lyor Cohen, Vice Chairman, Warner Music Group and Chairman and CEO, Recorded Music—Americas and the U.K, have entered into amendments dated as of January 18, 2011 (the “Amendments”) to their respective restricted stock award agreements previously entered into with the Company on March 15, 2008. In accordance with the terms of the Warner Music Group Corp. 2005 Amended and Restated Omnibus Award Plan (the “Plan”), the Compensation Committee of the Company’s Board of Directors (the “Compensation Committee”) approved, and the Amendments provide, among the other changes discussed below, revised performance vesting criteria with respect to the restricted stock awards granted in fiscal 2008 to Mr. Bronfman and Mr. Cohen. Specifically, the performance criteria were modified to lower the per-share price hurdles and to adjust the percentage of shares subject to each price hurdle. In addition, with respect to Mr. Cohen, the Compensation Committee determined to remove the performance vesting criteria for a portion of his restricted stock awards. Set forth below is a summary of the Amendments.

***Edgar Bronfman, Jr.***

With respect to the 2,750,000 shares of restricted stock granted to Mr. Bronfman in fiscal 2008, all the shares will continue to generally vest based on a double trigger that includes achievement of both service and performance criteria (each, subject to continued employment through the applicable vesting dates).

Prior to the modifications adopted by the Compensation Committee, the performance vesting criteria for the 2,750,000 shares of restricted stock granted to Mr. Bronfman in fiscal 2008 were as follows:

- 650,000 shares, would have been eligible to vest upon the Company achieving an average closing stock price of at least \$10.00 per share over 60 consecutive trading days;
- 650,000 shares, would have been eligible to vest upon the Company achieving an average closing stock price of at least \$13.00 per share over 60 consecutive trading days;
- 650,000 shares, would have been eligible to vest upon the Company achieving an average closing stock price of at least \$17.00 per share over 60 consecutive trading days; and
- 800,000 shares, would have been eligible to vest upon the Company achieving an average closing stock price of at least \$20.00 per share over 60 consecutive trading days.

After the modifications adopted by the Compensation Committee, the performance vesting criteria for Mr. Bronfman’s 2,750,000 shares of restricted stock have been revised as follows:

- 825,000 shares, vesting upon the Company achieving an average closing stock price of at least \$7.00 per share over 60 consecutive trading days;
- 825,000 shares, vesting upon the Company achieving an average closing stock price of at least \$8.00 per share over 60 consecutive trading days;
- 550,000 shares, vesting upon the Company achieving an average closing stock price of at least \$9.00 per share over 60 consecutive trading days; and
- 550,000 shares, vesting upon the Company achieving an average closing stock price of at least \$10.00 per share over 60 consecutive trading days.

Mr. Bronfman’s restricted stock award agreement has also been modified to clarify that the performance criteria will be equitably adjusted by the Compensation Committee in the event of any future stock or extraordinary cash dividend or other recapitalization transaction with respect to the Company’s common stock. In the case of an extraordinary cash dividend, the price hurdles described above will be adjusted to reflect a reduction equal to the per share amount of any such extraordinary dividend.

The time vesting criteria remain the same as applicable since the original grant date —20% a year for five years. Accordingly, the time vesting criteria for 20% of the restricted shares were achieved on March 14, 2009 and for an additional 20% of the restricted shares on March 14, 2010 and, with respect to the remaining 60% of the restricted shares, the time vesting criteria will be satisfied in 20% installments on each of March 14, 2011, March 14, 2012 and March 14, 2013, respectively, subject to Mr. Bronfman’s continued employment with the Company through such dates.

Other than with respect to the changes highlighted above, the terms of Mr. Bronfman’s restricted stock awards remain unchanged. The restricted stock award agreement, dated as of March 15, 2008, by and between the Company and Mr. Bronfman was previously filed with the SEC as Exhibit 10.3 to the Company’s Current Report on Form 8-K filed on March 17, 2008.

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**Lyor Cohen**

With respect to the 1,750,000 shares of restricted stock granted to Mr. Cohen in fiscal 2008, 250,000 shares will continue to generally vest based on a double trigger that includes achievement of both service and performance criteria (each, subject to continued employment through the applicable vesting dates). The remaining 1,500,000 restricted shares will be subject only to time vesting.

Prior to the modifications adopted by the Compensation Committee, the performance vesting criteria applied to all 1,750,000 shares of restricted stock granted to Mr. Cohen in fiscal 2008 and were as follows:

- 413,666 shares, would have been eligible to vest upon the Company achieving an average closing stock price of at least \$10.00 per share over 60 consecutive trading days;
- 413,667 shares, would have been eligible to vest upon the Company achieving an average closing stock price of at least \$13.00 per share over 60 consecutive trading days;
- 413,667 shares, would have been eligible to vest upon the Company achieving an average closing stock price of at least \$17.00 per share over 60 consecutive trading days; and
- 509,000 shares, would have been eligible to vest upon the Company achieving an average closing stock price of at least \$20.00 per share over 60 consecutive trading days.

After the modifications adopted by the Compensation Committee, the performance vesting criteria apply only to 250,000 of Mr. Cohen's 1,750,000 shares of restricted stock and such performance criteria have been revised as follows:

- 125,000 shares, vesting upon the Company's achieving an average closing stock price of at least \$7.00 per share over 60 consecutive trading days; and
- 125,000 shares, vesting upon the Company's achieving an average closing stock price of at least \$8.00 per share over 60 consecutive trading days.

Mr. Cohen's restricted stock award agreement has also been modified to clarify that the performance criteria will be equitably adjusted by the Compensation Committee in the event of any future stock or extraordinary cash dividend or other recapitalization transaction with respect to the Company's common stock. In the case of an extraordinary cash dividend, the price hurdles described above will be adjusted to reflect a reduction equal to the per share amount of any such extraordinary dividend.

The time vesting criteria for the 250,000 shares of restricted stock still subject to performance criteria remain the same as applicable since the original grant date—20% a year for five years. Accordingly, the time vesting criteria for 20% of these restricted shares were achieved in fiscal 2009 on March 14, 2009 and, for an additional 20% of these restricted shares on March 14, 2010 and, with respect to the remaining 60% of these restricted shares, the time vesting criteria will be satisfied in 20% installments on each of March 14, 2011, March 14, 2012 and March 14, 2013, respectively, subject to Mr. Cohen's continued employment with the Company through such dates.

The remaining 1,500,000 shares of restricted stock will no longer be subject to any performance vesting criteria, but will continue to be subject to time vesting criteria (to the extent not yet vested) as follows:

- 1,250,000 shares will be subject to the same time vesting criteria as applicable since the original grant date—20% a year for five years (subject to continued employment through the applicable vesting dates). Therefore, since the time vesting criteria for 20% of these restricted shares were achieved on March 14, 2009 and for an additional 20% of these restricted shares on March 14, 2010, 500,000 of these shares are now fully vested. With respect to the remaining 750,000 shares covered by this tranche, 250,000 shares will vest on each of March 14, 2011, March 14, 2012 and March 14, 2013, respectively, subject to Mr. Cohen's continued employment with the Company through such dates; and
- 250,000 shares will vest 100% on March 1, 2014, subject to Mr. Cohen's continued employment with the Company through such date.

Other than with respect to the changes highlighted above, the terms of Mr. Cohen's restricted stock awards remain unchanged. The restricted stock award agreement, dated as of March 15, 2008, by and between the Company and Mr. Cohen was previously filed with the SEC as Exhibit 10.3 to the Company's Current Report on Form 8-K filed on March 19, 2008.

The Amendments are filed as Exhibits 10.1 and 10.2 hereto, respectively, and each is hereby incorporated by reference.

**ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.**

- (d) Exhibits. The following Exhibits are filed as part of this Current Report on Form 8-K.

<u>Exhibit No.</u>	<u>Description</u>
10.1	Amendment, dated as of January 18, 2011, to Restricted Stock Award Agreement, dated as of March 15, 2008, by and between Warner Music Group Corp. and Edgar Bronfman, Jr.
10.2	Amendment, dated as of January 18, 2011, to Restricted Stock Award Agreement, dated as of March 15, 2008, by and between Warner Music Group Corp. and Lyor Cohen.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Co-Registrants have duly caused this report to be signed on their behalf by the undersigned thereunto duly authorized.

Warner Music Group Corp.

Date: January 19, 2011

By: /s/ Paul Robinson

Paul Robinson  
General Counsel

WMG Acquisition Corp.

Date: January 19, 2011

By: /s/ Paul Robinson

Paul Robinson  
General Counsel

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**EXHIBIT INDEX**

<u>Exhibit No.</u>	<u>Description</u>
10.1	Amendment, dated as of January 18, 2011, to Restricted Stock Award Agreement, dated as of March 15, 2008, by and between Warner Music Group Corp. and Edgar Bronfman, Jr.
10.2	Amendment, dated as of January 18, 2011, to Restricted Stock Award Agreement, dated as of March 15, 2008, by and between Warner Music Group Corp. and Lyor Cohen.

AMENDMENT TO RESTRICTED STOCK AWARD AGREEMENT

Agreement entered into by and between Warner Music Group Corp., a Delaware corporation (the "Parent") and Edgar Bronfman (the "Executive") dated as of January 18, 2011.

WITNESSETH:

WHEREAS, the Parent and the Executive have entered into a Restricted Stock Award Agreement dated as of March 15, 2008 (the "Restricted Stock Award Agreement"); and

WHEREAS, the Parent and the Executive desire to amend the Restricted Stock Award Agreement as provided herein.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. The second unnumbered paragraph of Section 3(a)(i)(B) of the Restricted Stock Award Agreement is amended to read in its entirety as follows:

"For the purposes of this Section 3(a)(i)(B), the Restricted Shares shall be divided into four "Tranches" as follows"

(1) "First Tranche" shall mean 825,000 of the Restricted Shares, for which the Performance Condition will be satisfied upon achievement of the First Performance Hurdle;

(2) "Second Tranche" shall mean 825,000 of the Restricted Shares, for which the Performance Condition will be satisfied upon achievement of the Second Performance Hurdle;

(3) "Third Tranche" shall mean 550,000 of the Restricted Shares, for which the Performance Condition will be satisfied upon achievement of the Third Performance Hurdle; and

(4) "Fourth Tranche" shall mean 550,000 of the Restricted Shares, for which the Performance Condition will be satisfied upon achievement of the Fourth Performance Hurdle.

2. Section 3(a)(ii) of the Restricted Stock Award Agreement is hereby amended to read in its entirety as follows:

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“(ii) For the purpose of this Section 3(a), and also as and if used elsewhere in this Agreement, the following terms shall have the following meanings:

(A) “First Performance Hurdle” shall mean the Common Stock achieving an average closing stock price of at least \$7.00 per share over 60 consecutive trading days on the New York Stock Exchange or such other primary stock exchange with which the Common Stock is listed and traded (or quoted in the Nasdaq) (an “Exchange”).

(B) “Second Performance Hurdle” shall mean the Common Stock achieving an average closing stock price of at least \$8.00 per share over 60 consecutive trading days on an Exchange.

(C) “Third Performance Hurdle” shall mean the Common Stock achieving an average closing stock price of at least \$9.00 per share over 60 consecutive trading days on an Exchange.

(D) “Fourth Performance Hurdle” shall mean the Common Stock achieving an average closing stock price of at least \$10.00 per share over 60 consecutive trading days on an Exchange.”

3. A new Section 3(i) of the Restricted Stock Award Agreement is hereby added to read as follows:

(i) Certain Adjustments. In the event of any stock or extraordinary cash dividend or other recapitalization transaction as described in Section 13 of the Plan, the Committee shall equitably adjust the Performance Conditions in a manner intended to avoid the enlargement or diminution of rights hereunder and in a manner intended to comply with Section 162(m) of the Code, to the extent applicable; provided that, in the event of an extraordinary cash dividend with respect to the Company’s Common Stock, the Performance Conditions shall be adjusted to reflect a reduction in each performance hurdle equal to the per share amount of such extraordinary dividend.

4. All other provisions of the Restricted Stock Award Agreement shall remain unchanged and in full force and effect.

5. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the date first above written.

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WARNER MUSIC GROUP CORP.

/s/ Edgar Bronfman, Jr.  
EDGAR BRONFMAN, JR.

By: /s/ Paul Robinson



AMENDMENT TO RESTRICTED STOCK AWARD AGREEMENT

Agreement entered as of the 18th day of January by and between Warner Music Group Corp., a Delaware corporation (the "Parent") and Lyor Cohen (the "Executive").

WITNESSETH:

WHEREAS, the Parent and the Executive have entered into a Restricted Stock Award Agreement dated as of March 15, 2008 (the "Restricted Stock Award Agreement"); and

WHEREAS, the Parent and the Executive desire to amend the Restricted Stock Award Agreement as provided herein.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. Section 3(a) (i) of the Restricted Stock Award Agreement is hereby amended to read in its entirety as follows:

(i) "Except as otherwise provided in this Agreement, the Restricted Shares shall vest and become non-forfeitable, (x) upon the achievement of both the "Service Condition" and "Performance Condition" (each as defined below) with respect to all or any portion of the Restricted Shares described in the "Second Tranche" and "Third Tranche" (as described below), and (y) upon the achievement of the "Service Condition" only with respect to all or any portion of the Restricted Shares described in the "First Tranche" and the "Fourth Tranche" (as described below).

The Restricted Shares shall be divided into four "Tranches" as follows"

- (1) "First Tranche" shall mean 1,250,000 of the Restricted Shares;
- (2) "Second Tranche" shall mean 125,000 of the Restricted Shares;
- (3) "Third Tranche" shall mean 125,000 of the Restricted Shares; and
- (4) "Fourth Tranche" shall mean 250,000 of the Restricted Shares.

(A) Service Condition. The "Service Condition" shall be deemed satisfied with respect to each of the "First Tranche", "Second Tranche" and "Third Tranche" in equal annual installments with respect to 20% of the Restricted Shares covered by each such Tranche on the day immediately prior to each of the first, second, third, fourth, and fifth anniversaries of the Effective Date (i.e., the Service Condition shall be deemed satisfied in 20% equal annual installments on March 14 of 2009, 2010, 2011, 2012, and 2013, respectively), provided that the Executive remains employed with the Company on each such date (subject to Section 3(a)(iii) below). The "Service Condition" shall be deemed satisfied with respect to the Fourth Tranche on March 1, 2014 (each of the service vesting dates with respect

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to the First, Second, Third and Fourth Tranches, a “Service Vesting Date”), provided that the Executive remains employed with the Company on such date (subject to Section 3(a)(iii) below). (For the avoidance of doubt, the Executive must remain employed with the Company beyond the current expiration date set forth in the Executive’s employment agreement with the Company in order for the Executive to be employed on the March 1, 2014 Service Vesting Date.)

(B) Performance Condition. The “Performance Condition” shall be deemed satisfied with respect to each of the “Second Tranche” and “Third Tranche” of Restricted Shares described below upon the achievement at any time prior to the fifth anniversary of the Effective Date of the corresponding performance hurdle described below, in each case, provided that the Executive is employed with the Company at the time such Performance Condition is met (subject to Section 3(a)(iii)(D) below).

“Second Tranche”: The Performance Condition for the Second Tranche of the Restricted Shares will be satisfied upon achievement of the \$7 Performance Hurdle;

“Third Tranche”: The Performance Condition for the Third Tranche of the Restricted Shares will be satisfied upon achievement of the \$8 Performance Hurdle;

For purposes of illustrating the vesting terms described in this Section 3(a)(i) for the Restricted Shares covered by the Second Tranche and the Third Tranche, on each Service Vesting Date, an amount of Restricted Shares equal to the product of 20% multiplied by the number of Restricted Shares covered by each Tranche (if any) with respect to which the relevant Performance Condition has been satisfied shall become vested and non-forfeitable. Additionally, upon the achievement of any Performance Condition with respect to either the Second Tranche or the Third Tranche following the date on which one or more of the 20% incremental portions of the Service Condition has been satisfied, an additional amount of Restricted Shares equal to the product of the number of Restricted Shares covered by such Tranche multiplied by the percentage of the Service Condition which has been previously attained shall become vested and non-forfeitable.

2. Section 3(a)(ii) of the Restricted Stock Award Agreement is hereby amended to read in its entirety as follows:

“(ii) For the purpose of this Section 3(a), and also as and if used elsewhere in this Agreement, the following terms shall have the following meanings:

(A) “\$7 Performance Hurdle” shall mean the Common Stock achieving an average closing stock price of at least \$7.00 per share over 60 consecutive trading days on the New York Stock Exchange or such other primary stock

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exchange with which the Common Stock is listed and traded (or quoted in the Nasdaq) (an “Exchange”).

(B) “\$8 Performance Hurdle” shall mean the Common Stock achieving an average closing stock price of at least \$8.00 per share over 60 consecutive trading days on an Exchange.”

3. Section 3(b) of the Restricted Stock Award Agreement is hereby amended by adding the words “, as applicable” after the words “Performance Condition” on the second line thereof.

4. A new Section 3(i) of the Restricted Stock Award Agreement is hereby added to read as follows:

(i) Certain Adjustments. In the event of any stock or extraordinary cash dividend or other recapitalization transaction as described in Section 13 of the Plan, the Committee shall equitably adjust the Performance Conditions in a manner intended to avoid the enlargement or diminution of rights hereunder and in a manner intended to comply with Section 162(m) of the Code, to the extent applicable; provided that, in the event of an extraordinary cash dividend with respect to the Company’s Common Stock, the Performance Conditions shall be adjusted to reflect a reduction in each performance hurdle equal to the per share amount of such extraordinary dividend.

5. All other provisions of the Restricted Stock Award Agreement shall remain unchanged and in full force and effect.

6. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the date first above written.

WARNER MUSIC GROUP CORP.

/s/ Lyor Cohen  
LYOR COHEN

By: /s/ Paul Robinson