
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K
CURRENT REPORT

**PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported) June 6, 2013

PERMA-FIX ENVIRONMENTAL SERVICES, INC.

(Exact name of registrant as specified in its charter)

<u>Delaware</u> (State or other jurisdiction of incorporation)	<u>1-11596</u> (Commission File Number)	<u>58-1954497</u> (IRS Employer Identification No.)
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<u>8302 Dunwoody Place, Suite 250, Atlanta, Georgia</u> (Address of principal executive offices)	<u>30350</u> (Zip Code)
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Registrant's telephone number, including area code: (770) 587-9898

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:

- Written communications pursuant to Rule 425 under the Securities Act
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act
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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.

Management Incentive Plans (“MIP”)

On June 6, 2013, the Company’s Compensation and Stock Option Committee (“Compensation Committee”) approved individual management incentive plans (“MIPs”) for Dr. Louis F. Centofanti, our Chief Executive Officer (“CEO”), James Blankenhorn, our Chief Operating Officer (“COO”), and Ben Naccarato, our Chief Financial Officer (“CFO”). The MIPs are effective as of January 1, 2013. Each MIP provides guidelines for the calculation of annual cash incentive based compensation, subject to Compensation Committee oversight and modification.

Each MIP awards cash compensation based on achievement of performance thresholds, with the amount of such compensation established as a percentage of base salary. The potential target performance compensation ranges from 50% to 87% or \$135,558 to \$237,224 of the 2013 base salary for the CEO, 50% to 87% or \$126,175 to \$220,808 of the 2013 base salary for the COO, and 25% to 44% or \$53,560 to \$93,731 of the 2013 base salary for the CFO.

Performance compensation is paid on or about 90 days after year-end, or sooner, based on finalization of our audited financial statements for 2013. If the MIP participant’s employment with the Company is voluntarily or involuntarily terminated prior to a regularly scheduled MIP compensation payment date, no MIP payment will be payable for and after such period.

The Compensation Committee retains the right to modify, change or terminate each MIP and may adjust the various target amounts described below, at any time and for any reason.

Each MIP is briefly described below, and the descriptions are qualified by reference to the respective MIPs attached as exhibits to this report.

CEO MIP:

2013 CEO performance compensation is based upon meeting corporate revenue, EBITDA (“earnings before interest, taxes, depreciation and amortization”), health, safety, and environmental compliance objectives during fiscal year 2013 from our continuing operations. Of the total potential performance compensation, 55% is based on EBITDA goal, 15% on revenue goal, 15% on the number of health and safety claim incidents that occur during fiscal year 2013, and the remaining 15% on the number of notices alleging environmental, health or safety violations under our permits or licenses that occur during the fiscal year 2013. No performance incentive compensation will be payable to the CEO for achieving the health and safety, permit and license violation, and revenue targets unless a minimum of 70% EBITDA Target is achieved. Each of the revenue and EBITDA components is based on our board approved revenue target and EBITDA target. The 2013 target compensation for our CEO is as follows:

Annualized Base Pay:	\$ 271,115
Performance Incentive Compensation Target (at 100% of MIP):	\$ 135,558
Total Annual Target Compensation (at 100% of MIP):	\$ 406,673

CFO MIP:

The CFO’s 2013 performance compensation is based upon achievement of EBITDA and administrative expense objectives. The performance compensation also provides for a discretionary incentive payment component, subject to approval by the Company’s Compensation Committee. Of the total potential performance compensation, 25% is based on maintaining or reducing our targeted administrative expense, 50% is based on EBITDA goal, with the remaining 25% subject to approval by the Compensation Committee. No discretionary performance compensation or performance compensation for achieving the administrative expense target will be payable to the CFO unless a minimum of 70% of the EBITDA Target is achieved. Achievements impacting the discretionary performance payment, if recommended, will include but not limited to:

- Compliance with the requirement of the Sarbanes-Oxley Act of 2002 (“SOX”);
- Meeting public filing deadlines such as Form 10-K, Form 10-Qs, Form 8-Ks, and press releases;
- Automation and centralization of accounting processes, including but not limited to: (a) install multi-company software at corporate office; (b) improve forecasting model from facilities including new software, if cost effective; (c) sales and opportunity tracking system; (d) complete improvement to time management system; and (e) improve project tracking system; and
- Collection of problem accounts receivable.

Each of the EBITDA and administrative expense component is based on our board approved 2013 EBITDA target and administrative expense target. The 2013 target compensation for our CFO is as follows:

Annualized Base Pay:	\$ 214,240
Performance Incentive Compensation Target (at 100% of Plan):	<u>\$ 53,560</u>
Total Annual Target Compensation (at 100% of Plan):	\$ 267,800

COO MIP:

2013 COO performance compensation is based upon meeting corporate revenue, EBITDA, health, safety, and environmental compliance objectives during fiscal year 2013 from our continuing operations. Of the total potential performance compensation, 55% is based on EBITDA goal, 15% on revenue goal, 15% on the number of health and safety claim incidents that occur during fiscal year 2013, and the remaining 15% on the number of notices alleging environmental, health or safety violations under our permits or licenses that occur during the fiscal year 2013. No performance incentive will be payable to the COO for achieving the health and safety, permit and license violation, and revenue targets unless a minimum of 70% EBITDA target is achieved. Each of the revenue and EBITDA components is based on our board approved revenue target and EBITDA Target. The 2013 target compensation for our COO is as follows:

Annualized Base Pay:	\$ 252,350
Performance Incentive Compensation Target (at 100% of Plan):	<u>\$ 126,175</u>
Total Annual Target Compensation (at 100% of Plan):	\$ 378,525

Section 9 – Financial Statements and Exhibits

Item 9.01 – Financial Statements and Exhibits

(d) Exhibits

Exhibit Number

Description

[10.1](#) 2013 Incentive Compensation Plan for Chief Executive Officer, effective January 1, 2013.

[10.2](#) 2013 Incentive Compensation Plan for Chief Financial Officer, effective January 1, 2013.

[10.3](#) 2013 Incentive Compensation Plan for Chief Operating Officer, effective January 1, 2013.

SIGNATURES

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

Dated: June 12, 2013

PERMA-FIX ENVIRONMENTAL SERVICES, INC.

By: /s/ Ben Naccarato
Ben Naccarato
Vice President and
Chief Financial Officer

CHAIRMAN, CHIEF EXECUTIVE OFFICER AND PRESIDENT

Effective: January 1, 2013

CHAIRMAN, CHIEF EXECUTIVE OFFICER AND PRESIDENT

PURPOSE: To define the compensation plan for the Chairman, Chief Executive Officer and President.

SCOPE: Perma-Fix Environmental Services, Inc.

POLICY: The Compensation Plan is designed to retain, motivate and reward the incumbent to support and achieve the business, operating and financial objectives of Perma-Fix Environmental Services, Inc. (the "Company").

BASE SALARY: The Base Salary indicated below is paid in equal periodic installments per the regularly scheduled payroll.

PERFORMANCE INCENTIVE COMPENSATION: Performance Incentive Compensation is available based on the Company's financial results noted in Schedule A. Effective date of plan is January 1, 2013 and incentive will be for entire year. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on final Form 10-K financial statement.

SEPARATION: If employment is separated prior to the annual incentive compensation payment date as noted above, no incentive compensation is due to the incumbent.

ACKNOWLEDGEMENT: Payment of Performance Incentive Compensation of any type will be forfeited, unless the Human Resources Department has received a signed acknowledgement of receipt of the Compensation Plan prior to the applicable payment date.

INTERPRETATIONS: The Compensation Committee of the Board of Directors retains the right to modify, change or terminate the Compensation Plan at any time and for any reason. It also reserves the right to determine the final interpretation of any provision contained in the Compensation Plan and it reserves the right to modify or change the Revenue and EBITDA Targets as defined herein in the event of the sale or disposition of any of the assets of the Company. While the plan is intended to represent all situations and circumstances, some issues may not easily be addressed. The Compensation Committee will endeavor to review all standard and non-standard issues related to the Compensation Plan and will provide quick interpretations that are in the best interest of the Company, its shareholders and the incumbent.

CHAIRMAN, CHIEF EXECUTIVE OFFICER AND PRESIDENT

Base Pay and Performance Incentive Compensation Targets

The compensation for the below named individual as follows:

Annualized Base Pay:	\$ 271,115
Performance Incentive Compensation Target (at 100% of Plan):	\$ 135,558
Total Annual Target Compensation (at 100% of Plan):	\$ 406,673

The Performance Incentive Compensation Target is based on the Schedule A below.

Target Objectives	Weights	Performance Target Thresholds						
		85-100%	101-120%	121-130%	131-140%	141-150%	151-160%	161%+
Revenue	15%	20,334	24,400	26,434	28,467	30,500	32,534	35,584
EBITDA	55%	74,556	89,467	96,922	104,378	111,833	119,289	130,472
Health & Safety	15%	20,334	24,400	26,434	28,467	30,500	32,534	35,584
Permit & License Violations	15%	20,334	24,400	26,434	28,467	30,500	32,534	35,584
		135,558	162,667	176,224	189,779	203,333	216,891	237,224

- 1) Revenue is defined as the total consolidated third party top line revenue from continuing operations as publicly reported in the Company's financial statements. The percentage achieved is determined by comparing the actual consolidated revenue from continuing operations to the Board approved Revenue Target from continuing operations, which is \$126,190,000. The Board reserves the right to modify or change the Revenue Targets as defined herein in the event of the sale or disposition of any of the assets of the Company or in the event of an acquisition.
- 2) EBITDA is defined as earnings before interest, taxes, depreciation, and amortization from continuing operations. The percentage achieved is determined by comparing the actual EBITDA to the Board approved EBITDA Target, which is \$9,567,000. The Board reserves the right to make adjustments to the EBITDA Target to account for the unique accounting treatment of fair market value of percentage of completion contracts resulting from the acquisition of Safety and Ecology Holdings Corporation and its subsidiaries ("SEC").
- 3) The Health and Safety Incentive Target is based upon the actual number of Worker's Compensation Lost Time Accidents, as provided by the Company's Worker's Compensation carrier. The Corporate Treasurer will submit a report on a quarterly basis documenting and confirming the number of Worker's Compensation Lost Time Accidents, supported by the AIG Worker's Compensation Loss Report. Such claims will be identified on the loss report as "indemnity claims." The following number of Worker's Compensation Lost Time Accidents and corresponding Performance Target Thresholds has been established for the annual Incentive Compensation Plan calculation for 2013.

Work Comp. Claim Number	Performance Target
7	85% - 100%
6	101% - 120%
5	121% - 130%
4	131% - 140%
3	141% - 150%
2	151% - 160%
1	161% Plus

- 4) Permits or License Violations incentive is earned/determined according to the scale set forth below: An “official notice of non-compliance” is defined as an official communication from a local, state, or federal regulatory authority alleging one or more violations of an otherwise applicable Environmental, Health or Safety requirement or permit provision, which results in a facility’s implementation of corrective action(s).

Permit and License Violations	Performance Target
7	85% - 100%
6	101% - 120%
5	121% - 130%
4	131% - 140%
3	141% - 150%
2	151% - 160%
1	161% Plus

- 5) No performance incentive compensation will be payable for achieving the health and safety, permit and license violation, and revenue targets unless a minimum of 70% of the EBITDA Target is achieved.
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Performance Incentive Compensation Payment

Effective date of plan is January 1, 2013 and incentive will be for entire year. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on final Form 10-K financial statement.

ACKNOWLEDGMENT:

I acknowledge receipt of the aforementioned Chairman, Chief Executive Officer and President 2013 - Compensation Plan. I have read and understand and accept employment under the terms and conditions set forth therein.

/s/ Louis Centofanti
/S/ Dr. Louis Centofanti

6/12/2013
Date

/s/Mark Zwecker
/S/ Board of Directors

6/12/2013
Date

VICE PRESIDENT, CHIEF FINANCIAL OFFICER

Effective: January 1, 2013

VICE PRESIDENT, CHIEF FINANCIAL OFFICER

PURPOSE: To define the compensation plan for the Vice President, Chief Financial Officer.

SCOPE: Perma-Fix Environmental Services, Inc.

POLICY: The Vice President, Chief Financial Officer Compensation Plan is designed to retain, motivate and reward the incumbent to support and achieve the business, operating and financial objectives of Perma-Fix Environmental Services, Inc (the "Company").

BASE SALARY: The Base Salary indicated below is paid in equal periodic installments per the regularly scheduled payroll.

PERFORMANCE INCENTIVE COMPENSATION: Performance Incentive Compensation is available based on the Company's financial results noted in Schedule A. Effective date of plan is January 1, 2013 and incentive will be for entire year. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on final 10-K financial statement.

SEPARATION: If employment is separated prior to the annual incentive compensation payment date as noted above, no incentive compensation is due to the incumbent.

ACKNOWLEDGEMENT: Payment of Performance Incentive Compensation of any type will be forfeited, unless the Human Resources Department has received a signed acknowledgement of receipt of the Compensation Plan prior to the applicable payment date.

INTERPRETATIONS: The Compensation Committee of the Board of Directors retains the right to modify, change or terminate the Compensation Plan at any time and for any reason. It also reserves the right to determine the final interpretation of any provision contained in the Compensation Plan and it reserves the right to modify or change the Administrative and EBITDA Target as defined herein in the event of the sale or disposition of any of the assets of the Company. While the plan is intended to represent all situations and circumstances, some issues may not easily be addressed. The Compensation Committee will endeavor to review all standard and non-standard issues related to the Compensation Plan and will provide quick interpretations that are in the best interest of the Company, its shareholders and the incumbent.

VICE PRESIDENT, CHIEF FINANCIAL OFFICER

Base Pay and Performance Incentive Compensation Targets

The compensation for the below named individual as follows:

Annualized Base Pay:	\$ 214,240
Performance Incentive Compensation Target (at 100% of Plan):	\$ 53,560
Total Annual Target Compensation (at 100% of Plan):	\$ 267,800

The Performance Incentive Compensation Target is based on the Schedule A below.

	Weights	Performance Target Thresholds						
		100%+	98-99%	96-97%	94-95%	92-93%	90-91%	88-89%
Administrative	25%	13,390	16,068	17,407	18,746	20,085	21,424	23,433
	Weights	Performance Target Thresholds						
		85-100%	101-120%	121-130%	131-140%	141-150%	151-160%	161%+
EBITDA	50%	26,780	32,136	34,814	37,492	40,170	42,848	46,865
Discretionary	25%	13,390	16,068	17,407	18,746	20,085	21,424	23,433
		53,560	64,272	69,628	74,984	80,340	85,696	93,731

- 1) Administrative Expense is defined as the total consolidated administrative expenses from continuing operations as publicly reported in the Company's financial statements. Administrative expenses will be inclusive of all subsidiaries from continuing operations, and will exclude Marketing Expenses and Interest Expense. The Board reserves the right to make adjustments to Administrative expense Target so as not to penalize the employee for material unforeseen events outside of the employees responsibility and it reserves the right to modify or change the Administrative Expense Targets as defined herein, which is \$13,390,000 in the event of the sale or disposition of any of the assets of the Company or in the event of an acquisition. The Board further reserves the right to adjust Administrative Expenses Target to reflect charges resulting from the vesting of incentive stock options.
- 2) EBITDA is defined as earnings before interest, taxes, depreciation, and amortization from continuing operations. The percentage achieved is determined by comparing the actual EBITDA to the Board approved EBITDA Target, which is \$9,567,000. The Board reserves the right to make adjustments to the EBITDA Target to account for the unique accounting treatment of fair market value of percentage of completion contracts resulting from the acquisition of Safety and Ecology Holdings Corporation and its subsidiaries ("SEC").
- 3) Discretionary incentive payment is to be approved by the Compensation Committee based on achievement of accounting, financial, and accounting centralization and information technology oversight objectives, including but not limited to:
 - Compliance with the requirement of the Sarbanes-Oxley Act of 2002 ("SOX");
 - Meeting public filing deadlines such as Form 10-K, Form 10-Qs, Form 8-Ks, and press releases;
 - Automation and centralization of accounting processes, including but not limited to: (a) install multi-company software at corporate office; (b) improve forecasting model from facilities including new software, if cost effective; (c) sales and opportunity tracking system; (d) complete improvement to time management system; and (e) improve project tracking system; and
 - Collection of problem accounts receivable.
- 4) No discretionary performance incentive compensation will be payable unless a minimum of 70% of the EBITDA Target is achieved. In addition, no performance incentive compensation will be payable for achieving the administrative expense target unless a minimum of 70% of the EBITDA Target is achieved.

Performance Incentive Compensation Payment

Effective date of plan is January 1, 2013 and incentive will be for entire year. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on final Form 10-K financial statement.

ACKNOWLEDGMENT:

I acknowledge receipt of the aforementioned Vice President, Chief Financial Officer 2013 - Compensation Plan. I have read and understand and accept employment under the terms and conditions set forth therein.

/s/ Ben Naccarato
/s/Ben Naccarato

6/12/2013
Date

/s/Mark Zwecker
/s/ Board of Director

6/12/2013
Date

CHIEF OPERATING OFFICER

Effective: January 1, 2013

CHIEF OPERATING OFFICER

PURPOSE: To define the compensation plan for the CHIEF OPERATING OFFICER.

SCOPE: Perma-Fix Environmental Services, Inc.

POLICY: The Compensation Plan is designed to retain, motivate and reward the incumbent to support and achieve the business, operating and financial objectives of Perma-Fix Environmental Services, Inc. (the "Company").

BASE SALARY: The Base Salary indicated below is paid in equal periodic installments per the regularly scheduled payroll.

PERFORMANCE INCENTIVE COMPENSATION: Performance Incentive Compensation is available based on the Company's financial results noted in Schedule A. Effective date of plan is January 1, 2013. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on final Form 10-K financial statement.

SEPARATION: If employment is separated prior to the annual incentive compensation payment date as noted above, no incentive compensation is due to the incumbent.

ACKNOWLEDGEMENT: Payment of Performance Incentive Compensation of any type will be forfeited, unless the Human Resources Department has received a signed acknowledgement of receipt of the Compensation Plan prior to the applicable payment date.

INTERPRETATIONS: The Compensation Committee of the Board of Directors retains the right to modify, change or terminate the Compensation Plan at any time and for any reason. It also reserves the right to determine the final interpretation of any provision contained in the Compensation Plan and it reserves the right to modify or change the Revenue and EBITDA Targets as defined herein in the event of the sale or disposition of any of the assets of the Company. While the plan is intended to represent all situations and circumstances, some issues may not easily be addressed. The Compensation Committee will endeavor to review all standard and non-standard issues related to the Compensation Plan and will provide quick interpretations that are in the best interest of the Company, its shareholders and the incumbent.

CHIEF OPERATING OFFICER

Base Pay and Performance Incentive Compensation Targets

The compensation for the below named individual as follows:

Annualized Base Pay:	\$ 252,350
Performance Incentive Compensation Target (at 100% of Plan):	\$ 126,175
Total Annual Target Compensation (at 100% of Plan):	\$ 378,525

The Performance Incentive Compensation Target is based on the schedule A below.

Target Objectives								
	Weights	Performance Target Thresholds						
		85-100%	101-120%	121-130%	131-140%	141-150%	151-160%	161%+
Revenue	15%	18,926	22,712	24,604	26,497	28,389	30,282	33,121
EBITDA	55%	69,397	83,277	90,216	97,156	104,096	111,036	121,445
Health & Safety	15%	18,926	22,712	24,604	26,497	28,389	30,282	33,121
Permit & License Violations	15%	18,926	22,712	24,604	26,497	28,389	30,282	33,121
		126,175	151,413	164,028	176,647	189,263	201,882	220,808

- 1) Revenue is defined as the total consolidated third party top line revenue from continuing operations as publicly reported in the Company's financial statements. The percentage achieved is determined by comparing the actual consolidated revenue from continuing operations to the Board approved Revenue Target from continuing operations, which is \$126,190,000. The Board reserves the right to modify or change the Revenue Targets as defined herein in the event of the sale or disposition of any of the assets of the Company or in the event of an acquisition.
- 2) EBITDA is defined as earnings before interest, taxes, depreciation, and amortization from continuing operations. The percentage achieved is determined by comparing the actual EBITDA to the Board approved EBITDA Target, which is \$9,567,000. The Board reserves the right to make adjustments to the EBITDA Target to account for the unique accounting treatment of fair market value of percentage of completion contracts resulting from the acquisition of Safety and Ecology Holdings Corporation and its subsidiaries ("SEC").
- 3) The Health and Safety Incentive target is based upon the actual number of Worker's Compensation Lost Time Accidents, as provided by the Company's Worker's Compensation carrier. The Corporate Treasurer will submit a report on a quarterly basis documenting and confirming the number of Worker's Compensation Lost Time Accidents, supported by the AIG Worker's Compensation Loss Report. Such claims will be identified on the loss report as "indemnity claims." The following number of Worker's Compensation Lost Time Accidents and corresponding Performance Target Thresholds has been established for the annual Incentive Compensation Plan calculation for 2013.

Work Comp. Claim Number	Performance Target
7	85% - 100%
6	101% - 120%
5	121% - 130%
4	131% - 140%
3	141% - 150%
2	151% - 160%
1	161% Plus

- 4) Permits or License Violations incentive is earned/determined according to the scale set forth below: An “official notice of non-compliance” is defined as an official communication from a local, state, or federal regulatory authority alleging one or more violations of an otherwise applicable Environmental, Health or Safety requirement or permit provision, which results in a facility’s implementation of corrective action(s).

Permit and License Violations	Performance Target
7	85% - 100%
6	101% - 120%
5	121% - 130%
4	131% - 140%
3	141% - 150%
2	151% - 160%
1	161% Plus

- 5) No performance incentive compensation will be payable for achieving the health and safety, permit and license violation, and revenue targets unless a minimum of 70% of the EBITDA Target is achieved.
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Performance Incentive Compensation Payment

Effective date of plan is January 1, 2013. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on final Form 10-K financial statement.

ACKNOWLEDGMENT:

I acknowledge receipt of the aforementioned Chief Operating Officer 2013 - Compensation Plan. I have read and understand and accept employment under the terms and conditions set forth therein.

/s/James Blankenhorn
/S/ James A. Blankenhorn

6/12/2013
Date

/s/Mark Zwecker
/S/ Board of Directors

6/12/2013
Date
