
**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): September 22, 2010

ModusLink Global Solutions, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

000-23262
(Commission
File No.)

04-2921333
(IRS Employer
Identification No.)

1100 Winter Street
Waltham, Massachusetts
(Address of principal executive offices)

02451
(Zip Code)

(781) 663-5001
(Registrant's telephone number, including area code)

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 (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))
-
-

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

(e)

Bonus Targets.

On September 22, 2010, the Human Resources and Compensation Committee (the "Committee") of the Board of Directors of ModusLink Global Solutions, Inc. (the "Corporation") approved the bonus targets, as a percentage of base salary, for fiscal year 2011 for the executive officers named in the table below:

| <u>Name</u> | <u>Bonus Target %</u> |
|---------------------|-----------------------|
| Joseph C. Lawler | 125% |
| Steven G. Crane | 70% |
| Peter L. Gray | 60% |
| William R. McLennan | 80% |
| David J. Riley | 50% |

Performance-Based Restricted Stock Bonus Plan.

On September 22, 2010, the Committee also established the ModusLink Global Solutions FY2011 Performance-Based Restricted Stock Bonus Plan, for the issuance of performance-based restricted shares of the Corporation's common stock to each of the Corporation's executive officers and other senior executives. The award of restricted shares of common stock under this plan is contingent upon the Corporation's achievement of certain threshold, target and maximum levels of Operating Income for fiscal 2011. No awards will be made under the plan if the threshold level of Operating Income is not achieved. Awards would be made, if at all, on the third business day following the day the Corporation publicly releases its financial results for the fiscal year ending July 31, 2011. Any awards of restricted shares under this bonus plan would vest in two equal installments, on the first and second anniversaries of the grant date provided the recipient remains employed by the Corporation, or a subsidiary of the Corporation, on each such vesting date. The awards which would be made if the performance criteria are met, for each executive officer, subject to a straight line sliding scale between levels, is set forth below:

| <u>Name</u> | <u>Number of Shares</u> | | |
|---------------------|-------------------------|---------------|----------------|
| | <u>Threshold</u> | <u>Target</u> | <u>Maximum</u> |
| Joseph C. Lawler | 12,500 | 50,000 | 100,000 |
| Steven G. Crane | 2,500 | 10,000 | 20,000 |
| Peter L. Gray | 2,500 | 10,000 | 20,000 |
| William R. McLennan | 4,000 | 16,000 | 32,000 |
| David J. Riley | 2,500 | 10,000 | 20,000 |

The foregoing description is subject to, and qualified in its entirety by, the Summary of ModusLink Global Solutions FY2011 Performance-Based Restricted Stock Bonus Plan filed as an exhibit hereto, which exhibit is incorporated herein by reference.

Amendment to Executive Severance Agreement.

On September 28, 2010, the Corporation and Joseph C. Lawler, the Corporation's Chairman, President and Chief Executive Officer, entered into the Second Amendment to Executive Severance Agreement (the "Amendment"), which amended the Executive Severance Agreement dated August 23, 2004, as amended on January 4, 2008 (the "Agreement"). The Amendment (i) extends full vesting to all of Mr. Lawler's stock options and restricted stock awards in the event of a termination of employment within 12 months following a Change of Control (as defined in the Agreement), as opposed to full vesting for only those stock options and restricted stock awards made pursuant to his employment offer letter dated August 23, 2004; and (ii), provides that the legal release of claims required for payment of severance benefits under the Agreement be delivered with 60 days of the termination date in order to comply with Section 409A of the Internal Revenue Code.

The foregoing description of the Amendment is qualified in its entirety by reference to the full text of such agreement, which is filed as an exhibit hereto and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The exhibits listed in the Exhibit Index below are filed with this report.

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.

ModusLink Global Solutions, Inc.

Date: September 28, 2010

By: /s/ Steven G. Crane

Steven G. Crane

Chief Financial Officer

EXHIBIT INDEX

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|---|
| 10.1 | Summary of ModusLink FY2011 Performance-Based Restricted Stock Bonus Plan |
| 10.2 | Second Amendment to Executive Severance Agreement dated September 28, 2010, by and between ModusLink Global Solutions, Inc. and Joseph C. Lawler. |

MODUSLINK GLOBAL SOLUTIONS, INC.

SUMMARY OF FY2011 PERFORMANCE-BASED RESTRICTED STOCK BONUS PLAN

On September 22, 2010, the Human Resources and Compensation Committee of the Board of Directors of ModusLink Global Solutions, Inc. established a performance-based restricted stock bonus plan pursuant to which grants of restricted shares of ModusLink Global Solutions common stock may be made to certain executive officers of ModusLink Global Solutions (as defined by Section 16 of the Securities Exchange Act of 1934, as amended).

Subject to the achievement of pre-determined threshold, target and maximum levels of Operating Income in fiscal year 2011, the executive officers would receive restricted shares (with a straight line sliding scale being applied between levels) of ModusLink Global Solutions common stock as follows:

| <u>Name</u> | <u>Number of Shares</u> | | |
|---------------------|-------------------------|---------------|----------------|
| | <u>Threshold</u> | <u>Target</u> | <u>Maximum</u> |
| Joseph C. Lawler | 12,500 | 50,000 | 100,000 |
| Steven G. Crane | 2,500 | 10,000 | 20,000 |
| Peter L. Gray | 2,500 | 10,000 | 20,000 |
| William R. McLennan | 4,000 | 16,000 | 32,000 |
| David J. Riley | 2,500 | 10,000 | 20,000 |

No awards will be made under the plan if the threshold level of Operating Income is not achieved. The issuance of the restricted shares of ModusLink Global Solutions common stock would be made, if at all, on the third business day following the day ModusLink Global Solutions publicly releases its financial results for the fiscal year ending July 31, 2011. Any awards under this bonus plan would vest in two equal installments, on the first and second anniversaries of the grant date provided the recipient remains employed by ModusLink Global Solutions, or a subsidiary of ModusLink Global Solutions, on each such vesting date.

SECOND AMENDMENT TO EXECUTIVE SEVERANCE AGREEMENT

This Second Amendment to Executive Severance Agreement (the "Amendment") is entered into on this 28th day of September, 2010, by and between ModusLink Global Solutions, Inc. (formerly known as CMGI, Inc.), a Delaware corporation (the "Company") and Joseph C. Lawler ("Executive");

WHEREAS, the parties have entered into an Executive Severance Agreement dated as of August 23, 2004 (the "Agreement"); and

WHEREAS, the parties have previously amended the Agreement by an amendment dated January 4, 2008 (the "First Amendment");

WHEREAS, the parties mutually desire to further amend the Agreement;

NOW, THEREFORE, the parties hereto agree as follows:

Unless the context indicates otherwise, capitalized terms used but not defined in this Amendment shall have the respective meanings assigned to them in the Agreement (as amended by the First Amendment);

Section 3(b) is amended by substituting the following therefore:

"(b) In the event the employment of the Executive is terminated by the Company for a reason other than for Cause (as defined below) or by the Executive for Good Reason (as defined below), within twelve (12) months following a Change of Control (as defined below) of the Company, (i) the Company shall pay to the Executive a severance payment equal to the sum of 24 months of his then-current monthly base salary plus two times his target annual bonus as in effect on the Executive's last day of employment, (ii) the Company shall reimburse the Executive for the cost of COBRA for medical, dental and vision benefits for 18 months following Executive's last day of employment and (iii) all of the Executive's stock options and/or restricted stock which are then outstanding shall be immediately vested, such vested awards that were granted as restricted stock shall be free of restrictions and such vested awards that were granted as options shall remain exercisable for a period of 6 months following the Executive's last day of employment (but not to exceed the original term of such awards). The severance payment will be payable in full ten (10) business days after the effective date of the release referenced in Section (c) below, unless the parties agree otherwise."

Section 3(c) is amended effective as of January 1, 2009 by adding the following to the end thereof:

"An executed release shall be delivered to the Company and not revoked by the sixtieth (60th) day following Executive's termination of employment, or no severance pay under Section 3(b) shall be payable to the Executive. Additionally, if the timing of the severance pay would allow the Executive to determine whether payment will be made in one taxable year or another depending upon the delivery of the release, the severance pay

shall be paid in the later taxable year, regardless of when the release is delivered, but no later than 2 1/2 months after the year in which the Executive's termination of employment occurred. For purposes of this Agreement the Executive's termination of employment shall mean his "separation from service" within the meaning of Treasury Regulation Section 1.409A-1(h)."

The Agreement is affirmed, ratified and continued as previously amended by the First Amendment and as amended hereby.

IN WITNESS WHEREOF, the parties hereto have signed their names as of the day and year first written above.

MODUSLINK GLOBAL SOLUTIONS, INC.

By: /s/ Peter L. Gray
Peter L. Gray

Its: Executive Vice President and General Counsel

EXECUTIVE

/s/ Joseph C. Lawler
Joseph C. Lawler