

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): August 15, 2012

SEACHANGE INTERNATIONAL, INC.

(Exact Name of Registrant as Specified in its Charter)

DELAWARE

(State or Other Jurisdiction of
Incorporation or Organization)

0-21393

(Commission File Number)

04-3197974

(I.R.S. Employer Identification No.)

50 Nagog Park, Acton, MA

(Address of Principal Executive Offices)

01720

(Zip Code)

Registrant's telephone number including area code: (978) 897-0100

No change since last report

(Former Name or Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions ~~see~~ General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

As previously disclosed on Form 8-K filed August 3, 2012, SeaChange eliminated the position of Executive Vice President of Worldwide Sales and Services and terminated the employment of Ira Goldfarb who previously held this position.

In connection with his termination, Mr. Goldfarb and SeaChange entered into a separation agreement and general release, dated as of August 15, 2012 (the "Separation Agreement"). Under the terms of the Separation Agreement, SeaChange, in exchange for Mr. Goldfarb's release of claims, will: (i) pay Mr. Goldfarb his current annual base salary of \$350,000 payable in twenty-four equal twice-monthly installments on SeaChange's regular payroll schedule; and (ii) pay for 12 months of Mr. Goldfarb's COBRA health care coverage, or a lesser period until Mr. Goldfarb becomes eligible for health care coverage from a new employer.

Within ten (10) days from the date of the Separation Agreement, SeaChange will issue Mr. Goldfarb the following: (i) 3,000 shares of common stock, constituting all shares owing to Mr. Goldfarb upon the vesting of restricted stock units ("RSUs") under the retention bonus award made to Mr. Goldfarb on July 20, 2011; (ii) 15,381 shares of common stock, constituting all RSUs scheduled to vest on February 1, 2013, pursuant to RSUs granted in connection with SeaChange's Fiscal 2011 compensation and bonus plan; and (iii) 2,443 shares of common stock, constituting all RSUs scheduled to vest on February 1, 2013 pursuant to RSUs granted in connection with SeaChange's Fiscal 2012 compensation and bonus plan.

Mr. Goldfarb will remain eligible to receive an award under SeaChange's fiscal year 2013 compensation and bonus plan, as disclosed in the Form 8-K filed May 1, 2012, with such payments, if any, to be made at the time and under the terms as would have applied had Mr. Goldfarb remained actively employed by SeaChange; provided the payout will be pro-rated, based on the number of days that have elapsed in the current fiscal year as of the separation date (i.e., 50.55%).

Under the Separation Agreement, Mr. Goldfarb agreed to non-competition and non-solicitation provisions restricting his activities for a one-year post-employment period.

The foregoing summary of the Separation Agreement does not purport to be complete and is qualified in its entirety by reference to the Separation Agreement, which is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

The following Exhibit is attached to this report:

<u>Exhibit No.</u>	<u>Description</u>
10.1	Separation Agreement and General Release, dated as of August 15, 2012, by and between SeaChange International, Inc. and Ira Goldfarb.

SIGNATURE

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

SEACHANGE INTERNATIONAL, INC.

By: /s/ Raghu Rau
Raghu Rau
Chief Executive Officer

Dated: August 17, 2012

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
10.1	Separation Agreement and General Release, dated as of August 15, 2012, by and between SeaChange International, Inc. and Ira Goldfarb.

SEPARATION AGREEMENT AND GENERAL RELEASE

This Separation Agreement and General Release (the "Agreement") is entered into by and between SeaChange International, Inc. (the "Company") and Ira Goldfarb (the "Employee").

1. Termination of Employment. Employee's employment ended on August 3, 2012 (the "Separation Date"). By signing this Agreement, Employee acknowledges receipt of all salary, bonuses, and other employment compensation due through and including the Separation Date, except as set forth below in this Section 1. Employee further acknowledges that the Company has paid Employee for all accrued but unused paid leave, which totals the gross amount of \$5,894.04, representing 4.3 days of vacation. As of the Separation Date, no further leave will be accrued.

Within ten (10) days from the date of this Agreement the Company will issue Employee the following:

- (i) 3,000 shares of common stock, constituting all shares owing to Employee upon the vesting of RSUs under the retention bonus award made to Employee on July 20, 2011 (the "2011 Retention Award");
- (ii) 15,381 shares of common stock, constituting all RSUs scheduled to vest on February 1, 2013 pursuant to RSUs granted in connection with the Company's Fiscal 2011 bonus plan (the "FY2011 Bonus Award");
- (iii) 2,443 shares of common stock, constituting all RSUs scheduled to vest on February 1, 2013 pursuant to RSUs granted in connection with the Company's Fiscal 2012 bonus plan (the "FY2012 Bonus Award").

In addition, Employee shall remain eligible to receive certain cash and RSU awards under the Company's fiscal year 2013 bonus plan, with such payments, if any, to be made at the time and under the terms as would have applied had Employee remained actively employed by the Company; provided that (1) any payouts will be pro-rated based on the number of days that have elapsed in the current 2013 fiscal year as of the Separation Date (i.e., Employee is entitled to 50.55% of the potential target awards based upon 185 days elapsing out of 366 days in the current fiscal year); and (2) payment shall only be paid to the extent that Employee achieves his personal goals and all applicable financial thresholds and requirements are met under the 2013 bonus plan, as calculated based on the Company's fiscal 2013 year end financials (note amount is dependent upon the year end revenue numbers) (the "FY2013 Bonus Award").

2. Benefits. Whether or not the Employee signs this agreement, Employee or Employee's eligible dependent(s) may be eligible for continuation of Employee's group medical and dental insurance coverage for up to eighteen (18) months following the Separation Date, at his or their own expense, under the federal law known as COBRA. The Company will provide Employee with further information relating to Employee's eligibility for COBRA coverage under separate cover. Except as provided herein, Employee's right to any and all Company benefits terminated on the Separation Date.

3. Stock Option and RSUs. All of Employee's rights and obligations to stock options and restricted stock units, including without limitation vesting, exercise and expiration, will continue to be governed by the terms and conditions of the applicable plan pursuant to which such award was granted (whether the Company's Amended and Restated 1995 Stock Option Plan, the Company's Amended and Restated 2005 Equity Compensation and Incentive Plan, or the Company's 2011 Compensation and Incentive Plan) (as applicable, the "Stock Plan") and the agreements in connection therewith pursuant to which the applicable award was granted (the "Stock Agreement").

4. Severance Payments. If Employee signs this Agreement within forty-five (45) days and does not revoke Employee's acceptance within seven (7) days thereafter, then, in exchange for the promises contained herein, the Company will provide Employee with the following payments (the "Severance Payments"), which consideration Employee acknowledges is not otherwise owed to Employee under any employment agreement (oral or written) or any Company policy or practice:

a. In exchange for Employee's release of claims under the federal Age Discrimination in Employment law ("ADEA"), the Company shall provide Employee with six (6) months of severance pay, in the total gross amount of one hundred seventy five thousand dollars (\$175,000.00), payable in equal installments on the normal twice-monthly payroll schedule, less applicable deductions and withholdings.

b. In exchange for Employee's release of all other claims of discrimination of any sort, the Company shall provide Employee with an additional six (6) months of severance pay, in the total gross amount of one hundred seventy five thousand dollars (\$175,000.00), less applicable deductions and withholdings.

c. In exchange for Employee's release of all other claims of any nature, the Company shall provide Employee with (a) one (1) year of Company paid COBRA coverage, or a lesser period until the Employee becomes eligible for health care coverage from a new employer; (b) the 2011 Retention Award (3,000 vested RSUs), (c) the FY2011 Bonus Award (15,381 vested RSUs), (d) the 2012 Bonus Award (2,443 vested RSUs), and (e) the payment of potential amounts under the Company's fiscal year 2013 compensation and bonus plan (the "FY13 Bonus Plan"). For clarity, assuming all thresholds and goals are met, payments under the FY13 Bonus Plan could constitute up to 50.55% of Employee's FY2013 Bonus of \$200,000, of which \$50,000 is payable in cash and \$150,000 is payable in RSUs.

The amounts referenced in Paragraphs 4(a) – (d) are collectively referred to herein as the "Severance Payments." The payments made on account of Employee's annual salary will be paid in twenty four (24) equal installments on the Company's regular payroll dates, the first such payment to be made on the first regular payroll date following the eighth (8th) day after the Company receives the signed Agreement from Employee (the "Effective Date"). The payment in respect of the FY2013 Bonus Plan shall, subject to the terms of this Agreement, be payable at the same time and in the same manner as other recipients of awards pursuant to the FY2013 Bonus Plan.

d. If the Company has advanced a tax payment on behalf of Employee in connection with shares of restricted stock units (RSU) granted to Employee, Employee agrees that the amount of any such tax payment made by the Company on his behalf shall be deducted from the Severance Payments in full and final payment of all taxes advanced by the Company and owed by Employee.

5. Company Property. By signing this Agreement, Employee represents and acknowledges that Employee has returned to the Company all originals and copies (both in paper and electronic form) of all Company documents and data and all Company property, including without limitation, fax machines, scanners, copiers, Company credit cards and telephone charge cards, manuals, building keys and passes, courtesy parking passes, diskettes, intangible information stored on diskettes, software programs and data compiled with the use of those programs, software passwords or codes, tangible copies of trade secrets and confidential information, sales forecasts, confidential names and addresses of Company customers and potential customers, customer lists, confidential customer contacts, sales information, sales forecasts, memoranda, sales brochures, business or marketing plans, reports, projections, and all other information or property held or used by Employee in connection with Employee's employment with the Company. Notwithstanding the foregoing, Employee shall be entitled to retain the personal computer, laptop and cellular phone used in his employment by the Company, subject to removal therefrom by Employee, which removal Employee hereby certifies that he has completed, of all Company documents and data.

6. General Release of Claims

a. In exchange for the Severance Payments, Employee, on behalf of Employee and Employee's spouse, heirs, executors, administrators, trustees, legal representatives, and assigns, hereby releases, indemnifies, holds harmless and forever discharges the Company, its predecessors and successors, its past and present parent corporations, divisions, subsidiaries, and affiliates, and the past and present officers, directors, employees, consultants, shareholders, partners, benefit plans, attorneys, agents, and assigns of any of them (any or all of which are referred to as the "Releasees"), from any and all claims, demands, liabilities, actions, and causes of action of every name and nature, whether known or unknown, that Employee now has or ever had from the beginning of the world to Effective Date or that arise out of or relate to Employee's employment by or separation from employment with the Releasees or any of them. This general release of claims is intended by Employee to be all encompassing and to act as a full and total release of any legally available claims, whether specifically enumerated herein or not, that Employee may have or may have had against the Releasees arising from conduct occurring up to and through the Effective Date of this Agreement, including but not limited to any and all claims under local, state or federal law for wrongful discharge, wrongful termination, or wrongful dismissal; any and all claims for breach of an express or implied contract, covenant, or agreement; any and all claims for unlawful discrimination or harassment (including but not limited to claims alleged based on race, sex, sexual preference or sexual orientation, marital status, pregnancy, religion, creed, age, handicap, disability, national origin, ethnic heritage, ancestry, veteran status, retaliation, genetic information or any other protected classification protected by local, state, or federal law); any and all claims for violation of any fair employment practice law, including the Age Discrimination in Employment Act, 29 U.S.C. §621 et seq.; any and all claims under the Family and Medical Leave Act, or any other federal, state or local law concerning leaves of absence; any and all claims under the Worker Adjustment and Retraining Notification ("WARN") Act or any other local, state, or federal law; any and all claims under the Employee Retirement Income Security Act (other than claims against an employee benefit plan seeking payment of a vested benefit under the terms of that plan); any and all claims pursuant to any other state law, including but not limited to, the Pennsylvania Human Relations Act, 43 P.S. § 951, et seq., the Pennsylvania Equal Pay Law, 43 P.S. §§ 336.1-336.10, and the Pennsylvania Protection of Employees Act, 34 Pa. Code § 319.1 et seq.; any and all claims for infliction of emotional distress; any and all claims for defamation; any and all claims for invasion of any right of privacy; any and all negligence claims; any and all tort claims; any and all statutory claims; any and all constitutional claims; any and all claims for violation of any civil rights; any and all claims for reinstatement or reemployment by the Releasees; any and all claims for wages, bonuses, incentive compensation, equity compensation, stock payments or appraisal rights, phantom stock payments, or other compensation or benefits, and any and all claims for compensatory or punitive damages, interest, attorney's fees, or costs, including costs and fees already incurred.

b. This release shall not be construed to impair Employee's right to enforce the terms of this Agreement. Nor does this release waive Employee's right to seek a judicial determination of the validity of his waiver of ADEA rights and claims.

c. This release does not include any claim which, as a matter of law, cannot be released by private agreement. Nor does this release prohibit or bar Employee, nor the Directors or Officers of the Company from providing truthful testimony in any legal proceeding, from cooperating with, or making truthful disclosures to, any local, state, or federal anti-discrimination agency. Notwithstanding the foregoing, with respect to any claim that can be released by private agreement, Employee agrees to release and waive Employee's right (if any) to any monetary damages or other recovery as to such claims, including any claims brought on Employee's behalf, either individually or as part of a collective action, by any governmental agency or other third party.

7. Non-Filing of Claims. Employee represents and warrants that Employee has not filed any complaints, charges or claims for relief against any of the Releasees with any local, state or federal court or administrative agency.

8. Non-Disparagement. Except as permitted by Section 6(c), Employee agrees not to make any statement, written or oral, which disparages the Company, its products or services, or any of its directors, officers, employees, or agents, it being understood and agreed that factual statements made in the ordinary course of conducting commercial business shall not be deemed to constitute disparagement. Except as permitted by Section 6 (c), neither the Directors nor Officers of the Company shall make any statement written or oral which disparages the Employee.

9. Cooperation. Employee hereby agrees to provide commercially reasonable assistance to and cooperation with the Company if called upon by it with regard to: (i) the transition of Employee's job responsibilities, and (ii) any lawsuit, claim, action, investigation, administrative review or otherwise that may be brought by a third party against the Company and which may involve facts or knowledge of which Employee may be aware as a result of Employee's employment or position with the Company. The Company will reimburse Employee for any reasonable out of pocket expenses incurred by Employee in connection with the foregoing.

10. Waiver of Rights and Claims Under the Age Discrimination in Employment Act. Because Employee is forty (40) years of age or older, Employee is protected against age discrimination by the federal Age Discrimination in Employment Act. Employee has or may have specific rights and/or claims under the Age Discrimination in Employment Act of 1967 (ADEA) and the Employee agrees that:

(a) In consideration for the amounts described in Section 4(a) of this Agreement, which Employee is not otherwise entitled to receive, Employee specifically and voluntarily waives such rights and/or claims under the ADEA, as amended by the Older Workers Benefit Protection Act, that Employee might have against the Company Releasees to the extent such rights and/or claims arose prior to the date this Agreement was executed.

(b) Employee understands that rights or claims under the ADEA which may arise after the date this Agreement is executed are not waived by Employee.

(c) The Company has advised Employee that Employee has at least forty-five (45) days within which to consider the terms of this Agreement (including all Exhibits). The Company advises Employee to consult with or seek advice from an attorney of Employee's choice prior to executing this Agreement. If Employee signs this Agreement in fewer than forty-five (45) days, Employee acknowledges that the decision was entirely voluntary and that Employee was given the full forty-five (45) days to consider the Agreement. If Employee does not sign this Agreement and return it to the Company within forty-five (45) days, the offer contained herein shall be null and void.

(d) The forty-five (45) day review period will not be affected or extended by any revisions, whether material or immaterial, that might be made to this Agreement.

(e) Employee understands that Employee may revoke this Agreement for a period of seven (7) days after signing this Agreement, and that it shall not be effective or enforceable until the expiration of this seven (7) day Revocation Period. To revoke this Agreement, a written notice of revocation must be received by Human Resources at the Company within the 7-day revocation period.

(f) Employee has carefully read and fully understands all of the provisions of this Agreement, and Employee knowingly and voluntarily agrees to all of the terms set forth in this Agreement; and

(g) In entering into this Agreement Employee is not relying on any representation, promise or inducement made by the Company or its attorneys with the exception of those promises described in this document.

11. Binding Nature of Agreement. This Agreement shall be binding on and inure to the benefit of Employee and Employee's heirs, administrators, representatives, and executors. Employee's obligations under this Agreement are personal and may not be assigned. The Company may assign its rights and obligations under this Agreement. This Agreement shall be binding upon and inure to the benefit of the Company and its successors and assigns.

12. Use of the Agreement as Evidence: Liability. This Agreement may not be used as evidence in any proceeding of any kind, except a proceeding in which one of the parties or a Releasee alleges a breach of the terms of this Agreement or elects to use this Agreement as a defense to any claim. This Agreement shall not constitute an admission or acknowledgment of liability or wrongdoing on the part of any or all of the Releasees.

13. Nondisclosure and Noncompetition Obligations. During the period of Employee's employment by the Company and for one year thereafter, Employee agrees that he will not, directly or indirectly, alone or as a partner, officer, director, employee or stockholder of any entity, (a) engage in any business activity which is in direct competition with the products or services being developed, manufactured or sold by the Company or (b) solicit, interfere with or endeavor to entice away any employee of the Company. The period following the termination of Employee's employment during which these restrictions apply (the "Post-employment Period") shall be extended by the length of any period of time during the Post-employment Period during which Employee is in violation of this paragraph. If Employee is offered a position with a company and Employee is uncertain whether accepting such a position would be prohibited under this Section 13, Employee may notify the Company of the name of the company offering Employee the position with a description of the position and the role and responsibilities. The Company will review with Employee the nature of the position and the responsibilities of the role and will not unreasonably withhold consent to join the company based on the nature of the role.

14. Consequences of Breach. Employee understands and agrees that the Company may terminate Employee's eligibility for the Severance Pay if Employee violates this Agreement, and that the Company shall further have the right to recover from Employee any Severance Pay paid to Employee or on Employee's behalf during any time periods following the commencement of any such breach. Employee further agrees that a breach of Paragraphs 5, 7, 8 9 and/or 13 herein would result in irreparable harm to the Company and that money damages would not provide an adequate remedy. Therefore, Employee agrees that in addition to any other rights that it may have, the Company shall have the right to specific performance and injunctive relief in the event Employee breaches any of those Paragraphs of this Agreement.

15. Entire Agreement; Modification. With the exception of the Noncompetition Agreement, the Stock Plans, and the Stock Agreements, all of which shall remain in full force and effect, this Agreement is the entire agreement between the Company and Employee and all previous agreements or promises between them are superseded and void. This Agreement may be modified only by a written agreement signed by Employee and an officer of the Company.

16. Acknowledgements. By signing this Agreement, Employee acknowledges that Employee has carefully read and fully understands this Agreement, Employee is not relying on any representations by any representative of the Company concerning the meaning of any aspect of this Agreement, Employee has had forty-five (45) days to review this Agreement, and Employee is signing it voluntarily.

17. Governing Law; Interpretation. In the event of any dispute, this Agreement will be construed as a whole, will be interpreted in accordance with its fair meaning, and will not be construed strictly for or against either Employee or the Company. The law of the Commonwealth of Massachusetts will govern any dispute about this Agreement. If for any reason any part of this Agreement shall be determined to be unenforceable, the remaining terms and conditions shall be enforced to the fullest extent possible.

IN WITNESS WHEREOF, the parties have executed this Agreement under seal as of the date last written below.

/s/ Ira Goldfarb

August 15, 2013

SEACHANGE INTERNATIONAL, INC.

By: /s/ Raghu Rau

August 15, 2013

Raghu Rau
Chief Executive Officer
