

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**

September 1, 2006

Date of report (Date of earliest event reported)

ON Semiconductor Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

000-30419
(Commission
File Number)

36-3840979
(I.R.S. Employer
Identification Number)

ON Semiconductor Corporation
5005 E. McDowell Road
Phoenix, Arizona
(Address of principal executive offices)

85008
(Zip Code)

602-244-6600
(Registrant's telephone number, including area code)

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 1.01. Entry into a Material Definitive Agreement.

Amendment to the Employment Agreement with the Chief Executive Officer and President:

On September 1, 2006, Keith Jackson, Chief Executive Officer and President of ON Semiconductor Corporation (“Corporation”), and the Corporation executed an amendment to Mr. Jackson’s employment agreement (“Jackson Amendment”), which amendment had been previously approved by the Board of Directors of the Corporation (“Board”) and its Compensation Committee. The Jackson Amendment was necessary due to recent revisions to the Internal Revenue Code of 1986 that added Section 409A (“Section 409A”) and related transitional guidance issued by the Internal Revenue Service that allows for amendments of this sort in order to comply with Section 409A. Section 409A applies to nonqualified deferred compensation plans including certain promises to make payments upon a separation from service (“Termination Payments”). The Jackson Amendment revised Mr. Jackson’s employment agreement such that there is no violation of Section 409A with respect to Termination Payments under the agreement.

A copy of the Jackson Amendment is attached hereto as Exhibit 10.1 and is incorporated herein by reference. The above description is qualified in its entirety by reference to the filed amendment.

Amendment to the Employment Agreement with the Executive Vice President, Operations:

On September 1, 2006, William George, Executive Vice President, Operations of the Corporation, the Corporation and its wholly owned subsidiary Semiconductor Components Industries, LLC executed an amendment to Mr. George’s employment agreement (“George Amendment”), which amendment had been previously approved by the Board and its Compensation Committee. Under the George Amendment, Mr. George’s employment term was extended from the prior expiration date of August 4, 2006 to August 4, 2008. The George Amendment also revised: (1) the definition of “for good reason;” and (2) the section on termination payments due Mr. George upon a termination without cause. The effective date of the George Amendment was August 4, 2006.

In connection with the George Amendment, the Board along with its Compensation Committee awarded Mr. George, effective September 5, 2006, 10,000 restricted stock units (“Award”) under the Corporation’s 2000 Stock Incentive Plan (“Plan”). The Award represents the right to receive the same number of shares of common stock of the Corporation, subject to the Plan and the relevant award agreement. Vesting of the Award is scheduled to occur as follows: 50% on August 4, 2007 and the remaining 50% on August 4, 2008. The closing price of the Corporation’s common stock on September 5, 2006 was \$6.01 per share.

A copy of the George Amendment is attached hereto as Exhibit 10.2 and is incorporated herein by reference. The above description is qualified in its entirety by reference to the filed amendment.

Item 9.01. Financial Statements and Exhibits.

- (a) Financial Statements of Businesses Acquired
Not applicable.

- (b) Pro Forma Financial Information
Not applicable.
- (c) Shell Company Transaction
Not applicable.
- (d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
10.1	Amendment No. 5 to Employment Agreement with Keith Jackson executed on September 1, 2006
10.2	Amendment No. 4 to Employment Agreement with William George executed on September 1, 2006

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 thereunto duly authorized.

ON SEMICONDUCTOR CORPORATION

(Registrant)

Date: September 8, 2006

By: /s/ GEORGE H. CAVE

George H. Cave

Senior Vice President, General Counsel,

Chief Compliance & Ethics Officer and Secretary

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
10.1	Amendment No. 5 to Employment Agreement with Keith Jackson executed on September 1, 2006
10.2	Amendment No. 4 to Employment Agreement with William George executed on September 1, 2006

**AMENDMENT NO. 5 TO
EMPLOYMENT AGREEMENT
FOR KEITH JACKSON**

WHEREAS, ON Semiconductor Corporation (“Company”) and Keith Jackson (“Executive”) entered into an Employment Agreement dated as of November 10, 2002 (“Agreement”);

WHEREAS, all defined terms used herein shall have the meanings set forth in the Agreement unless specifically defined herein;

WHEREAS, the Agreement was subsequently amended on November 19, 2002, March 21, 2003, May 19, 2005, and February 14, 2006 for various reasons;

WHEREAS, there have been recent amendments to the Internal Revenue Code of 1986 (“Code”) that have added Code Section 409A and related guidance has been provided on this section’s interpretation and application (collectively, “Section 409A”), which apply to nonqualified deferred compensation plans;

WHEREAS, Section 409A’s definition of nonqualified deferred compensation plans is broad, and comprises payments that do not resemble traditional deferred compensation plans, including certain arrangements promising payments upon separation from service (“Termination Payments”);

WHEREAS, Termination Payments that are subject to Section 409A must comply with certain requirements, including a requirement that any Termination Payment made to a key employee of a public company must be delayed at least six months following the employee’s separation from service and must be distributed pursuant to a fixed payment schedule (under which the first payment shall not be made less than six months after the separation from service);

WHEREAS, the consequences of failure to comply with Section 409A may be significant to a key employee, however, there is transitional guidance issued by the Internal Revenue Service that allows for amending through December 31, 2006 the terms of plans or arrangements providing for the deferral of compensation in order to comply with Section 409A ;

WHEREAS, the Agreement of the Executive entitles him, in the event of termination under circumstances specified under the Agreement, to Termination Payments that are subject to Section 409A; and

WHEREAS, in order to ensure that no violation of Section 409A occurs with respect to Termination Payments under the Agreement, the Company and the Executive now wish to further amend the Agreement.

NOW, THEREFORE, for mutual consideration the receipt of which is hereby acknowledged, the Agreement is hereby amended as follows:

1. Section 5(a) of the Agreement related to "Termination Payment" is hereby amended by replacing such section in its entirety with the following:

"(a) Without Cause. In the event of the termination of the Executive's employment during the Employment Period by the Company without Cause (including a deemed termination without Cause as provided in Section 3(f) herein), in addition to the Executive's accrued but unused vacation and Base Salary through the Date of Termination (to the extent not theretofore paid) the Executive shall be entitled to continue to receive his Base Salary at the rate in effect as of the Date of Termination for a period of two (2) years following the Date of Termination, with such Base Salary to be paid (i) in an initial lump sum equal to six months' Base Salary on the six-month anniversary of the Date of Termination and (ii) thereafter in installments in accordance with the Company's normal payroll practices; provided that the payments and benefits provided herein are subject to and conditioned upon the Executive executing a valid general release and waiver (in the form reasonably acceptable to the Company), waiving all claims the Executive may have against the Company, its successors, assigns, affiliates, executives, officers and directors, and such waiver becoming effective, and the payments and benefits are subject to and conditioned upon the Executive's compliance with the Restrictive Covenants provided in Sections 9 and 10 hereof. Notwithstanding the foregoing, the Executive shall be required to mitigate any damages that the Executive may incur as a result of a termination of his employment by the Company without Cause (including a deemed termination without Cause as provided in Section 3(f) herein) during the Employment Period by seeking employment comparable in terms of compensation, position and location to the Executive's employment hereunder. Any amounts that the Executive earns pursuant to such employment shall offset and reduce the amount of severance required to be paid to the Executive pursuant to this Section 5(a) during the two-year period following the Date of Termination. For purposes of the paragraph, "employment" shall mean any activity for which the Executive is compensated as a result of the rendering of services, whether such services are rendered as a common law employee, a partner, sole proprietor, independent contractor or otherwise. The Executive shall be required to provide such evidence as the Company may reasonably require regarding the amount of such earnings. Except as provided in this Section 5(a) and Sections 2(e), 7 and 10(d), to the extent applicable, the Company shall have no additional obligations under this Agreement."

2. A new Section 13(k) is added to the Agreement under the "Miscellaneous" section and it hereby provides the following:

"(k) This Agreement is intended to constitute an enforceable contract for the payment of compensation, severance and certain other benefits. The Agreement is not intended to constitute a "nonqualified deferred compensation plan" within the meaning of Section 409A of the Code. Notwithstanding the foregoing, in the event this Agreement or any benefit paid to Executive hereunder is deemed to be subject to Section 409A of the Code, the Executive consents to the Company adopting such conforming amendments as the Company deems necessary, in its sole discretion, to comply with Section 409A of the Code, without reducing the amounts of any benefits due to the Executive hereunder."

3. Except as otherwise specifically provided in this Amendment, all terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Executive and the Company have executed this Amendment as of the 1st day of September 2006.

EXECUTIVE:

Keith Jackson, in his individual capacity

By: /s/ KEITH JACKSON

Name: Keith Jackson

Title: Chief Executive Officer and President

CORPORATION:

ON Semiconductor Corporation

By: /s/ SONNY H. CAVE

Name: Sonny H. Cave

Title: Senior Vice President and General Counsel

ON SEMICONDUCTOR CORPORATION
SEMICONDUCTOR COMPONENTS INDUSTRIES, LLC

August 4, 2006

William George
3617 E. Camino Sin Nombre
Paradise Valley, AZ 85253

Dear Bill:

As you know, discussions have taken place between you and ON Semiconductor Corporation and Semiconductor Components Industries, L.L.C. (collectively, the "Company") regarding your intention to remain with the Company through August 2008. As a result of these discussions, the Board of Directors of the Company ("Board") is expected to approve a two-year extension of your employment agreement dated October 27, 1999 (the "Employment Agreement"), as previously amended on October 1, 2001 ("Amendment 1"), August 5, 2003 ("Amendment 2") and February 17, 2005 ("Amendment 3") (the Employment Agreement as previously amended through the date hereof is referred to herein as the "Amended Employment Agreement"). Accordingly, we have prepared this letter agreement of today's date ("Amendment 4") in order to memorialize our mutual understanding of your current anticipated retirement date and to implement certain additional amendments to the Amended Employment Agreement to which the parties hereto have mutually agreed. Such amendments are effective as of the date hereof, subject to the Board's approval. All defined terms used in this Amendment 4 that are not otherwise defined herein shall have the meanings ascribed to such terms in the Amended Employment Agreement.

I. Amendments to the Amended Employment Agreement.

(a) Section 3 of the Employment Agreement, Subsection I(a) of Amendment 1, Subsection I(a) of Amendment 2 and Subsection I(a) of Amendment 3 are each hereby amended by extending the Scheduled Termination Date to be August 4, 2008.

(b) Subsection 3(f) of the Employment Agreement is hereby amended and replaced in its entirety by the following:

For Good Reason. The Executive may terminate his employment hereunder for Good Reason and any such termination shall be deemed a termination by the Company without Cause. For purposes of this Agreement, "Good Reason" shall mean (i) a material breach of this Agreement by the Company, (ii) a reduction by the Company of the Executive's Base Salary or Annual Bonus as in effect immediately prior to such reduction, or (iii) the Executive's election to terminate his employment within one year after a Change in Control (as defined below); provided that the Executive shall not have the right to terminate his employment for Good Reason as defined in clause (i) above unless the Executive notifies the Company within thirty

(30) days after the event or events which the Executive believes constitute Good Reason hereunder, describes in such notice in reasonable detail such event or events and provides the Company a reasonable time to cure such breach (not to exceed thirty (30) days) and the Company fails to cure such breach within such time, and provided, further, that the Company's assignment to the Executive of a position, title, duties or responsibilities different from those held and/or exercised by, and/or assigned to, the Executive as of the date hereof or as may be in effect from time to time after the date hereof without reduction in the Executive's Base Salary or Annual Bonus shall not constitute Good Reason.

(c) Section 5(a) of the Employment Agreement is hereby amended and replaced in its entirety by the following:

Without Cause. In the event of the termination of the Executive's employment during the Employment Period by the Company without Cause (including a deemed termination without Cause as provided in Section 3(f) herein), in addition to the Executive's accrued but unused vacation and Base Salary through the Date of Termination (to the extent not theretofore paid), the Executive shall be entitled to a lump-sum payment, payable as soon as practicable following the six-month anniversary of the Date of Termination, equal to the excess of (i) two times the sum of (A) the highest rate of the Executive's annualized Base Salary in effect at any time up to and including the Date of Termination and (B) the Executive's Annual Bonus determined based on the performance of the Company and/or the Executive in the year immediately preceding the Date of Termination (provided that if such Annual Bonus was paid in more than one installment during the year ("Installments") the amount included in the lump-sum payment pursuant to this clause shall be the aggregate amount of such Installments) over (ii) any portion of the Executive's Annual Bonus paid as one or more Installments during the year in which the Date of Termination occurs and prior to the Date of Termination; provided that the payments and benefits provided herein are subject to and conditioned upon the Executive executing a valid general release and waiver (in the form reasonably acceptable to the Company), waiving all claims the Executive may have against the Company, its successors, assigns, affiliates, executives, officers and directors, and such payments and benefits are subject to and conditioned upon the Executive's compliance with the Restrictive Covenants provided in Sections 8 and 9 hereof. Except as provided in this Section 5(a) and Sections 2(d), 6 and 9(c), to the extent applicable, the Company shall have no additional obligations under this Agreement.

(d) Except as specifically provided herein, all other terms and conditions provided in the Employment Agreement shall remain in full force and effect.

Please acknowledge your agreement to the foregoing by signing in the appropriate space below. This letter agreement shall not be effective unless executed by each of the parties hereto. A facsimile of a signature shall be deemed to be and have the same force and effect as an original.

Sincerely,

/s/ KEITH D. JACKSON

Keith D. Jackson

President and Chief Executive Officer

Agreed, Acknowledged and Executed on September 1, 2006:

/s/ WILLIAM L. GEORGE

William L. George