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**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): August 9, 2006**

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**HARVARD BIOSCIENCE, INC.**

(Exact name of registrant as specified in charter)

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**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**000-31923**  
(Commission File Number)

**04-3306140**  
(IRS Employer  
Identification No.)

**84 October Hill Road, Holliston, MA 01746**  
(Address of Principal Executive Offices) (Zip Code)

**(508) 893-8999**  
(Registrant's telephone number, including area code)

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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 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))
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**Item 1.01 Entry Into a Material Definitive Agreement.**

On August 9, 2006, the Compensation Committee of the Board of Directors of Harvard Bioscience, Inc. (the "Company") approved salary increases for certain executive officers of the Company that are retroactive to the beginning of 2006 and adopted the Harvard Bioscience, Inc. 2006 Corporate Bonus Plan. The base salary levels established for 2006 for these executive officers are as follows:

<u>Name</u>	<u>Title</u>	<u>2006 Salary</u>
Chane Graziano	Chief Executive Officer	\$ 486,000
David Green	President	\$ 400,000
Bryce Chicoyne	Chief Financial Officer	\$ 200,000
Susan M. Luscinski	Chief Operating Officer	\$ 250,000
Mark A. Norige	Chief Operating Officer, Harvard Apparatus Business Unit	\$ 190,000

Subject to the sole-discretion of the Compensation Committee, the Harvard Bioscience, Inc. 2006 Corporate Bonus Plan provides for cash bonuses to be paid to certain employees of the Company, including Messrs. Graziano, Green and Chicoyne and Ms. Luscinski, if the Company achieves non-GAAP adjusted earnings per diluted share from continuing operations for the year ended December 31, 2006 in excess of a specified target non-GAAP adjusted earnings per diluted share from continuing operations. If the target non-GAAP adjusted earnings per diluted share from continuing operations is achieved, then the Company will create an aggregate bonus pool equal to one-third of its non-GAAP adjusted operating income in excess of the minimum non-GAAP operating income that the Company would have needed in order to achieve the target non-GAAP adjusted earnings per diluted share from continuing operations. The participants under the plan are then entitled to participate in this bonus pool based on the participation percentages established in the plan subject to the sole discretion of the Compensation Committee. Under the plan, the current participation percentages of the executive officers entitled to participate in the plan are approximately as follows:

<u>Name</u>	<u>Title</u>	<u>2006 Corporate Bonus Plan Participation Percentage</u>
Chane Graziano	Chief Executive Officer	43.7%
David Green	President	36.0%
Bryce Chicoyne	Chief Financial Officer	9.0%
Susan M. Luscinski	Chief Operating Officer	11.3%

As the bonus plan is funded with an aggregate bonus pool, the ultimate participation percentages of these executive officers may be greater or less than the percentages set forth above depending on whether any new participants are added to the plan or any existing participants cease to be eligible under the plan. If the target non-GAAP adjusted earnings per diluted share from continuing operations is not achieved, then no bonuses will be paid under the plan unless the Compensation Committee determines otherwise. Notwithstanding the foregoing, under this bonus plan the Compensation Committee reserved the right, in its sole discretion, to reduce or increase the size of any or all bonuses otherwise payable under the plan for any reason. The foregoing summary is

qualified in its entirety by reference to the copy of the Harvard Bioscience, Inc. 2006 Corporate Bonus Plan, which is attached hereto as Exhibit 99.1 to this Current Report on Form 8-K and incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit Number</u>	<u>Title</u>
99.1	Harvard Bioscience, Inc. 2006 Corporate Bonus Plan

**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 hereunto duly authorized.

HARVARD BIOSCIENCE, INC.

Date: August 15, 2006

By: /s/ Bryce Chicoyne

Bryce Chicoyne  
Chief Financial Officer

**HARVARD BIOSCIENCE, INC.**  
**2006 CORPORATE BONUS PLAN**  
**August 9, 2006**

The name of this plan is the Harvard Bioscience, Inc. 2006 Corporate Bonus Plan (this "Bonus Plan"). This Bonus Plan was adopted by resolution of the Compensation Committee of Harvard Bioscience, Inc. (the "Company") on August 9, 2006.

1. Participants. The participants in the Bonus Plan include Chane Graziano, David Green, Bryce Chicoyne, Susan M. Luscinski and any other employee of the Company that the Compensation Committee decides to include (the "Participants").

2. Bonus Pool.

(a) All bonuses payable under this Bonus Plan will be funded from a cash bonus pool (the "Bonus Pool") that will be created if Non-GAAP Adjusted Earnings Per Diluted Share from Continuing Operations (as defined below) equal or exceed the Target Non-GAAP Adjusted Earnings Per Diluted Share from Continuing Operations as set forth on Exhibit A. The Compensation Committee will calculate the size of the Bonus Pool by subtracting the Minimum Non-GAAP Adjusted Operating Income (as defined below) from the Non-GAAP Adjusted Operating Income (as defined below) and dividing the result by three (3) (the "Formula"), with such further adjustments as may be approved by the Compensation Committee. If Non-GAAP Adjusted Earnings Per Diluted Share from Continuing Operations is less than the Target Non-GAAP Adjusted Earnings Per Diluted Share from Continuing Operations then there will not be a Bonus Pool and no bonuses will be payable pursuant to this Bonus Plan unless the Compensation Committee determines otherwise. For clarity sake, an example of how the Bonus Pool is to be calculated pursuant to the Formula is set forth in Exhibit A.

(b) "Non-GAAP Adjusted Earnings Per Diluted Share from Continuing Operations" equals (A) income from continuing operations of the Company on a consolidated basis for the year ended December 31, 2006 as calculated in accordance with U.S. generally accepted accounting principles ("GAAP") adjusted for amortization of intangible assets, costs of restructuring, fair value adjustments of inventory and backlog related to acquisitions, the impact of stock compensation expense recognized under Statement of Financial Accounting Standards No. 123 (revised 2004), *Share-Based Payment* (SFAS 123R), and the effect of this Bonus Plan, if any, all net of tax, and further adjusted for the impact of tax benefits associated with filing consolidated tax returns for continuing and discontinued businesses, with such further adjustments as may be approved by the Compensation Committee, divided by (B) the weighted average number of shares outstanding on a diluted basis during the year ended December 31, 2006 calculated in accordance with GAAP.

(c) "Non-GAAP Adjusted Operating Income" equals operating income of the Company on a consolidated basis for the year ended December 31, 2006 as calculated in accordance with GAAP adjusted for amortization of intangible assets, costs of restructuring, fair value adjustments of inventory and backlog related to acquisitions, the impact of stock compensation expense recognized under Statement of Financial Accounting Standards No. 123 (revised 2004), *Share-Based Payment* (SFAS 123R), and the effect of this Bonus Plan, if any, with such further adjustments as may be approved by the Compensation Committee.

(d) "Minimum Non-GAAP Adjusted Operating Income" equals the minimum Non-GAAP Adjusted Operating Income that the Company would need to have earned on a consolidated basis in order to achieve the Target Non-GAAP Adjusted Earnings Per Diluted Share from Continuing Operations. Minimum Non-GAAP Adjusted Operating Income will be determined using the Company's "Actual Non-GAAP Adjusted Tax Expense Rate" for 2006. The Actual Non-GAAP Adjusted Tax Expense Rate is calculated by dividing the actual non-GAAP adjusted tax expense for 2006, which is the actual tax expense for 2006, adjusted to reflect the tax effect of the adjustments made to Non-GAAP Adjusted Operating Income and the impact of tax benefits associated with filing consolidated tax returns for continuing and discontinued businesses by the actual adjusted income from continuing operations before tax for 2006. Actual adjusted income from continuing operations before tax for 2006 equals Non-GAAP Adjusted Operating Income plus (or minus) the Company's actual other income (or expense) for 2006. For clarity sake, an example of how Minimum Non-GAAP Adjusted Operating Income is to be calculated is set forth in Exhibit A.

### 3. Bonus Payments.

(a) The amount of the bonus payments to be made to each Participant will equal such Participant's Bonus Ratio (as defined below) multiplied by the total Bonus Pool and with such further adjustments as may be approved by the Compensation Committee. The calculation of the bonus payments will be made by the Compensation Committee on or before March 15, 2007 and payment of each Participant's bonus payment will be made on or before March 15, 2007. For clarity sake, an example of how the bonus payments are to be calculated is set forth in Exhibit A.

(b) Each Participant's "Bonus Ratio" will equal (A) the product of such Participant's annual salary from the Company for 2006, pro rated based on the percentage of the full year (2006) that such person was employed by the Company, multiplied by such Participant's Bonus Factor (as defined below) (such product being referred to as such Participant's "Bonus Salary"), divided by (B) the sum of the Bonus Salaries of all of the Participants.

(c) The "Bonus Factor" for each of the current Participants is as follows:

Chane Graziano	200%
David Green	200%
Bryce Chicoyne	100%
Susan M. Luscinski	100%

The Bonus Factor for any additional Participant will be determined by the Compensation Committee.

4. Administration. The Compensation Committee shall have the power and authority at any time to adopt, alter and repeal such rules, guidelines and practices for administration of this Bonus Plan and for its own acts and proceedings as it shall deem advisable; to interpret the terms and provisions of this Bonus Plan (including any related written instruments); to make all determinations it deems advisable for the administration of this Bonus Plan; to decide all disputes arising in connection with this Bonus Plan; and to otherwise supervise the administration of this Bonus Plan. All decisions and interpretations of the Compensation Committee shall be binding on all persons, including the Company and the Participants. Notwithstanding anything in this plan to the contrary, the Compensation Committee in its sole discretion may reduce or increase the size of any or all bonuses otherwise payable under this Bonus Plan for any reason, including without limitation, to take into account any of the Participants' contributions to the Company, the effect of acquisitions by the Company, market conditions, unusual items impacting the Company's results or any other adjustments or factors deemed appropriate by the Compensation Committee. The existence of this plan does not entitle any of the Participants to receive any bonus hereunder regardless of whether Non-GAAP Adjusted Earnings Per Diluted Share from Continuing Operations are equal to or greater than the Target Non-GAAP Adjusted Earnings Per Diluted Share from Continuing Operations in 2006.

5. Termination. This Bonus Plan shall terminate upon the earlier of (a) the determination by the Compensation Committee that no bonuses are payable under this Bonus Plan or (b) the payment by the Company of all bonuses payable under this Bonus Plan.