
**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): November 19, 2010

QAD Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other Jurisdiction of
Incorporation)

0-22823

(Commission File Number)

77-0105228

(IRS Employer Identification No.)

**100 Innovation Place,
Santa Barbara, California**

(Address of Principal Executive Offices)

93108

(Zip Code)

Registrant's telephone number, including area code: **(805) 566-6000**

(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))
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Item 8.01 Other Events.

On November 19, 2010, the registrant's Chief Financial Officer, Daniel Lender, sent an email to all of the registrant's employees regarding notification of a black-out period related to equity awards, subject to shareholder approval of the recapitalization plan. A copy of the email is attached as Exhibit 99.1.

The information in this Form 8-K and the exhibits attached hereto shall not be deemed "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Email to Employees dated November 19, 2010

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.

QAD Inc.

November 19, 2010

By: /s/ Daniel Lender
Daniel Lender
Executive Vice President and Chief
Financial Officer

INDEX TO EXHIBITS

<u>Exhibit No.</u>	<u>Description</u>
99.1	Email to Employees Dated November 19, 2010

Email to QAD Employees from Daniel Lender, CFO
Sent on November 19, 2010 at 3:45 pm PST

Notice to Holders of QAD Equity Awards

As previously announced, QAD's Board of Directors unanimously adopted a recapitalization plan designed to increase financial flexibility for QAD and its stockholders. The proposed recapitalization plan is subject to stockholder approval at a special meeting to be held December 14, 2010.

The proposed recapitalization plan would establish two classes of common stock: Class A common stock with 1/20th of one vote per share and Class B common stock with one vote per share. As a result of the recapitalization plan, each ten whole shares of existing common stock will become four Class A shares and one Class B share.

Assuming the recapitalization is approved, it will affect your existing stock options, SARs or RSUs:

- There is no impact to vesting or expiration dates.
- Outstanding stock options, RSUs and SARs will be adjusted to conform their terms to the company's capital structure as follows:
 - each ten shares of stock covered by an outstanding stock option agreement, RSU or SAR agreement will be converted into equivalent rights to receive one share of Class B Common Stock and four shares of Class A Common Stock; and
 - the exercise price per share of stock covered by an outstanding stock option agreement or SAR agreement will be doubled to account for the 2 to 1 reverse stock split.

For example, an option to purchase 100 shares of QAD stock at an exercise price of \$4.00 per share before the recapitalization will, upon implementation of the recapitalization, represent an option to purchase 10 shares of Class B Common Stock and 40 shares of Class A Common Stock, at an exercise price of \$8.00 per share.

Blackout Period

Assuming the recapitalization is approved, there will be a period of time ("blackout period") during which you will be unable to exercise the stock options and SARs that you hold and you will be unable to sell any shares of QAD stock held in your E*trade account from prior exercises of stock options and SARs and vesting of RSUs. These restrictions are necessary in order to revise plan records and administrative processes to reflect changes to the number, price and type of shares subject to the stock options, SARs and RSUs. Affected processes include those relating to exercise notices, cashless exercise by same day sale, withholding and reporting income tax liabilities and issuing shares following the vesting of RSUs.

The blackout period is scheduled to begin on December 13, 2010 after the NASDAQ market closes and end on December 23, 2010 when the NASDAQ market opens, but it is possible that the end date may be revised. During this timeframe you can determine whether the blackout period has started or ended by checking your E*trade account, where a notice will be posted. If you would like to exercise your stock options or SARs and/or sell QAD stock before the blackout period begins, you must do so through E*trade by close of the NASDAQ market on December 13, 2010. Once the conversion is completed, you will be able to exercise stock options and SARs and sell QAD stock once again through your E*trade account.

It is very important that you review and consider the appropriateness of exercising or not exercising your stock options and SARs and of holding or selling QAD stock received on such exercises before the blackout period begins. If QAD's stock price were to decrease or increase substantially during the blackout period, you would not be able to direct the sale of your stock during the blackout period in order to avoid losses or lock in gains.