
**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): February 20, 2007

NEKTAR THERAPEUTICS

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

0-24006
(Commission File Number)

94-3134940
(IRS Employer
Identification No.)

150 Industrial Road
San Carlos, California 94070
(Address of principal executive offices and Zip Code)

Registrant's telephone number, including area code: (650) 631-3100

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

(e) On February 20, 2007, the independent members of the Board of Directors of Nektar Therapeutics (the “Company”) awarded Robert B. Chess, the Chairman of the Board and former acting President and Chief Executive Officer, a special bonus of \$317,000. The bonus award is in recognition of Mr. Chess’s willingness to put aside other personal priorities and opportunities to serve as the Company’s acting President and Chief Executive Officer during 2006 for a much longer period of time than originally anticipated. Mr. Chess provided outstanding leadership for the Company in 2006, a year in which the Company successfully ramped up Exubera manufacturing to commercial scale and made advances in its proprietary and partner research and development programs. Mr. Chess also played a key role in the critical transition period from the retirement of the Company’s former President and Chief Executive Officer, Ajit S. Gill, to the successful recruitment and recent appointment of Howard W. Robin as the Company’s President and Chief Executive Officer. Mr. Chess will continue to serve as the Company’s non-executive Chairman of the Board of Directors.

In addition, on February 20, 2007, the independent members of the Board of Directors also amended and restated the Compensation Plan for Non-Employee Directors effective March 1, 2007 to provide for an additional \$25,000 annual retainer (paid in equal quarterly installments) for the non-employee director who serves as Chair or Lead Director of the Board of Directors. Mr. Chess will participate in the Compensation Plan for Non-Employee Directors effective March 1, 2007.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

<u>Exhibit No.</u>	<u>Description</u>
10.1	Amended and Restated Compensation Plan for Non-Employee Directors

SIGNATURES

Pursuant to the requirement 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.

By: /s/ Nevan C. Elam
Nevan C. Elam
Senior Vice President Corporate Operations and General Counsel

Date: February 23, 2007

INDEX TO EXHIBITS

<u>Exhibit No.</u>	<u>Description</u>
10.1	Amended and Restated Compensation Plan for Non-Employee Directors

COMPENSATION PLAN FOR NON-EMPLOYEE DIRECTORS

This is the Compensation Plan (the "Plan") for Non-Employee Directors (each a "Non-Employee Director") of Nektar Therapeutics (the "Company"). This Plan was approved by the Board of Directors and made effective June 1, 2006 and amended and restated by Board of Directors and made effective March 1, 2007. The terms and conditions of the Plan are described below:

- An annual retainer of \$25,000 for serving on the Board of Directors, payable in equal quarterly installments;
- An annual retainer of \$25,000 for serving as the Chair or Lead Director of the Board of Directors, payable in quarterly installments;
- An annual retainer of \$7,500 for serving on the Company's Audit Committee, payable in equal quarterly installments;
- An annual retainer of \$5,000 for serving on a any other committee of the Board, payable in equal quarterly installments;
- An annual retainer of \$7,500 for serving as the Chair of the Company's Audit Committee, payable in equal quarterly installments;
- An annual retainer of \$5,000 for serving as Chair of any other committee established by the Board of Directors, payable in equal quarterly installments;
- If a Non-Employee Director attends more than four (4) regularly scheduled board meetings and four (4) telephonic board meetings, such Non-Employee Director shall receive an additional \$1,000 per telephonic meeting and \$2,000 for attending a board meeting in person;
- If a Non-Employee Director attends more than four (4) regularly scheduled committee meetings and four (4) telephonic committee meetings, such Non-Employee Director shall receive an additional \$500 per telephonic meeting and \$1,000 for attending a committee meeting in person;
- Each Non-Employee Director shall be reimbursed for customary expenses for attending Board of Director, committee and stockholder meetings;
- In September of each year, each Non-Employee Director shall receive equity compensation composed of (i) fifty percent

(50%) stock options at an exercise price equal to the closing price of the Company's common stock as reported by the Nasdaq National Market on the grant date and (ii) fifty percent (50%) restricted stock unit awards, each under the Company's 2000 Equity Incentive Plan. This annual equity compensation award will be based on the approximate aggregate value of the median equity compensation for non-employee directors of comparable companies as determined annually by the Board of Directors in consultation with its professional advisors. For purposes of the foregoing, the value of stock options will be determined based on the Black-Scholes valuation methodology and the value of restricted stock units will be based on the value of the Company's common stock on the grant date; and

- Non-Employee Directors are also eligible for discretionary grants of options or restricted stock units under the Company's 2000 Equity Incentive Plan. All Non-Employee Directors recognize and acknowledge that they are not entitled to any future grants pursuant to the Company's 1997 Non-Employee Director Stock Option Plan.

Options granted to a Non-Employee Director for their service on the Board of Directors shall vest monthly over a period of one year. Restricted stock unit awards granted to a Non-Employee Director shall vest monthly over a period of one year. The exercise price of options granted to a Director shall be equal to 100% of the fair market value of the Company's common stock on the grant date. The term of options granted to a Non-Employee Director is eight years. In the event of a change of control, the vesting of each option or restricted stock unit award shall accelerate in full as of the closing of such transaction.