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**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): October 4, 2007

**PolyOne Corporation**

(Exact Name of Registrant as Specified in Charter)

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**Ohio**

(State or Other  
Jurisdiction  
of Incorporation)

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**1-16091**

(Commission File No.)

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**34-1730488**

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

**PolyOne Center, 33587 Walker Rd.  
Avon Lake, Ohio 44012**  
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code:  
**(440) 930-1000**

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N/A

(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 2.02. Results of Operations and Financial Condition.**

On October 5, 2007, PolyOne Corporation (the “Company”) issued a press release, furnished herewith as Exhibit 99.1, announcing that it estimates that it will incur a charge of approximately \$15.2 million in the third quarter of 2007 as of a result of being required to pay environmental remediation costs at a former facility of the Goodrich Corporation, as well as a charge of approximately \$18.7 million as a result of increasing its environmental reserve. The press release shall not be deemed to be “filed” under the Securities Exchange Act of 1934.

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

On October 4, 2007, the Board of Directors and the Compensation and Governance Committee of the Board of Directors (the “Committee”) of the Company authorized changes to certain benefit arrangements affecting executive officers and directors in response to final regulations issued under Section 409A of the Internal Revenue Code of 1986, as amended (the “Section 409A”). All plans and agreements of the Company that provide for the “deferral of compensation,” as defined for purposes of Section 409A, must be amended to comply with the requirements of Section 409A. Specifically, changes to the following agreements or plans were approved:

- Non-Employee Directors Deferred Compensation Plan;
- PolyOne Executive Severance Plan;
- Letter Agreement by and between the Company and Stephen D. Newlin;
- Supplemental Retirement Benefit Plan; and
- Form of Management Continuity Agreement.

The amendments are technical in nature and are meant to comply with the requirements of Section 409A that (a) the time and form of payment must be specifically set forth, (b) payments can only be made upon certain enumerated events, and (c) payments of non-exempt deferred compensation triggered by a termination of employment must be delayed for six months following that termination of employment.

The Committee also authorized additional amendments to the form of Management Continuity Agreement. Specifically, the amended Management Continuity Agreements, as authorized by the Committee, will provide: (a) for the funding of a trust to secure the total expected obligations under the Management Continuity Agreements upon a change of control; (b) that the officer will not be entitled to long-term disability benefits as a continued benefit following termination of employment after a change of control; (c) changes to the notice and cure periods in the definition of good reason and that good reason will occur upon any diminution in duties or responsibilities; (d) that the amended agreements will terminate once a party to the agreement is no longer an officer; and (e) that if an officer is eligible for severance benefits under the Management Continuity Agreement and another plan or agreement, or as required by law, the officer will receive benefits under the plan, program or agreement that provides the greatest amount of benefits, but will not receive benefits under more than one arrangement.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

<u>Number</u>	<u>Exhibit</u>
99.1	Press release dated October 5, 2007, furnished herewith

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**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.

Date: October 5, 2007

POLYONE CORPORATION

By /s/ W. David Wilson

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Name: W. David Wilson

Title: Senior Vice President and Chief Financial Officer

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**INDEX TO EXHIBITS**

<u>Number</u>	<u>Exhibit</u>
99.1	Press release dated October 5, 2007, furnished herewith



NEWS RELEASE

### **PolyOne to Take Special Charges to Address Court Rulings**

**CLEVELAND** — October 5, 2007 — PolyOne Corporation (NYSE: **POL**), a leading global provider of specialized polymer materials, services and solutions, announced today that it will take a special charge in the third quarter of 2007 for remediation costs at a site located in Calvert City, Kentucky.

PolyOne has been informed of rulings by the United States District Court for the Western District of Kentucky on several pending motions in the case of Westlake Vinyls, Inc. v. Goodrich Corporation, et al., which has been pending since 2003. The Court held that third-party defendant PolyOne must pay the remediation costs at the former Goodrich Corporation (now Westlake Vinyls, Inc.) Calvert City facility, together with certain defense costs of Goodrich Corporation. The rulings also provided that PolyOne can seek indemnification for contamination attributable to Westlake.

The environmental obligation at the site arose as a result of an agreement by PolyOne's predecessor, the Geon Company, at the time of its spin-off from Goodrich Corporation in 1993, to indemnify Goodrich for environmental costs at the site. Neither PolyOne nor the Geon Company ever owned or operated the facility. Subject to the indemnification and other potential recovery rights discussed below, PolyOne will make a good faith payment of certain past remediation invoices. PolyOne currently estimates that the negative impact on third-quarter 2007 net income for this payment will be a special charge of approximately \$15.2 million.

In addition, as a result of the rulings in the litigation, in accordance with U.S. generally accepted accounting principles, PolyOne will adjust its environmental reserve from \$59.0 million at June 30, 2007, a portion of which already relates to the Calvert City site. The uncertainty associated with the litigation does not make it possible to conclusively determine what PolyOne's environmental reserve will be upon resolution of the case, but PolyOne will increase the reserve in the third quarter of 2007, resulting in a charge of approximately \$18.7 million (after tax) in the third quarter for remediation costs. Should the rulings stand, PolyOne expects that the annual additional cash cost for this remediation will be approximately \$1.5 million to \$2.0 million.

PolyOne retains the right to appeal the decisions in this case, will vigorously pursue insurance proceeds and reimbursement for costs incurred to the extent attributable to actions or inaction by Westlake and will challenge amounts that PolyOne believes were improperly invoiced by Goodrich Corporation. PolyOne intends to decrease the environmental reserve in future periods upon receipt of recoveries from Westlake, applicable insurance policies or other sources.

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## **About PolyOne**

PolyOne Corporation, with 2006 annual revenues of \$2.6 billion, is a leading global provider of specialized polymer materials, services and solutions. Headquartered in northeast Ohio, PolyOne has operations in North America, South America, Europe, Asia and Australia, and joint ventures in North America and South America. See [www.polyone.com](http://www.polyone.com) for additional information on PolyOne.

Media Contact: John Daggett  
Director of Corporate Communications  
440-930-3162

Investor Contact: W. David Wilson  
Senior Vice President & Chief Financial Officer  
440-930-3204

## **Forward-looking Statements**

In this press release, statements that are not reported financial results or other historical information are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements give current expectations or forecasts of future events and are not guarantees of future performance. They are based on management’s expectations that involve a number of business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in or implied by the forward-looking statements. You can identify these statements by the fact that they do not relate strictly to historic or current facts. They use words such as “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” and other words and terms of similar meaning in connection with any discussion of future operating or financial performance and/or sales. In particular, these include statements relating to charges relating to the costs of environmental remediation in Calvert City, Kentucky and the amount of the Company’s environmental reserve. Factors that could cause actual results to differ materially include, but are not limited to (a) actual defense costs of Goodrich Corporation incurred in connection with the Calvert City litigation to be reimbursed by us, (b) actual costs of remediation at the Calvert City facility, (c) our ability to obtain reimbursement for, or successfully challenge, remediation costs required to be paid by us, (d) the timing of remediation costs to be paid by us and (e) other uncertainties surrounding the Calvert City remediation and litigation, including any developments that would require any increase in our costs and/or reserves.

We cannot guarantee that any forward-looking statement will be realized, although we believe we have been prudent in our plans and assumptions. Achievement of future results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Investors should bear this in mind as they consider forward-looking statements.

We undertake no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise. You are advised, however, to consult any further disclosures we make on related subjects in our reports on Form 10-Q, 8-K and 10-K that we provide to the Securities and Exchange Commission. You should understand that it is not possible to predict or identify all risk factors. Consequently, you should not consider any list to be a complete set of all potential risks or uncertainties. (Ref. #100507)

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