

**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**

June 28, 2007
Date of Report (Date of earliest event reported)

QUAKER CHEMICAL CORPORATION

(Exact name of Registrant as specified in its charter)

Commission File Number 001-12019

PENNSYLVANIA
(State or other jurisdiction of
incorporation or organization)

No. 23-0993790
(I.R.S. Employer
Identification No.)

**One Quaker Park
901 Hector Street
Conshohocken, Pennsylvania 19428**
(Address of principal executive offices)
(Zip Code)

(610) 832-4000
(Registrant's telephone number, including area code)

Not Applicable
(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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INFORMATION TO BE INCLUDED IN THE REPORT

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

On April 3, 2007, Mr. Mark A. Featherstone was elected as Quaker Chemical Corporation's Vice President, Chief Financial Officer and Treasurer, effective April 9, 2007. The Corporation filed a Form 8-K on April 4, 2007, to reflect his election to this new position. As of the date of the filing, Mr. Featherstone's compensation had not changed.

On June 28, 2007, Mr. Featherstone signed a Memorandum of Employment ("Agreement") reflecting compensation adjustments following his appointment as Vice President, Chief Financial Officer and Treasurer of the Corporation. Under the terms of the Agreement, his annualized base salary has been established at \$220,008, retroactive to April 9, 2007. He remains eligible to participate in the Corporation's Global Annual Incentive Plan ("GAIP") and, for 2007, he is entitled to a maximum award percentage under the GAIP of 50% of his base salary dependent upon the Corporation's financial results and personal objectives. Under the Corporation's 2006 Long-Term Performance Incentive Plan ("LTIP"), Mr. Featherstone's award for the 2007-2009 performance period remains the same. It includes a time-based restricted stock award of 1,200 shares of the Corporation's Common Stock vesting on February 22, 2010 and a cash award of \$14,000 determined by performance over the three-year period based on relative total shareholder returns against a pre-determined peer group. Such awards were approved by the Corporation's Compensation/Management Development Committee on February 22, 2007. Because Mr. Featherstone's relative position among executive officers within the Corporation's organizational structure has been heightened, it will be recommended that his award level for the 2008-2010 performance period under the LTIP reflect this move. In the event Mr. Featherstone is terminated by the Corporation for any reason other than cause, he will be paid 12 months of severance at his annual base pay rate. In addition, the Agreement contains covenants of non-disclosure and non-compete.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

The following exhibit is included as part of this report:

Exhibit No.

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Memorandum of Employment dated June 28, 2007 between Quaker Chemical Corporation and Mark A. Featherstone.

SIGNATURE

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.

QUAKER CHEMICAL CORPORATION

Date: July 2, 2007

By: /s/ D. JEFFRY BENOLIEL

D. Jeffry Benoliel
Vice President, Secretary
and General Counsel

MEMORANDUM OF EMPLOYMENT

Effective: April 9, 2007

NAME: Mark A. Featherstone
ADDRESS: 1316 Jacob Drive
Yardley, PA 19067

On the 28th day of June, 2007, the parties to this Memorandum of Employment (“Agreement”) are **MARK A. FEATHERSTONE** and Quaker Chemical Corporation, a Pennsylvania corporation (“Quaker”).

You have been employed by Quaker in various positions including most recently as its Vice President and Global Controller. Effective April 9, 2007, you were appointed Quaker’s Vice President-Chief Financial Officer and Treasurer and Quaker now wishes to adjust compensation and enter into this memorandum containing certain covenants in connection with this appointment.

NOW THEREFORE in consideration of the mutual promises and covenants herein contained and intending to be legally bound hereby the parties hereto agree as follows:

1. Duties

Effective as of the date written above Quaker agrees to employ you and you agree to serve as Quaker’s Vice President-Chief Financial Officer and Treasurer. You shall perform all duties consistent with such position as well as any other duties that are assigned to you from time to time by the Chief Executive Officer or Quaker’s Board of Directors. You agree that during the term of your employment with Quaker to devote your knowledge, skill, and working time solely and exclusively to the business and interests of Quaker and its subsidiaries. Any and all prior employment agreements with Quaker are hereby terminated and have no legal effect except to the extent to recognize years of service from original date of hire.

2. Compensation

Quaker agrees to pay you a base salary, which shall be payable semimonthly. Your base salary is set forth in an addendum, which is attached hereto and made a part hereof. The rate of base salary will be reviewed and adjusted on an annual basis consistent with Quaker's then current practice for reviewing executive officers' salaries and performance. In addition, you will be entitled to participate, to the extent eligible, in annual and long term incentive plans, any retirement and stock purchase plans and shall be entitled to vacations, paid holidays, and medical, dental, and other benefits as are made generally available by Quaker to its full-time employees. Your salary and/or any benefits being made available to you may be changed at any time at Quaker's sole option, and any such change shall not affect any provision of this Agreement.

3. Term of Employment.

Your employment with Quaker may be terminated on thirty (30) days' written notice by either party, with or without cause or reason whatsoever. Within thirty (30) days after termination of your employment, you will be given an accounting of all monies due you.

4. Covenant Not to Disclose

You acknowledge that the identity of Quaker's (and any of Quaker's affiliates') customers, the requirements of such customers, pricing and payment terms quoted and charged to such customers, the identity of Quaker's suppliers and terms of supply (and the suppliers and related terms of supply of any of Quaker's customers for which management services are being provided), information concerning the method and conduct of Quaker's (and any affiliate's) business such as formulae, formulation information, application technology, manufacturing information, marketing information, strategic and marketing plans, financial information, financial statements (audited and unaudited), budgets, corporate practices and procedures, research and development efforts, and laboratory test methods and all of Quaker's (and its affiliates') manuals, documents, notes, letters, records, and computer programs are Quaker's trade secrets ("Trade Secrets") and are Quaker's (and/or any of its affiliates', as the case may be) sole and exclusive property. You agree that at no time during or following your employment with Quaker will you appropriate for your own use, divulge or pass on, directly or through any other individual or entity or to any third party, any Quaker Trade Secrets. Upon termination of your employment with Quaker and prior to final payment of all monies due to you under Paragraph 2 or at any other time upon Quaker's request, you agree to surrender immediately to Quaker any and all materials in your possession or control which include or contain any Quaker Trade Secrets.

5. Covenant Not to Compete

In consideration of your employment with Quaker and the training you are to receive from Quaker, you agree that during your employment with Quaker and for a period of one (1) year thereafter, regardless of the reason for your termination, you will not:

a. directly or indirectly, together or separately or with any third party, whether as an employee, individual proprietor, partner, stockholder, officer, director, or investor, or in a joint venture or any other capacity whatsoever, actively engage in business or assist anyone or any firm in business as a manufacturer, seller, or distributor of chemical specialty products which are the same, like, similar to, or which compete with Quaker (or any of its affiliates') products or services; and

b. recruit or solicit any Quaker employee or otherwise induce such employee to leave Quaker's employ, or to become an employee or otherwise be associated with you or any firm, corporation, business, or other entity with which you are or may become associated.

The parties consider these restrictions reasonable, including the period of time during which the restrictions are effective. However, if any restriction or the period of time specified should be found to be unreasonable in any court proceeding, then such restriction shall be modified or the period of time shall be shortened as is found to be reasonable so that the foregoing covenant not to compete may be enforced. You agree that in the event of a breach or threatened breach by you of the provisions of the restrictive covenants contained in Paragraph 4 or in this Paragraph 5, Quaker will suffer irreparable harm, and monetary damages may not be an adequate remedy. Therefore, if any breach occurs, or is threatened, in addition to all other remedies available to Quaker, at law or in equity, Quaker shall be entitled as a matter of right to specific performance of the covenants contained herein by way of temporary or permanent injunctive relief. In the event of any breach of the restrictive covenant contained in this Paragraph 5, the term of the restrictive covenant shall be extended by a period of time equal to that period beginning on the date such violation commenced and ending when the activities constituting such violation cease.

6. Contractual Restrictions

You represent and warrant to Quaker that: (a) there are no restrictions, agreements, or understandings to which you are a party that would prevent or make unlawful your employment with Quaker and (b) your employment by Quaker shall not constitute a breach of any contract, agreement, or understanding, oral or written, to which you are a party or by which you are bound.

7. Inventions

All improvements, modifications, formulations, processes, discoveries or inventions (“Inventions”), whether or not patentable, which were originated, conceived or developed by you solely or jointly with others (a) during your working hours or at Quaker’s expense or at Quaker’s premises or at a customer’s premises or (b) during your employment with Quaker and additionally, for a period of one year thereafter, and which relate to (i) Quaker’s business or (ii) any research, products, processes, devices, or machines under actual or anticipated development or investigation by Quaker at the earlier of (i) that time or (ii) as the date of termination of employment, shall be Quaker’s sole property. You shall promptly disclose to Quaker all Inventions that you conceive or become aware of at any time during your employment with Quaker and shall keep complete, accurate, and authentic notes, data and records of all Inventions and of all work done by you solely or jointly with others, in the manner directed by Quaker. You hereby transfer and assign to Quaker all of your right, title, and interest in and to any and all Inventions which may be conceived or developed by you solely or jointly with others during your employment with Quaker. You shall assist Quaker in applying, obtaining, and enforcing any United States Letters Patent and Foreign Letters Patent on any such Inventions and to take such other actions as may be necessary or desirable to protect Quaker’s interests therein. Upon request, you shall execute any and all applications, assignments, or other documents that Quaker deems necessary and desirable for such purposes. You have attached hereto a list of unpatented inventions that you have made or conceived prior to your employment with Quaker, and it is agreed that those inventions shall be excluded from the terms of this Agreement.

8. Termination

In the event that Quaker in its sole discretion and at any time terminates your employment (other than for Cause, death, disability, or normal retirement age), Quaker agrees to provide you with reasonable out-placement assistance and a severance payment (contingent upon your executing a form of release satisfactory to Quaker) that shall be equal to twelve (12) months’ base salary calculated at your then current rate. Your employment also can be terminated at any time and without notice for “Cause.” “Cause” means your employment with Quaker has been terminated by reason of either: (a) your willful and material breach of this Memorandum of Employment, (b) dishonesty, fraud, willful malfeasance, gross negligence, or other gross misconduct, in each case relating to the performance your duties hereunder which is materially injurious to Quaker, or (c) conviction of or plea of guilty to a felony.

9. Miscellaneous

This Agreement constitutes the entire integrated agreement concerning the subjects covered herein. In case any provision of this Agreement shall be invalid, illegal, or otherwise unenforceable, the validity, legality, and enforceability of the remaining provisions shall not thereby be affected or impaired. You may not assign any of your rights or obligations under this Agreement without Quaker’s prior written

consent. This Agreement shall be governed by, and construed in accordance with, the laws of the Commonwealth of Pennsylvania without regard to any conflict of laws. This Agreement shall be binding upon you, your heirs, executors, and administrators and shall inure to the benefit of Quaker as well as its successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

ATTEST:

QUAKER CHEMICAL CORPORATION

/s/ Irene M. Kisleiko
Irene M. Kisleiko

/s/ D. Jeffry Benoiel
D. Jeffry Benoiel

WITNESS:

/s/ Sandra O. Saxton
Sandra O. Saxton

/s/ Mark A. Featherstone
Mark A. Featherstone

ADDENDUM 1

- Base Salary:** Your salary will be payable on a semi-monthly basis at the rate of \$9,167.00, which is annualized at \$220,008.00. You will be eligible for your next salary increase in July, 2008.
- Annual and Long-Term Bonuses:** For your position, you are eligible to participate in the Global Annual Incentive Plan (GAIP). Your annual cash bonus is up to a maximum of 50% of your base salary with a mid/target of 28%. Your LTIP level for 2007-2009 will remain the same. For the LTIP 2008-2010 plan year, you will be recommended for Level I to the Compensation/Management Development Committee of the Board of Directors (the "Compensation Committee"). All incentive compensation awards are made at the Company's discretion, are subject to change, and require the approval of the Compensation Committee.
- Other Items:** You will be allowed 12 months notice/severance if you are asked to leave Quaker for other than cause.
- Benefits:** Quaker offers a Flexible Benefits Program. This gives you the opportunity to choose from a variety of options creating a customized benefits package. The following benefits are part of the program. In each of these areas, you are offered a range of options so you may choose the ones that make the most sense for your personal situation.
- Medical (comparison enclosed)
 - Dental (summary enclosed)
 - Life & AD&D Insurance
 - Long-term Disability
 - Health Care and Dependent Care Flexible Spending Accounts (FSAs)
- In addition to these flexible benefits, Quaker also offers the following benefit plans:
- Retirement Savings Plan (401K)
- Enrollment for Quaker benefits is done online on a web-based system hosted by [Marsh@Work](#). Enclosed are step-by-step enrollment instructions for accessing the site. You should be able to access the site within a day of your actual start date. You have 30 days from your actual start date to make your elections and fully confirm them online. If this is not done prior to 30 days from your actual start date, you can not enroll again until the next scheduled open enrollment period for the full calendar year.
- Vacation / Holidays:** You are eligible for four weeks of vacation annually. The company currently has 11 1/2 paid holidays.