

PROGRESS SOFTWARE CORP /MA

Form SC TO-I/A

April 05, 2007

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**SCHEDULE TO/A
Tender Offer Statement under Section 14(d)(1) or 13(e)(1)
of the Securities Exchange Act of 1934
(Amendment No. 15)**

Progress Software Corporation
(Name of Subject Company (Issuer))

Progress Software Corporation
(Name of Filing Person (Issuer and Offeror))

Options to Purchase Shares of Common Stock, Par Value \$0.01 Per Share
(Title of Class of Securities)

Not applicable
(CUSIP Number of Class of Securities)

Joseph W. Alsop
Progress Software Corporation
14 Oak Park
Bedford, Massachusetts 01730
(781) 280-4000

*(Name, address, and telephone numbers of person authorized
to receive notices and communications on behalf of filing persons)
with copies to:*

Robert W. Sweet, Jr., Esq.
John D. Hancock, Esq.
Foley Hoag LLP
155 Seaport Boulevard
Boston, Massachusetts 02210
Calculation of Filing Fee

Transaction valuation*
\$17,875,505

Amount of filing fee**
\$1,912.68***

* Estimated for purposes of calculating the filing fee only. This amount is based on the Black-Scholes option valuation model, and assumes that all eligible existing

options to
purchase
1,836,887
shares of
common stock
of Progress
Software
Corporation will
be amended
pursuant to this
offer, which
may not occur.

** The amount of
the filing fee,
calculated in
accordance with
Rule 0-11 of the
Securities
Exchange Act
of 1934, as
amended, as
modified by Fee
Rate Advisory
No. 5 for fiscal
year 2006,
equals \$107 per
\$1,000,000 of
the value of the
transaction.

*** Previously paid
in connection
with the filing
person's
Schedule TO
filed with the
Securities and
Exchange
Commission on
December 22,
2006.

- o Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid:

Form or Registration No.:

Filing Party:

Date Filed:

- ☐ Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- ☐ third-party tender offer subject to Rule 14d-1.

- ☐ issuer tender offer subject to Rule 13e-4.

- ☐ going-private transaction subject to Rule 13e-3.

- ☐ amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

- ☐
-

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SIGNATURE

Ex-99.(A)(5)(B) Form of Notice of Amendment of Eligible Options

Ex-99.(A)(5)(O) Form of Notice of Acceptance of Eligible Options

Ex-99.(A)(5)(T) Notice of Payment Acceleration, Extension of the Expiration Date

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INTRODUCTORY STATEMENT

This Amendment No. 15 amends and supplements the Tender Offer Statement on Schedule TO filed with the Securities and Exchange Commission (the SEC) on December 22, 2006, as amended by Amendment No. 1 filed with the SEC on January 4, 2007, Amendment No. 2 filed with the SEC on January 17, 2007, Amendment No. 3 filed with the SEC on January 24, 2007, Amendment No. 4 filed with the SEC on January 31, 2007, Amendment No. 5 filed with the SEC on February 7, 2007, Amendment No. 6 filed with the SEC on February 12, 2007, Amendment No. 7 filed with the SEC on February 14, 2007, Amendment No. 8 filed with the SEC on February 16, 2007, Amendment No. 9 filed with the SEC on February 21, 2007, Amendment No. 10 filed with the SEC on March 1, 2007, Amendment No. 11 filed with the SEC on March 8, 2007, Amendment No. 12 filed with the SEC on March 15, 2007, Amendment No. 13 filed with the SEC on March 22, 2007 and Amendment No. 14 filed with the SEC on March 29, 2007 (as amended, the Schedule TO), by Progress Software Corporation, a Massachusetts corporation (the Company). The Schedule TO relates to the issuer tender offer by the Company to amend outstanding Eligible Options (as defined in the Offer to Amend, dated December 22, 2006 (as amended and supplemented, the Offer to Amend), filed as Exhibit (a)(1)(A) to the Schedule TO) held by individuals subject to taxation in the United States so they may avoid potential adverse tax consequences under Section 409A of the Internal Revenue Code of 1986, as amended, upon the terms and subject to the conditions set forth in the Offer to Amend and in the related Letter of Transmittal (the Letter of Transmittal which, together with the Offer to Amend, as each may be amended and/or supplemented from time to time, constitute the Offer), filed as Exhibit (a)(1)(C) to the Schedule TO. Each eligible participant in the Offer may elect to amend each of his or her Eligible Options to increase the exercise price per share of the Company's common stock, par value \$0.01 per share, purchasable thereunder and to receive from the Company a special Cash Bonus (as defined in the Offer to Amend), upon the terms and subject to the conditions set forth in the Offer to Amend and in the Letter of Transmittal.

Item 1. Summary Term Sheet.

Item 1 of the Schedule TO is hereby amended by the information set forth in Item 11 below, which information is incorporated herein by reference.

Item 4. Terms of the Transaction.

Item 4(a) of the Schedule TO is hereby amended by the information set forth in Item 11 below, which information is incorporated herein by reference.

Item 6. Purposes of the Transaction and Plans or Proposals.

Item 6 of the Schedule TO is hereby amended by the information set forth in Item 11 below, which information is incorporated herein by reference.

Item 11. Additional Information.

Item 11(b) of the Schedule TO is hereby amended and supplemented to add the following:

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On April 5, 2007, the Company distributed to eligible participants in the Offer a notice of amendment and extension, a copy of which is attached hereto as Exhibit (a)(5)(T) and incorporated herein by reference. The notice announces that the Company has amended the terms of the Offer to provide that (i) an employee who accepts the Offer to amend his or her eligible options will receive a contractual right to receive the entire amount of the Cash Bonus attributable to those options in one lump sum on or about January 2, 2008, regardless of whether the employee is employed by the Company on the date of payment, (ii) there are no longer any vesting conditions on any portion of the Cash Bonus, and (iii) an employee does not need to remain employed by the Company for any period of time after the Amendment Date (as defined in the Offer to Amend) in order to receive the entire amount of his or her Cash Bonus. Accordingly, there is no longer any difference in the contractual payment terms with respect to amended eligible options that are vested at the expiration of the Offer and options that vest thereafter; the Company will pay the entire Cash Bonus attributable to all options amended pursuant to the Offer, whether vested or unvested, on or about January 2, 2008.

The notice also announces that the Company has amended the terms of the Offer to exclude former directors and executive officers as eligible participants in the Offer.

Finally, the notice announces that the Company has extended the Offer, upon the terms and subject to the conditions set forth in the Offer to Amend and in the Letter of Transmittal, until 5:00 p.m., Eastern Time, on April 12, 2007. The Offer had been previously scheduled to expire at 5:00 p.m., Eastern Time, on April 5, 2007.

As of the close of business on April 4, 2007, eligible participants had accepted the Offer with respect to Eligible Options to purchase up to approximately 1.76 million shares of the Company's common stock, representing approximately 99.9% of the shares of common stock purchasable under Eligible Options outstanding as of that date.

Except for the amendments to the terms of the Offer described in Exhibit (a)(5)(T) and the extension of the expiration date, the Offer remains subject to the terms and conditions set forth in the Offer to Amend, the Letter of Transmittal and other related tender offer materials filed by the Company with the SEC.

Item 12. Exhibits.

Item 12 of the Schedule TO is hereby amended and supplemented to add the following:

- (a)(5)(B) Form of Notice of Amendment of Eligible Options and Contractual Commitment to Pay Cash Bonus, as amended.
- (a)(5)(O) Form of Notice of Acceptance of Eligible Options, as amended.
- (a)(5)(P) [Removed and reserved.]
- (a)(5)(T) Notice of Payment Acceleration, Extension of the Expiration Date of the Offer, and Exclusion of Former Directors and Executive Officers, dated April 5, 2007.

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SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Progress Software Corporation

By: /s/ Norman R. Robertson
Norman R. Robertson
Senior Vice President, Finance and
Administration and Chief Financial
Officer

Date: April 5, 2007

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Exhibit Number Description

(a)(1)(A)	Offer to Amend, dated December 22, 2006 (incorporated by reference to Exhibit (a)(1)(A) to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).
(a)(1)(B)	Announcement of Offer to Amend (incorporated by reference to Exhibit (a)(1)(B) to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).
(a)(1)(C)	Letter of Transmittal (incorporated by reference to Exhibit (a)(1)(C) to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).
(a)(1)(D)	Withdrawal Form (incorporated by reference to Exhibit (a)(1)(D) to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).
(a)(2)	Not applicable.
(a)(3)	Not applicable.
(a)(4)	Not applicable.
(a)(5)(A)	Form of Reminder of Expiration Date (incorporated by reference to Exhibit (a)(5)(A) to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).
(a)(5)(B)	Form of Notice of Amendment of Eligible Options and Contractual Commitment to Pay Cash Bonus, as amended.
(a)(5)(C)	Form of Option Summary (incorporated by reference to Exhibit (a)(5)(C) to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).
(a)(5)(D)	Presentation by Ernst & Young LLP to eligible participants in the Offer on January 4, 2007, entitled "Progress Software Corporation's Offer to Amend Certain Stock Options" (incorporated by reference to Exhibit (a)(5)(D) to Amendment No. 1 dated January 4, 2007 to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).
(a)(5)(E)	Form of Communication to each Eligible Participant regarding Estimated Cash Payment Amounts and Scheduled Cash Payment Dates (incorporated by reference to Exhibit (a)(5)(E) to Amendment No. 2 dated January 16, 2007 to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).

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Exhibit Number Description

(a)(5)(F)	Notice of Extension of the Expiration Date of the Offer, dated January 24, 2007 (incorporated by reference to Exhibit (a)(5)(F) to Amendment No. 3 dated January 24, 2007 to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).
(a)(5)(G)	Notice of Extension of the Expiration Date of the Offer, dated January 31, 2007 (incorporated by reference to Exhibit (a)(5)(G) to Amendment No. 4 dated January 31, 2007 to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).
(a)(5)(H)	Notice of Extension of the Expiration Date of the Offer, dated February 7, 2007 (incorporated by reference to Exhibit (a)(5)(H) to Amendment No. 5 dated February 7, 2007 to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).
(a)(5)(I)	Notice of Revised Payment Date of the Vested Cash Bonus and Extension of the Expiration Date of the Offer, dated February 12, 2007 (incorporated by reference to Exhibit (a)(5)(I) to Amendment No. 6 dated February 12, 2007 to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).
(a)(5)(J)	Notice regarding Eligible Participants in the Offer, dated February 14, 2007 (incorporated by reference to Exhibit (a)(5)(J) to Amendment No. 7 dated February 14, 2007 to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).
(a)(5)(K)	Communication to each Eligible Participant regarding Exercise of Eligible Options, dated February 16, 2007 (incorporated by reference to Exhibit (a)(5)(K) to Amendment No. 8 dated February 16, 2007 to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).
(a)(5)(L)	Notice of Extension of the Expiration Date of the Offer, dated February 21, 2007 (incorporated by reference to Exhibit (a)(5)(L) to Amendment No. 9 dated February 21, 2007 to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).
(a)(5)(M)	Notice of Extension of the Expiration Date of the Offer, dated March 1, 2007 (incorporated by reference to Exhibit (a)(5)(M) to Amendment No. 10 dated March 1, 2007 to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).
(a)(5)(N)	Notice of Extension of the Expiration Date of the Offer, dated March 8, 2007 (incorporated by reference to Exhibit (a)(5)(N) to Amendment No. 11 dated March 8, 2007 to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).
(a)(5)(O)	Form of Notice of Acceptance of Eligible Options, as amended.

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Exhibit Number	Description
(a)(5)(P)	[Removed and reserved.]
(a)(5)(Q)	Notice of Extension of the Expiration Date of the Offer, dated March 15, 2007 (incorporated by reference to Exhibit (a)(5)(Q) to Amendment No. 12 dated March 15, 2007 to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).
(a)(5)(R)	Notice of Extension of the Expiration Date of the Offer, dated March 22, 2007 (incorporated by reference to Exhibit (a)(5)(R) to Amendment No. 13 dated March 22, 2007 to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).
(a)(5)(S)	Notice of Extension of the Expiration Date of the Offer, dated March 29, 2007 (incorporated by reference to Exhibit (a)(5)(S) to Amendment No. 14 dated March 29, 2007 to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).
(a)(5)(T)	Notice of Payment Acceleration, Extension of the Expiration Date of the Offer, and Exclusion of Former Directors and Executive Officers, dated April 5, 2007.
(b)	Not applicable.
(d)(1)	Progress Software Corporation 1992 Incentive and Nonqualified Stock Option Plan (incorporated by reference to Exhibit 10.12 to the Company's Quarterly Report on Form 10-Q for the quarter ended May 31, 1992).
(d)(2)	Progress Software Corporation 1994 Stock Incentive Plan (incorporated by reference to Exhibit 10.16 to the Company's Quarterly Report on Form 10-Q for the quarter ended August 31, 1994).
(d)(3)	Progress Software Corporation 1997 Stock Incentive Plan, as amended and restated (incorporated by reference to Exhibit 10.7 to the Company's Annual Report on Form 10-K for the fiscal year ended November 30, 2000).
(d)(4)	Progress Software Corporation 2002 Nonqualified Stock Plan (incorporated by reference to Exhibit 10.10 to the Company's Quarterly Report on Form 10-Q for the quarter ended May 31, 2002).
(d)(5)	Progress Software Corporation 2004 Inducement Stock Plan (incorporated by reference to Exhibit 10.12 to the Company's Annual Report on Form 10-K for the fiscal year ended November 30, 2004).
(d)(6)	Employee Retention and Motivation Agreement executed by each Executive Officer of the Company (incorporated by reference to Exhibit 10.10 to the Company's Annual Report on Form 10-K for the fiscal year ended November 30, 1998).

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Exhibit Number	Description
(d)(7)	First amendment to Employee Retention and Motivation Agreement executed by each Executive Officer of the Company (incorporated by reference to Exhibit 10.10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended August 31, 1999).
(d)(8)	Letter agreement dated November 15, 2005 with Joseph W. Alsop regarding Fiscal 2005 Stock Option Grant (incorporated by reference to Exhibit 10.1 to the Company's current report on Form 8-K dated as of November 15, 2005).
(d)(9)	Form of Option Amendment Agreement, with payment to the Company, executed by certain executive officers of the Company (incorporated by reference to Exhibit (d)(9) to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).
(d)(10)	Form of Option Amendment Agreement, with payment to the Company, executed by certain non-employee directors of the Company (incorporated by reference to Exhibit (d)(10) to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).
(d)(11)	Form of Option Amendment Agreement, with cash bonus, executed by certain executive officers of the Company (incorporated by reference to Exhibit (d)(11) to the Company's Tender Offer Statement on Schedule TO dated December 22, 2006).
(g)	Not applicable.
(h)	Not applicable.