

MONEYGRAM INTERNATIONAL INC
Form 8-K
March 20, 2009

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):

March 20, 2009

MoneyGram International, Inc.

(Exact name of registrant as specified in its charter)

Delaware

1-31950

16-1690064

(State or other jurisdiction
of incorporation)

(Commission
File Number)

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

1550 Utica Avenue South, Suite 100,
Minneapolis, Minnesota

55416

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

952-591-3000

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

David J. Parrin, Executive Vice President and Chief Financial Officer of MoneyGram International, Inc. ("MGI"), and MGI have mutually agreed that Mr. Parrin's employment with MGI will terminate effective March 24, 2009. Mr. Parrin is a participant in the MoneyGram International, Inc. Special Executive Severance Plan (Tier I) (the "Severance Plan").

MGI and Mr. Parrin entered into a Separation Agreement and Release of all Claims (the "Separation Agreement") dated March 20, 2009, which provides for Mr. Parrin's resignation as MGI's Executive Vice President and Chief Financial Officer. Under the Separation Agreement, Mr. Parrin will receive the severance benefits to which he was entitled under the terms of the Severance Plan. These benefits are as follows: (i) \$782,458 as salary severance; (ii) \$1,558,333 as bonus severance under the MoneyGram International, Inc. Management and Line of Business Incentive Plan, as amended and restated March 24, 2008, MGI's annual cash incentive plan; (iii) an increase in the special retirement benefits under the MoneyGram Supplemental Pension Plan ("SERP") approximating the incremental amount of the retirement benefits that would have been payable to Mr. Parrin under the SERP if Mr. Parrin's employment had continued through March 24, 2011, payable over 10 years commencing in 2010 when Mr. Parrin first attains retirement age; (iv) \$28,891 as payment for accrued and unused vacation; (v) \$77,823 as payment in lieu of certain taxable perquisites; and (vi) certain other benefits including continuation of life, medical and dental insurance for a period of two years and outplacement benefits. In general, cash payments, other than those with respect to the SERP, will be made in October 2009. In addition, the Severance Plan provides for, and the Separation Agreement acknowledges, that, to the extent any of the payments are subject to the excise tax under section 4999 of the Internal Revenue Code, an additional payment will be made in an amount sufficient to allow Mr. Parrin to pay all excise taxes without a reduction in severance payments. Under the Separation Agreement, Mr. Parrin agreed that, for a period of twelve months following the separation date, he will not (i) engage in any activities in competition with the business of MGI or (ii) solicit employees or customers of MGI. Additionally, Mr. Parrin agreed that for a period of 24 months, he would not accept employment with or render services to specific named entities. MGI agreed to pay attorneys' fees in connection with the Separation Agreement. The Separation Agreement also includes confidentiality, non-disparagement and non-disclosure obligations.

The foregoing summary of the Separation Agreement does not purport to be complete and is qualified in its entirety by reference to the Separation Agreement, a copy of which is filed herewith as Exhibit 10.01 and is incorporated herein by reference into this Item 5.02.

Item 8.01 Other Events.

On March 20, 2009, MGI issued a press release announcing Mr. Parrin's separation from MGI. The press release is furnished herewith as Exhibit 99.01.

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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.

MoneyGram International, Inc.

March 20, 2009

By: /s/ Anthony P. Ryan

Name: Anthony P. Ryan

Title: President and Chief Executive Officer

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Exhibit Index

| Exhibit No. | Description |
|--------------------|---|
| 10.01 | Separation Agreement and Release of All Claims, dated March 20, 2009, between David J. Parrin and MoneyGram International, Inc. |
| 99.01 | Press Release dated March 20, 2009 |