

BRIGHT HORIZONS FAMILY SOLUTIONS INC

Form 8-K

February 08, 2006

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 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 2, 2006

**BRIGHT HORIZONS FAMILY SOLUTIONS, INC.**

(Exact Name of Registrant as Specified in Charter)

**Delaware**

**0-24699**

**62-1742957**

(State or Other Jurisdiction of  
Incorporation)

(Commission  
File Number)

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

**200 Talcott Avenue South  
Watertown, Massachusetts**

**02472**

(Address of Principal Executive Offices)

(Zip Code)

**(617) 673-8000**

(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 (*see* General Instruction A.2. below):

- o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement.

SIGNATURES

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On February 2, 2006, after consideration of presentations and recommendations of management and independent compensation consultants, and such other matters and information as deemed appropriate, the Compensation Committee (the *Committee*) of the Board of Directors of Bright Horizons Family Solutions, Inc. (the *Company*) approved certain resolutions, including with respect to the following actions:

*2006 Salaries.* The Committee set the following salaries for 2006 for the named executive officers set forth in the table below:

<b>Executive Officer</b>	<b>Title</b>	<b>Amount of 2006 Salary</b>
David H. Lissy	CEO	\$ 298,000
Mary Ann Tocio	President and COO	\$ 298,000
Elizabeth J. Boland	CFO and Treasurer	\$ 218,400
Stephen I. Dreier	CAO and Secretary	\$ 198,400

*Cash Incentive Plan.* The Committee approved the cash incentive plan for named executive officers for 2006 (the *Bonus Plan*). Pursuant to the *Bonus Plan*, each named executive officer is eligible for an annual target cash bonus award equal to the percentage of annual salary set forth in the table below (the *Base Bonus*). In addition to the *Base Bonus*, the Chief Executive Officer and President and Chief Operating Officer are eligible to receive up to 150% of the *Base Bonus* for significant overachievement of performance expectations (the *Incremental Bonus*), providing the Chief Executive Officer and President and Chief Operating Officer with a maximum bonus potential of up to 120% of their annual salary.

<b>Executive Officer</b>	<b>Base Bonus (% of 2006 Salary)</b>	<b>Incremental Bonus (% of 2006 Salary)</b>
David H. Lissy	80%	40%
Mary Ann Tocio	80%	40%
Elizabeth J. Boland	55%	N/A
Stephen I. Dreier	35%	N/A

*Equity Compensation Plan.* The Committee also approved the equity compensation plan for named executive officers for 2006 (the *Equity Plan*). Pursuant to the *Equity Plan*, the named executive officers have again been offered a choice of three equity alternatives:

- (1) non-qualified stock options granted with an exercise price equal to the market price of the underlying stock at the date of grant ( *Options* );
- (2) restricted stock granted at no cost ( *Restricted Stock* ); or
- (3) purchased restricted stock ( *Purchased Restricted Stock* ), with a purchase price equal to 50% of the market price of the underlying stock at the date of grant.

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Each of the three equity alternatives will vest 100% at the end of a three-year term, and the Options will expire at the end of seven years.

Each named executive officer may elect to choose one of the three equity alternatives or may choose a combination of the equity alternatives by allocating a percentage among the three equity alternatives (up to 100%); provided, however, that no named executive officer may allocate more than 50% of his or her award to Restricted Stock. For example, a named executive officer may elect to choose 30% in Options, 30% in Restricted Stock and 40% in Purchased Restricted Stock. The following table reflects the maximum number of shares approved for each equity alternative by the Committee:

<b>Executive Officer</b>	<b>Options</b>	<b>Restricted Stock</b>	<b>Purchased Restricted Stock</b>
David H. Lissy	49,300	11,400	45,600
Mary Ann Tocio	49,300	11,400	45,600
Elizabeth J. Boland	20,300	4,800	18,800
Stephen I. Dreier	15,100	3,500	14,000

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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.

**BRIGHT HORIZONS FAMILY  
SOLUTIONS, INC.**

By: /s/ Elizabeth J. Boland  
Elizabeth J. Boland  
Chief Financial Officer

Date: February 8, 2006