

Wright Express CORP
Form 8-K
April 06, 2006

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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)

April 6, 2006 (March 31, 2006)

WRIGHT EXPRESS CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation)

001-32426

(Commission File Number)

01-0526993

(IRS Employer Identification No.)

Registrant's telephone number, including area code

(207) 773-8171

(Former name or former address if changes 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 1.01 Entry into a Material Definitive Agreement

Item 9.01 Financial Statements and Exhibits.

SIGNATURE

EXHIBIT INDEX

Ex-99.1 Form of Long Term Incentive Program Award Agreement

Table of Contents**Item 1.01 Entry into a Material Definitive Agreement****Adoption of Wright Express Corporation Amended and Restated Short Term Incentive Program and 2006 Performance Criteria**

On March 31, 2006, the Compensation Committee of the Board of Directors of Wright Express Corporation (the Committee and the Company, respectively) approved the performance criteria and relative weighting of each criterion that will be used to determine the cash bonus awards payable to the Company's chief executive officer and four most highly compensated executive officers (the Named Executive Officers) under the Company's Short Term Incentive Program (the STIP) for the fiscal year ending December 31, 2006. For 2006, our Named Executive Officers are: Michael E. Dubyak; Melissa D. Smith; David D. Maxsimic; Katherine M. Greenleaf; and Tod A. Demeter. For all Named Executive Officers, the payments are contingent on the Company meeting certain goals with respect to adjusted net income (60% weighting), adjusted revenue (20% weighting) and corporate objectives (20% weighting). David D. Maxsimic, the Company's Senior Vice President, Sales and Marketing, is also eligible for a supplemental cash incentive, assuming threshold performance, of between \$50,000 and \$200,000 based on the Company attaining certain levels of adjusted revenue.

Potential 2006 cash bonus awards under the STIP may be paid to the Company's Named Executive Officers at the following percentages of base salary:

| Name | Threshold | Target | Maximum |
|------------------------|------------------|---------------|----------------|
| Michael E. Dubyak | 50% | 100% | 200% |
| Melissa D. Smith | 30 | 60 | 120 |
| David D. Maxsimic | 27.5 | 55 | 110 |
| Katherine M. Greenleaf | 22.5 | 45 | 90 |
| Tod A. Demeter | 22.5 | 45 | 90 |

For any performance between threshold and maximum performance, payout is adjusted ratably. The Company must meet its threshold results for adjusted net income in order to receive any payout under the STIP.

For the purposes of the STIP, adjusted net income means adjusted net income as reported in the Company's Form 8-K filing reporting the Company's results for 2006 adjusted to exclude certain extraordinary items. The Compensation Committee may exercise discretion to include all or part of an item of loss or expense with regard to any extraordinary items. The Compensation Committee has further discretion to increase or decrease payout levels on adjusted net income under certain circumstances relating to the impact of the Company's fuel price risk management program. For purposes of the STIP, adjusted revenue is based on revenue adjusted for the price of fuel.

Adoption of Wright Express Corporation 2006 Long Term Incentive Program

On March 31, 2006, the Committee also approved grants of equity securities to the Company's Named Executive Officers, among others, in the form of restricted stock units (RSUs) and performance-based restricted stock units (PSUs). The following lists the number of RSUs and PSUs (at threshold, target and maximum performance) granted to each of the Company's Named Executive Officers:

| Name | RSUs | Threshold PSUs | Target PSUs | Maximum PSUs |
|------------------------|-------------|---------------------------|------------------------|-------------------------|
| Michael E. Dubyak | 13,557 | 6,778 | 13,557 | 27,114 |
| Melissa D. Smith | 4,338 | 2,169 | 4,338 | 8,676 |
| David D. Maxsimic | 3,886 | 1,943 | 3,886 | 7,772 |
| Katherine M. Greenleaf | 3,253 | 1,626 | 3,253 | 6,506 |
| Tod A. Demeter | 3,253 | 1,626 | 3,253 | 6,506 |

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The RSUs and PSUs vest with respect to 25% of the total units granted on each of the first four anniversaries of the date of grant, or sooner under certain circumstances. Under the terms of the grant, the number of PSUs that will be converted to shares of the Company's stock is subject to the attainment of

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performance goals, based on adjusted net income as determined for purposes of the STIP. No PSUs will be converted to shares of the Company's stock unless the threshold performance goal is met. If the maximum goal is exceeded, only the number of PSUs granted subject to attainment of the maximum goal will be converted.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits.

| Exhibit No. | Description |
|--------------------|---|
| 10.1* | Form of Long Term Incentive Program Award Agreement |

* Exhibit filed herewith.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

WRIGHT EXPRESS CORPORATION

Date: April 6, 2006

By: /s/ Melissa D. Smith
Melissa D. Smith
*Senior Vice President, Finance and
Chief Financial Officer*

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