

Edgar Filing: PITNEY BOWES INC /DE/ - Form 8-K

ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

Effective February 13, 2006, certain senior management employees of Pitney Bowes Inc. (the "company") entered into a Proprietary Interest Protection Agreement with the company (the "PIP Agreement"). The PIP Agreement provides that, in consideration of the employee's continued employment, the award of stock options or the provision of trade secrets and confidential information to the employee by the company, the employee agrees to assign to the company all right, title and interest in all intellectual property created by the employee during the term of his or her employment that pertains, directly or indirectly to the business of the company. The PIP Agreement further provides that the employee will keep confidential during the term and after the termination of his or her employment, any and all company confidential information. The PIP Agreement also contains a one (1) year covenant not to compete and covenant not to solicit customers or employees.

Of the named executive officers of the company (as defined in Regulation S-K item 402(a)(3)), each of Michael J. Critelli, Chairman and Chief Executive Officer, Murray D. Martin, President and Chief Operating Officer, and Bruce P. Nolop, Senior Vice President and Chief Financial Officer, has entered into the PIP Agreement. Michele Coleman Mayes, Senior Vice President and General Counsel, is precluded from entering into this agreement under the Rules of Professional Conduct in the jurisdictions where she is admitted to practice law that prohibit restrictions on an attorney's right to practice law following termination of employment.

Patrick J. Keddy, Executive Vice President and President, Mailstream International, was not required to enter into the PIP Agreement because the terms of Mr. Keddy's existing service agreement, dated January 29, 2003 between Pitney Bowes Limited, a wholly-owned subsidiary of the company and Mr. Keddy (the "Keddy Service Agreement"), require that all intellectual property rights relating to or useful in the business are the property of Pitney Bowes Limited. In addition, Mr. Keddy is subject to a confidentiality agreement, and, in the event of a termination of his employment, Mr. Keddy is subject to a 12-month covenant not to compete and a 12-month covenant not to solicit customers or employees. In addition, the Keddy Service Agreement provides that the company may terminate his employment with 12 months' prior notice or, in lieu of such prior notice, payment of his salary for a 12-month period. If Mr. Keddy is paid salary in lieu of notice, he will also be eligible to earn an annual incentive (prorated to date of termination and subject to the discretion of the Board of Directors of the company). If the subsidiary that employs Mr. Keddy is wound up for purposes of a reconstruction or amalgamation, or transfers all or a substantial part of its business to another company, and Mr. Keddy is offered employment by the new company on terms comparable to those of the service agreement, Mr. Keddy will have no claim with respect to the termination of his employment under the service agreement.

The PIP Agreement and the Keddy Service Agreement are attached hereto as Exhibit 10.1 and Exhibit 10.2, respectively, and are incorporated herein by reference. The descriptions of the PIP Agreement and the Keddy Service Agreement contained herein are qualified in their entirety by reference to the PIP Agreement and the Keddy Service Agreement.

Edgar Filing: PITNEY BOWES INC /DE/ - Form 8-K

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

- 10.1 Form of Proprietary Interest Protection Agreement effective as of February 13, 2006
- 10.2 Service Agreement between Pitney Bowes Limited and Patrick J. Keddy dated January 29, 2003

3

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 thereunto duly authorized.

PITNEY BOWES INC.

February 17, 2006

/S/ AMY C. CORN

Amy C. Corn
Vice President, Secretary and Chief Governance
Officer

