



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: January 25, 2005  
(Date of earliest event reported)

**AKAMAI TECHNOLOGIES, INC.**

(Exact Name of Registrant as Specified in Charter)

Delaware  
(State or Other Jurisdiction  
of Incorporation)

0-27275  
(Commission File Number)

04-3432319  
(IRS Employer Identification No.)

8 Cambridge Center, Cambridge, Massachusetts 02142  
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (617) 444-3000

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):

- 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 Material Definitive Agreement**

On January 25, 2004, the Compensation Committee (the “Compensation Committee”) of the Board of Directors of Akamai Technologies, Inc. (“Akamai”) adopted cash incentive plans for the following executive officers: Paul Sagan, Lisa Arthur, Robert Cobuzzi, Melanie Haratunian and Chris Schoettle (collectively, the “Executives”). Each of these plans provides for an annual base salary and a cash bonus, the amount of such bonus to be determined based upon the achievement of certain pre-determined individual and corporate performance objectives. Specifically, each Executive’s bonus is weighted as follows: 50% based on Akamai achievement of revenue targets; 25% on Akamai’s achievement of earnings per share targets; and 25% on achievement of individual or departmental performance goals. For Mr. Sagan, the target cash bonus is equal to 50% of his base salary, and the maximum cash bonus is equal to 100% of his base salary. For Ms. Arthur, the target cash bonus is equal to 25% of her base salary, and the maximum cash bonus is equal to 50% of her base salary. For Mr. Cobuzzi, the target cash bonus is equal to 47.6% of his base salary, and the maximum cash bonus is equal to 95.2% of his base salary. For Ms. Haratunian, the target cash bonus is equal to 25% of her base salary, and the maximum cash bonus is equal to 50% of her base salary. For Mr. Schoettle, the target cash bonus is equal to 33% of his base salary, and the maximum cash bonus is equal to 66.7% of his base salary. The form of cash incentive plan is attached hereto, and incorporated by reference herein, as Exhibit 99.1.

On January 25, 2004, the Compensation Committee adopted the Executive Severance Pay Plan (the “Severance Plan”) for members of Akamai’s executive management group, currently referred to as the Office of the CEO. Eligible participants under the plan who are terminated for any reason other than “cause” (as defined in the Severance Plan) and have signed a mutually acceptable separation agreement shall be entitled to a lump sum payment equal to one year of the participant’s then-current base salary, less applicable withholdings for taxes and other required deductions, plus an amount equal to 12 times the monthly premium for continued health and dental insurance coverage paid by Akamai on the participant’s behalf in the month preceding the participant’s termination. The Executive Severance Pay Plan and Summary Plan Description are attached hereto, and incorporated by reference herein, as Exhibit 99.2. The foregoing description of the Severance Plan is qualified in its entirety by the full text of the Executive Severance Pay Plan set forth in Exhibit 99.2.

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SIGNATURE

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.

Date: January 31, 2005

AKAMAI TECHNOLOGIES, INC.

By: /s/ Melanie Haratunian  
Melanie Haratunian,  
Vice President and General Counsel

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Akamai Technologies, Inc. Form of Office of the CEO Cash Incentive Plan
99.2	Akamai Technologies, Inc. Executive Severance Pay Plan

Akamai Technologies, Inc.

Form of Office of the CEO Incentive Plan

**Name:**  
**Title:****Performance Period: FY 2005**

This 2005 incentive plan sets forth your annual compensation for 2005 based on the achievement of certain corporate and individual performance objectives. In order to receive your annual incentive bonus, you must be an employee and a member of the Office of the CEO throughout all of 2005 and the corporate and individual objectives must be met, as described more thoroughly below. The Compensation Committee will resolve all questions arising in the administration, interpretation and application of this plan, and the Compensation Committee's determination will be final and binding on all concerned. Where permitted by applicable law, the Compensation Committee reserves the right to modify, at its discretion and at any time, the terms of this plan, including, but not limited to, the performance objectives, targets, and payouts.

**Annual Compensation Levels at Target Performance**

Base salary:	\$ _____
Annual incentive bonus at target:	\$ _____
Total Cash Compensation at target:	\$ _____

**Performance Objectives/Targets**

The following are the corporate and individual performance objectives for your 2005 Incentive:

Criteria	Weight	Threshold	Target	Above	Max
Recognized Revenue (\$000,000)(FY 2005) <sup>1</sup>	50%	98.4%	100%	104%	108%
Bonus Payout					
Diluted GAAP EPS (2005) <sup>1</sup>	25%	97.8%	100%	106%	115%
Bonus Payout					
Individual FY 2005 Goals <sup>2</sup>	25%	Below Expectations	Meets Expectations	Exceeds Expectations	Exceeds Expectations
Bonus Payout					
<b>TOTAL</b>	<b>100%</b>				

Payment of the annual incentive bonus is contingent upon, and will be paid following, the achievement of these objectives. The Compensation Committee of Akamai's Board of Directors retains the right and sole discretion to determine whether the corporate and individual objectives have been met, after consideration of any recommendation by the Chief Executive Officer. The Compensation Committee's determination will be final and binding on all concerned. No incentive will be paid under a specific incentive criteria for performance below the associated threshold listed for that criteria. Performance that falls between the target and either the threshold or maximum will be interpolated on a straight line basis to determine the incentive amount. Performance above the maximum may result in higher reward at the sole discretion of the Compensation Committee.

<sup>1</sup> As disclosed in Akamai's SEC 10-K filing for FY 2005, and subject to adjustment by the Compensation Committee for any debt restructuring, acquisitions, and other extraordinary events.

2 As established by the Chief Executive Officer or, in the case of the CEO, the Compensation Committee.

The payment of any annual incentive bonus will be made within thirty (30) days following the filing of Akamai's SEC 10-K filing for FY 2005.

Acceptance: \_\_\_\_\_ Date \_\_\_\_\_

Approved by: \_\_\_\_\_ Date \_\_\_\_\_

**AKAMAI TECHNOLOGIES, INC.'S  
EXECUTIVE SEVERANCE PAY PLAN  
AND SUMMARY PLAN DESCRIPTION**

Effective January 1, 2005

1. ***Establishment of the Plan.*** Akamai Technologies, Inc. (referred to herein collectively with its United States subsidiaries as “Akamai” or the “Company”) hereby establishes an unfunded “Executive Severance Pay Plan” (the “Plan”) which is intended to be a welfare benefit plan within the meaning of Section 3(1) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). The Plan is in effect for Akamai executives who are members of the Office of the CEO (or its successor group) (“Executives”) at the time that they are terminated.

2. ***Purpose.*** The Plan is for the purpose of assisting Executives of Akamai who are involuntarily terminated for reasons other than “cause” and to resolve fully and finally all potential issues arising out of their employment. This Plan does not supersede, or in any way alter or amend, the provisions of any agreement(s) an Executive may have regarding the acceleration of stock options, restricted stock, and/or lump sum payment you may receive in the event of termination following a Change of Control, as that term is defined in such agreement(s).

3. ***Eligibility.*** Eligibility to participate in the Plan, which is to be determined in the sole discretion of the Plan Administrator, is limited to regular full-time Executives who are involuntarily terminated by Akamai or any of its United States based subsidiaries on or after January 1, 2005 and who have signed a separation agreement acceptable to and provided by the Company that contains, among other things, a release and a non-compete agreement (agreeing not to compete with the Company for one year following such termination) in such forms and within such times as may be reasonably determined by the Company.

The following are NOT eligible for severance pay under this Plan:

- (a) an Executive who resigns voluntarily, including but not limited to an Executive who is offered an employment opportunity with any purchaser or other successor of Akamai, its business operations or any part thereof (regardless of whether or not such employment opportunity is accepted);
  - (b) an Executive who fails to continue in the employ of Akamai, satisfactorily performing his or her assigned duties, until the date actually set for his or her involuntary termination;
  - (c) an Executive who does not sign and return a separation agreement acceptable to and provided by the Company that contains, among other things, a release (the “Release”) in accordance with Section 4 below;
  - (d) an Executive who fails to return all of Akamai’s property in his or her possession or under his or her control, including, but not limited to, intellectual property and other confidential information;
  - (e) an Executive who, despite Akamai’s request, fails to execute any documents evidencing Akamai’s interest in and to any intellectual property;
  - (f) an Executive who is eligible to participate in any other severance pay plan established by Akamai;
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- (g) an Executive who is not employed on the United States payroll of the Company or any of its U.S.-based subsidiaries;
- (h) an Executive who is not a member of the Office of the CEO (or its successor group);
- (i) an Executive who becomes totally disabled or dies prior to the date set for his or her involuntary termination by Akamai; and
- (j) an Executive who is terminated for “cause.”

For the purpose of this Plan, “cause” is defined as (a) any act or omission by an Executive which has an adverse effect on Akamai’s business or on the Executive’s ability to perform services for Akamai, including, without limitation, the commission of any crime (other than ordinary traffic violations), or (b) refusal or failure to perform assigned duties, serious misconduct, or excessive absenteeism, or (c) refusal or failure to comply with Akamai’s Code of Business Ethics. Whether an Executive has been terminated for “cause” shall be determined in the sole discretion of the Plan Administrator after consultation with appropriate members of Akamai’s management..

4. **Severance Pay Benefit.** Any Executive terminated for any reason other than “cause” as defined above shall be entitled to a lump sum payment equal to one year of the Executive’s then-current base salary, less applicable withholdings for taxes and other required deductions, plus an amount equal to 12 times the monthly premium for continued health and dental insurance coverage paid by the Company on the Executive’s behalf in the month preceding the Executive’s termination. The lump sum severance pay benefit shall be paid within thirty (30) days of the Executive’s receipt of notice of termination, provided that the Executive has signed a separation and a non-compete agreement acceptable to and provided by the Company.

5. **Funding.** All cash payments under the Plan shall be funded solely from Akamai’s general assets.

6. **Duration of Plan.** The initial term of the Plan shall commence effective January 1, 2005 through December 31, 2005 and shall automatically renew for successive one year periods unless either party notifies the other of its intent not to renew at least thirty days prior to the expiration of the then-current term. The Plan may be amended at Akamai’s discretion without prior notice at any time.

7. **Plan Administration.** The general administration of the Plan herein set forth and the responsibility for carrying out its provisions shall be vested in the Plan Administrator. The Plan Administrator shall be the “Administrator” within the meaning of section 3(16) of ERISA and shall have all the responsibilities and duties contained therein. Akamai is the Plan Administrator of the Plan. The Board of Directors of Akamai may delegate to an Administrative Committee the day-to-day operation and administration of the Plan.

The Plan Administrator shall discharge its duties with respect to the Plan solely in the interest of the participants and their beneficiaries, with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like objectives. However, the inclusion of this language in the Plan is for the sole purpose of informing the Plan Administrator of the applicable standard of care under ERISA. It is not intended that this provision impose any additional duties, responsibilities, or liabilities than would otherwise apply under ERISA.

The Plan Administrator shall have such powers as are necessary to discharge its duties, including, but not limited to, interpretation and construction of the Plan, sole discretion to determine all questions of

eligibility, participation and benefits and all other related or incidental matters. The Plan Administrator shall decide all such questions in accordance with the terms of the controlling legal documents and applicable law, and its decision will be binding on Akamai, the participant, the participant's spouse or other dependent or beneficiary and all other interested parties.

The Plan Administrator may adopt rules and procedures of uniform applicability in its interpretation and implementation of the Plan.

The Plan Administrator may require each participant to submit, in such form as it shall deem reasonable and acceptable, proof of any information which the Plan Administrator finds necessary or desirable for the proper administration of the Plan.

The Plan Administrator shall maintain such records as are necessary to carry out the provisions of the Plan. The Plan Administrator shall also make all disclosures which are required by ERISA and any subsequent amendments thereto.

8. **Questions and Claims Procedure.** Any questions concerning eligibility to participate in the Plan and the payment of any severance pay or benefits hereunder should be directed to the Administrative Committee. The Plan will comply with the Claims Procedure set forth in ERISA regulations at Title 29 C.F.R. § 2560.503-1.

8.1. **Claim for Benefits.**

- (a) Any person claiming benefits under the Plan ("Claimant") may be required to submit an application therefor, together with such other documents and information as the Administrative Committee may require ("Application").
- (b) Within ninety (90) days following receipt of the Application, the Administrative Committee's authorized delegate will review the claim and furnish the Claimant with written notice of the decision rendered with respect to the Application.
- (c) Should special circumstances require an extension of time for processing the claim, written notice of the extension will be furnished to the Claimant prior to the expiration of the initial ninety (90) day period.
  - (i) The notice will indicate the special circumstances requiring an extension of time and the date by which a final decision is expected to be rendered.
  - (ii) In no event will the period of the extension exceed ninety (90) days from the end of the initial (90) day period.

8.2 **Content of Denial.** In the case of a denial of the Claimant's Application, the written notice will set forth:

- (a) The specific reasons for the denial;
- (b) References to the Plan provisions upon which the denial is based;
- (c) A description of any additional information or material necessary for perfection of the Application (together with an explanation of why the material or information is necessary); and

- (d) An explanation of the Plan's claim review procedure.

### 8.3 Appeals.

- (a) In order to appeal the decision rendered with respect to his or her Application or with respect to the amount of his or her benefit, the Claimant must follow the procedures set forth in this Section 8.3.
- (b) The appeal must be made in writing:
  - (i) If the claim was expressly rejected, within sixty-five (65) days after the date of notice of the decision with respect to the Application; or
  - (ii) If the claim was neither approved nor denied within the applicable period provided in Section 8.1 above, within sixty-five (65) days after the expiration of that period.

If the Claimant does not file the appeal within this time period (or request in writing an extension from the Administrative Committee), the Claimant will be precluded from appealing the decision at a later time.

- (c) The Claimant may request that his or her Application be given a full and fair review by the Administrative Committee. The Claimant may review all pertinent documents and submit issues and comments in writing in connection with the appeal.
- (d) The decision of the Administrative Committee will be made promptly, and not later than sixty (60) days after the Administrative Committee's receipt of a request for review, unless special circumstances require an extension of time for processing. In such a case, a decision will be rendered as soon as possible, but not later than one hundred twenty (120) days after receipt of the request for review.
- (e) The decision on review will be in writing and will include specific reasons for the decision, written in a manner designed to be understood by the Claimant, with specific references to the pertinent Plan provisions upon which the decision is based.

9. **Tax and Other Withholdings**. Akamai may withhold from any payment under the Plan any federal, state, or local taxes required by law to be withheld with respect to such payment and such sum as Akamai may reasonably estimate is necessary to cover any taxes for which Akamai may be liable and which may be assessed with regard to such payment. Akamai may also withhold sums to cover an Executive's share of any applicable group health insurance premiums. Akamai may also withhold sums owed to Akamai by an Executive which have not been repaid in full before the time for payment of any benefits due under this Plan.

10. **Agent for Service of Legal Process**. Legal process with respect to claims under the Plan may be served on the Plan Administrator.

11. **Expenses**. All costs and expenses incurred in administering the Plan, including the expenses of the Plan Administrator, shall be borne by Akamai.

12. **Plan Not an Employment Contract**. The Plan is not a contract between Akamai and any Executive, nor is it a condition of employment of any Executive. Nothing contained in the Plan gives, or is intended to give, any Executive the right to be retained in the service of Akamai, or to interfere with the

right of Akamai to discharge or terminate the employment of any Executive at any time and for any reason. Except as provided in paragraph 2 above, no Executive shall have the right or claim to benefits beyond those expressly provided in this Plan. All rights and claims are limited as set forth in the Plan.

13. **Indemnification.** To the extent permitted by law, the Plan Administrator and all Executives, agents and representatives of the Plan Administrator shall be indemnified by Akamai and saved harmless against any claim and the expenses of defending against such claims, resulting from any action or conduct relating to the administration of the Plan except to the extent that such claims arise from gross negligence, willful neglect, or willful misconduct. However, Akamai will have the right to select counsel and to control the prosecution or defense of any lawsuit. Additionally, Akamai will not be required to indemnify any person for any amount incurred through any settlement unless Akamai consents to the settlement.

14. **Separability.** In case any one or more of the provisions of this Plan (or part thereof) shall be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the other provisions hereof, and this Plan shall be construed as if such invalid, illegal or unenforceable provisions (or part thereof) never had been contained herein.

15. **Non-Assignability.** No right or interest of any participant in the Plan shall be assignable or transferable in whole or in part either directly or by operation of law or otherwise, including, but not limited to, execution, levy, garnishment, attachment, pledge or bankruptcy, provided, however, that this provision shall not be applicable in the case of obligations of a participant to Akamai.

16. **Amendment or Termination.** Akamai reserves the right, through its Board of Directors, to amend, modify or terminate this Plan at any time.

17. **Integration with Other Pay or Benefits Requirements.** The pay and benefits provided for in the Plan are the maximum benefits that Akamai will pay. To the extent that any federal, state or local law, including, without limitation, so-called "plant closing" laws, requires Akamai to make a payment of any kind to an Executive because of that Executive's involuntary termination due to a Layoff, Reduction in Force, Plant or Facility Closing, Sale of Business, or similar event, the benefits provided under this Plan shall be reduced in an amount equal to any such payment(s). Akamai intends for the benefits provided under this Plan to satisfy any and all statutory obligations which may arise out of an Executive's involuntary termination for the foregoing reasons and the Plan Administrator shall so construe and implement the terms of the Plan.

18. **Governing Law.** The Plan and the rights of all persons under the Plan shall be construed in accordance with and under applicable provisions of ERISA, and the regulations thereunder, and the laws of the Commonwealth of Massachusetts to the extent not pre-empted by federal law.

19. **Gender and Number.** Except where otherwise indicated by the context, any masculine gender used herein shall also include the feminine and vice versa, and the definition of any term herein in the singular shall also include the plural, and vice versa.

20. **Statement of ERISA Rights.** Participants in the Plan are entitled to certain rights and protections under ERISA. ERISA provides that all Plan participants shall be entitled to:

- (a) Examine, without charge, at the Plan Administrator's office all Plan documents, including insurance contracts, collective bargaining agreements, and copies of all documents filed by the Plan with the United States Department of Labor and Internal Revenue Service, such as annual reports and plan descriptions.

(b) Obtain copies of all Plan documents and other plan information upon written request to the Plan Administrator.

The Plan Administrator may make a reasonable charge for the copies.

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate the Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of all Plan participants and beneficiaries. No one, including Akamai or any other person, may fire a participant or otherwise discriminate against the participant in any way for the purpose of preventing the participant from obtaining a benefit or exercising his or her rights under ERISA. If a participant's claim for a benefit is denied in whole or in part, the participant must receive a written explanation of the reason for the denial. The participant has the right to have the Plan Administrator review and reconsider the claim. Under ERISA, there are steps a participant can take to enforce the above rights. For instance, if the participant requests materials from the Plan Administrator and does not receive them within 30 days, the participant may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay the participant up to \$100 a day until the participant receives the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If a participant has a claim for benefits which is denied or ignored, in whole or in part, the participant may file suit in a state or federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if a participant is discriminated against for asserting his or her rights, the participant may seek assistance from the United States Department of Labor, or may file suit in a federal court. The court will decide who should pay court costs and legal fees. If the participant is successful, the court may order the person whom the participant sued to pay these costs and fees. If the participant loses, the court may order the participant to pay these costs and fees, if, for example, it finds the claim is frivolous. If the participant has any questions about this Plan, the participant should contact the Plan Administrator. If a participant has any questions about this statement or about his or her rights under ERISA, the participant should contact the nearest Area Office of Pension and Welfare Benefits, United States Department of Labor.

MISCELLANEOUS INFORMATION

1. PLAN NAME: Akamai Technologies, Inc.'s 2005 Executive Severance Pay Plan
  
2. EMPLOYER:  
(PLAN SPONSOR) Akamai Technologies, Inc.  
  
ADDRESS: 8 Cambridge Center  
Cambridge, MA 02142  
  
TELEPHONE: 617-444-3000
  
3. EMPLOYER ID NUMBER: 04-3432319
  
4. PLAN NUMBER: 2005.2
  
5. PLAN ADMINISTRATOR: Akamai Technologies, Inc.  
2005 Executive Severance Pay Plan  
8 Cambridge Center  
Cambridge, MA 02142