
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): July 21, 2005

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

(Address of Principal Executive Offices)

02142

(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 July 21, 2005, the Compensation Committee (the "Compensation Committee") of the Board of Directors of Akamai Technologies, Inc. ("Akamai") granted options with incentive-based vesting acceleration provisions to Akamai employees including the following executive officers: Lisa Arthur, George Conrades, Melanie Haratunian, Robert Hughes, Paul Sagan and Chris Schoettle. The options have the following base vesting schedule: 25% vest on the first anniversary of the date of grant and the remaining 75% vest in equal quarterly installments of 6.25% thereafter. In addition, vesting shall accelerate, in whole or in part, for then-unvested options if Akamai achieves enumerated revenue and earnings per share objectives before or during the fiscal year ending December 31, 2007. The terms of the option agreements are more fully described in the form of incentive stock option agreement attached hereto, and incorporated by reference herein, as Exhibit 99.1 (the "Form Agreement").

In addition, on July 1, 2005, the Compensation Committee approved a compensation package for the Executive Chairman of the Board of Directors, George Conrades. The Executive Chairman shall be paid the following annual compensation: \$20,000 in cash and \$180,000 in deferred stock units (with the number of units issued based on the closing sale price of Akamai's common stock on the date of grant).

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: July 27, 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 Incentive Stock Option Agreement

AKAMAI TECHNOLOGIES, INC.

Incentive Stock Option Agreement
Granted Under 1998 Stock Incentive Plan

1. Grant of Option.

This Incentive Stock Option Agreement (this "Agreement") evidences the grant by Akamai Technologies, Inc., a Delaware corporation (the "Company"), on «Grant_Date» (the "Grant Date") to «First_» «Last», an employee of the Company (the "Participant"), of an option to purchase, in whole or in part, on the terms provided herein and in the Company's Second Amended and Restated 1998 Stock Incentive Plan (the "Plan"), a total of «Shares_Granted_» shares (the "Shares") of common stock, \$0.01 par value per share, of the Company ("Common Stock") at «Price_» per Share. Unless earlier terminated, this option shall expire on «Expire» (the "Final Exercise Date").

It is intended that the option evidenced by this agreement shall, to the extent it so qualifies, be an incentive stock option as defined in Section 422 of the Internal Revenue Code of 1986, as amended and any regulations promulgated there under (the "Code"). Schedule A hereto sets forth the number of shares with respect to which this option qualifies as an incentive stock option as of the date of grant. To the extent that the option does not on the date of grant, or hereafter ceases to, qualify as an incentive stock option, it shall be a non-qualified stock option. Except as otherwise indicated by the context, the term "Participant", as used in this option, shall be deemed to include any person who acquires the right to exercise this option validly under its terms.

2. Vesting Schedule.

(a) "General. This option will become exercisable ("vest") as to 25% of the original number of Shares on the first anniversary of the Grant Date and as to an additional 6.25% of the original number of Shares at the end of each successive full three-month period following the second anniversary of the Grant Date until the fourth anniversary of the Grant Date.

(b) "Accelerated Vesting upon Certain Corporate Milestones. In the event the Company achieves one of the performance targets set forth in clauses (i) through (viii) below during or prior to the fiscal year ending December 31, 2007 ("FY 2007"), the indicated portion of the option evidenced by this Agreement will vest on an accelerated basis effective on the 15th day following the Reporting Date (as defined below):

(i) "In the event that the Company achieves both its Cash EPS Target (as defined below) and its Sales Revenue Target (as defined below) during the same fiscal year, this option will automatically vest as to 100% of the unvested Shares outstanding as of the Reporting Date.

(ii) “In the event that the Company achieves its Cash EPS Target and at least 92.135% but less than 100% of its Sales Revenue Target during the same fiscal year, this option will automatically vest as to 75% of the unvested Shares outstanding as of the Reporting Date.

(iii) “In the event that the Company achieves its Cash EPS Target but less than 92.135% of its Sales Revenue Target during the same fiscal year, this option will automatically vest as to 50% of the unvested Shares outstanding as of the Reporting Date.

(iv) “In the event that the Company achieves at least 93.333% but less than 100% of its Cash EPS Target and 100% of its Sales Revenue Target during the same fiscal year, this option will automatically vest as to 75% of the unvested Shares outstanding as of the Reporting Date.

(v) “In the event that the Company achieves less than 93.333% of its Cash EPS Target and 100% of its Sales Revenue Target during the same fiscal year, this option will automatically vest as to 50% of the unvested Shares outstanding as of the Reporting Date.

(vi) “In the event that the Company achieves at least 93.333% but less than 100% of its Cash EPS Target and at least 92.135% but less than 100% of its Sales Revenue Target during the same fiscal year, this option will automatically vest as to 50% of the unvested Shares outstanding as of the Reporting Date.

(vii) “In the event that the Company achieves at least 93.333% but less than 100% of its Cash EPS Target but less than 92.135% of its Sales Revenue Target during the same fiscal year, this option will automatically vest as to 25% of the unvested Shares outstanding as of the Reporting Date.

(viii) “In the event that the Company achieves less than 93.333% of its Cash EPS Target and at least 92.135% but less than 100% of its Sales Revenue Target during the same fiscal year, this option will automatically vest as to 25% of the unvested Shares outstanding as of the Reporting Date.

The following definitions shall apply to this Section 2(b):

(A) “Cash EPS Target” shall mean the Company shall have earned annual earnings per diluted share (on a fiscal year basis) calculated in accordance with generally accepted accounting principles in the United States of America excluding non-cash charges (e.g., income taxes, equity compensation expense and amortization of acquired intangible assets) of at least \$XXXX per share as reported, (y) for so long as the Company is required to make periodic reports under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), in the Company’s consolidated financial statements filed with the Securities and Exchange Commission on Form 10-K (“Public Company Financial Statements”), or (z) at such time as the Company is not required to make periodic reports under the Exchange Act, in the Company’s

regularly prepared annual audited financial statements prepared by management (“Private Company Financial Statements”).

(B) “Sales Revenue Target” shall mean the Company shall have earned annual revenue (on a fiscal year basis) calculated in accordance with generally accepted accounting principles in the United States of America of at least \$XXXX million as reported, (y) for so long as the Company is required to make periodic reports under the Exchange Act, in the Company’s Public Company Financial Statements or (z) at such time as the Company is not required to make periodic reports under the Exchange Act, in the Company’s Private Company Financial Statements.

(C) “Reporting Date” shall mean, in the event the Company achieves one of the targets described in clauses (i) through (viii) above, the date on which the Company files its annual Public Company Financial Statements for FY 2007 or, in the event that the Company is not required to make periodic reports under the Exchange Act, the date on which audited annual Private Company Financial Statements for FY 2007 have been completed.

(c) The right of exercise shall be cumulative so that to the extent the option is not exercised in any period to the maximum extent permissible it shall continue to be exercisable, in whole or in part, with respect to all shares for which it is vested until the earlier of the Final Exercise Date or the termination of this option under Section 3 hereof or the Plan.

(d) Change in Control. Upon a Change in Control Event (as defined in the Plan), the number of Shares as to which this option has vested shall be calculated pursuant to Section 2(a) as though the Grant Date were the date that is one year prior to the Grant Date.

3. Exercise of Option.

(a) Form of Exercise. In order to exercise this option, the Participant shall notify the Company’s third-party stock option plan administrator, Charles Schwab & Co., or any successor appointed by the Company (the “Plan Administrator”), of the Participant’s intent to exercise this option, and shall follow the procedures established by the Plan Administrator for exercising stock options under the Plan and provide payment in full in the manner provided in the Plan. The Participant may purchase less than the number of shares covered hereby, provided that no partial exercise of this option may be for any fractional share.

(b) Continuous Relationship with the Company Required. Except as otherwise provided in this Section 3, this option may not be exercised unless the Participant, at the time he or she exercises this option, is, and has been at all times since the Grant Date, an employee, officer or director of, or consultant or advisor to, the Company or any parent or subsidiary of the Company as defined in Section 424(e) or (f) of the Code (an “Eligible Participant”).

(c) Termination of Relationship with the Company. If the Participant ceases to be an Eligible Participant for any reason, then, except as provided in paragraphs (d) and (e) below, the right to exercise this option shall terminate three months after such cessation (but in no event

after the Final Exercise Date), provided that (i) this option shall be exercisable only to the extent that the Participant was entitled to exercise this option on the date of such cessation, and (ii) to the extent that the option or any portion thereof is exercised at any time later than three months after the date that the Participant ceases to be an employee of the Company or any parent or subsidiary of the Company as defined in Section 424(e) or (f) of the Code, the option shall be a non-qualified stock option. Notwithstanding the foregoing, if the Participant, prior to the Final Exercise Date, violates the non-competition or confidentiality provisions of any employment contract, confidentiality and nondisclosure agreement or other agreement between the Participant and the Company, the right to exercise this option shall terminate immediately upon such violation.

(d) Exercise Period Upon Death or Disability. If the Participant dies or becomes disabled (within the meaning of Section 22(e)(3) of the Code) prior to the Final Exercise Date while he or she is an Eligible Participant and the Company has not terminated such relationship for “cause” as specified in paragraph (e) below, this option shall be exercisable, within the period of one year following the date of death or disability of the Participant by the Participant, provided that (i) this option shall be exercisable only to the extent that this option was exercisable by the Participant on the date of his or her death or disability, (ii) this option shall not be exercisable after the Final Exercise Date, and (iii) to the extent that the option or any portion thereof is exercised at any time later than one year after the Participant’s termination as an employee of the Company or any parent or subsidiary of the Company (as defined in Section 424(e) or (f) of the Code) by reason of his or her disability (as defined in Section 22(e)(3) of the Code), the option shall be a non-qualified stock option.

(e) Discharge for Cause. If the Participant, prior to the Final Exercise Date, is discharged by the Company for “cause” (as defined below), the right to exercise this option shall terminate immediately upon the effective date of such discharge. “Cause” shall mean willful misconduct by the Participant or willful failure by the Participant to perform his or her responsibilities to the Company (including, without limitation, breach by the Participant of any provision of any employment, consulting, advisory, nondisclosure, non-competition or other similar agreement between the Participant and the Company), as determined by the Company, which determination shall be conclusive. The Participant shall be considered to have been discharged for “cause” if the Company determines, prior to or simultaneously with the Participant’s resignation, that discharge for cause was warranted.

4. Withholding.

No Shares will be issued pursuant to the exercise of this option unless and until the Participant pays to the Company, or makes provision satisfactory to the Company for payment of, any federal, state or local withholding taxes required by law to be withheld in respect of this option.

5. Nontransferability of Option.

This option may not be sold, assigned, transferred, pledged or otherwise encumbered by the Participant, either voluntarily or by operation of law, except by will or the laws of descent and distribution, and, during the lifetime of the Participant, this option shall be exercisable only by the Participant.

6. Disqualifying Disposition.

If the Participant disposes of Shares acquired upon exercise of this option within two years from the Grant Date (or, in the case of Shares acquired upon exercise of an Additional Grant, the date of the Addendum) or one year after such Shares were acquired pursuant to exercise of this option, the Participant shall notify the Company in writing of such disposition.

7. Provisions of the Plan.

This option is subject to the provisions of the Plan, a copy of which is furnished to the Participant with this option.

IN WITNESS WHEREOF, the Company has caused this option to be executed under its corporate seal by its duly authorized officer. This option shall take effect as a sealed instrument.

AKAMAI TECHNOLOGIES, INC.

Dated: «Grant_Date»

Signature
Paul Sagan
President and Chief Executive Officer

PARTICIPANT'S ACCEPTANCE

By accepting this grant, I acknowledge that I have read the Stock Option Plan, related prospectus, and grant agreement and agree to all terms and conditions set forth therein.

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Schedule A

Number of shares as to which this option qualifies as an incentive stock option on the Grant Date:

«ISO_»

Number of shares as to which this option is a non-qualified stock option on the Grant Date:

«NQSO_»