

MICROSTRATEGY INC
Form 8-K
February 28, 2007

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): February 22, 2007

MICROSTRATEGY INCORPORATED

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction

0-24435
(Commission File Number)

51-0323571
(I.R.S. Employer

of Incorporation)

Identification No.)

1861 International Drive

McLean, Virginia
(Address of Principal Executive Offices)

22102
(Zip Code)

Registrant's telephone number, including area code: (703) 848-8600

(Former Name or Former Address, if Changed Since Last Report)

Edgar Filing: MICROSTRATEGY INC - Form 8-K

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))
-

Item 5.02(e). Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On February 22, 2007, the Chief Executive Officer of MicroStrategy Incorporated (the Company) determined a cash bonus award to Sanju K. Bansal, Executive Vice President and Chief Operating Officer, in the amount of \$375,000 with respect to his performance in 2006.

On February 22, 2007, the Chief Executive Officer determined a cash bonus award to Jonathan F. Klein, Vice President, Law and General Counsel, in the amount of \$480,000 with respect to his performance in 2006.

On February 22, 2007, the Chief Executive Officer determined a cash bonus award to Arthur S. Locke, III, Vice President, Finance and Chief Financial Officer, in the amount of \$575,000 with respect to his performance in 2006.

The Chief Executive Officer determined the 2006 cash bonus awards to Messrs. Bansal, Klein and Locke principally on the basis of net operating income during the period and on the subjective assessment of the Chief Executive Officer of the extent to which the executive officer contributed to the overall performance of the Company or a particular department of the Company during 2006.

On February 28, 2007, the Compensation Committee of the Board of Directors of the Company determined a cash bonus award to Michael J. Saylor, President and Chief Executive Officer, in the amount of \$2,080,836 with respect to his performance during fiscal year ended December 31, 2006, based on a performance goal relating to the Company's diluted earnings per share for the fiscal year ended December 31, 2006 previously disclosed by the Company on Form 8-K filed on February 24, 2006. In addition, the Compensation Committee established a formula (2007 Bonus Formula) for determining the bonus amount with respect to Mr. Saylor's performance for the fiscal year ending December 31, 2007, based on a performance goal relating to the Company's diluted earnings per share for the fiscal year ending December 31, 2007. The Compensation Committee has the right to use discretion to award a cash bonus amount lower than the amount calculated using the 2007 Bonus Formula.

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: February 28, 2007

MicroStrategy Incorporated
(Registrant)

By: /s/ MICHAEL J. SAYLOR

Name: Michael J. Saylor

Title: Chairman of the Board, President and Chief Executive
Officer