

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

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COX COMMUNICATIONS INC /DE/

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SIC: **4841** Cable & other pay television services

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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): March 17, 2005

Cox Communications, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other
jurisdiction of
incorporation)

1-6590
(Commission File Number)

58-2112288
(I.R.S. Employer
Identification No.)

1400 Lake Hearn Drive, Atlanta, Georgia
(Address of principal executive offices)

30319
(Zip Code)

(404) 843-5000
(Registrant's telephone number, including area code)

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))

Item 1.1. Entry into a Material Definitive Agreement.

On March 17, 2005, the Compensation Committee of the Board of Directors of Cox Communications, Inc. ("CCI") approved the Cox Communications, Inc. 2005 Performance Plan (the "Performance Plan"). The following is a description of the material terms of the Performance Plan. This description is a summary and, as such, is not complete. This description is subject to, and qualified in its entirety by reference to, the terms and conditions set forth in the formal written Performance Plan document, a copy of which is attached hereto as Exhibit 10.1 and incorporated herein by reference.

Each participant in the Performance Plan will be assigned a target award under the Performance Plan. The performance goal for the Performance Plan is the amount of CCI's cumulative operating cash flow in excess of its cumulative capital expenditures measured over the measurement period. For this purpose, the measurement period generally covers the period from January 1, 2005 through December 31, 2009, except that the measurement period for any participant who terminates with CCI and any of its affiliates shall end as of the last day of the year ending just before the year in which that termination occurs. At the end of the relevant measurement period, the participant's earned award will be valued by determining the performance result actually achieved in that period as a percentage of the performance goal set by the committee. The maximum award payable under the Performance Plan is equal to 200% of a participant's target award, and the maximum award payable under the Performance Plan to any participant who terminates employment other than for reason of retirement, disability, death or involuntary termination of employment solely as a result of the consummation of certain transactions in which assets are sold by CCI or its affiliates is equal to 100% of a participant's target award. The minimum award payable under the Performance Plan is zero.

The earned award then is multiplied by the participant's vested percentage in the award based on continual employment with CCI and its affiliates to determine the actual amount of the payment. If the participant terminates employment for reason of retirement, disability, death or involuntary termination of employment solely as a result of the consummation of certain transactions in which assets are sold by CCI or its affiliates before December 31, 2009, then the participant will receive a percentage of the earned award based on a vesting schedule specified in Section 7(a) of the Performance Plan. In the event the participant terminates employment for any reason other than retirement, disability or death, but not due to involuntary termination of employment solely as a result of the consummation of certain transactions in which assets are sold by CCI or its affiliates, then the participant will receive a percentage of the earned award based on a vesting schedule specified in Section 7(b) of the Performance Plan.

Certain minimum awards will be payable to any participant who terminates employment for reason of retirement, disability, death or involuntary termination of employment solely as a result of the consummation of certain transactions in which assets are sold by CCI or its affiliates before December 31, 2006, and such awards are specified in Section 8(b) of the Performance Plan. A minimum award also will be payable to any participant who terminates

employment for any reason other than retirement, disability or death, but not due to involuntary termination of employment solely as a result of the consummation of certain transactions in which assets are sold by CCI or its affiliates, after December 31, 2005 and before December 31, 2006, and that award is specified in Section 8(b) of the Performance Plan.

If a participant's employment is terminated on account of cause, as determined by the Committee, then no benefit shall be paid under the Performance Plan.

All distributions of awards under the Performance Plan will be in the form a lump sum cash payment, and will occur in a reasonable period of time after the end of the measurement period.

The Performance Plan will be administered by the Compensation Committee of the Board of Directors of CCI, or by another committee so designated by the Board. This committee will determine which employees of CCI or its affiliates are eligible to participate, establish and adjust the performance goal under the Performance Plan, establish and adjust the target awards for all participants and determine the amount of awards payable under the Performance Plan at the end of the measurement period.

Attached hereto as Exhibit 10.2 is a form of Performance Award Statement. CCI will send each employee eligible to participate in the Performance Plan a personalized Performance Award Statement that briefly describes the Performance Plan and sets forth the value of the employee's target award under the Performance Plan.

Item 8.01 Other Events.

On March 17, 2005, in accordance with the terms of the indenture governing CCI's exchangeable subordinated discount debentures due 2020 (the "Discount Debentures"), CCI notified the trustee and holders of its intent to redeem all of its remaining outstanding Discount Debentures on April 20, 2005 (the "Redemption Date"). The aggregate redemption price for the remaining outstanding Discount Debentures will be approximately \$32.5 million and payable in cash on the Redemption Date.

On March 16, 2005, the Delaware Court of Chancery held a hearing at which the court considered the merits of the proposed settlement of the In re Cox Communications, Inc. Shareholders' Litigation consolidated class action litigation currently pending in that court. This litigation was initiated in connection with the offer by Cox Enterprises to purchase all of the outstanding CCI Class A common stock not beneficially owned by Cox Enterprises. For a detailed description of prior events in the litigation, refer to Item 3. "Legal Proceedings" in CCI's Form 10-K for December 31, 2004, as filed with the SEC on March 16, 2005. On March 18, 2005, the Delaware court entered a final order approving the proposed settlement and certifying the requested class. The court separately will consider the plaintiffs' pending request for

attorneys' fees on May 9, 2005.

Item 9.01. Financial Statements and Exhibits.

(a) Not applicable.

(b) Not applicable.

(c) Exhibits:

10.1 Cox Communications, Inc. 2005 Performance Plan

10.2 Form of Performance Award Statement

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 hereunto duly authorized.

Dated: March 18, 2005

Cox Communications, Inc.

By: /s/ Jimmy W. Hayes

Name: Jimmy W. Hayes

Title: Executive Vice President, Finance
and Chief Financial Officer

COX COMMUNICATIONS, INC.
2005 PERFORMANCE PLAN

1. PURPOSES

The purposes of the Plan are (a) to provide an additional incentive for the Company's employees to further the Company's growth, development and financial success, and (b) to enable the Company to retain employees whom the Company considers essential to its long range success, in each case by affording such employees the opportunity to receive benefit payments based on the Company's performance.

2. DEFINITIONS

The following definitions shall be applicable throughout the Plan:

(a) "Award" means the amount of benefit payable under the Plan to a Participant with respect to a Measurement Period.

(b) "Board" means the Board of Directors of the Company.

(c) "CAPEX" means the capital expenditures of the Company, as calculated for purposes of the Plan.

(d) "Cause" means conduct that is materially detrimental to the Company or to one of its subsidiaries, divisions or other affiliated entities as determined by the Committee in its sole discretion.

(e) "Committee" means the Compensation Committee of the Board or another committee designated by the Board or by the Compensation Committee to which the responsibility to administer the Plan has been delegated.

(f) "Company" means Cox Communications, Inc. and any corporate successor thereto.

(g) "Earned Award Percentage" means the percentage of the Target Award actually earned by a Participant with respect to a Measurement Period, which percentage shall be determined by reference to the achieved Performance Goal stated as a percentage of the OCF and CAPEX used to determine the Performance Goal.

(h) "Employee" means any person who is employed by the Company or by one of the Company's subsidiaries, divisions or other affiliated entities.

(i) "Disability" - means total disability as determined by the terms of the Cox Enterprises, Inc. Long-Term Disability Plan in effect at that time.

(j) "Measurement Period" means the period of time beginning as of January 1, 2005 and ending on the earlier of (i) the last date of the calendar year ending immediately before or contemporaneous with the date a Participant terminates employment with the Company or one of its subsidiaries, divisions or other affiliated entities or (ii) December 31, 2009.

(k) "OCF" means the operating cash flow of the Company, as calculated for purposes of the Plan.

(l) "Options" shall mean any outstanding stock options to purchase shares of Class A common stock of the Company that were granted to a Participant under the terms of the Company's Long Term Incentive Plan and that were exchanged by such Participant as a precondition to becoming eligible to participate in the Plan.

(m) "Participant" means any Employee of the Company who is designated as a participant in the Plan by the Committee.

(n) "Performance Goal" means the targeted amount of cumulative OCF in excess of cumulative CAPEX, calculated over the Measurement Period. The targeted amount of cumulative OCF in excess of cumulative CAPEX initially shall be established by the Committee in its sole discretion; provided that the Committee, acting in its sole discretion, may adjust the Performance Goal in the manner described in Section 4.

(o) "Performance Result" means the actual amount of cumulative OCF in excess of cumulative CAPEX actually achieved by the Company over the measurement period.

(p) "Plan" means this Cox Communications, Inc. 2005 Performance Plan, as amended from time to time.

(q) "Qualifying Business Transaction" means a reorganization, consolidation, sale or other disposition of a portion of the assets of the Company pursuant to which the Committee has elected, in its sole discretion, to modify the continuation of employment requirements required under Section 7(a) with respect to any affected Participant(s).

(r) "Retirement" means the date on which the Participant terminates employment on or after the first date the Participant is eligible to receive retirement benefits under the Company's tax-qualified pension plan in effect at that time.

(s) "Target Award" means the amount of benefit payable to a Participant under the Plan in the event that the Company's Performance Result during the Measurement Period equals 100 percent of the Performance Goal for such

Measurement Period.

(t) "Vested Percentage" means the percent of the Award otherwise payable under the Plan to which a Participant has a non-forfeitable interest at any time.

3. EFFECTIVE DATE

The Plan shall become effective as of March 17, 2005.

4. ADMINISTRATION

The Plan shall be administered by the Committee, which, acting in its sole discretion, shall have the discretionary authority to interpret the provisions of the Plan. The Committee shall be authorized to make all decisions on eligibility to participate, the establishment of the Performance Goal and the Target Awards and the determination of the amount of the Awards payable under the Plan. Except to the extent that any such adjustments might adversely affect the tax deferred nature of the Award payments under the Plan pursuant to applicable law, and notwithstanding any provisions of the Plan to the contrary, the Committee also is authorized, in its sole discretion, to adjust the Performance Goal under the Plan and to adjust to the Vested Percentages of some or all Participants under the Plan, as it deems appropriate to reflect the Company's business conditions, including, but not limited to, adjustments to reflect the occurrence of an acquisition or disposition by the Company, its subsidiaries, divisions or other affiliated entities.

5. ELIGIBILITY

Employees of the Company shall be eligible to participate in the Plan as determined at the sole discretion of the Committee.

6. ESTABLISHMENT OF TARGET AWARDS

The Committee will establish a Target Award for each Participant.

7. VESTED PERCENTAGE

(a) The Vested Percentage of any Participant who terminates employment with the Company and its subsidiaries, divisions or other affiliated entities for reason of such Participant's Retirement, Disability or death, or whose employment is terminated by the Company or by one of the Company's subsidiaries, divisions or other affiliated entities solely as a result of the consummation of a Qualifying Business Transaction, will be determined as follows:

December 31, 2005 through December 30, 2006	40% Vested Percentage
December 31, 2006 through December 30, 2007	60% Vested Percentage
December 31, 2007 through December 30, 2008	80% Vested Percentage
December 31, 2008 or thereafter	100% Vested Percentage

(b) The Vested Percentage of any Participant who terminates employment with the Company and its subsidiaries, divisions or other affiliated entities other than for reason of such Participant's Retirement, Disability or death, and whose employment is not terminated by the Company or by one of the Company's subsidiaries, divisions or other affiliated entities solely as a result of the consummation of a Qualifying Business Transaction, will be determined as follows:

January 1, 2005 through December 30, 2006	No Vested Percentage
December 31, 2006 through December 30, 2007	40% Vested Percentage
December 31, 2007 through December 30, 2008	60% Vested Percentage
December 31, 2008 through December 30, 2009	80% Vested Percentage
December 31, 2009 or thereafter	100% Vested Percentage

8. CALCULATION OF THE AWARD

(a) The value of a Participant's Award, calculated as of the end of the Measurement Period, shall be equal to the Participant's Vested Percentage multiplied by the Earned Award Percentage as of the end of such Measurement Period according to the following:

Performance Result Achieved as a Percent as a Percent of Performance	Earned Award Percentage
-----	-----
GOAL	

120% or higher	200%
At least 115%	175%
At least 110%	150%
At least 105%	125%
At Least 100%	100%
At least 90%	83.3%
At least 80%	67.7%
At Least 70%	50.0%
Less Than 70%	0%

With respect to any measure of the Performance Result as a percentage of the Performance Goal achieved that falls within the threshold levels specified above, the Earned Award Percentage of any affected Participants will be interpolated on a straight line basis. The maximum amount of any Award that can be paid under the Plan to any Participant for performance during any single Measurement Period shall be 200 % of the Participant's Target Award, and the

maximum amount of any Award that can be paid under the Plan to any Participant who terminates employment prior to December 31, 2009 for reasons other than on account of Retirement, Disability, death, and whose employment is not terminated by the Company or by one of the Company's subsidiaries, divisions or other affiliated entities solely as a result of the consummation of a Qualifying Business Transaction, shall be 100 % of the Participant's Target Award. Notwithstanding any provisions of the Plan to the contrary, no benefit shall be paid under the Plan to any Participant whose employment is terminated on account of Cause, as determined by the Committee in its sole discretion.

(b) Notwithstanding any provisions of the Plan to the contrary, the minimum Award that shall be payable under the Plan to any Participant who terminates employment with the Company and its subsidiaries, divisions or other affiliated entities for reason of the Participant's Retirement, Disability or death, or whose employment is terminated by the Company or by one of the Company's subsidiaries, divisions or other affiliated entities solely as a result of the consummation of a Qualifying Business Transaction, on or before December 31, 2005 shall be equal to the aggregate spread, if any, between the exercise prices of any Options held by the Participant, and surrendered as a precondition to becoming eligible for a Target Award, and \$34.75. In addition,

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the minimum Award that shall be payable under the Plan to any Participant who terminates employment with the Company and its subsidiaries, divisions or other affiliated entities for reason of the Participant's Retirement, Disability, death, or whose employment is terminated by the Company or by one of the Company's subsidiaries, divisions or other affiliated entities solely as a result of the consummation of a Qualifying Business Transaction, after December 31, 2005 and before December 31, 2006 shall be equal to the greater of (i) the aggregate spread, if any, between the exercise prices of any Options held by the Participant, and surrendered as a precondition to becoming eligible for a Target Award, and \$34.75, and (ii) the Award otherwise calculated under the provisions of Section 8(a).

(c) Notwithstanding any provisions of the Plan to the contrary, the minimum Award that shall be payable under the Plan to any Participant who terminates employment with the Company and its subsidiaries, divisions or other affiliated entities for reason other than the Participant's Retirement, Disability, death, and whose employment is not terminated by the Company or by one of the Company's subsidiaries, divisions or other affiliated entities solely as a result of the consummation of a Qualifying Business Transaction, after December 31, 2005 and before December 31, 2006 shall be equal to the lesser of (i) 50 percent of the aggregate spread, if any, between the exercise prices of any Options held by the Participant, and surrendered as a precondition to becoming eligible for a Target Award, and \$34.75, and (ii) the Award otherwise calculated under the provisions of Section 8(a) assuming, for this purpose, that such a Participant had a 20 percent Vested Percentage.

9. DISTRIBUTIONS

Distribution of each Award shall be made by the Company in the form of a lump sum cash payment. Any distribution made under this Plan shall occur within a reasonably practicable period of time after the end of the Measurement Period in which the Participant has earned the Award. If a Participant entitled to the payment of an Award under the Plan dies prior to the distribution of such Award, then the distribution shall be made to the Participant's beneficiary, as designated under the Plan, within the same time period in which the Award otherwise would have been paid to the Participant.

10. GENERAL

(a) The Company shall have the right to deduct from all Awards paid in cash any federal, state or local income and/or payroll taxes required by law to be withheld with respect to such payments. The Company also may withhold from any other amount payable by the Company or any affiliate to the Participant an amount equal to the taxes required to be withheld from any Award.

(b) Nothing in the Plan shall confer on any Participant the right to continued employment with the Company or any of its subsidiaries, divisions or other affiliated entities, or affect in any way the right of Company and its subsidiaries, divisions or other affiliated entities to terminate the Participant's employment at any time, with or without cause, or change the participant's responsibilities. Awards represent unfunded and unsecured obligations of the Company and a holder of any right hereunder in respect of any Award shall have no rights other than those of a general creditor to the Company.

(c) Each Participant may designate in writing delivered to the Committee a beneficiary(ies) who will be paid benefits, if any, in the event of the Participant's death. The beneficiary designation is not effective until received by the Committee or its representative. If a deceased Participant has not designated a beneficiary(ies), the beneficiary does not survive the Participant, or if the beneficiary(ies) cannot be located within six months of the Participant's death, then the Committee will pay any Plan benefit (as of the Participant's date of death) to the Participant's estate.

(d) A person's rights and interests under the Plan, including any Award previously made to such person or any amounts payable under the Plan, may not be assigned, pledged or transferred except, in the event of a Participant's death, to a designated beneficiary as provided in the Plan, or in the absence of such designation, by will or the laws of descent and distribution.

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(e) The expenses of administering the Plan shall be borne by the

Company.

(f) The titles and headings of the sections in the Plan are for convenience of reference only, and in the event of any conflict, the text of the Plan, rather than such titles or headings, shall control.

(g) The Committee may require a Participant or a beneficiary to sign any documents deemed appropriate by the Committee in its sole discretion, including the release of the Company and the Committee from any laws that control the payment of benefits to a minor or to an incompetent person.

(h) The validity, construction, and effect of the Plan, any rules and regulations relating to the Plan, and any Award shall be determined in accordance with the laws of the State of Delaware (without giving effect to principles of conflicts of laws thereof) and any applicable federal law. If any provision of this Plan is invalid or unenforceable, it will not affect the other provisions, and the Plan will remain in effect as though the invalid or unenforceable provisions were omitted.

(i) The Committee may (1) terminate the Plan at any time, provided such termination shall not affect the payment of any Awards accrued under the Plan prior to the date of the termination, or (2) at any time, or from time to time, amend or suspend and, if suspended, reinstate, the Plan in whole or in part, except to the extent that any such actions might adversely affect the tax deferred nature of the Award payments under the Plan pursuant to applicable law.

Cox Communications, Inc. 2005 Performance Plan
Performance Award Statement

Name: []

Performance Award Target: []

The 2005 Performance Plan

You are being given the opportunity to participate in, and receive an award under, the Cox Communications, Inc. (CCI) 2005 Performance Plan (the Plan). Your award would be a cash payout based on CCI's operating performance over a five-year measurement period from January 1, 2005 through December 31, 2009. The attached award schedule contains your target award, along with a range of potential payout amounts, which will vary based on CCI's performance (as discussed below) from 0 to 200% of the target award amount.

Your Performance Award

To receive an award under the Plan, you must have agreed to surrender all of your outstanding CCI options by signing and returning an option exchange agreement. If you properly and timely surrender your options, your award under the Plan will become effective upon expiration of CCI's option exchange offer. For more information about the option exchange offer, please review the enclosed Option Exchange Legal Disclosure document.

Your target award amount is based on the estimated value of your exchanged options, and will be payable based on CCI's achievement of a pre-established performance goal equal to the excess of CCI's cumulative operating cash flow over its cumulative capital expenditures over the five-year measurement period. This performance goal, based on CCI's current business plan, is \$12.273 billion, which may be adjusted if there are significant changes in CCI's business or operations, such as acquisitions, divestitures or other material changes. CCI's actual performance toward this goal will be tracked, and you will receive a statement each year updating you on this progress. Your actual payout at the end of the measurement period may be more or less than your target award amount (from a minimum of 0 to a maximum of 200%) depending on CCI's actual performance versus the performance goal. See Section 8 of the Plan for more information.

Vesting and Termination Provisions

Your performance award payout will be calculated at the end of the five-year measurement period (December 31, 2009). If you resign or if your employment is terminated for any reason prior to that time (including without limitation by reason of death, disability or retirement, or as part of a business transaction pursuant to which CCI has elected to modify the continuation of employment requirements under the Plan), you will receive that percentage of your target award which became vested as of the December 31st prior to your retirement, resignation, death or other termination, or in certain cases you may receive a minimum payout. These vested percentages and minimum payouts are described in more detail in Sections 7 and 8 of the Plan.

This Performance Award Statement is intended to provide you with basic information on important provisions of the Plan. Because it is a summary, it does not contain all of the details of the Plan. In the event of any inconsistency between this Performance Award Statement and the Plan document, the Plan document will control. You are encouraged to read the Plan document in its entirety.

Personalized Performance Plan Award Schedule for:

[]

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Performance Measure: Cumulative OCF-CAPEX (A)	% of Target Award Earned (B)	Payout Amount (C)
\$14,728	Maximum: 200%	[]
\$14,114	175%	[]
\$13,500	150%	[]
\$12,887	125%	[]
\$12,273	Target: 100%	[]
\$11,046	83.3%	[]
\$ 9,818	67.7%	[]
\$ 8,591	50%	[]
\$ 8,590	Minimum: 0%	[]

</TABLE>

(A) Cumulative Operating Cash Flow (OCF) - Capital Expenditures (CAPEX) is expressed in millions.

(C) Payout Amount is calculated by multiplying your Target Award by % of Target Award Earned (B)

Please note that the Performance Plan Schedule above is only a sample of possible payout amounts, assuming you remain actively employed for the five years of the Plan. Your actual payout is based upon a straight-line interpolation of Cumulative OCF-CAPEX.