

TECHNICAL OLYMPIC USA INC

Form 8-K

May 09, 2005

**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): May 9, 2005

**TECHNICAL OLYMPIC USA, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

**001-32322**

**76-0460831**

(State or other jurisdiction  
of incorporation or  
organization)

Commission  
File Number

(I.R.S. Employer  
Identification No.)

**4000 Hollywood Blvd., Suite 500-N  
Hollywood, Florida**

**33021**

(Address of principal executive offices)

(Zip code)

**(954) 364-4000**

(Registrant's telephone number, including area code)

**N/A**

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

Check the appropriate box below if the Form 8-K 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 7.01 Regulation FD Disclosure**

During the three months ended March 31, 2005, Technical Olympic USA, Inc. (the Company) recorded \$5.0 million of selling, general and administrative expense associated with stock options that contain performance-based accelerated vesting provisions and certain other common stock purchase rights that are being accounted for under the variable accounting method as provided by APB Opinion No. 25. The Company is hereby providing information regarding the potential aggregate compensation charges for 2005 that may result from such stock options and common stock purchase rights.

If the Company's common stock price reaches the stock prices below, at the end of any quarter during 2005, the Company estimates that application of the variable accounting method to these stock options and common stock purchase rights would result in the following approximate aggregate compensation charges for 2005:

| <b>Per Share<br/>Stock Price</b> | <b>Assuming Current<br/>Vesting<br/>Schedule</b> | <b>Assuming Partial<br/>(80%)<br/>Accelerated Vesting<br/>At<br/>12/31/05</b> |
|----------------------------------|--|---|
| \$20                             | \$ 1.9   | \$ 4.5  |
| \$25                             | 9.4  | 13.1  |
| \$30                             | 16.8   | 21.8  |

(Dollars in Millions)

The timing of expense recognition for these potential compensation charges, if any, is uncertain and depends on the price of the Company's common stock, which fluctuates based upon various factors, many of which are outside of the Company's control. The accelerated vesting of the Company's performance-based stock options depends on the extent to which the Company's stock price performance exceeds the stock price performance of certain of the Company's peers. The Company considered the information set forth above in determining its recently issued earnings guidance for 2005. To the extent the Company's stock price varies from amounts indicated above or the amount of stock options that vest on an accelerated basis varies from 80%, more or less compensation expense will be recognized.

**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.

May 9, 2005

TECHNICAL OLYMPIC USA, INC.

/s/ BEATRIZ L. KOLTIS

Beatriz L. Koltis

Associate General Counsel and Secretary

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