



**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): August 24, 2006**

**Progress Software Corporation**

**(Exact name of registrant as specified in its charter)**

**Commission file number: 0-19417**

**Massachusetts  
(State or other jurisdiction of  
incorporation or organization)**

**04-2746201  
(I.R.S. employer  
identification no.)**

**14 Oak Park  
Bedford, Massachusetts 01730  
(Address of principal executive offices, including zip code)**

**(781) 280-4000  
(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))
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### **Item 8.01 Other Events**

On August 24, 2006, Progress Software Corporation issued a press release announcing the filing of a shareholder derivative complaint regarding an alleged option backdating scheme in which the directors and certain current and former executive officers of Progress are alleged to have been involved. A copy of the press release is attached as Exhibit 99.1 to this Current Report and incorporated herein by reference.

### **Item 9.01 Financial Statements and Exhibits**

(c) Exhibits

99.1 Press Release dated August 24, 2006

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**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.

Date: August 24, 2006

Progress Software Corporation

By: /s/ Norman R. Robertson

Senior Vice President, Finance and  
Administration and Chief Financial Officer



**Press Contacts:**

John Stewart  
Progress Software Corporation  
(781) 280-4101  
jstewart@progress.com

Joan Geoghegan  
Schwartz Communications, Inc.  
(781) 684-0770  
progress@schwartz-pr.com

**PROGRESS ANNOUNCES FILING OF SHAREHOLDER DERIVATIVE COMPLAINT**

**BEDFORD, Mass., August 24, 2006**—Progress Software Corporation (Nasdaq: PRGS), a supplier of leading technology to develop, deploy, integrate and manage business applications, announced today that on August 17, 2006 a derivative complaint was filed in the United States District Court for the District of Massachusetts by a party identifying itself as a shareholder of the Company purporting to act on behalf of the Company against the directors of the Company and certain present and former officers of the Company. The Company is also named as a nominal defendant. The complaint alleges violations of Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5, breaches of fiduciary duty, aiding and abetting breaches of fiduciary duty and unjust enrichment arising from an alleged option backdating scheme. The complaint seeks monetary damages, restitution, disgorgement, rescission of stock options, punitive damages and other relief. Additional lawsuits, including purported class actions and additional derivative actions, may be filed in state or federal court based upon allegations substantially similar to those described in this complaint or otherwise relating to the Company's option grant practices. The Company does not intend to issue any press releases describing the filing of any such additional lawsuits.

**About Progress Software Corporation**

Progress Software Corporation (Nasdaq: PRGS) is a global industry leader providing application infrastructure software for all aspects of the development, deployment, integration and management of business applications. Headquartered in Bedford, Mass., Progress can be reached at [www.progress.com](http://www.progress.com) or +1-781-280-4000.