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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 31, 2005

Unisys Corporation

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction  
of incorporation)

1-8729

(Commission  
File Number)

38-0387840

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

Unisys Way, Blue Bell, Pennsylvania

(Address of principal executive offices)

19424

(Zip Code)

Registrant's telephone number, including area code:

215-986-4011

Not Applicable

Former name or former address, if changed since last report

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 1.01. Entry into a Material Definitive Agreement.**

On March 31, 2005, Unisys Corporation and George R. Gazerwitz entered into a consulting agreement that provides for Mr. Gazerwitz to provide consulting services to Unisys during the period beginning April 1, 2005 and ending July 31, 2005. The agreement provides for Mr. Gazerwitz to bill Unisys at the rate of \$2,500 per day for his services, but not to exceed \$200,000 in total. Mr. Gazerwitz retired from Unisys on March 31, 2005. He had been Vice Chairman of the company. The consulting agreement is filed as Exhibit 10 to this report.

**Item 9.01. Financial Statements and Exhibits.**

(c) The following exhibit is being filed herewith:

Exhibit 10 -- Consulting Agreement, dated as of March 31, 2005, between Unisys Corporation and George R. Gazerwitz.

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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.

Unisys Corporation

March 31, 2005

By: *Nancy Straus Sundheim*

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*Name: Nancy Straus Sundheim*

*Title: Senior Vice President, General Counsel and Secretary*

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Exhibit Index

Exhibit No.	Description
10	Consulting Agreement, dated as of March 31, 2005, between Unisys Corporation and George R. Gazerwitz

## CONSULTING AGREEMENT

This Agreement is made and entered into as of the 31<sup>st</sup> day of March, 2005, by and between Unisys Corporation ("Unisys"), Unisys Way, Blue Bell, Pennsylvania 19424, and George R. Gazerwitz ("Consultant"), whose address is 5914 SE Horseshoe Point Road, Stuart, FL 34997.

**WHEREAS**, Unisys requires Consultant's special knowledge, skills and abilities; and

**WHEREAS**, Unisys and Consultant desire to enter into a consulting agreement.

**THEREFORE**, in consideration of the mutual promises set forth herein and intending to be legally bound, it is agreed by and between Unisys and Consultant as follows:

### **1. Term of Agreement.**

This Agreement will begin on April 1, 2005 (the Effective Date), and end on July 31, 2005, unless sooner terminated as provided for herein. Although the parties do not presently anticipate the need to extend this Agreement, it may be extended for up to an additional 60 days, if mutually agreed to by the parties.

### **2. Statement of Work/Performance.**

**A.** Based on the terms and conditions as set forth herein, the Consultant agrees to perform services for Unisys involving participating in succession planning efforts and royalty negotiations with respect to its Japanese joint venture, Nihon Unisys Limited; continuing with Consultant's efforts in Project Fresh Look; and assuming such other projects as may be mutually agreed upon by Unisys and Consultant. Consultant shall report to Lawrence A. Weinbach, the Chairman of Unisys, and Joseph W. McGrath, its President and Chief Executive Officer.

**B.** Progress meetings shall be conducted at times and places as may be requested from time to time to discuss the progress of the work and other related matters.

### **3. Best Effort**

The Consultant agrees to apply his best efforts in providing services to Unisys.

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### **4. Statement of Services/Payment/Taxes.**

#### **A. Statement of Services**

**1.** Consultant will bill Unisys at the rate of Two Thousand Five Hundred Dollars (\$2,500.00) per day, provided the amount that will be billed under this Agreement shall not exceed Two Hundred Thousand Dollars (\$200,000.00).

**2.** Unisys shall reimburse Consultant for reasonable and appropriate travel and associated expenses consistent with the applicable Unisys travel policies.

#### **B. Payment**

**1.** Consultant shall submit for approval an invoice at the end of each month for services rendered and travel expenses incurred during the month. Each invoice shall include the following information:

- (a) Unisys purchase order number related to this Agreement;
- (b) Consultant's invoice number and date;
- (c) Time period covered and work performed under the invoice;
- (d) Amount billed for the services; and
- (e) Travel expenses, if any, supported by receipts.

**2.** Unisys shall pay all approved invoiced amounts to Consultant within thirty (30) days after receipt of invoice.

#### **C. Taxes**

**1.** Consultant shall be responsible for payment of all taxes including Federal, State and local taxes arising out of the Consultant's activities in accordance with this contract, including by way of illustration but not limitation, Federal and State income taxes, Social Security tax, Medicare tax, Unemployment Insurance taxes, and any other taxes or business license fees as required.

2. Because the compensation (excluding authorized travel expense reimbursements) contemplated under this Agreement will exceed \$600, Unisys will furnish Form 1099-MISC to the Consultant and the IRS by January 31 of the following year reporting such compensation.

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## **5. Termination/Cancellation**

### **A. Termination for Convenience**

1. Unisys and the Consultant shall have the right to terminate this Agreement or the work to be performed hereunder in whole or in part for convenience at any time. Any notice of termination given by Unisys or the Consultant shall be effective fourteen (14) days after transmittal by Unisys or the Consultant, and Consultant shall terminate the work as quickly as possible upon receiving notice. Unisys shall have no liability to Consultant based on any such termination except to pay all amounts due Consultant up to the date of termination in accordance with the compensation provisions of paragraph 4. Consultant shall promptly deliver to Unisys all work product, whether or not completed, which is in Consultant's possession on the termination date containing information related to the work, including a final report to be prepared by Consultant describing results of the work up to the date of termination.

### **B. Cancellation for Non-Performance**

1. Unisys shall have the right to cancel this Agreement in the event of any material breach by Consultant that Consultant fails to cure within a reasonable time not to exceed fourteen days after written notice of breach from Unisys. Any such notice of cancellation shall become effective on the date of written notice of breach, unless the Consultant fails to cure the breach on or before the fourteen day after transmittal of said notice. Notice of cancellation rightfully given by Unisys for material breach by Consultant that is not timely cured shall excuse Unisys from paying for any work performed by Consultant after the date of notice of material breach given by Unisys. Unisys shall have the option upon cancellation either to obtain delivery and retain title and license rights, as provided herein, in and to all work completed or in preparation on the date of cancellation in exchange for payments made and owed as of such date.

2. Consultant shall have the right to cancel this Agreement and the rights and licenses granted to Unisys only if Unisys fails to cure any deficiency in making any payment due Consultant, which is not in good faith dispute between the parties, within twenty days after receiving written notice of such deficiency.

### **C. Additional Rights and Remedies**

Unisys and Consultant shall retain all rights and remedies available at law or equity; to the extent they are not inconsistent with this Agreement, in the event of any termination or cancellation of this Agreement.

## **6. Service For Others**

During the term of this Agreement, Consultant shall not engage directly or indirectly in any undertaking that creates any legal impediment to or conflicts with rights granted to Unisys by Consultant under this Agreement. Consultant shall not undertake, during the term of this Agreement, to perform similar services for any third party which would compromise the value of the work to Unisys without providing Unisys prior written notice.

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## **7. Assignment**

Consultant shall not assign this Agreement or any rights hereunder or delegate the work or any of Consultant's other obligations hereunder to any third party and any attempted assignment shall be void. Unisys shall have the right to assign this Agreement and its rights and duties hereunder to any successor in interest by acquisition, merger, operation of law or otherwise.

## **8. Administration**

The principal interface with Consultant on matters concerning the work and any other matter related to this Agreement, including modifications thereof, or any notices, shall be Mr. Weinbach and Mr. McGrath. All notices given by either party to the other shall be in writing and sent by hand delivery, fax, e-mail, or first class mail to the addresses noted above.

## **9. Waivers**

The failure of either party to assert any claim or right against the other party regarding its obligations hereunder, in any one or more instances, shall not constitute a waiver of such claim or right with respect to future performance of such obligations and other obligations under the Agreement.

## **10. Severability**

The invalidity or unenforceability of any particular provision of this Agreement shall not affect other provisions and the Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

## **11. Headings**

All article and paragraph headings are for reference only and shall not be used in construing this Agreement.

## **12. Governing Law**

The laws of the Commonwealth of Pennsylvania shall govern the formation, interpretation and performance of this Agreement.

## **13. Entire Agreement**

This Agreement sets forth the entire agreement between the parties and supersedes all prior oral and written agreements and understandings between the parties with respect to the subject matter hereof. This Agreement may not be modified or the parties released from their obligations hereunder except by an instrument in writing signed by an authorized representative of the parties.

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## **14. Compliance with Law**

Consultant shall comply with all federal, state and local laws and regulations pertaining to the performance of this Agreement and shall indemnify Unisys for any liability and related costs, expenses and fees incurred by Unisys as a result of Consultant's breach of such obligation.

## **15. Proprietary Information/Intellectual Property**

Consultant acknowledges that he has signed the Unisys Proprietary Information, Invention and Non-Competition Agreement and the Unisys Stock Option Agreement and he agrees and understands that these agreements apply to his conduct as Consultant as though fully set forth herein.

## **16. Business Practice Guidelines**

Consultant acknowledges that he has received and will comply with the Unisys Code of Ethics and Business Conduct.

## **17. Arbitration**

1. Any controversy or claim related to or arising from this Agreement and/or the contracted services to be provided by Consultant shall be settled by arbitration conducted on a confidential basis under the U.S. Arbitration Act and the then current Commercial Arbitration Rules of the American Arbitration Association, strictly in accordance with the terms of this Agreement and the substantive law of the Commonwealth of Pennsylvania.

2. Neither party shall institute an arbitration proceeding unless, at least sixty-(60) days prior thereto, such party shall have furnished to the other written notice by registered mail of its intent to do so. Notice to Unisys shall be addressed to Nancy Sundheim, its General Counsel, Unisys Corporation, Unisys Way, Blue Bell, Pennsylvania 19424-0001.

3. Arbitration shall be conducted by three arbitrators, at least one of whom shall be knowledgeable in data processing and business information systems and one of whom shall be an attorney. The arbitrators shall have no authority to award punitive damages or any other form of non-compensatory damages. Judgment upon the arbitrators' award may be entered and enforced in any court of competent jurisdiction.

4. Neither party shall be precluded from seeking provisional remedies in the court of any jurisdiction to protect its rights and interests, but such shall not be sought as a means to avoid or stay arbitration.

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## **18. Insurance**

Consultant agree(s) to maintain comprehensive liability insurance for all operations necessary and incidental to the conduct of this Agreement and any purchase orders issued pursuant to this Agreement, including coverage of all automobile exposure, all property liability exposure and contractual liability exposure to at least the following minimum amounts:

- A. Comprehensive Automobile Liability Insurance, with a combined single limit of \$1 million for bodily injury, death or property damage arising from any one occurrence;
- B. Comprehensive General Liability including Broad Form Contractual and Completed Operations, with a combined single limit of \$1 million for bodily injury, death or property damage arising from any one occurrence.

Such policies shall not be cancelled without ten (10) days prior written notice to Unisys. Such insurance shall not be deemed a limitation of any liability of the Consultant, but Consultant shall furnish Unisys with certificates of insurance in form

acceptable to Unisys.

Such insurance shall be primary, not contributing with, and not in excess of, coverage which Unisys may carry. The insurance afforded by these policies applies separately to each insured against whom claim is made or suit is brought, in the same manner as such insured would be covered if the policy insured only such party. The inclusion of such additional insured shall not increase the policy limits.

**19. Relationship of Parties**

In performing the work, Consultant is acting as an independent contractor and not as an employee, agent, or representative of Unisys. Consultant hereby acknowledges that neither Consultant nor its personnel, if any, are entitled to any of the benefits provided by Unisys to Unisys employees, including, but not limited to workers compensation, medical benefits, and group life insurance benefits, and Consultant expressly waives and releases any claims thereto.

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**CONSULTANT**

By: George R. Gazerwitz

Date: March 31, 2005

**UNISYS CORPORATION**

By: Joseph W. McGrath

President and Chief Executive Officer

Date: March 31, 2005

**LAW DEPARTMENT**

By: Joseph A. Teklits

Associate General Counsel

Date: March 31, 2005

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