

PRENTISS PROPERTIES TRUST/MD

Form 425

October 31, 2005

## Edgar Filing: PRENTISS PROPERTIES TRUST/MD - Form 425

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Filed by Brandywine Operating Partnership pursuant to Rule 425 under the Securities Act of 1933 and deemed filed pursuant to Rule 14a-12 Under the Securities Exchange Act of 1934 Subject Company: Prentiss Properties Trust Commission File No.:1-14516

This filing relates to a proposed acquisition (the "Acquisition") by Brandywine Realty Trust ("Brandywine") of Prentiss Properties Trust ("Prentiss") pursuant to the terms of an Agreement and Plan of Merger, dated as of October 3, 2005 (the "Merger Agreement"), by and among Brandywine and Prentiss. The Merger Agreement is on file with the Securities and Exchange Commission (the "Commission") as an exhibit to the Current Report on Form 8-K filed by Brandywine on October 3, 2005. The Merger Agreement is incorporated by reference into this filing.

The following is a analysis presented as additional information by Brandywine on October 28, 2005 regarding the Acquisition and related matters.

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**Prentiss Acquisition  
Benefits Comparison Analysis**

<b>PLAN/PROGRAM</b>	<b>PRENTISS</b>	<b>BRANDYWINE</b>	<b>TRANSITION INFORMATION</b>
<b>WELFARE PLANS</b>			
<b>Eligibility</b>	1st of month after 30 days Full time = 30 hours	1st of month after 30 days Full time = 40 hours	<b>Eligibility for medical, dental and vision the same Life, LTD: Brandywine eligibility 1st of the month after 60 days</b>  <b>No break in coverage after transition</b>  <b>Prentiss years of service will be treated as Brandywine years of service for benefits eligibility</b>  <b>Prentiss plans will continue until the 2nd Quarter of 2006, when a new plan design will be rolled out to all employees.</b>  <b>No pre-existing conditions limitations</b>  <b>2006 deductibles paid will count towards new plan</b>  <b>Goal is to maintain physician coverage as close as possible to what both</b>  <b>Brandywine and Prentiss have now</b>  <b>For future update: PT eligiblity</b>
<b>Medical</b>			
<b>Carrier/Model</b>	CIGNA: PPO and POS Plans	Blue Cross: PPO and POS Plans	<b>Both plans have PPO and POS models</b>
<b>Pay Philosophy</b>	Contribution varies by pay level - lower paid employees pay less	All employees pay the same rates	<b>Both plans have pre-tax contributions</b>
<b>Coverage Level</b>	Similar premiums for POS; much lower for PPO; Higher office co-pays, deductibles, Rx	Higher premiums for PPO; lower co-pays, deductibles, Rx	<b>For future update: new combined plan design</b>
	Prescriptions included (mail order discount)	Prescriptions included (mail order POS only)	<b>Both plans have prescription coverage</b>
<b>Funding</b>	Self funded up to \$125,000/claim	Fully insured	

**Dental**

<b>Carrier/Model</b>	CIGNA: PPO plan	Fortis: PPO plan	<b>Similar plan model with higher in-network reimbursement</b>
<b>Pay Philosophy</b>	Employer 70%; Employee 30%	Employer 70%; Employee 30%	<b>Similar employee cost sharing</b>
<b>Coverage Level</b>	Preventive, Basic, Major, Orthodontia	Preventive, Basic, Major, Orthodontia	<b>Similar coverage</b>
<b>Funding</b>	Self-funded	Self-funded	
<b>Vision</b>	VSP Plan	Opti-Choice Plan	<b>Brandywine coverage slightly less, lower co-pays</b>

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**Prentiss Acquisition  
Benefits Comparison Analysis**

PLAN/PROGRAM	PRENTISS	BRANDYWINE	TRANSITION INFORMATION
<b>WELFARE PLANS (Cont.)</b>			
<b>Group Life Insurance</b>			
<b>Carrier/Model</b>	Prudential Insurance	Hartford Insurance	<b>Benefit is fully paid by the company for both plans.</b>
<b>Pay Philosophy</b>	100% Employer Paid	100% Employer Paid	
<b>Coverage Level</b>	1 x base salary	\$50,000	<b>For future update: Resolution of coverage differences</b>
<b>Supplemental Group Life</b>			
<b>Carrier/Model</b>	Prudential Insurance Supplemental Life available at cost	Hartford Insurance Supplemental Life available at cost	<b>A supplemental plan will be available in the new plan design.</b>
<b>Long Term Disability</b>			
<b>Carrier/Model</b>	CIGNA	Hartford	<b>Employees on LTD will continue to be covered</b>
<b>Pay Philosophy</b>	Benefit commences 91st day 100% Employee Paid	Benefit commences 91st day 100% Employer Paid	
<b>Coverage Level</b>	60% of base salary to \$5,000/mo maximum	60% of base salary to \$6,000/mo. maximum	<b>BDN employees do not pay for LTD; however, the benefit is taxable when received.</b>
	Supplemental plan for higher paid	No plan available	
<b>Short Term Disability</b>			
<b>Carrier/Model</b>	CIGNA - self insured	Company administered - self insured	<b>Brandywine currently administers STD in house.</b>
<b>Pay Philosophy</b>	100% Employer Paid	100% Employer Paid	

<b>Coverage Level</b>	60% - 100%, depending on length of service	60% - 100%, depending on length of service	<b>Benefit is company paid and covers 12 weeks of disability</b> <b>Brandywine 60% 1st year (after 60 days)</b> <b>80% 2- 4 years</b> <b>100% 5 years</b>
<b>Sick Days</b>			
<b>Coverage Level</b>	5 days, plus carryover, if available, for qualifying disability	6 days, plus carryover, if available	<b>Brandywine allows carryover of up to 4 days; maximum accumulation 10 days</b>
<b>Flex Plan</b>	Dependent Care \$5,000	Dependent Care \$5,000	<b>Dependent Care Spending Account same</b>
<b>Pre-Tax Spending Accounts</b>	Health Care \$5,000	Health Care \$2,000	<b>Brandywine Health Care Spending cap is different. For future update.</b>

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**Prentiss Acquisition  
Benefits Comparison  
Analysis**

PLAN/PROGRAM	PRENTISS	BRANDYWINE	TRANSITION INFORMATION
<b>Payroll</b>	Semi-Monthly, 15th & last day of month Pay is current, Overtime in following pay Direct Deposit ADP	Semi-Monthly, 15th & last day of month Pay is current, Overtime in following pay Direct Deposit ADP	<p><b>We both pay semi-monthly and current to pay date, except overtime, part-time</b></p> <p><b>Both companies have direct deposit Same pay system</b></p>
<b>Vacations</b>	<p>Anniversary Date Accrual</p> <p>less than 1 year = 1 week 1 - 5 years = 2 weeks 5 - 9 years = 3 weeks 10 - 25 years = 4 weeks 25+ years = 5 weeks</p> <p>No rollover year to year</p>	<p>Calendar Year Accrual</p> <p>On payroll January 1: up to 5th anniversary = 2 weeks 5 - 9 years = 3 weeks 10 + years = 4 weeks</p> <p>No rollover year to year</p>	<p><b>Prentiss service will count towards vacation earned under Brandywine's policy</b></p> <p><b>If Prentiss employee has vacation scheduled for 2006, can take it</b></p> <p><b>For future update: Vacations will convert to calendar year accrual. You can take vacation starting on January 1, although you earn it monthly throughout the year</b></p>
<b>Holidays</b>	8 days plus 2 floating days	8 days plus 2 personal days	<b>Similar holiday schedules</b>
<b>Employee Assistance Plan</b>	Available 24/7 for confidential assistance/counseling	Available 24/7 for confidential assistance/counseling	<b>Brandywine offers the same type of confidential benefit to you and your dependents</b>

**Other Benefits to  
be discussed in  
future bulletin:**

- \*Education  
Reimbursement**
  - \*Prepaid Legal  
Plan**
  - \*529 Plan**
  - \*Nissan/Infinity  
Vehicle Purchase  
Plan**
  - \*Brandywine  
Scholarship  
Program**
  - \*Matching of  
charitable gifts**
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**Prentiss Acquisition  
Benefits Comparison Analysis**

PLAN/PROGRAM	PRENTISS	BRANDYWINE	TRANSITION INFORMATION
<b>RETIREMENT PLANS</b>			
<b>Carrier</b>	Merrill Lynch	John Hancock/ManuLife	<b>Will look at merged plan in 2006</b>
<b>Available Funds</b>	14 with lifestyle funds	81 with lifestyle funds	<b>For future update: timing of transition</b>
<b>Eligibility</b>	1st of Quarter after 1 year	1st of Quarter after 60 days	<b>For future update: timing of entry per ERISA rules</b>
<b>Match</b>	25% up to 6% of salary	30% up to 10% of salary	<b>For future update: timing of match per ERISA rules</b>
<b>Profit Sharing</b>	Plan allows; no recent contributions	Profit sharing 2 - 3% over past few years	<b>Although this is discretionary, this Brandywine benefit is in addition to the match</b>
<b>Vesting</b>	immediate, upon entry	graduated over 3 years	<b>Prentiss employees will be fully vested in Prentiss carryover account</b>  <b>Past service will count for vesting in Brandywine plan</b>
<b>Loans</b>	Available for any reason; subject to legal restrictions	Available for hardship (per IRS) rules only; subject to legal restrictions	<b>For Prentiss employees moving to Brandywine: loans outstanding will transition to Brandywine plan with similar repayment schedules</b>  <b>For future update : Brandywine will review loan eligibility rules.</b>



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#### Additional Information about the Merger and Where to Find It

This presentation does not constitute an offer of any securities for sale. In connection with the proposed transaction, Brandywine and Prentiss Properties filed a joint proxy statement/prospectus as part of a registration statement on Form S-4 and other documents regarding the proposed merger with the Securities and Exchange Commission. Investors and security holders are urged to read the joint proxy statement/prospectus when it becomes available because it will contain important information about Brandywine and Prentiss Properties and the proposed merger. A definitive proxy statement/prospectus will be sent to shareholders of Brandywine and Prentiss Properties seeking their approval of the transaction. Investors and security holders may obtain a free copy of the definitive proxy statement/prospectus (when available) and other documents filed by Brandywine and Prentiss Properties with the SEC at the SEC's website at [www.sec.gov](http://www.sec.gov). The definitive joint proxy statement/prospectus and other relevant documents may also be obtained, when available, free of cost by directing a request to Brandywine Realty Trust, 401 Plymouth Road, Suite 500, Plymouth Meeting, PA 19462, Attention Investor Relations, (telephone 610-325-5600) or Prentiss Properties Trust, 3890 W. Northwest Highway, Suite 400, Dallas, Texas 75220, Attention: Investor Relations (telephone 214-654-0886). Investors and security holders are urged to read the proxy statement, prospectus and other relevant material when they become available before making any voting or investment decisions with respect to the merger.

Brandywine and Prentiss Properties and their respective trustees and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of Brandywine and Prentiss Properties in connection with the merger. Information about Brandywine and its trustees and executive officers, and their ownership of Brandywine securities, is set forth in the proxy statement for Brandywine's 2005 Annual Meeting of Shareholders, which was filed with the SEC on April 1, 2005. Information about Prentiss Properties and its trustees and executive officers, and their ownership of Prentiss Properties securities, is set forth in the proxy statement for the 2005 Annual Meeting of Shareholders of Prentiss Properties, which was filed with the SEC on April 5, 2005. Additional information regarding the interests of those persons may be obtained by reading the proxy statement/prospectus when it becomes available.

This communication shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

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