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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A

(Amendment No. 1)

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): September 24, 2004

Transaction Systems Architects, Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware

0-25346

47-0772104

(State or Other
Jurisdiction
of Incorporation)

(Commission File No.)

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

224 South 108th Avenue, Omaha Nebraska 68154
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code:
(402) 334-5101

N/A

(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 (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))

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Explanatory Note

Transaction Systems Architects, Inc. is filing this Amendment No. 1 to
its Current Report on Form 8-K filed with the Securities and Exchange Commission
on September 29, 2004 to amend and restate Item 9.01 in its entirety to make
certain changes to Exhibit 10.2. This Amendment No. 1 does not reflect any
events occurring after the filing date of the original Current Report on Form
8-K or otherwise modify or update any of the information contained therein.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits.

Exhibit
No.

Description

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- 10.1 Third Amended and Restated Employment Agreement dated as of September 28, 2004 between Transaction Systems Architects, Inc. and Gregory D. Derkacht (with exhibits, including the form of Amended and Restated Severance Compensation Agreement) (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K, filed September 29, 2004, and incorporated herein by reference).
 - 10.2 Description of the 2005 Fiscal Year Management Incentive Compensation Plan.
 - 10.3 Severance Compensation Agreement (Change in Control), dated September 29, 2004, between Donald P. Newman and the Company (the form of which is filed as Exhibit 10.16 to the Company's Form 10-K for the fiscal year ended September 30, 2003 and incorporated herein by reference).
 - 99.1 Press Release (filed as Exhibit 99.1 to the Company's Current Report on Form 8-K, filed September 29, 2004, and incorporated herein by reference).

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: October 13, 2004

TRANSACTION SYSTEMS ARCHITECTS, INC.

By: /s/ Dennis P. Byrnes
Name: Dennis P. Byrnes
Title: Senior Vice President

EXHIBIT INDEX

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2005 FISCAL YEAR MANAGEMENT INCENTIVE COMPENSATION PLAN

On September 24, 2004, the Compensation Committee of the Board of Directors of Transaction Systems Architects, Inc. (the "Company") approved the 2005 Fiscal Year Management Incentive Compensation Plan (the "2005 MIC Plan"). The 2005 MIC Plan will be implemented in the Company's 2005 fiscal year beginning October 1, 2004 and will apply to all of the Company's employees eligible for a management incentive bonus ("MIC Bonus"). All of the Company's named executive officers will participate in the 2005 MIC Plan.

The objective of the 2005 MIC Plan is to incent certain management level personnel to contribute toward the attainment of the consolidated financial goals for fiscal year 2005 based on corporate, segment and/or channel specific targets, or specific individual performance attainment requirements. The MIC Bonus opportunity is based on targets for five periods comprised of the Company's four fiscal quarters and its fiscal year end. If the minimum targets are not achieved for a target period, no MIC Bonus is paid for that period. Earned MIC Bonuses are paid quarterly, with the annual MIC Bonus paid at the same time as the fourth quarter payout. MIC Bonuses are paid in cash. A MIC Bonus payout may be more or less than 100% (up to a maximum of 200%) depending on the level of attainment as set forth in the table below:

Target Attainment Percentage	MIC Bonus Payout Percentage
95% Attainment	50%
100% Attainment	100%
105% Attainment	125%
110% Attainment	150%
120% Attainment	200%

A participant in the 2005 MIC Plan must be employed by the Company on the last day of the target period to be eligible to receive the MIC Bonus payout for the target period. If a participant's employment is terminated for any reason prior to the end of any target period, the participant will not be eligible to receive a MIC Bonus for that particular period or any subsequent target period.

The Company reserves the right at any time during the 2005 MIC Plan year to: (a) amend or terminate the plan in whole or in part, (b) revoke any eligible employee's right to participate in the 2005 MIC Plan, and (c) make adjustments to targets at any time during the 2005 MIC Plan year.

Under the 2005 MIC Plan, the annual bonus compensation for the senior corporate executives will be based on certain Company-level financial performance measures, and for the senior corporate executives of the Company's business segments, certain segment-level financial performance measures. MIC Bonus amounts for segment-level corporate executives will be determined by a combination of segment-level financial performance (or channel-level performance for senior corporate executives of business segment channels) and Company-level performance.

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The table below summarizes the fiscal year 2005 Company-level and segment-level financial performance measures and the range of weighting for such performance measures:

Senior Corporate Executives	
Performance Measure	Performance Measure Weighting Range
Company-Level Performance Measures:	
- Operating Margin.....	15% - 30%
- Revenue.....	40% - 55%
- Cash Flow.....	15%
Segment-Level Performance Measures:	
- Segment/Channel Revenue.....	15%
- Segment/Channel Contribution Margin.....	15%

For the other participants in the 2005 MIC Plan (excluding senior corporate executives), the annual bonus compensation will be based on a combination of some or all of the following: Company-level financial performance measures, segment-level (or channel-level) financial performance measures and specific targets for the individual which will be set by their direct managers. The weighting of the performance measures will vary for the other 2005 MIC Plan participants depending on the respective business segment in which they are employed; however, 25% of their MIC Bonus will be tied to individual targets set for such participant by their direct manager.

The Compensation Committee will set specific target performance measures at the beginning of each fiscal year. These targets will be based upon a review of the annual operating plan of the Company as a whole and any relevant business segment, considered in the context of prior years' results and other factors.