

PAYCHEX INC  
Form 4  
July 17, 2006

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
MORPHY JOHN M

(Last) (First) (Middle)

911 PANORAMA TRAIL S

(Street)

ROCHESTER, NY 14625

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
PAYCHEX INC [PAYX]

3. Date of Earliest Transaction (Month/Day/Year)  
07/13/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_ Director \_\_\_ 10% Owner  
 Officer (give title below) \_\_\_ Other (specify below)  
CFO

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
\_\_\_ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount (A) or (D) Price		
Common Stock	07/13/2006		A		6,667 <u>(1)</u>	A	\$ 0 11,319.5 D
Common Stock IRA							1,644 <u>(2)</u> D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

SEC 1474 (9-02)

Edgar Filing: PAYCHEX INC - Form 4

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Stock Option	\$ 36.87	07/13/2006		A	30,000	07/13/2007 07/13/2016	Common Stock 30,000
Stock Option	\$ 42.688					07/13/2002 07/13/2010	Common Stock 15,000
Stock Option	\$ 40.86					07/12/2003 07/12/2011	Common Stock 15,000
Stock Option	\$ 28.14					07/11/2004 07/11/2012	Common Stock 6,700
Stock Option	\$ 29.55					07/10/2005 07/10/2013	Common Stock 16,700
Stock Option	\$ 31.79					07/08/2006 07/08/2014	Common Stock 30,000
Stock Option	\$ 33.68					07/07/2006 07/07/2015	Common Stock 50,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MORPHY JOHN M 911 PANORAMA TRAIL S ROCHESTER, NY 14625			CFO	

## Signatures

Stephanie L. Schaeffer,  
Attorney-in-fact  
Date: 07/17/2006

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Award of restricted stock, subject to vesting, pursuant to the Amended and Restated 2002 Stock Incentive Plan.

## Edgar Filing: PAYCHEX INC - Form 4

(2) Updated balance reflects transfer of 1,051 shares previously held in IRA pursuant to a domestic relations order.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.