

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 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): January 31, 2005  
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TAKE TWO INTERACTIVE SOFTWARE, INC.

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(Exact name of registrant as specified in its charter)

Delaware ----- (State or Other Jurisdiction of Incorporation)	0-29230 ----- (Commission File Number)	51-0350842 ----- (IRS Employer Identification No.)
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622 Broadway, New York, NY

10012

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(Address of Principal Executive Offices)

(Zip Code)

Registrant's telephone number, including area code (646) 536-2842  
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Not Applicable

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(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))

Item 1.01. Entry into a Material Definitive Agreement

On January 31, 2005, Take-Two Interactive Software, Inc. (the "Company")  
entered into an agreement with Richard Roedel pursuant to which his position  
with the Company was changed from Chairman of the Board and Chief Executive  
Officer to Chairman of the Board and a consultant to the Company. The agreement  
terminates on January 31, 2006, subject to the right of either party to  
terminate the agreement on or after June 1, 2005 provided that the Company's  
payment obligations under the agreement would continue throughout the term. The  
agreement provides for Mr. Roedel to be compensated at a rate of \$665,600 per  
annum and to receive a bonus of \$162,500 upon execution of the agreement. The  
agreement also provides that a restricted stock award granted to Mr. Roedel in  
2004 will vest ratably on a monthly basis during the term of the agreement.

Item 5.02. Departure of Directors or Principal Officers; Election of Directors;  
Appointment of Principal Officers

- (b) As noted in Item 1.01 above, on January 31, 2005, the Company  
entered into an agreement with Richard Roedel pursuant to which his  
position with the Company was changed effective that date from  
Chairman of the Board and Chief Executive Officer to Chairman of the  
Board and a consultant to the Company.
- (c) On January 31, 2005, the Board of Directors appointed Paul Eibeler  
as Chief Executive Officer and President to serve in accordance with  
the bylaws of the Company until his successor is elected and  
qualified. Mr. Eibeler has served as President of the Company since  
April 2004, and prior thereto was President of the Company from

December 2000 to October 2003. In April 2004, the Company entered into a letter agreement with Mr. Eibeler for a three-year term, which provides that Mr. Eibeler will serve as President and is entitled to receive an annual salary of \$600,000 and a quarterly bonus of \$50,000, provided that the Company achieves certain performance targets. The Company also granted Mr. Eibeler options to purchase 300,000 shares of common stock. Reference is made to the full text of the letter agreement, a copy of which has been previously filed as an exhibit to the Company's Quarterly Report on Form 10-Q for the period ended April 30, 2004. The Company and Mr. Eibeler are negotiating a new employment agreement, which contemplates Mr. Eibeler's services as Chief Executive Officer.

Item 9.01. Financial Statements and Exhibits

Exhibits. 10.1 Letter Agreement dated January 31, 2005 between the Company and Richard Roedel.

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 thereunto duly authorized.

TAKE-TWO INTERACTIVE SOFTWARE, INC.  
(Registrant)

By: /s/ Karl Winters

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Name: Karl Winters  
Title: Chief Financial Officer

Date: February 1, 2005

January 31, 2005

Mr. Richard Roedel  
164 West Road  
New Canaan, CT 06840

Re: Take-Two Interactive Software, Inc.

Dear Richard:

We are pleased to confirm the terms of our agreement with respect to the change in your status from Chairman of the Board and Chief Executive Officer of Take-Two Interactive Software, Inc. (the "Company") to Chairman of the Board of the Company and as a consultant to the Company.

1. Term. The term shall commence on the date hereof and end on January 31, 2006 (the "Term").

2. Services. As a consultant, you shall provide such services as reasonably requested by the unaffiliated members of the Board and management of the Company. You shall devote such time, as you, in your reasonable discretion, shall deem necessary for the performance of your obligations.

3. Compensation. In connection with your service as Chairman of the Board and consultant, you shall be compensated at the rate of \$665,600 per year payable in accordance with the Company's normal payroll practices. Any expenses incurred in connection with the performance of your duties hereunder shall be pre-approved by management of the Company.

4. Bonus. Upon execution of this agreement, the Company shall pay to you a bonus for your services as Chairman of the Board and Chief Executive Officer in the amount of \$162,500.

5. Options and Restricted Stock Awards. All options and restricted stock awards previously granted to you by the Company are set forth on Schedule A hereto. The restricted stock awards not vested as of the date hereof shall vest ratably, on a monthly basis, during the Term. At the end of the Term, the options and restrictive stock awards set forth on Schedule A hereto shall be fully vested. In accordance with the current provisions of your options, all options shall expire on the 90th day following the expiration of the Term or the date of termination of this agreement.

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6. Benefits. During the Term, the Company shall provide to you health insurance coverage, consistent with the coverage currently provided to you.

7. Liability Insurance. During the Term, the Company shall, at no cost to you, continue to include you as an insured under the director and officer liability insurance policy maintained by the Company, unless (despite the best efforts of the Company) it is not possible for you to be so included, in which event the Company shall immediately notify you. The Company shall continue to indemnify you to the fullest extent permitted by the Delaware General Corporation Law, as may be amended from time to time.

8. Attorney's Fees. The Company shall pay your reasonably attorney's fees and disbursements in connection with the negotiation of employment matters relating to the Company (in an amount not to exceed \$10,000).

9. Termination. Either party may terminate this agreement on or after June 1, 2005 on not less than ten (10) business days prior written notice. If this agreement is terminated for any reason after such date, the Company shall continue to make the payments set forth in Section 3 and provide you the benefits and liability insurance set forth in Sections 6 and 7, all in accordance with such Sections, and all options and restricted stock awards set forth on Schedule A hereto shall become fully vested.

10. Non-competition and Confidentiality. You agree to be bound by the provisions of Exhibit A hereto, which shall be deemed to be part of this agreement.

11. Release. You hereby release and discharge the Company, its subsidiaries, affiliates, successors, assigns, employees, officers, directors and agents (collectively, the "Company Released Parties") from and against any

and all manner of actions, causes of action, suits, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims, counterclaims, crossclaims, offsets, defenses and demands, whether at law, equity or otherwise, that you ever had, now have or hereafter can, shall or may have for, upon, or by reason of any matter, cause or thing whatsoever from the beginning of the world to the date hereof as against the Company Released Parties, and each of them, whether known or unknown, disclosed or undisclosed, suspected or unsuspected, direct or derivative, contingent or absolute, including, without limitation, any claim for wrongful termination, breach of contract, or under any federal, state or local law dealing with discrimination based upon race, sex, age, national origin, religion or disability (including any claim under Title VII of the Civil Rights Act, the Age Discrimination in Employment Act, the Americans with Disabilities Act, and the New York Executive Law), or otherwise related to your employment with the Company. You further agree that, except for the purpose of seeking enforcement of the terms of this agreement, you will not file or institute any civil actions, complaints, or any other proceeding against any Company Released Party before any court, administrative agency or any other forum based upon or arising out of any claims released pursuant to this Section 11 that you have against any Company Released Party. You further agree to waive any right to participate in any charge or complaint which may be made by any other person or organization on your behalf before any federal, state or local court or administrative agency against any Company Released Party, except as such waiver is prohibited by law and except to the extent that such participation is pursuant to subpoena or order of a court of competent jurisdiction. Should any charge be filed, you agree that you will not accept any relief or recovery therefrom.

12. Due Authorization. The execution, delivery and performance of this agreement has been authorized by all necessary corporate action. This agreement has been duly executed and delivered by the Company.

13. Entire Agreement. Except for the terms of any options and restricted stock awards granted to you (each of which shall be governed by the terms of the respective Company plan under which it was granted, as modified hereby), this Agreement sets forth the entire agreement between the parties with respect to the subject matter hereof, and supersedes any and all prior or contemporaneous agreements, whether oral or written, between the parties hereto with respect thereto (including, without limitation, the letter agreement dated June 7, 2004).

14. Governing Law. This agreement shall be governed by and construed in accordance within the laws of the State of New York (without giving effect to principles of conflicts of laws).

15. Counterparts. This agreement may be executed in counterparts, each of which shall be deemed an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Facsimile signatures shall be effective and binding as original signatures.

Please indicate your agreement with the foregoing by signing below.

TAKE-TWO INTERACTIVE SOFTWARE, INC.

By: /s/ Paul Eibeler

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Name:  
Title:

AGREED AND ACKNOWLEDGED  
ON THIS 31 DAY OF JANUARY 2005

By: /s/ Richard Roedel

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RICHARD ROEDEL

SCHEDULE A

Award	Date of Award	# of Shares	Exercise Price	Vesting/Exercisable Date
Options	10/31/02	35,000	\$25.37	Vested
Options	4/14/04	48,000	\$31.92	36,000 vested, 12,000 unvested (vest as to 4,000 per month per the stock option agreement)
Restricted Stock	3/31/04	7,000		2,333 vested, 4,667 unvested (vest as to 1/3 annually over 3-year period)

EXHIBIT A

1. You shall not, at any time during or following the Term, directly or indirectly (i) disclose to any person, firm, corporation, association or other entity, except as required by law, any non-public information about the Company ("Confidential Information") for any reason or purpose whatsoever or (ii) make use of any Confidential Information for your own purpose or for the benefit of any person, firm, corporation, association, or other entity except the Company or any subsidiary or affiliate thereof. Confidential Information shall not include information which you can clearly demonstrate: (1) was in the public domain at the time of receipt thereof by you; (2) became part of the public domain after receipt thereof by you through no act or omission of yours; (3) was lawfully within your possession prior to the initial commencement of your association with the Company.

2. In consideration of the consideration to be received by you under the agreement, you shall not, during the Term and for the one (1) year period thereafter, without the prior written consent of the Board: (i) directly or indirectly engage in, represent in any way, or be connected with, any business (such business being referred to herein as a "Competing Business") directly competing with the business of the Company or any subsidiary or affiliate thereof (including products under development at the expiration of the Term) within any county (or adjacent county) in any State within the United States or territory outside the United States in which the Company or any such subsidiary or affiliate transacts business, whether such engagement shall be as an officer, director, owner, employee, partner, affiliate or other participant in any Competing Business; (ii) assist others in engaging in any Competing Business in the manner described in the foregoing clause (i); (iii) induce other employees of the Company or any subsidiary or affiliate thereof to terminate their employment with the Company or any such subsidiary or affiliate or to engage in any Competing Business or otherwise hire any such employees; (iv) induce any entity or person with which the Company or any subsidiary or affiliate thereof has a business relationship to terminate or alter such business relationship; or (v) take any other action which could constitute an interference with or a disruption of any of the Company's business activities. Notwithstanding the foregoing, nothing contained herein shall prohibit you owning up to one percent (1%) of the outstanding capital stock of any company that is listed on a recognized national securities exchange.

3. You shall not, at any time during or after the Term, directly or indirectly disparage the commercial, business or financial reputation of the Company, or any of its officers or directors. The Company's officers and directors shall not at any time during or after the Term, directly or indirectly, disparage your reputation.

4. Upon the expiration of the Term or other termination of the agreement, you shall promptly return to the Company all documents, records, notebooks, equipment, price lists, specifications, programs, customer and prospective customer lists and other materials which refer or relate to any aspect of the business of the Company and which are in your possession, and all copies thereof (including electronic versions thereof) and all other Company property.