

SYNCHRONOSS TECHNOLOGIES INC
Form DEF 14A
April 07, 2016

Use these links to rapidly review the document

[TABLE OF CONTENTS](#)

[Table of Contents](#)

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

SYNCHRONOSS TECHNOLOGIES, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:
 - (2) Aggregate number of securities to which transaction applies:
 - (3)

Edgar Filing: SYNCHRONOSS TECHNOLOGIES INC - Form DEF 14A

Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

- (4) Proposed maximum aggregate value of transaction:
 - (5) Total fee paid:
 - o Fee paid previously with preliminary materials.
 - o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
 - (1) Amount Previously Paid:
 - (2) Form, Schedule or Registration Statement No.:
 - (3) Filing Party:
 - (4) Date Filed:
-

Table of Contents

Dear Stockholder:

I am pleased to invite you to our 2016 Annual Meeting of Stockholders, which will be held on May 17, 2016, at 10:00 a.m. (local time), at the offices of Synchronoss Technologies, Inc., 200 Crossing Boulevard, Bridgewater, New Jersey.

At the meeting, we will be electing two members of our Board of Directors, ratifying the appointment of Ernst & Young LLP as our independent registered public accountants for the fiscal year ending December 31, 2016, holding an advisory vote on executive compensation, and acting upon such other matters as may properly come before the meeting or any adjournments or postponements thereof.

Additional details regarding admission to the 2016 Annual Meeting and the business to be conducted are described in the accompanying proxy materials. Also included is a copy of our Annual Report on Form 10-K for 2015. We encourage you to read this information carefully.

It is important that your shares be represented and voted at the 2016 Annual Meeting. As discussed in the Proxy Statement, voting by proxy does not deprive you of your right to attend the Annual Meeting.

WHETHER OR NOT YOU PLAN TO ATTEND THE 2016 ANNUAL MEETING, WE HOPE YOU WILL VOTE AS SOON AS POSSIBLE. YOU MAY VOTE OVER THE INTERNET, BY TELEPHONE OR BY MAILING A PROXY CARD, IF YOU HAVE REQUESTED ONE. VOTING OVER THE INTERNET, BY TELEPHONE OR BY WRITTEN PROXY WILL ENSURE YOUR REPRESENTATION AT THE 2016 ANNUAL MEETING REGARDLESS OF WHETHER OR NOT YOU ATTEND IN PERSON. PLEASE REVIEW THE INSTRUCTIONS ON THE NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS YOU RECEIVED IN THE MAIL REGARDING EACH OF THESE VOTING OPTIONS.

If you have any questions concerning the annual meeting or the proposals, please contact our Investor Relations department at (800) 575-7606. For questions regarding your stock ownership or voting, you may contact our transfer agent, American Stock Transfer & Trust Co., by e-mail through their website at www.amstock.com or by phone at (800) 937-5449 (within the U.S. and Canada) or (718) 921-8124 (outside the U.S. and Canada).

On behalf of the Board of Directors, I would like to express our appreciation for your continued interest in the affairs of Synchronoss Technologies.

Sincerely,

Stephen G. Waldis
Chairman and Chief Executive Officer
April 6, 2016

The use of cameras at the Annual Meeting is prohibited and they will not be allowed into the meeting or any other related areas, except by credentialed media. We realize that many cellular phones have built-in digital cameras, and while these phones may be brought into the venue, the camera function may not be used at any time.

Table of Contents

Synchronoss Technologies, Inc.
200 Crossing Boulevard
Bridgewater, New Jersey 08807

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
OF SYNCHRONOSS TECHNOLOGIES, INC.**

Date: May 17, 2016
Time: 10:00 a.m.
Place: Synchronoss Corporate Headquarters
200 Crossing Boulevard, Bridgewater, NJ 08807

AGENDA:

Election of two members of the Company's Board of Directors to serve until the 2019 annual meeting of stockholders of the Company;

Ratification of appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for its fiscal year ending December 31, 2016;

Advisory vote on executive compensation; and

Transaction of other business that may properly come before the meeting.

Record date: You can vote if you were a stockholder of record on March 23, 2016.

A Notice of Internet Availability of Proxy Materials ("Notice") has been mailed to stockholders of record on or about April 6, 2016. The Notice contains instructions on how to access our proxy statement for our 2016 Annual Meeting of Stockholders and our 2015 annual report to stockholders on Form 10-K (together, the "proxy materials"). The Notice also provides instructions on how to vote online, by telephone or by mail and includes instructions on how to receive a paper copy of proxy materials by mail. The proxy materials can be accessed directly at the following Internet address: <http://materials.proxyvote.com/87157B>.

The foregoing items of business are more fully described in the Proxy Statement accompanying this Notice. The stock transfer books will not be closed between the record date and the date of the Annual Meeting. A list of stockholders entitled to vote at the Annual Meeting will be available for inspection at Synchronoss' corporate headquarters at the address listed above for the ten-day period prior to the Annual Meeting.

By order of the Board of Directors,

Edgar Filing: SYNCHRONOSS TECHNOLOGIES INC - Form DEF 14A

Ronald J. Prague
Executive Vice President, General Counsel and Corporate Secretary
April 6, 2016

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to be held on May 17, 2016: The proxy statement and annual report to stockholders and the means to vote by Internet are available at www.synchronoss.com.

Table of Contents**TABLE OF CONTENTS**

<u>Proxy Summary</u>	<u>1</u>	<u>Executive Officer Stock Ownership Guidelines</u>	<u>41</u>
<u>2016 Proxy Statement Highlights</u>	<u>2</u>	<u>Compensation Committee Report</u>	<u>42</u>
<u>Questions & Answers About this Proxy Material and Voting</u>	<u>5</u>	<u>Summary Compensation Table</u>	<u>43</u>
<u>Corporate Governance at Synchronoss</u>	<u>11</u>	<u>Grants of Plan Based Awards Table</u>	<u>44</u>
<u>Stockholder Communications with our Board of Directors</u>	<u>12</u>	<u>Description of Awards Granted in 2015</u>	<u>46</u>
<u>Board of Directors and Committee Duties</u>	<u>13</u>	<u>Outstanding Equity Awards at Fiscal Year-End Table</u>	<u>48</u>
<u>Director Compensation</u>	<u>19</u>	<u>Option Exercises and Stock Vested</u>	<u>51</u>
<u>Director Stock Ownership Guidelines</u>	<u>20</u>	<u>Employment Agreements</u>	<u>51</u>
<u>Limitation of Liability and Indemnification</u>	<u>20</u>	<u>Estimated Payments and Benefits</u>	<u>53</u>
<u>Risk Management Considerations</u>	<u>22</u>	<u>Report of the Audit Committee</u>	<u>54</u>
<u>Compensation of Executive Officers</u>	<u>23</u>	<u>Equity Security Ownership of Certain Beneficial Owners and Management</u>	<u>55</u>
<u>Compensation Discussion and Analysis</u>	<u>23</u>	<u>Certain Related Party Transactions</u>	<u>57</u>
<u>2015 Business Highlights</u>	<u>23</u>	<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	<u>58</u>
<u>2015 Compensation Program Highlights</u>	<u>24</u>	<u>Other Matters</u>	<u>58</u>
<u>2015 Executive Compensation Program</u>	<u>25</u>	<u>Election of Directors</u>	<u>59</u>
<u>Elements of Compensation</u>	<u>28</u>	<u>Ratification of the Selection of Independent Registered Public Accounting Firm</u>	<u>63</u>
<u>Chief Executive Officer Compensation</u>	<u>31</u>	<u>Advisory Vote on Executive Compensation</u>	<u>65</u>
<u>Pay Mix</u>	<u>31</u>	<u>Stockholder Proposals for the Next Annual Meeting</u>	<u>67</u>
<u>Target and Realized Pay</u>	<u>32</u>	<u>No Incorporation by Reference</u>	<u>67</u>
<u>2015 Compensation Decisions</u>	<u>33</u>	<u>Contact for Questions and Assistance with Voting</u>	<u>67</u>
<u>Financial Restatements and Related Policies</u>	<u>41</u>	<u>Appendix A: Reconciliation of Non-GAAP Financial Information</u>	<u>68</u>

Table of Contents

Proxy Summary

Proposals to be Voted On:

The following proposals will be voted on at the Annual Meeting of Stockholders.

	For More Information	Board Recommendation
<p>Proposal 1: Election of two directors James M. McCormick Donnie M. Moore</p>	Pages 59 to 62	For Nominees
<p>Proposal 2: Ratification of appointment of Ernst & Young LLP as independent registered public accountants</p>	Pages 63 to 64	For
<p>Proposal 3: Advisory vote on executive compensation</p>	Pages 65 to 66	For

If you are a shareholder of record, you may cast your vote in any of the following ways:

Internet

You may vote by proxy via the Internet at www.proxyvote.com by following the instructions provided in the Notice or, if you requested printed copies of the proxy materials by mail, by following the instructions provided in the proxy card.

Phone

You may vote by proxy by telephone by following the instructions provided in the Notice or, if you requested printed copies of the proxy materials by mail, by calling the toll free number found on the proxy card.

Mail

If you requested printed copies of the proxy materials by mail, you will receive a proxy card and you may vote by proxy by filling out, signing and dating the proxy card, and returning it in the envelope provided.

In Person

Attend the Annual Meeting at our Headquarters located at 200 Crossing Blvd., 8th Floor, Bridgewater, NJ 08807.

If you are a beneficial owner holding shares through a bank, broker or other nominee, please refer to your Notice or other information forwarded by your bank or broker to see which voting options are available to you.

This proxy statement is furnished in connection with solicitation of proxies by our Board of Directors ("Board") for use at the 2016 Annual Meeting of Stockholders (the "Annual Meeting") to be held at 200 Crossing Boulevard, Bridgewater, New Jersey, at 10:00 a.m. local time on Tuesday, May 17, 2016, and any postponements or adjournments thereof. Beginning on or about April 6, 2016, we mailed to our stockholders a Notice of Internet Availability of Proxy Materials (the "Notice") containing instructions on how to access our proxy materials. As used in this proxy statement, the terms "Synchronoss," the "Company," "we," "us," and "our" mean of Synchronoss Technologies, Inc. and its subsidiaries unless the context indicates otherwise.

Attendance at the Annual Meeting

If you plan to attend the Annual Meeting, you must be a stockholder on the record date. On the day of the meeting, each stockholder will be required to present valid picture identification such as a driver's license. Seating will begin at 9:00 a.m. and the meeting will begin at 10:00 a.m. Use of cameras (including cell phones with photographic capabilities), recording devices and other electronic devices will not be permitted at the meeting.

Table of Contents

2016 PROXY STATEMENT HIGHLIGHTS

This summary highlights information contained elsewhere in our proxy statement. This summary does not contain all of the information that you should consider. You should read the entire proxy statement carefully before voting.

Voting Matters and Vote Recommendation

See "Proposals" starting on page 59 for more information.

Management proposals

Election of Directors	For the director nominees
Ratification of Ernst & Young LLP as our independent registered public accounting firm for our fiscal year ending December 31, 2016	For
Advisory vote on Executive Compensation	For

Board Nominees

The following table provides summary information about James M. McCormick and Donnie M. Moore, the director nominees for election.

James M. McCormick	56	2000	Chief Executive Officer, Vertek Corporation	Yes		
Donnie M. Moore	67	2007	Retired, SVP, Finance and Administration and CFO, Cognos Incorporated	Yes	C	M

AC	Audit Committee	BD	Business Development Committee
CC	Compensation Committee	C	Chair
NGC	Nominating/Corporate Governance Committee	M	Member

Ratification of Ernst & Young LLP as Independent Registered Public Accounting Firm

Our Board recommends that stockholders vote to ratify the Audit Committee's appointment of Ernst & Young LLP, an independent registered public accounting firm, as our Company's independent registered public accounting firm for the fiscal year ending December 31, 2016.

Advisory Vote on Executive Compensation

Our Board recommends that stockholders vote to approve, on an advisory basis, the compensation paid to our Named Executive Officers ("NEOs"), as described in this proxy statement. At our 2015 Annual Meeting, 99% of the shares voted were in favor of the advisory vote on executive compensation. Our Compensation Committee of our Board evaluates our executive compensation program each year in an effort to ensure it is in line with our stockholders' interests. Our Compensation Committee reviewed our executive compensation programs based on views obtained through our stockholder outreach program and other market data and, as a result, revised the 2015 long-term equity incentive plan for our NEOs to more closely align with our Company's three-year business plan.

Edgar Filing: SYNCHRONOSS TECHNOLOGIES INC - Form DEF 14A

We encourage stockholders to take into account the significant changes to our executive compensation program that we have made over the last several years in considering the advisory vote including, among other things, designing a new, updated compensation philosophy, transitioning to a three-year business plan for our long-term equity incentive plan, enhancing our executive stock ownership guidelines and our annual stockholder outreach program.

Table of Contents

Business Highlights

In 2015, we achieved record financial results and continued to move our business forward including:*

\$580.1 million in non-GAAP revenue, compared to \$458.6 million in 2014, an increase of 26%

\$356.8 million in non-GAAP gross profit, representing a gross margin of 62%, up from 61% in 2014

\$208.1 million in non-GAAP EBITDA, an increase of 34% from \$155.1 million in 2014

\$310.1 million in Cloud Revenue, compared to \$211.7 million in 2014, an increase of 46%

\$2.23 non-GAAP diluted earnings per share, an increase of 25% from \$1.79 in 2014

Launching our enterprise business to offer secure mobility solutions to enterprise clients, and hiring David Schuette, a seasoned enterprise executive, to lead this effort.

Entering into strategic partnerships with Verizon for multifactor authentication and identity management and with Goldman Sachs for secure enterprise mobility technology, in both cases to enhance our enterprise offerings.

Acquiring RazorSight Corporation and certain assets from F-Secure Corporation to expand our product portfolio and global presence.

Extending our agreement with AT&T through 2018.

* These financial measures are non-GAAP measures and should not be reviewed in isolation or as substitutes for our financial results as reported in accordance with GAAP. Please see Appendix A for an explanation of and reconciliation of these non-GAAP financial measures to the applicable GAAP financial measures.

Table of Contents

Fiscal 2015 Compensation

The following material decisions were approved by our Compensation Committee regarding the 2015 compensation of our NEOs:

Adjustments to Base Salary: In reviewing the base salaries of Messrs. Waldis and Garcia in early 2015, our Compensation Committee provided salary increases of approximately 3% (representing the median base salary increase). In addition, since the salary of Ms. Rosenberger was below the competitive range of similarly situated chief financial officers, her salary was increased by 10%. Mr. Rizer's salary was increased by approximately 32% to reflect his expanded role within our Company.

Performance-based Cash Bonus: Our 2015 non-GAAP revenue and earnings before income taxes, depreciation and amortization ("EBITDA") were above the target set by our Board for 2015 but below the maximum threshold. As a result, our NEOs received approximately 129% of their target cash incentive bonus with respect to the corporate goal portion. Messrs. Waldis, Garcia, Rizer and Ms. Rosenberger received 100%, 90%, 100% and 90%, respectively, of their target individual component portion. Due to Mr. Schuette joining our Company in August 2015, our Board did not believe it appropriate for his cash incentive bonus to have a corporate component. Therefore, his cash incentive bonus was based 100% on certain individual objectives, all of which he met and therefore he received 100% of his target cash incentive bonus.

Performance-based Equity: Since NEOs had previously been eligible for annual payouts under the old performance-based equity plan, as part of a transition to a three-year plan in 2015, each NEO received a one-time transition award to address the vesting opportunity 'gap' between the old and new plans. Vesting of this transition award is contingent upon the achievement of certain financial metrics in 2015 and 2016. With respect to the transition shares awarded based on our financial performance in 2015, our 2015 non-GAAP revenue and EBITDA were above the target set by our Board for 2015 but below the maximum threshold. Our 2015 Cloud Revenue exceeded the maximum goals set by our Board. As a result, our NEOs whom our Company employed on February 9, 2015 were issued an aggregate of 28,185 restricted shares of our Common Stock, or 10,568 shares more than the target number of performance-based restricted shares that they were eligible to receive under the 2015-2016 performance-based restricted stock awards based on our 2015 financial performance.

Time-Based Equity: Our NEOs whom our Company employed on February 9, 2015 were granted (i) an aggregate of 52,852 time-based restricted shares of our Common Stock and (ii) stock options to purchase an aggregate of 143,951 shares of our Common Stock.

Table of Contents

QUESTIONS & ANSWERS ABOUT THIS PROXY MATERIAL & VOTING

Q: **Why am I receiving these proxy materials?**

A: Our Board is providing these proxy materials to you in connection with the solicitation of proxies for use at the Annual Meeting to be held on Tuesday, May 17, 2016 at 10:00 a.m. local time, and at any adjournment or postponement thereof, for the purpose of considering and acting upon the matters set forth herein. The notice of Annual Meeting, this proxy statement and accompanying form of proxy card are being made available to you on or about April 6, 2016. This proxy statement includes information that we are required to provide to you under SEC rules and that is designed to assist you in voting your shares.

Q: **What is included in the proxy materials?**

A: The proxy materials include:

This proxy statement for the Annual Meeting;

Our 2015 Annual Report to Stockholders, which consists of our Annual Report on Form 10-K for the year ended December 31, 2015; and

The proxy card or a voting instruction form for the Annual Meeting, if you have requested that the proxy materials be mailed to you.

Q: **How can I get electronic access to the proxy materials?**

A: The Company's proxy materials are available at <http://materials.proxyvote.com/87157B> and at www.synchronoss.com. Our website address is included for reference only. The information contained on our website is not incorporated by reference into this proxy statement.

You can find directions on how to instruct us to send future proxy materials to you by email at www.proxyvote.com. Choosing to receive future proxy materials by email will save us the cost of printing and mailing documents to you and will reduce the impact of our annual meetings on the environment. If you choose to receive future proxy materials by email, you will receive an email message next year with instructions containing a link to those materials and a link to the proxy voting website. Your election to receive proxy materials by email will remain in effect until you terminate it.

Q: **Who can vote at the Annual Meeting?**

A: Only stockholders of record at the close of business on March 23, 2016 will be entitled to vote at the Annual Meeting. On this record date, there were 45,204,451 shares of common stock of the Company ("Common Stock") outstanding. All of these outstanding shares

Edgar Filing: SYNCHRONOSS TECHNOLOGIES INC - Form DEF 14A

are entitled to vote at the Annual Meeting (one vote per share of Common Stock) in connection with the matters set forth in this Proxy Statement. A list of stockholders entitled to vote at the Annual Meeting will be available for inspection at Synchronoss' principal executive offices at 200 Crossing Boulevard, Bridgewater, New Jersey for the ten-day period prior to the Annual Meeting.

Table of Contents

Q: **How do I vote at the Annual Meeting?**

A: *Stockholder of Record;
Shares Registered in Your Name*

If on March 23, 2016 your shares were registered in your name with the Company's transfer agent, American Stock Transfer & Trust Company, then you are a stockholder of record and may vote in person at the Annual Meeting or vote by proxy. Whether or not you plan to attend the Annual Meeting, we urge you to vote by proxy on the Internet or via telephone as instructed below or submit your proxy card, if you have requested one, to ensure your vote is counted.

Beneficial Owner; Shares Registered in the Name of a Broker or Bank

If on March 23, 2016 your shares were held in an account at a brokerage firm, bank, dealer or other similar organization, then you are the beneficial owner of shares held in "street name" and these proxy materials are being forwarded to you by that organization. The organization holding your account is considered the stockholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you may direct your broker or other agent on how to vote the shares in your account. You are also invited to attend the Annual Meeting, provided you have proof of your share ownership (such as a brokerage statement showing that you owned shares as of March 23, 2016) and a form of photo identification. However, since you are not the stockholder of record, you may not vote your shares in person at the Annual Meeting unless you request and obtain a valid proxy from your broker or other agent.

Stockholder of Record: Shares Registered in Your Name

If you are a stockholder of record, you may vote in person at the Annual Meeting or by one of the following methods:

By Internet You may vote by proxy via the Internet at www.proxyvote.com by following the instructions provided in the Notice or, if you requested printed copies of the proxy materials by mail, by following the instructions provided in the proxy card.

By Telephone You may vote by proxy by telephone by following the instructions provided in the Notice or, if you requested printed copies of the proxy materials by mail, by calling the toll free number found on the proxy card.

By Mail If you request printed copies of the proxy materials by mail, you will receive a proxy card and you may vote by proxy by filling out the proxy card and returning it in the envelope provided.

Please note that the Internet and telephone voting facilities for stockholders of record is available 24 hours a day and will close at 11:59 p.m., Eastern Time on May 16, 2016. The individuals named as proxies will vote your shares in accordance with your instructions.

We provide Internet proxy voting to allow you to vote your shares on-line, with procedures designed to ensure the authenticity and correctness of your proxy vote. However, please be aware that you must bear any costs associated with your Internet access, such as usage charges from Internet access providers and telephone companies.

Beneficial Owner: Shares Registered in the Name of a Broker or Bank

If you are a beneficial owner of shares registered in the name of your broker, bank, or other agent, you should have received instructions for granting proxies with these proxy materials from that organization rather than from the Company. A number of brokers and banks participate in a program provided through Broadridge Financial Services which enables beneficial holders to grant proxies to vote shares via telephone or the Internet. If your shares are held by a broker or bank that participates in the Broadridge program, you may grant a proxy to vote

Table of Contents

those shares telephonically by calling the telephone number on the instructions received from your broker or bank, or via the Internet at Broadridge's website at www.proxyvote.com. To vote in person at the Annual Meeting, you must obtain a valid proxy from your broker, bank, or other agent. Follow the instructions from your broker, bank or other agent included with these proxy materials, or contact your broker, bank or other agent to request a proxy form.

Q. **How many votes do I have?**

A. On each matter to be voted upon, you have one vote for each share of Common Stock you own as of March 23, 2016.

Q. **What if I do not make specific voting selections?**

A. *Stockholder of record* If you are a stockholder of record and you:

Indicate when voting on the Internet or by telephone that you wish to vote as recommended by our Board of Directors; or

Sign and return a proxy card without giving specific voting instructions,

then your shares will be voted "**For**" the election of James M. McCormick and Donnie M. Moore as members of the Company's Board of Directors, "**For**" the ratification of Ernst & Young LLP as the Company's independent registered public accounting firm for its fiscal year ending December 31, 2016, and "**For**" the approval of the compensation of the Company's named executive officers. If any other matter is properly presented at the Annual Meeting, your proxy (one of the individuals named on your proxy card) will vote your shares using his or her best judgment.

Beneficial owners If you are a beneficial owner of shares held in street name and do not provide the organization that holds your shares with specific voting instructions then, under applicable rules, the organization that holds your shares may generally vote on "routine" matters but cannot vote on "non-routine" matters. If the organization that holds your shares does not receive instructions from you on how to vote your shares on a non-routine matter, that organization will inform the inspector of election that it does not have the authority to vote on any matter other than Proposal 2 with respect to your shares. This is generally referred to as a "broker non-vote."

Q. **Can I change my vote after submitting my proxy?**

A. Yes. You can revoke your proxy at any time before the final vote at the Annual Meeting. If you are the record holder of your shares, you may revoke your proxy in any one of three ways:

You may change your vote using the Internet or telephone methods described above prior to 11:59 p.m., Eastern Time on May 16, 2016, in which case only your latest Internet or telephone proxy submitted prior to the Annual Meeting will be counted.

You may submit another properly completed timely proxy card with a later date.

You may send a written notice that you are revoking your proxy to the Company's Secretary at 200 Crossing Boulevard, Bridgewater, New Jersey 08807.

Edgar Filing: SYNCHRONOSS TECHNOLOGIES INC - Form DEF 14A

You may attend the Annual Meeting and vote in person. Simply attending the meeting will not, by itself, revoke your proxy.

If you are a beneficial owner of your shares, you must contact the broker, bank or other agent holding your shares and follow their instructions for changing your vote.

Table of Contents

Q. Who is paying for this proxy solicitation?

A. The Company will pay for the entire cost of soliciting proxies. In addition to the proxy materials, our directors and employees may also solicit proxies in person, by telephone, or by other means of communication. Directors and employees will not be paid any additional compensation for soliciting proxies. The Company may reimburse brokerage firms, banks and other agents for the cost of forwarding proxy materials.

Q. Why did I receive a notice regarding the availability of proxy materials on the Internet instead of a full set of proxy materials?

A: In accordance with the rules of Securities and Exchange Commission (SEC), we have elected to furnish our proxy materials, including this proxy statement and our annual report to our stockholders, primarily via the Internet. Beginning on or about April 6, 2016, we mailed to our stockholders a "Notice of Internet Availability of Proxy Materials" that contains notice of the Annual Meeting and instructions on how to access our proxy materials on the Internet, how to vote at the meeting, and how to request printed copies of the proxy materials and annual report. Stockholders may request to receive all future proxy materials in printed form by mail or electronically by e-mail by following the instructions contained at <http://materials.proxyvote.com/87157B>. We encourage stockholders to take advantage of the availability of the proxy materials on the Internet to help reduce the environmental impact of our annual meetings.

Q. What does it mean if multiple members of my household are stockholders but we only received one Notice or full set of proxy materials in the mail?

A: We have adopted a procedure called "householding," which the SEC has approved. Under this procedure, we deliver a single copy of the Notice and, if applicable, the proxy materials to multiple stockholders who share the same address unless we received contrary instructions from one or more of the stockholders. This procedure reduces our printing costs, mailing costs, and fees. Stockholders who participate in householding will continue to be able to access and receive separate proxy cards. Upon written request, we will deliver promptly a separate copy of the Notice and, if applicable, the proxy materials to any stockholder at a shared address to which we delivered a single copy of any of these documents. To receive a separate copy of the Notice and, if applicable, the proxy materials, stockholders should send their requests to our principal executive offices, Attention: Corporate Secretary. Stockholders who hold shares in street name (as described below) may contact their brokerage firm, bank, broker-dealer, or other similar organization to request information about householding.

Q. How are votes counted?

A. Each share of Common Stock is entitled to one vote. Votes will be counted by the inspector of election appointed for the Annual Meeting. Prior to the Annual Meeting, the inspector will sign an oath to perform his or her duties in an impartial manner and according to the best of his or her ability. The inspector will determine the number of shares of Common Stock represented at the Annual Meeting and the validity of proxies and ballots, count all votes and ballots, and perform certain other duties. The determination of the inspector as to the validity of proxies will be final and binding.

Q. What vote is required to approve each proposal?

The directors are elected by a plurality of the votes cast at the Annual Meeting, meaning the nominees receiving the most

Table of Contents

"For" votes (among votes properly cast in person or by proxy) will be elected. An instruction to "Withhold" authority to vote for a nominee will result in the nominee receiving fewer votes, but will not count as a vote against the nominee. If you do not instruct your broker how to vote with respect to this item, your broker may not vote with respect to this proposal. Abstentions and "broker non-votes" (i.e., shares held by a broker or nominee that are represented at the Annual Meeting, but with respect to which such broker or nominee is not instructed to vote on a particular proposal and does not have discretionary voting power) will have no effect on the election of a nominee. Because this proposal is a non-routine matter, broker non-votes are expected to exist in connection with this proposal.

Ratification of the appointment by our Board of Directors of Ernst & Young LLP as the Company's independent registered public accounting firm for our fiscal year ending December 31, 2016, requires a "For" vote from the majority of all of the outstanding shares that are present in person or represented by proxy and cast affirmatively or negatively at the Annual Meeting. Abstentions and broker non-votes will not be counted "For" or "Against" this proposal and will have no effect on this proposal. Because this proposal is a routine matter, broker non-votes are not expected to exist in connection with this proposal.

Advisory approval of the compensation of the Company's named executive officers as described in the Proxy Statement requires a "For" vote from the majority of all of the outstanding shares that are present in person or represented by proxy and cast affirmatively or negatively at the Annual Meeting. Abstentions and broker non-votes will not be counted "For" or "Against" this proposal and will have no

effect on this proposal. Even though your vote is advisory and therefore will not be binding on the Company, our Compensation Committee will review the voting results and take them into consideration when making future executive compensation decisions. Because this proposal is a non-routine matter, broker non-votes are expected to exist in connection with this proposal.

If there are insufficient votes to approve any of the matters, your proxy may be voted by the persons named in the proxy to adjourn the Annual Meeting in order to solicit additional proxies in favor of the approval of such proposal(s). If the Annual Meeting is adjourned for any reason, at any subsequent reconvening of the meeting, your proxy will be voted in the same manner as it would have been voted at the original Annual Meeting unless you revoke or withdraw your proxy. Your proxy may be voted in this manner even though it may have been voted on the same or any other matter at a previous session of the Annual Meeting.

Q. **Is my vote confidential?**

A. Proxies, ballots and voting tabulations are handled on a confidential basis to protect your voting privacy. This information will not be disclosed, except as required by law.

Q. **What is the quorum requirement?**

A. A quorum of stockholders is necessary to hold a valid meeting. A quorum will be present if a majority of the voting power of all outstanding shares is represented by stockholders present at the Annual Meeting or by proxy. On the record date, there were 45,204,451 shares of Common Stock outstanding and entitled to vote. Thus, 22,602,226 shares must be represented by stockholders present at the Annual Meeting or by proxy to have a quorum. Your shares will be counted towards the quorum only if you submit a valid proxy vote (or one is submitted on your behalf by your broker, bank or other agent) or vote at the Annual Meeting. Abstentions and broker non-votes will be counted towards the quorum requirement.

Table of Contents

Q.

How can I find out the results of the voting at the Annual Meeting?

A.

Preliminary voting results will be announced at the Annual Meeting. Final voting results

will be set forth in a Current Report on Form 8-K to be filed by the Company with the SEC no later than four (4) business days after the Annual Meeting.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDER MEETING TO BE HELD ON MAY 17, 2016.

The proxy statement and annual report to stockholders is available at <http://materials.proxyvote.com/87157B>.

Table of Contents

Corporate Governance at Synchronoss

CORPORATE GOVERNANCE GUIDELINES

Synchronoss is committed to excellent corporate governance which we believe helps us to sustain our success and build long-term value for our stockholders. Our Board has adopted Corporate Governance Guidelines (the "Guidelines") which set forth the framework within which our Board can effectively function and govern our affairs. The Guidelines address, among other things, the composition and responsibilities of our Board, director independence, management succession and review, target ownership by and remuneration of our directors, Board committees, and selection of new directors. We have also adopted a Code of Business Conduct that applies to all of our employees, officers (including our principal executive officer, principal financial officer, principal accounting officer, or those serving similar functions) and directors. The Guidelines and Code of Business Conduct are available on the Investor Relations section of our website at www.synchronoss.com.

Our Board regularly reviews legal and regulatory requirements, evolving best practices, and other developments and may modify, waive, suspend or repeal the Corporate Governance Guidelines or Code of Business Conduct from time to time as it deems necessary or appropriate in the exercise of our Board's judgment or in the best interests of our stockholders. If we make any substantive amendments to the Guidelines or the Code of Business Conduct, we will promptly disclose the nature of the amendment or waiver on our website to the extent required by applicable law or regulations.

BOARD LEADERSHIP STRUCTURE

Our Board believes it is important to retain its flexibility to allocate the responsibilities of our Chief Executive Officer ("CEO") and Chairman of the Board in any way that is in the best interests of our Company based on the circumstances existing at a particular point in time. Our Board believes that it should periodically assess who should serve these roles, and whether the offices should be served independently or jointly, and that our Board should not be restricted by any strict policy directive when making these decisions. Currently, our Board has determined that our Company and our stockholders are best served by having Mr. Waldis, one of our founders, serve as both our Chairman of the Board and CEO. Mr. Waldis' combined role as Chairman of the Board and CEO promotes unified leadership and direction for our Board and executive management and allows for a single, clear focus for the chain of command to execute our strategic initiatives and business plans. As the individual with primary responsibility for managing our day-to-day operations and with in-depth knowledge and understanding of our Company, Mr. Waldis is best positioned to chair regular Board meetings as our Board discusses key business and strategic issues.

INDEPENDENCE OF OUR BOARD OF DIRECTORS

Each year, our Nominating/Corporate Governance Committee and our full Board conduct a review of the financial and other relationships between each director, or any of their immediate family members, and our Company, our senior management, companies with whom we have business dealings, and our independent registered public accounting firm as part of its assessment of director independence. Our Board also consults with our legal counsel to ensure that its determinations are consistent with all

Table of Contents

relevant laws and regulations regarding the definition of independent, including those set forth in pertinent listing standards of the Nasdaq Global Market ("Nasdaq"), as amended from time to time. Consistent with those considerations, after review of all relevant transactions or relationships, our Board has affirmatively determined that all of our directors are independent directors within the meaning of the applicable Nasdaq listing standards except for Stephen G. Waldis, as our CEO. Our independent directors meet in regularly scheduled executive sessions where only independent directors are present. Mr. Cadogan presides over those sessions.

BOARD OF DIRECTORS OVERSIGHT OF RISK MANAGEMENT

Assessing and managing risk is the responsibility of our management. Our Board oversees management in the execution of its responsibilities and for assessing our approach to risk management. An overall review and assessment of risk is inherent in our Board's consideration of our business plans, strategies, and other significant developments. Additionally, our Board regularly reviews various risks arising out of transactions and other matters that are presented to our Board and when making decisions impacting us. At least annually, our Board also reviews and analyzes the strategic and operational risks and opportunities that face our Company as a whole, as well as those related to specific areas of our business.

Our Board delegates the oversight of certain categories of risk affecting our Company to designated Board committees, who report their findings to our full Board. Our Audit Committee is responsible for overseeing our Board's execution of its risk management oversight responsibility, including discussing guidelines and policies governing the process by which our management and other persons responsible for risk management assess and manage our exposure to major financial risk exposures and the steps management has taken to monitor and control such exposures, based on consultation with our management and independent auditors. Our Audit Committee also annually reviews the audit plan of management, our information technology risks and mitigation strategies, the domestic and international tax function and treasury operations and conformity with ethics and compliance standards. In addition, our Board has delegated to other Committees the oversight of risks within their areas of responsibility and expertise. For example, our Compensation Committee oversees the risks associated with our compensation practices, including an annual assessment of our compensation policies and practices for our employees. Our Board also believes its oversight of risk is enhanced by the current leadership structure discussed above because our CEO, who is ultimately responsible for our management of risk, also chairs regular Board meetings, and with his in-depth knowledge and understanding of our Company, is best able to bring key business issues and risks to our Board's attention.

BOARD SELF-EVALUATION

Our Nominating/Corporate Governance Committee oversees a bi-annual self-evaluation process to analyze and review our Board's performance. The Committee reviews these results and discusses them with the full Board with the intention of utilizing them to enhance our Board's effectiveness and, if necessary, develop action plans.

STOCKHOLDER COMMUNICATIONS WITH OUR BOARD OF DIRECTORS

Stockholders may communicate with our management and independent directors by sending a letter to Synchronoss Technologies, Inc., 200 Crossing Boulevard, Bridgewater, New Jersey 08807, Attention:

Table of Contents

Secretary. Each such communication should set forth the (i) name and address of such stockholder as they appear on our books and, if the shares of our Common Stock are held by a broker, bank or other agent, the name and address of the beneficial owner of such shares and (ii) number of shares of our Common Stock that are owned of record by such record holder and beneficially by such beneficial owner. Our Secretary will review all communications from stockholders and has the authority to disregard any inappropriate communications or take other appropriate actions with respect to any inappropriate communications. If deemed an appropriate communication, our Secretary will forward it, depending on the subject matter, to the chairperson of a Committee of our Board or a particular director, as appropriate.

BOARD OF DIRECTORS AND COMMITTEE DUTIES

Our Board oversees, counsels and directs management in the long-term interests of our Company and our stockholders. Our Board, individually and through its Committees, is responsible for:

overseeing the conduct, assessment and other operational risks to evaluate whether our business is being properly managed;

reviewing and approving our strategic, financial and operating plans and other significant actions;

selecting, evaluating the performance of, and determining the compensation of our CEO and other executive officers;

planning for succession for our CEO and monitoring management's succession planning for other executive officers; and

overseeing the processes for maintaining our integrity with regard to our financial statements and other public disclosures, and compliance with laws and ethics.

BOARD STRUCTURE AND COMMITTEES

During 2015, our Board met nine times. Each director attended at least 75% of the meetings of our Board and of each Committee of which he served as a member during 2015. Each director other than Mr. Moore attended our 2015 Annual Meeting of Stockholders. Our Board has established an Audit Committee, a Compensation Committee, a Business Development Committee and a Nominating/Corporate Governance Committee. Our Board has delegated various responsibilities and authority to its Committees as generally described below. Our Board has determined that each member of our Audit, Compensation, Business Development and Nominating/Corporate Governance Committees is free of any relationship that would interfere with his individual exercise of independent judgment with

Table of Contents

regard to us. The following table provides membership and meeting information for each of our Board committees during 2015:

Stephen G. Waldis			•	
William J. Cadogan	•	• ¹	•	•
Charles E. Hoffman		•		• ¹
Thomas J. Hopkins	•	•	• ¹	
James M. McCormick				
Donnie M. Moore	• ¹			•
Total meetings in year 2015	8	7	3	1

¹

Committee Chairperson

Charles E. Hoffman has informed the Company that he will not stand for re-election at the Annual Meeting in order to devote his full time and efforts to his other commitments. Following the Annual Meeting, the size of our Board is expected to be decreased to five directors. Your proxy cannot be voted for a greater number of persons than the number of nominees named in this proxy statement.

AUDIT COMMITTEE

Our Audit Committee oversees the integrity of our financial statements, compliance with applicable legal and regulatory requirements, effectiveness of our internal controls and audit function currently in place, and the qualifications, independence, and performance of our independent registered public accounting firm. During 2015, senior members of our financial and legal management participated in each of our Audit Committee's meetings. Our Audit Committee also discussed with our independent registered public accounting firm the overall scope and plans for their audit and met with them on a regular basis without members of management. Our Audit Committee consults with our management and our independent registered public accounting firm prior to the presentation of financial statements to stockholders and, as appropriate, initiates inquiries into aspects of our financial affairs. In addition, our Audit Committee:

reviews our annual audited and quarterly financial statements and reporting;

reviews and monitors our external audits, including, among other things, our internal controls and audit functions, the results and scope of the annual audit and other services provided by our independent registered public accounting firm and our compliance with legal matters that have a significant impact on our financial statements;

establishes procedures for the receipt, retention and treatment of complaints regarding internal accounting controls or auditing matters, and for the confidential, anonymous submission by our employees of concerns regarding questionable accounting or auditing matters;

Table of Contents

appoints, retains, compensates, reviews procedures to ensure the independence of, and oversees the work of, our independent registered public accounting firm, including approving services and fee arrangements;

reviews with senior members of our management our policies and practices regarding risk assessment and risk management;

approves all related party transactions;

reviews management's implementation and maintenance of effective internal and disclosure controls, including our policies regarding compliance with legal, regulatory, ethical and internal auditing standards;

reviews earnings press releases prior to issuance; and

reviews findings and recommendations of our independent registered public accounting firm and management's response to their recommendations.

Three directors comprise our Audit Committee: Thomas J. Hopkins, William J. Cadogan and Donnie M. Moore. Our Audit Committee met eight times during 2015. Our Board annually reviews the Nasdaq listing standards definition of independence for Audit Committee members and has determined that all members of our Audit Committee are independent (as independence is currently defined in Rule 5605(a)(2) and 5605(c)(2) of the Nasdaq listing standards). In addition to qualifying as independent under the Nasdaq rules, each member of our Audit Committee can read and has a working understanding and comprehension of fundamental financial statements. Our Board has determined that each of Donnie M. Moore and Thomas J. Hopkins is an audit committee financial expert, as defined by Item 407(d) of Regulation S-K of the Securities Exchange Act. Our Board has made a qualitative assessment of each of their level of knowledge and experience based on a number of factors, including their respective formal education and experience. The designation does not impose on either Mr. Moore or Mr. Hopkins any duties, obligations or liability that are greater than are generally imposed on them as a member of our Audit Committee and our Board, and their designation as an Audit Committee financial expert pursuant to this SEC requirement does not affect the duties, obligations or liability of any other member of our Audit Committee or Board. Our Audit Committee charter can be found on the Investor Relations section of our website at www.synchronoss.com.

COMPENSATION COMMITTEE

Our Compensation Committee of our Board is comprised of three directors: William J. Cadogan, Charles E. Hoffman and Thomas J. Hopkins, each of whom is independent, as currently defined in Rule 5605(a)(2) and 5605(d)(2) of the Nasdaq listing standards. In addition, each member of our Compensation Committee is a non-employee director, as defined pursuant to Rule 16b-3 promulgated under the Exchange Act, and an outside director, as defined pursuant to Section 162(m) of the Internal Revenue Code of 1986, as amended. Effective as of the expiration of Mr. Hoffman's term as a director at our 2016 Annual Meeting, our Board may either appoint another current director of the Company to replace Mr. Hoffman on our Compensation Committee or the committee will become a two-member

Table of Contents

committee. Our Compensation Committee met seven times during 2015. Our Compensation Committee is charged by our Board to:

review and approve our compensation policies and all forms of compensation and other benefits to be provided to our employees (including our NEOs), including among other things annual salaries, bonus, stock options, restricted stock grants and other incentive compensation arrangements;

establish our overall compensation objectives and structure relating to executive officers and directors;

make recommendations from time to time to our Board regarding executive compensation matters;

administer our stock purchase plan and equity incentive plans; and

review and approve other aspects of our compensation policies and matters as they arise from time to time.

In accordance with Nasdaq listing standards, our Compensation Committee under its charter has the authority and responsibility to retain or obtain the advice of compensation consultants, legal counsel and other compensation advisers, the authority to fund such advisers, and the responsibility to consider the independence factors specified under applicable law and any additional factors the compensation committee deems relevant. A more detailed description of our Compensation Committee's functions can be found in our Compensation Committee charter which can be found on the Investor Relations section of our website at www.synchronoss.com. Our Compensation Committee has also established a Key Employee Equity Awards Committee, with our CEO as the sole member, whose purpose is to approve stock option and restricted stock grants to our newly hired and current employees, subject to guidelines previously approved by our Compensation Committee. Our Key Employee Equity Awards Committee acted fourteen times in 2015.

Our Compensation Committee may select and retain, and is directly responsible for the appointment, compensation and oversight of, compensation consultants or any other third party to assist in the evaluation of director and officer compensation as well as any other compensation matters. Our Compensation Committee considers these analyses as a factor in making decisions with respect to compensation matters along with information it receives from management and its own judgment and experience. Its compensation consultant generally attends regular Compensation Committee meetings and meets with our Compensation Committee without management present. Our Compensation Committee has retained Deloitte Consulting LLP ("Deloitte") as its compensation consultant. The compensation consultant serves at the discretion of our Compensation Committee and the compensation consultant's fees are approved by our Compensation Committee. In 2015, Deloitte did not perform any services for us other than its services to our Compensation Committee and received no compensation from our Company other than its fees in connection with its retention as our Compensation Committee's compensation consultant. Our Compensation Committee assessed the independence of Deloitte pursuant to applicable SEC rules and Nasdaq listing standards and concluded that the work of Deloitte has not raised any conflict of interest.

Table of Contents

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

None of the members of our Compensation Committee was an officer or employee of our Company at any time during 2015. No executive officer serves as a member of the board of directors or compensation committee of any other entity that has one or more executive officers serving as a member of our Board or Compensation Committee. In 2015, we did not make any loans to directors or executive officers relating to purchases of our Common Stock or for any other purpose.

NOMINATING/CORPORATE GOVERNANCE COMMITTEE

The members of our Nominating/Corporate Governance Committee are: William J. Cadogan, Charles E. Hoffman and Donnie M. Moore. Effective as of the expiration of Mr. Hoffman's term as a director at our 2016 Annual Meeting, Mr. Moore is expected to be appointed as chair of our Nominating Corporate Governance Committee, and our Board may either appoint another current director of the Company to replace Mr. Hoffman on our Nominating/Corporate Governance Committee or the committee will become a two-member committee. Our Nominating/Corporate Governance Committee met once in 2015. All members of our Nominating/Corporate Governance Committee are independent (as independence is currently defined in Rule 5605(a)(2) of the Nasdaq listing standards). In addition, our Nominating/ Corporate Governance Committee:

reviews and reports to our Board on a periodic basis with regard to matters of corporate governance;

recommends qualified candidates to our Board for election as our directors, including the directors our Board proposes for election by the stockholders at the Annual Meeting and directors nominated by our stockholders;

reviews, assesses and makes recommendations on the effectiveness of our corporate governance policies and on matters relating to the practices of directors, and the functions and duties of the various Board committees;

develops and implements our Board's bi-annual self-assessment process and works with our Board to implement improvements in their effectiveness;

reviews succession plans periodically with our CEO relating to positions held by elected corporate officers; and

establishes and periodically reviews stock ownership guidelines for our executive officers and directors.

Our Nominating/Corporate Governance Committee charter can be found on the Investor Relations section of our website at www.synchronoss.com. Our Nominating/Corporate Governance Committee also reviews and makes recommendations to our Board regarding the size and composition of our Board and the appropriate qualities and skills required of our directors in the context of the then current make-up of our Board and our business. Our Nominating/Corporate Governance Committee has established procedures for the nomination process and leads the search for, selects and recommends candidates for election to our Board. Consideration of new director candidates typically involves a series of committee discussions, the review of information concerning candidates and interviews with selected candidates. Candidates for nomination to our Board typically have been

Table of Contents

suggested by other members of our Board or by our executive officers. From time to time, our Nominating/Corporate Governance Committee may engage the services of a third-party search firm to identify director candidates. Our Nominating/Corporate Governance Committee also considers candidates proposed in writing by stockholders, provided such proposal meets the eligibility requirements for submitting stockholder proposals under our amended and restated bylaws and is accompanied by certain required information about the candidate. Candidates proposed by stockholders will be evaluated by our Nominating/Corporate Governance Committee using the same criteria as for all other candidates. In considering nominees for our Board, our Nominating/Corporate Governance Committee considers each candidate's independence, personal and professional integrity, financial literacy or other professional or business experience relevant to an understanding of our business, ability to think and act independently and with sound judgment and ability to serve our stockholders' long-term interests. These factors, along with others considered useful by our Nominating/Corporate Governance Committee, are reviewed in the context of an assessment of the perceived needs of our Board at a particular point in time. As a result, the priorities and emphasis of our Nominating/Corporate Governance Committee and of our Board may change from time to time to take into account changes in our business and other trends, and the portfolio of skills and experience of current and prospective directors. Our Nominating/Corporate Governance Committee has not adopted a formal policy regarding the consideration of diversity in identifying director nominees or in searching for new directors.

BUSINESS DEVELOPMENT COMMITTEE

Our Business Development Committee reviews certain strategic business development and growth opportunities and recommends those that it determines are in line with our short-term and long-term strategic goals. Our Business Development Committee charter can be found on the Investor Relations section of our website at www.synchronoss.com. The members of our Business Development Committee are: William J. Cadogan, Thomas J. Hopkins and Stephen G. Waldis. All members of our Business Development Committee other than Mr. Waldis are independent (as independence is currently defined in Rule 5605(a)(2) of the Nasdaq listing standards). Our Business Development Committee met three times during 2015.

Table of Contents**DIRECTOR COMPENSATION**

This section provides information regarding the compensation policies for our non-employee directors and cash amounts paid and equity awarded to these directors in 2015. Any director who is an employee of our Company does not receive any additional compensation for service as a director. For 2015, our non-employee director compensation program consisted of:

Initial Equity Grant	30,000 non-qualified stock options ⁽¹⁾
Annual Cash Retainer	\$50,000
Annual Equity Grant	7,500 non-qualified stock options ⁽¹⁾ 3,335 restricted shares ⁽¹⁾
Committee Chairperson Retainer	\$20,000 (Audit) \$15,000 (Compensation) \$10,000 (Nominating/Corporate Governance) \$10,000 (Business Development)
Committee Member Retainer	\$10,000 (Audit) \$7,500 (Compensation) \$5,000 (Nominating/Corporate Governance) \$5,000 (Business Development)

(1)

Options and restricted shares vest one-third each year over three years.

The actual number of restricted shares and stock options would be based on the price of our common stock on the date of grant, which would continue to be the first Tuesday of every year. The stock options have an exercise price equal to the closing price reported on Nasdaq of our Common Stock on the grant date. The annual retainer fees are paid to our directors quarterly in advance. In addition, we currently have a policy of reimbursing directors for travel, lodging and other reasonable expenses incurred in connection with their attendance at our Board and Committee meetings. The following table sets forth all of the compensation awarded to, earned by, or paid to each person who served as a non-employee director during 2015.

William J. Cadogan	85,000	128,498	110,792	324,290
Charles E. Hoffman	67,500	128,498	110,792	306,790
Thomas J. Hopkins	77,500	128,498	110,792	316,790
James M. McCormick	50,000	128,498	110,792	289,290
Donnie M. Moore	75,000	128,498	110,792	314,290

(1)

The amounts in this column reflect the aggregate grant date fair value of the stock awards computed in accordance with FASB ASC Topic No. 718. See Footnote 2 to the financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2015 for a discussion of our assumptions in estimating the fair value of our stock awards. As of December 31, 2015, each of Messrs. Cadogan, Hoffman, Hopkins, McCormick and Moore held 6,670 restricted shares of our Common Stock.

Table of Contents

(2)

The amounts in this column reflect the aggregate grant date fair value of the stock options computed in accordance with FASB ASC Topic No. 718. See Footnote 2 to the financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2015 for a discussion of our assumptions in estimating the fair value of our stock option awards. As of December 31, 2015, each of Messrs. Hoffman, Hopkins and McCormick held options to purchase 65,000 shares of our Common Stock having a weighted average exercise price of \$23.22 per share, of which 50,000 shares were vested, Mr. Cadogan held options to purchase 100,000 shares of our Common Stock, having a weighted average exercise price of \$18.34 per share, of which 85,000 shares were vested and Mr. Moore held options to purchase 80,000 shares of our Common Stock, having a weighted average exercise price of \$25.21 per share, of which 65,000 shares were vested. The options granted in 2015 were granted at an exercise price of \$38.53.

Since 2010, each member of our Board had received the same fixed number of restricted shares of our common stock and stock options annually. In 2015, our Compensation Committee, in consultation with Deloitte, its compensation consultant, approved a change to the equity portion of our directors' compensation. Specifically, beginning in 2016, our Compensation Committee will annually determine a fixed monetary value of equity (as opposed to the fixed number of shares approach utilized prior to 2016) to be granted to our non-employee directors based on their analysis of the competitive range of the equity granted to directors at our peer group companies and other publicly-available information.

DIRECTOR STOCK OWNERSHIP GUIDELINES

We have established stock ownership guidelines for our directors to retain an equity stake in the Company to more closely align their interests with those of our stockholders. Each director is required to own the number of shares of our Common Stock with a value equal to three times the annual cash retainer for our directors. Ownership is calculated annually based on the closing sales price of our Common Stock on Nasdaq for the last trading day in the prior year. Any newly elected director has three years from the date of his or her election to achieve the targeted equity ownership level. As of December 31, 2015, each of our directors met these guidelines.

LIMITATION OF LIABILITY AND INDEMNIFICATION

As permitted by Section 145 of the Delaware General Corporation Law, our amended and restated bylaws provide that we are authorized to (i) enter into indemnification agreements with our directors and officers and (ii) purchase directors' and officers' liability insurance, which we currently maintain to cover our directors and executive officers. The form of indemnification agreement with our directors provides that we will indemnify each director against any and all expenses incurred by that director because of his status as one of our directors, to the fullest extent permitted by Delaware law, our restated certificate of incorporation and amended and restated bylaws. In addition, the form agreement provides that, to the fullest extent permitted by Delaware law, but subject to various exceptions, we will advance all expenses incurred by our directors in connection with a legal proceeding. Our restated certificate of incorporation and bylaws contain provisions relating to the limitation of liability and indemnification of directors. The restated certificate of incorporation provides that our directors will not be personally liable to us or our stockholders for monetary damages for any breach of fiduciary duty as a director, except for liability:

Table of Contents

for any breach of a director's duty in respect of unlawful (i) payments of dividends or (ii) stock repurchases or redemptions as provided in Section 174 of the Delaware General Corporation Law and the breach of a director's duty of loyalty to us or our stockholders;

for any transaction from which the director derives any improper personal benefit; and

for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law

Our restated certificate of incorporation also provides that if Delaware law is amended, after the approval by our stockholders of our restated certificate of incorporation, to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of our directors will be eliminated or limited to the fullest extent permitted by Delaware law. The foregoing provisions of the restated certificate of incorporation are not intended to limit the liability of directors or officers for any violation of applicable federal securities laws. As permitted by Section 145 of the Delaware General Corporation Law, our restated certificate of incorporation provides that we may indemnify our directors to the fullest extent permitted by Delaware law and the restated certificate of incorporation provisions relating to indemnity may not be retroactively repealed or modified so as to adversely affect the protection of our directors.

Table of Contents

RISK MANAGEMENT CONSIDERATIONS

Each year, our Compensation Committee reviews our compensation practices and policies for all employees, including our NEOs, and assesses whether they have the potential to incentivize employees without taking risks that are reasonably likely to have a material adverse effect on our Company. Since our annual performance-based bonus and equity programs are designed to align our employees' compensation with our long-term business objectives and performance, and therefore enhance stockholder value, our Compensation Committee believes that our compensation practices and policies discourage behavior that leads to excessive risk. Therefore, our Compensation Committee does not believe these practices and policies will have a material adverse effect on our Company. Set forth below are the key risk-balancing elements of our compensation practices and policies:

Financial Performance Measures	The ranges set for financial performance measures are designed to reward success without encouraging excessive risk taking. Pursuant to our three-year equity plan adopted in 2015, the number of performance-based restricted shares to be issued are based on our financial performance over a three-year period.
Equity Vesting Periods	Time-based and performance-based restricted shares typically vest over three years, while stock options typically vest over four years. The vesting of the equity awards is designed to reward tenure with us.
Equity Retention Guidelines	NEOs are required to acquire within five years of becoming an executive officer, and hold while they are officers, shares (vested and unvested) having a value of at least three times their base salary, or five times for our CEO.
No Hedging	NEOs are not permitted to enter into any transaction designed to hedge, or having the effect of hedging, the economic risk of owning our securities.
Financial Restatement and Related Policies	As part of our Ethics and Business Conduct Policy, we will investigate all reported instances of questionable or unethical behavior of a director, NEO or other employee and, where improper behavior is found to have occurred, will take appropriate action up to and including termination. If an investigation uncovers that such individual commits fraud or other improper acts which causes our financials to be restated or otherwise affected, we would take immediate and appropriate disciplinary action with respect to such individual up to and including termination. We would also take whatever legal remedies are available to prosecute such individual to the fullest extent of the law and seek to recover any amounts he or she inappropriately received as a result of such actions, including but not limited to any annual or long term incentives that he or she received to the extent the individual would not have received such amount had such act not be taken.

Table of Contents

Compensation of Executive Officers

Compensation Discussion and Analysis

This section discusses our compensation philosophy, summarizes our compensation programs and reviews compensation decisions for the following NEOs:

Stephen G. Waldis	Chairman of the Board of Directors and Chief Executive Officer
Karen L. Rosenberger	Executive Vice President, Chief Financial Officer and Treasurer
Robert E. Garcia	President and Chief Operating Officer
Daniel Rizer	Executive Vice President, Business Development & Product Management
David Schuette	Executive Vice President, Enterprise Business Unit ⁽¹⁾

(1) Mr. Schuette was hired as our Executive Vice President, Enterprise Business Unit, in August 2015.

Executive Summary

Our executive compensation philosophy and programs are designed to attract, retain and motivate high-quality executives who possess diverse skills and talents required to help us achieve our short and long-term financial and strategic goals. We believe that the programs foster a performance-oriented culture that aligns our executives' interests with those of our stockholders over the long term. We believe that the compensation of our NEOs is both appropriate for and responsive to the goal of improving stockholder value. Specifically, in 2015, the majority of each NEO's compensation was at-risk or variable compensation.

The following provides an overview of the key financial and strategic highlights for the year.

2015 Business Highlights

Non-GAAP Revenue*	\$580.1 million, compared to \$458.6 million in 2014, an increase of 26%
Non-GAAP Gross Profit*	\$356.8 million, representing a gross margin of 62%, up from 61% in 2014
Non-GAAP EBITDA*	\$208.1 million, compared to \$155.1 million in 2014, an increase of 34%
Cloud Revenue	\$310.1 million, compared to \$211.7 million in 2014, an increase of 46%
Diluted Non-GAAP EPS*	\$2.23, compared to \$1.79 in 2014, an increase of 25%

Strategic Business Milestones

Launched enterprise business to offer secure mobility solutions to enterprise clients; hired David Schuette, a seasoned enterprise executive, to lead this effort.

Entered into strategic partnerships with Verizon for multifactor authentication and identity management and with Goldman Sachs for secure enterprise mobility technology to enhance our enterprise offerings.

Acquired RazorSight Corporation and certain assets from F-Secure Corporation to expand our product portfolio and global presence.

Extended our agreement with AT&T through 2018.

* These financial measures are non-GAAP measures and should not be reviewed in isolation or as substitutes for our financial results as reported in accordance with GAAP. Please see Appendix A for an explanation and reconciliation of these non-GAAP financial measures to the applicable GAAP financial measures.

Table of Contents

2015 Compensation Program Highlights

We design our executive compensation program to attract, retain and motivate high-quality executives and drive the creation of long-term stockholder value by tying a significant portion of compensation to performance goals. We have adopted the following approach to achieve these objectives:

**Pay for
Performance**

Provide a strong relationship of pay to performance through:

Performance-based cash bonus tied primarily to achievement of corporate short-term financial goals and individual performance.

Equity awards that deliver value based on our stock performance and, in the case of performance-based stock awards, the achievement of pre-determined, objective financial and business goals.

**Emphasis on
Variable
Compensation**

Total compensation is heavily weighted toward variable compensation (i.e., annual bonus and long-term equity incentives).

We use the annual performance-based cash bonuses to focus our NEOs on key short-term financial goals.

We use stock options, time-based and performance-based restricted shares to incentivize our NEOs to focus on sustainable, long-term stockholder value creation. The value realized by our NEOs depends substantially on our long-term performance, achievement of our strategic goals and the value of our Common Stock, which we believe aligns our NEOs' interests with the long-term interests of our stockholders.

**Fixed
Compensation
Component**

Provide base salary based on our Compensation Committee's general understanding of current competitive compensation practices, corporate achievement, our NEO's role and responsibilities, length of tenure, internal pay equity and individual performance.

The following highlights some of the key components of our pay for performance policies and practices:

At-Risk Compensation

A majority of the compensation of the CEO and other NEOs is "at-risk" and tied to Company performance over the short- and/or long-term.

Incentive Award Metrics

Edgar Filing: SYNCHRONOSS TECHNOLOGIES INC - Form DEF 14A

Establish and approve stretching objective incentive award metrics tied to key company performance indicators.

Three-Year Equity Plan

Number of performance-based restricted shares to be issued is based on our financial performance over a three-year period, aligning our NEOs' interests with the long-term interests of our stockholders.

Equity Vesting

Vest equity awards over three or four years to promote retention.