

SYNIVERSE HOLDINGS INC  
Form DEF 14A  
April 05, 2010  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**SCHEDULE 14A INFORMATION**

**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

**SYNIVERSE HOLDINGS, INC.**

(Name of registrant as specified in its charter)

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(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 the transaction applies:

(2) Aggregate number of securities to which the transaction applies:

(3) Per unit price or other underlying value of the 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 the transaction:

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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**SYNIVERSE HOLDINGS, INC.**

**8125 Highwoods Palm Way**

**Tampa, Florida 33647**

To the Shareholders of Syniverse Holdings, Inc.:

You are cordially invited to attend the Annual Meeting of Shareholders of Syniverse Holdings, Inc. to be held on May 6, 2010 at the Tampa Palms Golf & Country Club, 5811 Tampa Palms Blvd., Tampa, Florida 33647, commencing at 9:00 a.m., local time. We look forward to personally greeting as many of our shareholders as possible at the meeting.

The attached notice of meeting and proxy statement describe the matters to be acted upon at the annual meeting. If you plan to attend the annual meeting in person, please mark the designated box on the enclosed proxy card. Alternatively, if you utilize the Internet voting system, please indicate your plans to attend the annual meeting when prompted to do so by the system. If you are a shareholder of record, you should bring the bottom half of the enclosed proxy card as your admission card and present the card upon entering the annual meeting. If you are planning to attend the annual meeting and your shares are held in street name (by a bank or broker, for example), you should ask the record owner for a legal proxy or bring your most recent account statement to the annual meeting so that we can verify your ownership of Syniverse stock. Please note, however, that if your shares are held in street name and you do not bring a legal proxy from the record owner, you will be able to attend the annual meeting, but you will not be able to vote at the annual meeting.

Whether or not you plan to attend the annual meeting personally, and regardless of the number of shares you own, it is important that your shares be represented at the annual meeting. Accordingly, we urge you to promptly complete the enclosed proxy card and return it to the inspector of elections in the postage-prepaid envelope provided, or to promptly use the Internet voting system. If you do attend the annual meeting and wish to vote in person, you may withdraw your proxy at that time.

Thank you for your continued interest in Syniverse Holdings, Inc.

/s/ Tony G. Holcombe

Tony G. Holcombe

President and Chief Executive Officer

Enclosures

April 5, 2010

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**SYNIVERSE HOLDINGS, INC.**

**8125 Highwoods Palm Way**

**Tampa, Florida 33647**

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

**May 6, 2010**

NOTICE IS HEREBY GIVEN that the 2010 Annual Meeting of Shareholders of Syniverse Holdings, Inc. will be held at the Tampa Palms Golf & Country Club, 5811 Tampa Palms Blvd., Tampa, Florida 33647, on Thursday, May 6, 2010, commencing at 9:00 a.m., local time, for the following purposes:

1. To elect nine directors of Syniverse Holdings, Inc. for a one-year term expiring in 2011;
2. To consider and vote on the approval and ratification of the selection of Ernst & Young LLP as the independent registered certified public accounting firm (independent auditors) for Syniverse Holdings, Inc. for 2010; and
3. To consider and approve an Amendment to the Employee Stock Purchase Plan of Syniverse Holdings, Inc.; and
4. To consider and transact such other business as may properly come before the meeting or any adjournment thereof.

In accordance with our bylaws, the close of business on March 15, 2010 has been fixed as the record date for the determination of the shareholders entitled to notice of, and to vote at, the meeting or any adjournment thereof. The stock transfer books will not close.

By Order of the Board of Directors

/s/ Laura E. Binion

Laura E. Binion

Corporate Secretary

Tampa, Florida

April 5, 2010

**SHAREHOLDERS WHO DO NOT EXPECT TO ATTEND IN PERSON, BUT WISH THEIR STOCK TO BE VOTED ON MATTERS TO BE TRANSACTED, ARE URGED TO SIGN, DATE, AND MAIL THE ENCLOSED PROXY IN THE ACCOMPANYING ENVELOPE, TO WHICH NO POSTAGE NEED BE AFFIXED IF MAILED IN THE UNITED STATES. YOU ALSO HAVE THE OPTION OF VOTING YOUR SHARES ON THE INTERNET. VOTING INSTRUCTIONS ARE PRINTED ON YOUR PROXY CARD. IF YOU VOTE BY INTERNET, YOU DO NOT NEED TO MAIL BACK YOUR PROXY. THE PROMPT RETURN OF YOUR SIGNED PROXY, REGARDLESS OF THE NUMBER OF SHARES YOU HOLD, WILL AID THE COMPANY IN REDUCING THE EXPENSE OF ADDITIONAL PROXY SOLICITATION. THE GIVING OF SUCH PROXY DOES NOT AFFECT YOUR RIGHT TO VOTE IN PERSON IN THE EVENT YOU ATTEND THE MEETING.**

**Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to Be Held on May 6, 2010**

**The Company's proxy statement and annual report to shareholders are available at**

**[www.syniverseproxy.com](http://www.syniverseproxy.com)**

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**SYNIVERSE HOLDINGS, INC.**

**8125 Highwoods Palm Way**

**Tampa, Florida 33647**

**PROXY STATEMENT  
FOR  
ANNUAL MEETING OF SHAREHOLDERS**

The enclosed proxy is being solicited by and on behalf of Syniverse Holdings, Inc., and will be voted at the Annual Meeting of Shareholders on May 6, 2010. This statement and the accompanying proxy are first being sent or given to shareholders on or about April 5, 2010. Unless the context otherwise requires, all references to we, us or the Company refer to Syniverse Holdings, Inc. and its subsidiaries.

**Solicitation and Revocation of Proxies and Voting**

The execution and return of the enclosed proxy will not affect your right to attend the Annual Meeting of Shareholders and to vote in person. Even if you have given a proxy, you have the power to revoke it at any time before it is exercised. You may revoke the proxy prior to its exercise by delivering written notice of revocation to our Corporate Secretary, at 8125 Highwoods Palm Way, Tampa, Florida 33647, by executing a later-dated proxy, or by attending the Annual Meeting and voting in person. Properly executed proxies in the accompanying form, received in due time and not previously revoked, will be voted at the Annual Meeting or any adjournment thereof as specified therein by the person giving the proxy, but, if no specification is made, the shares represented by proxy will be voted as recommended by the Board of Directors.

**Quorum; Abstentions; Broker Non-Votes**

The holders of a majority of the voting power of the issued and outstanding stock of the Company entitled to vote thereat, present in person or represented by proxy, will constitute a quorum for the transaction of business at the Annual Meeting. If a quorum is present, the election of directors will require a plurality of the votes cast by the shareholders entitled to vote thereon, present in person or represented by proxy.

You may, with respect to the election of directors:

vote for the election of all nominees named herein;

withhold authority to vote for all such nominees; or



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vote for the election of all such nominees other than any nominees with respect to whom the vote is specifically withheld by indicating in the space provided on the proxy.

Abstentions and broker non-votes will be treated as present at the Annual Meeting for the purpose of determining a quorum. A broker non-vote occurs when a record owner holding shares for a beneficial owner does not vote on a particular proposal because the record owner does not have discretionary voting power under the applicable rules of the New York Stock Exchange ( NYSE ) with respect to such shares, and the record owner has not received instructions from the beneficial owner. Because directors are elected by a plurality of the votes cast, abstentions and broker non-votes will not be counted in determining which nominees received the largest number of votes cast.

The ratification of the selection of Ernst & Young LLP requires the affirmative vote of the holders of a majority of the voting power of the issued and outstanding stock of the Company entitled to vote thereon, present and voting, in person or represented by proxy at the Annual Meeting. Abstentions will be counted in tabulating the votes cast and will have the same effect as a vote against the approval of Ernst & Young LLP as our independent registered certified public accounting firm. Broker non-votes will not be counted in tabulating the votes cast.

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The approval of the Amendment to the Employee Stock Purchase Plan requires the affirmative vote of the holders of a majority of the voting power of the issued and outstanding stock of the Company entitled to vote thereon, present and voting, in person or represented by proxy at the Annual Meeting; provided that the total votes cast represents over fifty percent (50%) in interest of all securities entitled to vote on the proposal. Abstentions will be counted in tabulating the votes cast and will have the same effect as a vote against the approval of the Amendment to the Employee Stock Purchase Plan. Broker non-votes will not be counted in tabulating the votes cast and therefore will affect the outcome of a vote only to the extent that broker non-votes could impair our ability to satisfy the NYSE requirement that the total votes cast on the proposal to approve the Amendment to the Employee Stock Purchase Plan represent over fifty percent (50%) in interest of all securities entitled to vote thereon.

As a matter of policy, we maintain proxies and voting tabulations that identify individual shareholders on a confidential basis. We make such documents available only to those who process the proxy cards, tabulate the vote, and serve as inspectors of election and certain of our employees responsible for the Annual Meeting. We do not disclose your vote except as may be necessary to meet legal requirements.

Only the holders of outstanding shares of our common stock of record at the close of business on March 15, 2010, are entitled to receive notice of and to vote at the Annual Meeting. Each share of common stock (except certain shares of restricted stock) is entitled to one vote on each matter to be voted upon at the Annual Meeting. As of the March 15, 2010 record date, we had 69,318,338 outstanding shares (net of treasury shares and non-voting restricted stock) of our common stock.

## **Voting Procedures**

Because Delaware, the state in which we are incorporated, permits electronic submission of proxies through the Internet or by telephone, instead of submitting proxies by mail on the enclosed proxy card or voting instruction card, our shareholders will have the option to submit their proxies or voting instructions electronically through the Internet. Please note that there are separate arrangements for using the Internet depending on whether your shares are registered in our stock records in your name or in the name of the brokerage firm or bank. Shareholders should check their proxy card or the voting instruction card forwarded by their broker, bank or other holder of record to see which options are available.

You can find the results of the voting on the proposals in our Quarterly Report on Form 10-Q for the quarter ending June 30, 2010.

## **Householding**

The Securities and Exchange Commission ( SEC ) rules permit us, with your permission (including, in certain circumstances, your implied permission), to send a single set of proxy statements and annual reports to any household at which two or more shareholders reside if we believe that they are members of the same family. Each shareholder will continue to receive a separate proxy card. This procedure, known as householding, reduces the volume of duplicate information you receive and helps to reduce our expenses. In order to take advantage of this opportunity, we have delivered only one proxy statement and annual report to multiple shareholders who share an address, unless we received contrary instructions from the impacted shareholders prior to the mailing date. We will deliver a separate copy of the proxy statement or annual report, as requested, to any shareholder at a shared address to which a single copy of those documents was delivered. If you prefer to receive separate copies of a proxy statement or annual report, either now or in the future, you can request a separate copy of the proxy statement or annual report by calling us at (813) 637-5000 or by writing to us at any time at the following address: Syniverse Holdings, Inc., 8125 Highwoods Palm Way, Tampa, Florida 33647, attn: Corporate Secretary. Additionally, shareholders sharing an address can request delivery of a single copy of the proxy statement or annual report if they are receiving multiple copies of the proxy statement or annual report by calling us at (813) 637-5000 or by writing to us at any time at the following address: Syniverse Holdings, Inc., 8125 Highwoods Palm Way, Tampa, Florida 33647, attn: Corporate Secretary.

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**GOVERNANCE MATTERS**

The Board of Directors has adopted Corporate Governance Guidelines to address significant corporate governance issues. The guidelines, as well as all Board committee charters, the Company's Code of Business Conduct, the Company's Securities Trading Policy, the Code of Ethics for Senior Financial Employees, and the Company's Whistleblower Policy are available on the Company's website, [www.syniverse.com](http://www.syniverse.com) at the Investors tab, under Corporate Governance Governance Highlights. The information on the Company's website is not incorporated by reference in this proxy statement. A printed copy of the above mentioned documents will be provided without charge upon written request to the Corporate Secretary of the Company at 8125 Highwoods Palm Way, Tampa, Florida 33647.

**Director Independence**

The listing standards of the NYSE provide that a majority of the Board of Directors must meet the requirements for being an independent director, including the requirement that the Board of Directors affirmatively determine that a director has no material relationship with the Company. To guide in this determination, our Board of Directors has adopted categorical standards of independence. Pursuant to these standards a director will not be independent if: (i) the director is, or has been within the last three years, an employee of the Company, or an immediate family member of the director is, or has been within the last three years, an executive officer of the Company; (ii) the director, or an immediate family member of the director, has received during any twelve-month period within the last three years more than \$120,000 in direct compensation from the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent on continued service); (iii) the director is a current partner or employee of a firm that is the Company's internal or external auditor, has an immediate family member who is a current partner of such a firm, has an immediate family member who is a current employee of such a firm and personally works on the Company's audit, or has an immediate family member who was within the last three years a partner or employee of such a firm and personally worked on the Company's audit during that time period; (iv) the director or an immediate family member of the director is or has been employed as an executive officer of another company where any of the Company's present executive officers served on that other company's compensation committee; or (v) the director is a current employee, or an immediate family member of such director is a current executive officer, of a company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of (a) \$1,000,000, or (b) two percent (2%) of such other company's consolidated gross revenues.

After applying the standards set forth above, the Board of Directors has determined that all persons who served as directors during 2009, except Mr. Holcombe who currently serves as our Chief Executive Officer, are independent under our categorical standards and the applicable requirements of the NYSE. Accordingly at all times during 2009 we were in compliance with the requirement of the NYSE to have a majority of independent directors.

**Board Committees**

Our Board of Directors has established three standing committees the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee, and has adopted a written charter for each of these committees.

**Audit Committee.** Throughout 2009 the Audit Committee was comprised of Messrs. James B. Lipham (Chairman), Jason Few, Jack Pearlstein, and Fritz E. von Mering. In accordance with its charter, the primary functions of the Audit Committee are to assist the Board of Directors in fulfilling its independent and objective oversight responsibilities of financial reporting and internal financial and accounting controls of the Company and to monitor the qualifications, independence and performance of the Company's independent auditors.

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The Board of Directors has determined that all of the members of the Audit Committee are independent, in accordance with its guidelines and the applicable rules of the NYSE. The Board of Directors has determined that Mr. James B. Lipham is an audit committee financial expert as defined by Item 407 of Regulation S-K promulgated by the SEC and that all members of the Audit Committee are financially literate as that term is used under the applicable rules of the NYSE.

**Compensation Committee.** Throughout 2009 the Compensation Committee was comprised of Messrs. Robert J. Gerrard, Jr. (Chairman), Timothy A. Samples, Jack Pearlstein and Fritz E. von Mering. The Board of Directors has determined that all persons who served on the Compensation Committee during 2009 were independent in accordance with its guidelines and the applicable rules of the NYSE.

In accordance with its charter, the primary functions of the Compensation Committee are to review and make decisions regarding compensation of the Company's executive officers, to make recommendations regarding compensation of non-employee members of the Company's Board of Directors and to review and make recommendations or decisions regarding incentive compensation and equity-based compensation plans.

**Use of Compensation Consultants.** To assist it in fulfilling these responsibilities, the Compensation Committee has the authority to engage outside advisors. For the past several years, the Committee has retained Mercer (US) Inc., a wholly-owned subsidiary of Marsh & McLennan Companies, Inc., as its third party advisor. In this capacity, Mercer reports directly to the Compensation Committee, and the Compensation Committee directs Mercer's work. The Compensation Committee also reviews and approves the professional fees paid to Mercer for its executive compensation services. During 2009, Mercer assisted in the design of a new long-term incentive program for executives and other key employees, conducted equity grant modeling, reviewed and modeled various equity plan share reserve request scenarios, reviewed equity plan documents and proxy disclosure language, developed participant communications materials regarding the new program, provided an overview of trends and developments impacting executive compensation, and participated in various meetings with the Committee to review the executive pay program and new long-term incentive plan. Mercer's fees for executive compensation consulting to the Committee in 2009 were \$160,775.

During 2009, the Company also retained Mercer to provide services unrelated to executive compensation. The aggregate fees paid for these other services were \$155,574. Because of the policies and procedures Mercer and the Compensation Committee have in place, the Committee believes that the advice it receives from the individual executive compensation consultant is objective and not influenced by Mercer's or its affiliates' relations with the Company. These policies and procedures include:

The consultant receives no incentive or other compensation based on the fees charged to the Company for other services provided by Mercer or any of its affiliates;

The consultant is not responsible for selling other Mercer or affiliate services to the Company;

Mercer's professional standards prohibit the individual consultant from considering any other relationships Mercer or any of its affiliates may have with the Company in rendering his or her advice and recommendations;

The Committee has the sole authority to retain and terminate the executive compensation consultant;

The consultant has direct access to the Committee without management intervention; and

The protocols for the engagement describe how the consultant may interact with management.

While it is necessary for the consultant to interact with management to gather information, the Committee determines the appropriate forum for receiving consultant recommendations. This approach protects the Committee's ability to receive objective advice from the consultant so that the Committee may make independent decisions about executive pay at the Company.



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**Compensation Committee Interlocks and Insider Participation.** None of the members of our Compensation Committee was an officer or employee of the Company in 2009 or any time prior thereto. During 2009, none of the members of the Compensation Committee had any relationship with the Company requiring disclosure under Item 404 of Regulation S-K. None of our executive officers served as a member of the Board or compensation committee, or similar committee, of any other company whose executive officer(s) served as a member of our Board of Directors or our Compensation Committee.

**Nominating and Corporate Governance Committee.** From January 2009 until May 2009, the Nominating and Corporate Governance Committee was comprised of Messrs. Timothy A. Samples (Chairman), Jason Few and Robert F. Gerrard, Jr. Upon joining the Board of Directors in May 2009, Ms. Wendy J. Murdock was appointed to the Nominating and Corporate Governance Committee. In accordance with its charter, the primary functions of the Nominating and Corporate Governance Committee are to identify and to recommend to the Board of Directors the selection of director nominees for each Annual Meeting of Shareholders or for any vacancies on the Board of Directors and to make recommendations to the Board of Directors regarding the adoption or amendment of corporate governance principles applicable to the Company.

The Board of Directors has determined that all persons who served on the Nominating and Corporate Governance Committee during 2009 were independent in accordance with its guidelines and the applicable rules of the NYSE.

## **Board Governance**

**Attendance at Board and Committee Meetings.** There were 23 meetings of the Board of Directors, 11 meetings of the Audit Committee, 10 meetings of the Compensation Committee and 5 meetings of the Nominating and Corporate Governance Committee held during 2009. Our Corporate Governance Guidelines set forth the expectations that directors attend all meetings of the Board of Directors and any committees they serve as well as encourage that directors attend the Annual Meeting of Shareholders. No director attended fewer than 75% of the aggregate of the total number of meetings of the Board of Directors and the committees of which he or she was a member held during 2009. Two of the then-incumbent directors attended the 2009 Annual Meeting of Shareholders.

**Executive Sessions of Non-Management Directors.** The non-management directors meet regularly without management present in conjunction with the Board meetings and the committee meetings. These meetings are held at least quarterly and are presided over by the non-executive Chairman of the Board. After the executive session, a designated director will update our Chief Executive Officer on the key items discussed.

**Board Leadership Structure.** In 2006 when our then current Chief Executive Officer and Chairman of the Board resigned, our Board elected to change the board leadership structure by separating the Chief Executive Officer and Chairman positions. Our Board determined that a separate board leadership structure would help create a strong, independent Board, promote oversight of risk and curb potential conflicts of interest. In addition, having a separate Chairman and Chief Executive Officer allows Board members to raise issues without involving senior management, allows the Chairman to serve as a liaison between the Board and senior management and allows the Chairman to play a key role in succession planning for the position of Chief Executive Officer. Our current Chairman is independent and is responsible for providing leadership to the Board.

**Board Oversight of Risk.** Our Board is responsible for overseeing risk management for the Company. It has delegated to each of the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee, certain of its responsibilities in this area. This delegation of responsibility is outlined in the charters for each committee. For example, the Audit Committee has the oversight responsibility for the integrity of the Company's financial statements and its financial reporting process; its systems of internal accounting and financial controls and the performance of the Company's internal audit function and independent auditor. The director of the Company's internal audit function reports directly to the Audit Committee and the Audit Committee reviews and concurs in the appointment, termination and replacement of that director. The

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Compensation Committee has the responsibility for reviewing the Company's compensation policies to ensure these policies are not reasonably likely to create undue risk to the Company. The Nominating and Corporate Governance Committee has responsibility for oversight of the Company's ethics policies, including the Company's Code of Business Conduct. The Audit Committee and the Nominating and Corporate Governance Committee share responsibility for oversight of the 24 hour ethics hotline with claims being assigned to each committee based on the content of the claim. The Audit Committee has responsibility for any claims relating to accounting, internal accounting controls or auditing matters.

Although the Board has delegated certain responsibilities for risk management to its Committees, the Board retains overall responsibility and coordination of this duty. Each Committee Chairman reports to the full Board matters discussed or reviewed at Committee meetings.

## **Related Party Transactions**

The Nominating and Corporate Governance Committee of the Board of Directors is responsible for considering questions of possible conflicts of interest and related party transactions involving directors, executive officers, key employees and other related persons as defined by Item 404(a) of Regulation S-K. As set forth in the Code of Business Conduct, directors, officers and employees are expected to act and make decisions that are in the best interest of the Company and to avoid situations which present a conflict between the Company's interests and their own personal interests. Our directors, officers and employees are prohibited from taking any action that may make it difficult for them to perform their duties, responsibilities and services to the Company in an objective and fair manner.

There were no relationships or related party transactions that occurred in the fiscal year ending December 31, 2009. We do not have a formal related party approval policy for transactions required to be disclosed pursuant to Item 404(a) of Regulation S-K. However, to identify related party transactions, each year, we require our directors and officers to complete Director and Officer Questionnaires identifying any transactions with the Company in which the officer or director or their family members have an interest. We review related party transactions due to the potential for a conflict of interest. A conflict of interest occurs when an individual's private interest interferes, or appears to interfere, in any way with the interests of the Company.

## **DIRECTOR QUALIFICATION STANDARDS AND EVALUATION PROCESS**

We seek to align Board composition with our strategic direction so that the Board members bring skills, experience and backgrounds that are relevant to the key strategic and operational issues that they will oversee and approve. Director candidates are typically selected based upon their character, track record of accomplishment in leadership roles, as well as their professional and corporate expertise, skills and experience. Criteria that are typically considered by the Nominating and Corporate Governance Committee in the selection of directors include:

- (i) the independence, judgment, strength of character, reputation in the business community, ethics and integrity of the individual;
- (ii) the business or other relevant experience, skills and knowledge that the individual may have that will enable him or her to provide effective oversight of the Company's business;
- (iii) the fit of the individual's skill set and personality with those of the other Board members so as to build a Board of Directors that works together effectively and constructively; and
- (iv) the individual's ability to devote sufficient time to carry out his or her responsibilities as a director in light of his or her occupation and the number of boards of directors of other public companies on which he or she serves.

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These are only threshold criteria, however, and the Board also considers the contributions that a candidate can be expected to make to the collective functioning of the Board of Directors based upon the totality of the candidate's credentials, experience and expertise, the composition of the Board of Directors at the time, and other relevant circumstances. We believe that it is important for the Board of Directors to be comprised of individuals of diverse gender, age, race and national origin, as well as individuals with diverse viewpoints, professional experience, education, skills and other individual qualities and attributes that will contribute to the Board's ability to direct a global telecommunications technology company. For this reason, the Nominating and Corporate Governance Committee has actively recruited candidates with these diverse characteristics in the past several years and believes the current nominees reflect a qualified and diverse Board. We will continue to consider diverse qualities and attributes as an important qualification for Board nominees in the future.

The Board of Directors selects new director candidates based on the recommendation of the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee identifies, screens and recruits potential candidates for membership on the Board of Directors, taking into account the needs of the Company and the Board of Directors at the time and using the criteria set forth above. The Nominating and Corporate Governance Committee identifies potential nominees through its network of contacts or, from time to time, the Nominating and Corporate Governance Committee has engaged the services of a professional search firm to assist in the identification and evaluation of potential director candidates. The Nominating and Corporate Governance Committee will consider candidates proposed by shareholders by evaluating such candidates in the same manner and using the criteria described above.

In cases when a professional search firm is engaged, it will assist the Nominating and Corporate Governance Committee in identifying potential candidates that fit the Board of Directors' search criteria (using databases and other resources), obtaining candidate resumes and other biographic information, conducting initial interviews to assess candidates' qualifications, fit and interest in serving on the Board of Directors; scheduling interviews with the Chairman of the Nominating and Corporate Governance Committee and other members of the Board of Directors and management, performing reference checks, and assisting in finalizing arrangements with candidates who receive an offer to join the Board of Directors.

Ms. Murdock was recommended as a nominee to serve on the Board of Directors through a professional search firm retained by the Nominating and Corporate Governance Committee. Ms. Murdock was interviewed by the Chairman of the Board, the Chairman of the Nominating and Corporate Governance Committee and each of its members, and the Company's Chief Executive Officer, all of whom recommended that her candidacy be considered by the full Board of Directors.

## **DIRECTOR COMPENSATION**

**2009 Non-Employee Director Compensation.** In 2008, the Company's non-employee directors received an annual cash retainer of \$50,000 plus fixed share annual grants of 7,200 stock options and 2,700 restricted shares for serving on our Board. Our non-executive Board Chairman received an additional cash retainer of \$50,000 and additional annual grants of 2,700 stock options and 1,000 restricted shares for serving in this role. Non-employee directors serving as committee chairs also received annual cash retainers of \$20,000 (Audit), \$15,000 (Compensation) and \$10,000 (Nominating and Corporate Governance) for chairing committees. Other non-employee directors serving on these committees received annual cash retainers of \$10,000 (Audit), \$7,500 (Compensation) and \$5,000 (Nominating and Corporate Governance) for their service. No per meeting fees were paid.

In the second half of 2008, the Compensation Committee retained Mercer to review the Company's non-employee director compensation. Effective January 1, 2009, based on Mercer's recommendations, and in lieu of the ongoing annual fixed share grants, the Compensation Committee approved a plan to provide non-employee directors with annual equity grants with a targeted value of \$100,000, comprised of \$50,000 for stock options and \$50,000 for restricted stock, with both vesting in annual increments over a 3-year period. In



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addition, the Chairman of the Board will receive an additional annual equity grant, with a targeted value of \$50,000, equally allocated between stock options and restricted stock, for serving as the non-executive Board Chairman. This change from a fixed share approach to a targeted value approach for annual equity grants is consistent with changes made to our long-term incentive plan for executives. No changes were made to annual cash retainers for Board and committee service.

All of our directors are reimbursed for out-of-pocket expenses related to their service as directors.

The following table provides information about the compensation earned by our non-employee directors during 2009 and their equity award holdings as of December 31, 2009.

Name	Fees Earned or Paid			Total (\$)
	in cash (\$)	Stock Awards (\$)(1)(2)	Option Awards (\$)(1)(2)	
Robert J. Marino	100,000	75,887	76,653	252,540
Jason Few	65,000	50,543	51,102	166,645
Robert J. Gerrard, Jr.	70,000	50,543	51,102	171,645
James B. Lipham	70,000	50,543	51,102	171,645
Wendy J. Murdock	41,250	50,543	51,102	142,895
Jack Pearlstein	67,500	50,543	51,102	169,145
Timothy A. Samples	67,500	50,543	51,102	169,145
Fritz E. von Mering	67,500	50,543	51,102	169,145

- 1) Reflects the grant date fair value of stock and option awards granted in 2009, determined in accordance with Financial Accounting Standards Board ASC Topic 718 Stock Compensation ("FASB ASC Topic 718"). The grant date fair value of the service-based restricted stock awards is based on the fair market value of the underlying shares on the date of grant. As of December 31, 2009, each Director has the following number of unvested restricted shares outstanding: Robert J. Marino-13,000; Jason Few-9,870; Robert J. Gerrard, Jr.-9,130; James B. Lipham-9,870; Wendy J. Murdock-3,450; Jack Pearlstein-9,870; Timothy A. Samples-9,870; Fritz E. von Mering-9,130.

The assumptions used in the calculation of the grant date fair values of the option awards are included in Note 7 to our audited financial statements for the fiscal year ended December 31, 2009, included in our Form 10-K filed with the SEC on February 26, 2010. As of December 31, 2009, each Director had options outstanding of: Robert J. Marino-73,810; Jason Few-34,260; Robert J. Gerrard, Jr.-27,060; James B. Lipham-54,260 ; Wendy J. Murdock-8,060; Jack Pearlstein-54,260; Timothy A. Samples-34,260; Fritz E. von Mering-27,060

- (2) The following table shows the options and restricted stock awarded to each non-employee director during 2009, and the aggregate grant date fair value for each award

Name	Option Awards	Grant Date Fair Value of Option Awards	Restricted Stock	Grant Date Fair Value of Restricted Stock Awards
	(#)	(\$)	(#)	(\$)
Robert J. Marino	12,090	76,653	5,180	75,887
Jason Few	8,060	51,102	3,450	50,543
Robert J. Gerrard, Jr.	8,060	51,102	3,450	50,543
James B. Lipham	8,060	51,102	3,450	50,543
Jack Pearlstein	8,060	51,102	3,450	50,543
Wendy J. Murdock	8,060	51,102	3,450	50,543
Timothy A. Samples	8,060	51,102	3,450	50,543

Fritz E. von Mering

8,060

51,102

3,450

50,543

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Our Board of Directors is currently composed of nine (9) persons, all of which are being nominated for re-election to the Board of Directors. Each director serves a one year term. The current directors who will stand as nominees for election as directors, are as follows:

<b>Name</b>	<b>Age*</b>	<b>Position</b>	<b>Year First Became a Director</b>
Robert J. Marino	62	Chairman of the Board, Director	2004
Tony G. Holcombe	54	President and Chief Executive Officer, Director	2003
Jason Few	43	Director	2007
Robert J. Gerrard, Jr.	57	Director	2008
James B. Lipham	61	Director	2005
Wendy J. Murdock	57	Director	2009
Jack Pearlstein	46	Director	2005
Timothy A. Samples	52	Director	2007
Fritz E. von Mering	57	Director	2008

\* Age at April 1, 2010.

**Robert J. Marino** was named Chairman of the Board on December 31, 2006 and has served as a director since February 2004. From August 1998 to February 2003, Mr. Marino served as Group President of Convergys Information Management Group. Convergys Corporation was formed by spinning off Cincinnati Bell Information Systems Inc. (CBIS) and MATRIX Marketing Inc. from Cincinnati Bell Inc. Prior to this, Mr. Marino served as President and Chief Executive Officer of CBIS from October 1996 to August 1998 and Chief Operating Officer of CBIS from November 1995 to October 1996. Prior to joining CBIS, Mr. Marino served as President of the northeast region at Nextel Communications from November 1993 to October 1995. Mr. Marino also held senior management positions at Houston Cellular Telephone Company, Compania de Radiocomunicaciones Moviles in Argentina and Sprint Corporation. Mr. Marino holds a Bachelor of Science degree in economics from the State University of New York College at Brockport. We believe that Mr. Marino's executive and management experience, coupled with his extensive telecommunications background, position him well to serve on our Board. We also believe Mr. Marino's long term relationships with various customers, extensive knowledge of transaction based business models, experience in conducting business globally, experience with large scale software development for telecommunications companies and experience in billing cable and wireless operators complement Syniverse's global business model for providing transaction based services to communications companies. Mr. Marino's prior experience serving on the boards of other companies further augments his broad range of knowledge, providing him a depth of experience from which he can draw while serving as a member of our Board.

**Tony G. Holcombe** has served as a director since March 2003. Effective January 9, 2006, Mr. Holcombe became our President and Chief Executive Officer. From December 2003 to November 2005, Mr. Holcombe served in various executive positions at Web MD, including as President of its Emdeon Business Services (formerly known as WebMD Business Services) segment from December 2003 to October 2004, and as President of Web MD from October 2004 to November 2005. From September 2002 to December 2003 Mr. Holcombe was Chief Executive Officer of Valutec Card Solutions. From May 1997 to September 2002, Mr. Holcombe served in various executive positions at Ceridian Corporation and its subsidiaries. From November 1999 to September 2002, Mr. Holcombe served as Executive Vice President of Ceridian Corporation. Prior to this, Mr. Holcombe was President and Chief Executive Officer of National Processing, Inc. from October 1994 to March 1997. Mr. Holcombe serves on the board of directors of CTIA and the Wireless Foundation. Mr. Holcombe holds a Bachelor of Arts degree from Georgia State University. We believe that Mr. Holcombe's executive and management experience and his prior service on our Board give him an in-depth understanding of the role of the Board, our company and its operations and well qualify him to serve on our Board. We also believe that Mr. Holcombe's service on the boards of two of the wireless industry associations provides Mr. Holcombe with industry specific knowledge and experience that will be of particular importance for Syniverse.

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**Jason Few** joined the Board of Directors in July 2007. Mr. Few is President of Reliant Energy. He joined Reliant Energy in 2008. From 2003 to 2008 Mr. Few served in various executive positions at Motorola, Inc., including Corporate Vice President and GM Companion Products, Corporate Vice President Global Retail and Distribution, Corporate Vice President Global Quality and Customer Advocacy Mobile Devices and Vice President and Chief Marketing Officer of North America. Prior to that, he served in several vice president positions at SBC and in senior marketing and sales positions at AT&T. Mr. Few earned a master's degree in Business Administration from Northwestern University's J.L. Kellogg Graduate School of Management and a Bachelor's degree in Business Administration in computer systems from the Ohio University School of Business. We believe Mr. Few's executive and management experience, as well as his global wireless industry experience and sales and marketing expertise, long term telecommunications customer relationships and risk management experience leading a commodities based energy company allows him to bring valuable insights and perspectives to our Board and qualifies him to serve on our Board.

**Robert J. Gerrard, Jr.** joined the Board of Directors in April 2008. Until January 31, 2009, Mr. Gerrard served as Executive Vice President and General Counsel of Scripps Networks LLC, which he joined in 1997. He has over thirty years of legal experience in the areas of multimedia, entertainment, intellectual property, litigation and mergers and acquisitions. He established the Scripps Networks legal department and oversaw the company's human resources department until January 2007. From 1994 to 1997, he was Vice President and General Counsel of Sega Channel, a joint venture formed by cable television companies Time Warner Cable, Tele-Communications Inc. and videogame creator Sega. He was senior counsel for Home Box Office from 1982-1994 and a litigation associate with Hughes Hubbard & Reed from 1977 to 1982. Mr. Gerrard earned a Juris Doctor degree from Harvard Law School and a Bachelor's degree from Harvard College. We believe Mr. Gerrard's extensive legal and human resources expertise augments his broad range of experience in corporate governance, risk assessment, international transactions, and compensation and management evaluation matters and allows him to bring a variety of viewpoints and perspectives to Board discussions and well qualify him to serve on our Board.

**James B. Lipham** has served as a director since February 2005. Mr. Lipham is Senior Executive Vice President and Chief Financial Officer of Total System Services, Inc. (TSYS) which is publicly held and traded on the NYSE. Mr. Lipham joined Synovus Financial Corp., formerly Columbus Bank and Trust Company Bancshares, Inc., in 1984 as Vice President and Assistant Treasurer of the Financial Division. In December 1987, he transferred to TSYS as Treasurer where he later became Executive Vice President and Chief Financial Officer. Prior to joining Synovus Financial Corp., Mr. Lipham was Senior Vice President and Chief Financial Officer of First Federal Savings and Loan in Columbus, Ga. Prior to First Federal, he was employed with Ernst & Whinney as a Senior Accountant. Mr. Lipham holds a Bachelor of Science degree in Business Administration from West Georgia College. Mr. Lipham serves on the board of directors of TSYS Acquiring Solutions and China Unionpay Data Co. LTD. He is also a member of the board of directors of the Green Island Country Club and Columbus Hospice. We believe Mr. Lipham's broad understanding of the operational, financial and strategic issues facing public and private companies, as well as his financial expertise and experience with transactional based business models, well qualify him to serve on our Board.

**Wendy J. Murdock** joined the Syniverse Board of Directors in May 2009. Ms. Murdock currently is the chief franchise officer for MasterCard Worldwide and is a member of the MasterCard Worldwide Management Council. She also served as the company's chief product officer. Prior to joining MasterCard in 2005, she was an adviser at Putnam Lovell NBF, an investment banking group focused on the global financial services industry. Ms. Murdock also previously held multiple positions with Citigroup, including chief operating officer of retail and high net worth asset management, and she served as director of strategic planning at Salomon Smith Barney and as a partner at global management consulting firm McKinsey & Company. Ms. Murdock earned a Master's of Business Administration degree from the University of Western Ontario and a Bachelor's degree in French Canadian studies from McGill University. We believe Ms. Murdock's executive and management experience, financial expertise, and experience in transactional based global business models well qualify her to serve on our Board. We also believe Ms. Murdock's extensive experience in product development, strategic planning, mergers

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and acquisitions, along with her expertise in enterprise information security, will allow her to bring valuable viewpoints and perspectives to Board deliberations.

**Jack Pearlstein** has served as a director since February 2005. Mr. Pearlstein is currently Chief Financial Officer of Six3 Systems, Inc., a provider of national security and defense intelligence services. Mr. Pearlstein joined Six3 Systems, Inc. in June 2009. From April 2006 to March 2009 Mr. Pearlstein was Chief Financial Officer of Solera Holdings, Inc., a leading provider of software and services to the automobile insurance claims processing industry. Mr. Pearlstein previously served as Chief Financial Officer, Treasurer and Secretary of DigitalNet Holdings, Inc. from September 2001 through October 2004, when DigitalNet Holdings, Inc. was acquired by BAE Systems, North America. From September 2000 until July 2001, Mr. Pearlstein served as Chief Financial Officer of Commerce One, Inc.'s Global Services division, which he joined in September 2000 when Commerce One, Inc. acquired AppNet, Inc. From July 1998 until September 2000, Mr. Pearlstein served as AppNet's Senior Vice President and from May 1999 until September 2000, Mr. Pearlstein served as AppNet's Chief Financial Officer and Treasurer. Mr. Pearlstein has a Bachelor of Science degree in Accounting from New York University and a Master of Business Administration degree in Finance from George Washington University. We believe Mr. Pearlstein's executive and management experience, coupled with his financial expertise and his extensive knowledge and understanding of public and private debt and equity markets, well qualify him to serve on our Board.

**Timothy A. Samples** has served as a director since March 2007. Mr. Samples has over 25 years experience in the communications industry. Since January of 2003, he has been a Principal at Sapience LLC, in Scottsdale, Arizona, where he does consulting work and serves as a non-executive director for two telecommunications and technology companies. From February 2001 to June 2002, he served as Chief Executive Officer, President, and Chairman of the Board of Management for Completel N.V., a Dutch registered competitive local exchange carrier, in London, England and Paris, France. From February 2000 to February 2001, Mr. Samples served as Chief Executive Officer and President of Firstmark Communications, a Pan-European broadband company with operations in seven Western European countries. From September 1997 to February 2000, he was Chief Executive Officer of One2One, a GSM service operator created through a joint venture between MediaOne group and cable and wireless providers. From July 1995 to May 1996, Mr. Samples served as Vice President and General Manager for US West Cellular/Airtouch in Phoenix, Arizona. Prior to 1995, Mr. Samples held various management, sales, and marketing positions with US West/MediaOne Group. Mr. Samples earned a Bachelor's degree in Psychology from the University of Toledo and an advanced Management degree from the Wharton School of the University of Pennsylvania. We believe Mr. Samples' extensive executive and management experience in the telecommunications industry well qualify him to serve on our Board. We also believe Mr. Samples' experience in conducting business globally in the wireless industry complement Syniverse's business model for providing services to wireless operators globally. His experience serving on the boards of other companies further augments his range of knowledge, providing him a depth of experience from which he can draw while serving as a member of our Board.

**Fritz E. von Mering** has served as a director since August 2008. Mr. von Mering is the Managing Director of Miles River Management, a strategic planning and financial management consulting firm. From 1989 to 2006 Mr. von Mering held various executive positions at Boston Communications Group, Inc., a company he helped found, including Chief Operating Officer, Vice President of Development and Chief Financial Officer. Prior to 1989, Mr. von Mering was Chief Financial Officer of Massachusetts Gas & Electric and Vice President, General Manager and Chief Financial Officer for Metromedia Corp. Mr. von Mering has a Master's of Business degree from Babson College and a Bachelor's degree in Accounting from Boston College. Mr. von Mering serves on the board of directors of Microfinancial Corp. We believe Mr. von Mering's executive and management experience, along with his experience in mobile marketing, the prepaid wireless industry and his industry knowledge relating to future wireless innovations and products, well qualify him to serve on our Board. We also believe his experience serving on the boards of other companies further augments his range of knowledge, providing him a depth of experience from which he can draw while serving as a member of our Board.

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**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR THE ELECTION OF ROBERT J. MARINO, TONY G. HOLCOMBE, JASON FEW, ROBERT J. GERRARD, JR., JAMES B. LIPHAM, WENDY J. MURDOCK, JACK PEARLSTEIN, TIMOTHY A. SAMPLES AND FRITZ E. VON MERING AS DIRECTORS.**

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Representatives of Ernst & Young LLP are expected to be present at the Annual Meeting of Shareholders and will have an opportunity to make a statement if they so desire and to respond to appropriate questions.

**Services and Fees and Expenses of Ernst & Young LLP During 2009 and 2008**

The following table presents fees for professional audit and other services rendered by our independent registered certified public accountants, Ernst & Young LLP, for the years ended December 31, 2009 and 2008.

	<b>Year Ended December 31, 2009</b>	<b>Year Ended December 31, 2008</b>
Audit fees <sup>(1)</sup>	\$ 1,120,893	\$ 1,281,200
Audit-related fees <sup>(2)</sup>	364,600	132,715
Tax fees <sup>(3)</sup>		